

MINUTES OF THE REGULAR MEETING OF THE MEDFORD WATER COMMISSION
September 19, 2012

The regular meeting of the Medford Water Commission was called to order at 12:25 p.m. on the above date at the Service Center, 821 N. Columbus Avenue, Medford, Oregon with the following commissioners and staff present:

Chair Jason Anderson; Commissioners John Dailey, Cathie Davis, Lee Fortier

Manager Larry Rains; City Attorney John Huttli; Deputy City Recorder Karen Spoonts; Administrative Coordinator Betsy Martin; Principal Engineer Eric Johnson; Finance Administrator Tessa DeLine; Geologist Bob Jones; Water Quality Administrator Rosie Pindilli; Operations Superintendent Ken Johnson; Big Butte Springs Operator Dennis Burg

Guests: City of Medford Councilmember Bob Strosser; Central Point Mayor and Liaison Hank Williams; Brad Martinkovich

Commissioner Leigh Johnson was absent.

2. Approval or Correction of the Minutes of the Last Regular Meeting of September 5, 2012
Approved.
3. Comments from Audience
 - 3.1 Brad Martinkovich provided information on an upcoming event to be held on September 22, 2012 sponsored by Support Rural America and co-sponsored by the National Constitutionals Sheriffs Association. The event will cover critical issues and solutions regarding property rights, water rights, mining, public land access and Federal and State Jurisdiction.
 - 3.2 John Huttli, speaking as a citizen, stated that there would be a Bear Creek Greenway cleanup this Saturday sponsored by SOLV and Bear Creek Watershed Education Partners.
4. Resolutions
 - 4.1 Resolution No. 1498, A RESOLUTION Authorizing the Chair to Execute a Reimbursement Services Agreement with WageWorks, Inc. for Section 125 Flexible Spending Account Services for the Medford Water Commission (Commission)

After this year, AFLAC will no longer provide a Section 125 Plan (also known as a cafeteria plan or flexible spending account) but has recommended that the Commission transition to its partner WageWorks for these services. Currently there are 11 employees using this reimbursement benefit; the cost to the Commission will continue to be \$6.00 per month per employee. The agreement contains indemnity language, which must be approved by the board. Staff recommended approval.

Commissioner Anderson questioned how the Section 125 Plan works, Ms. DeLine provided the information requested.

Motion: Approve Resolution No. 1498
Moved by: Mr. Dailey Seconded by: Ms. Davis
Roll Call: Commissioners Anderson, Dailey, Davis, and Fortier voting yes.
Motion carried and so ordered. Resolution No. 1498 was approved.
 - 4.2 Resolution No. 1499, A RESOLUTION Awarding and Authorizing the Manager to Execute a Contract with Black & Veatch, for Consulting Services to Design the Robert A. Duff Water Treatment Plant 65 MGD Flocculation and Sedimentation Basin Expansion

This project was the Commission's first procurement using the qualifications-based selection

process. Negotiations with top proposer Black & Veatch were successfully concluded and discussed with the board at the last meeting. Notice of Intent to Award was issued on September 5 and no protests were filed regarding award of this two-part project. Staff recommended approval.

Mr. Anderson questioned how many companies bid on this project; Engineer Johnson noted there were six and that we have used this company before.

Motion: Approve Resolution No. 1499

Moved by: Mr. Dailey

Seconded by: Mr. Fortier

Roll Call: Commissioners Anderson, Dailey, Davis, and Fortier voting yes.

Motion carried and so ordered. Resolution No. 1499 was approved.

5. Authorization of Vouchers

Motion: Authorize the Manager and the Recorder to issue check-warrants in payment of invoices for a total amount of \$2,053,886.03

Moved by: Ms. Davis

Seconded by: Mr. Dailey

Roll Call: Commissioners Anderson, Dailey, Davis, and Fortier voting yes; Fortier recused him from the Rogue Disposal, Rogue Transfer and Rogue Shred vouchers.

Motion carried and so ordered.

6. Engineer's Report (E. Johnson)

6.1 Duff Floc/Sed Basins – This was awarded today; the project kick off meeting is scheduled for October 5.

6.2 Duff Variable Frequency Drive – The HVAC unit has been installed and all of the electrical components are complete. The Variable Frequency Drive start up is under way today.

6.3 Duff Emergency Backwash – CH2M HILL has started on the design; the 75% plan is scheduled for review mid-October.

6.4 Martin Control Station – OBEC has completed the 100% plans and specifications. The plans have been submitted to Building & Safety for permits. The review time for permits is estimated at six to eight weeks. The bid specification documents are being completed and will be advertised the weekend of September 29.

