

MINUTES OF THE REGULAR MEETING OF THE MEDFORD WATER COMMISSION

October 5, 2016

The regular meeting of the Medford Water Commission was called to order at 12:19 p.m. on the above date at the Medford City Hall Lausmann Annex, Room 151/157 with the following commissioners and staff present:

Chair Leigh Johnson; Commissioners Jason Anderson, John Dailey, Lee Fortier, Bob Strosser

Manager Larry Rains, Medford City Attorney Lori Cooper; City Recorder Karen Spoonts; Administrative Coordinator Yvette Finstad; Principal Engineer Eric Johnson; Finance Director Tessa DeLine; Geologist Bob Jones; Water Quality Director Rosie Pindilli; Operations Superintendent Ken Johnson; Watershed Administrator Craig Harper

Guests: Medford Councilmember Chris Corcoran; Central Point Mayor Hank Williams; Central Point City Manager Chris Clayton

The pledge of allegiance was given.

3. Approval or Correction of the Minutes of the Regular Meeting of September 21, 2016
The minutes were approved as presented.
4. Comments from Audience
5. Resolutions
 - 5.1 No. 1616, A RESOLUTION Authorizing the Manager of the Medford Water Commission to Open a Local Government Investment Pool Account and Deposit Funds in the Amount of \$869,394 for the FFO-LOZIER LANE IMPROVEMENTS (MEDFORD) – IGA #31668 Project

At the regular meeting of August 17, board members authorized the Manager to sign the cooperative agreement for the Lozier Lane improvement project and directed the Finance Director to determine if a letter of credit or depositing a cash payment with ODOT would be more cost effective for MWC. Staff has ascertained an additional solution that would allow MWC to continue to earn interest on investments and eliminate letter of credit fees (in the amount of \$17,387.88) This alternative would be to open a second LGIP account with the State of Oregon, furnish ODOT with an irrevocable limited power of attorney for the account, and transfer the required \$869,394 deposit into it. ODOT would be provided with a confirmation of funds deposited and would provide MWC with an accounting of all withdrawals, which will then be processed by Finance and presented to the Board in the next voucher listing. Staff recommended approval.

Commissioner Dailey questioned the cost of the project; Manager Rains noted the amount was estimated as the total cost will not be known until the project has been completed.

Motion: Approve Resolution No. 1616

Moved by: Mr. Dailey

Seconded by: Mr. Fortier

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

Motion carried and so ordered. Resolution No. 1616 was approved.

- 5.2 No. 1617, A RESOLUTION Authorizing the Chair of the Board of Water Commissioners and the City Recorder to Execute Wholesale Water Service Agreements with the City of Central Point and City of Phoenix, Oregon, each for a Five-Year Period Retroactive to October 1, 2016

The signed wholesale water service agreement for the City of Phoenix has now been received; the agreement for the City of Central Point has been signed. A uniform five-year water service agreement for the Other Cities and Water Districts customer groups created in 2014 is used as the basis for the specific details related to the provision of water service to each. Ashland's contract should arrive by the next meeting. Staff recommended approval.

Commissioner Anderson requested Mr. Rains go through the changes. Mr. Rains noted the rates are based on water availability, pumping times, and special conditions for each city. Commissioner Dailey questioned if Central Point had any issues with the renewal process; Central Point City Manager Chris Clayton expressed concern with Resolution 1058 and would like that cleaned up next time.

Motion: Approve Resolution No. 1617

Moved by: Mr. Fortier

Seconded by: Mr. Strosser

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

Motion carried and so ordered. Resolution No. 1617 was approved.

- 5.3 No. 1618, A RESOLUTION Authorizing the Manager to Sign and Execute Grant Agreement Number GC-0122-17 with Oregon Water Resources Department Related to the Disbursement of Grant Funds, in the Amount of \$162,000 to the Medford Water Commission for the Water for Irrigation, Streams and Economy Water Rights Evaluation Project

As a partner in the Water for Irrigation, Streams and Economy Project (WISE), MWC applied for and was awarded grant funding of \$162,000 from Oregon Water Resources Department for a Water Rights Evaluation for WISE. The evaluation will review existing water rights and proposed infrastructure, develop a plan to meet the water right needs for WISE, and prepare a final feasibility analysis. MWC will manage and administer this grant. Staff recommended approval.

Motion: Approve Resolution No. 1618

Moved by: Mr. Anderson

Seconded by: Mr. Fortier

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

Motion carried and so ordered. Resolution No. 1618 was approved.

6. Authorization of Vouchers

- 6.1 Continued Vouchers from the September 21, 2016 Board Meeting

Payment to Convergent Security Service was approved by Commissioners Anderson and Fortier, who were both absent from the previous meeting.

- 6.2 Consideration of Vouchers for October 5, 2016 Board Meeting

Motion: Authorize the Manager and the Recorder to issue check-warrants in payment of invoices for a total amount of \$1,016,083.63

Moved by: Mr. Dailey

Seconded by: Mr. Anderson

Roll Call: Commissioners Anderson, Dailey, Fortier, Johnson, and Strosser voting yes; Fortier recused himself from the Rogue Transfer voucher.

Motion carried and so ordered.

7. Operations Report (Operations Superintendent Ken Johnson)

- 7.1 Operations Superintendent Ken Johnson provided an update on lead pigtails stating that staff removed a leaded pigtail last week. City of Medford temps are being processed and staff is looking at resumes to help with the workload at the request of the board.

- 7.2 Sensus FlexNet is moving forward with the hardware.

Commissioner Anderson questioned if we would only have FlexNet and not individual readers; Superintendent Johnson stated that was correct and noted we have a 22-year plan although we are slightly ahead of the program. Commissioner Dailey questioned what data we are sending to another company; Superintendent Johnson noted we send them data files and will receive further training on this. Commissioner Dailey noted this is a policy decision on sending information to another company. Commissioner Johnson questioned if we are sending account numbers or personal names. Superintendent Johnson was unsure. Commissioner Dailey would like to know what information is being sent before we go further. Staff will come back at the next meeting with that information. Superintendent Johnson noted they will be going to three days of intense training. Commissioner Dailey questioned when we would send information about our customers; Superintendent Johnson thought it would be in December. Commissioner Dailey would not like any information sent on customers until the board approves.

8. Engineer's Report (Principal Engineer Eric Johnson)

- 8.1 Duff Water Treatment Plant Floc/Sed Basins – Concrete forming, rebar setting and concrete pours continue for the sedimentation basins, settled water flume, elevated walkways and the west end of the basins. Existing basins #3 and #4 have been emptied and demolition work continues. Electrical work continues as well.

Commissioner Dailey questioned if there was anything technically challenging about this process; Principal Engineer Johnson noted not at this time but will have more so at the control room. Two basins will be operational during the winter months, which is common during the winter.

- 8.