6.5 Capital Hill Reservoir #3 – A preconstruction meeting for the roof joint repair project is scheduled for next week.

Mr. Anderson questioned how the reservoir joints would be repaired, Mr. Johnson explained the process.

6.6 Standards – Standards for Water Facilities, Standards for Fire Protection System and Standards for Backflow Prevention Assemblies are being updated and will be listed on the Medford Water Commission web site for review. The changes made to the Standards are highlighted in yellow. A link to the web site will be emailed to the Commissioners. Manager Rains questioned the board if they would rather have a hard copy of the standards; the board stated they could review on the web. Staff noted standards are usually updated every other year, although this has not been done for three years.

7. Water Treatment Reports (Pindilli)

7.1 Water Quality Administrator Pindilli stated that the move to Duff is behind schedule as office

furniture has not been delivered; furniture is expected to be received by Monday.

- 7.2 Lost Creek Algae Bloom – Ms. Pindilli spoke with Jim Buck of the U.S. Army Corps of Engineers and confirmed the algae numbers at Lost Creek. State agencies are working on best management practices pertaining to monitoring the algae; currently this is in draft form. Mr. Buck is confident that the bloom increase will not affect the Commission. Mr. Dailey questioned if we were still taking river water; Mr. Rains noted that we were.
- 7.3 Monitoring Rule – Ms. Pindilli stated that she attended an Unregulated Contaminates Monitoring Rule webcast, that the Commission was randomly selected to monitor unregulated contaminants on a quarterly basis, and we are required to monitor and incur the cost for this. Nielson Research will not be approved for this monitoring. Mr. Anderson questioned why Nielson Research would not do this; Ms. Pindilli noted that it is costly to do this type of monitoring.
8. Finance Report (DeLine)
 - 8.1 Finance Administrator DeLine stated that a week of field work with the auditors has just been completed.
 - 8.2 Staff is participating in the data software transition and the testing of software data.
 - 8.3 Commissioner Dailey and Ms. DeLine met with Ms. Woodring of Davidson Fixed Income Management and discussed fiscal management; at that time Ms. Woodring advised that it will take 1-1/2 years to build a financial portfolio due to the current rates. Mr. Dailey was disappointed but explained the reasoning behind this.
9. Operations Report (K. Johnson)
 - 9.1 Operations Superintendent Johnson stated that crews have been busy working on Garfield and Holmes Street; both projects are almost complete.
 - 9.2 Street Easement – Mr. Johnson noted that he had correspondence with Tree Toppers/Sabroso pertaining to a street easement. Staff will meet with them pertaining to their request for us to sign a non-disclosure agreement in order to receive access to the street. City Attorney Huttli is involved in this as well.
10. Manager/Other Staff Reports
 - 10.1 Cheryl Casad will retire at the end of this year; she has been with the MWC for 34 years.
 - 10.2 Staff has been working with Medford Public Works pertaining to billing questions. Mr. Dailey questioned what this was pertaining to; Mr. Rains noted that this involved the shared paying of utility billing costs and related questions to new software changes.
 - 10.3 Lost Creek Lake – Further information about the algae bloom was handed out in the board's folders.
 - 10.4 There was a fire last night at Biomass. During that episode someone called in and requested increased pressure. Mr. Rains provided information about the demand spike and resulting pressures in the area.
 - 10.5 The WISE signing will be September 26 at 10:30 a.m. at the Harry & David Conference Center.
 - 10.6 Mr. Anderson noted that it was a nice retirement party for Bob Noelle.

11. Executive Session in Accordance with ORS 192.660(2)(f) – To Consider Information or Records that are Exempt by Law from Public Inspection; and ORS 192.660(2)(h) – To Consult with Counsel Concerning the Legal Rights and Duties of a Public Body with Regard to Current Litigation or Litigation Likely to be Filed

The Board adjourned to executive session at 12:50 p.m.

The Board reconvened at 1:20 p.m. with the same members present.

12. Propositions and Remarks from the Commissioners

Motion: Approve settlement agreement with BVH as amended.

Moved by: Mr. Dailey

Seconded by: Ms. Davis

Roll Call: Commissioners Anderson, Dailey, Davis, and Fortier voting yes.

Motion carried and so ordered.

13. Adjourn

There being no further business, this Commission meeting adjourned at 1:22 p.m. The proceedings of the Water Commission meeting were recorded on tape and are filed in the Water Commission's Office. The complete agenda of this meeting is filed in the Water Commission's Office.

Karen M. Spoonts, MMC
Deputy City Recorder
Clerk of the Commission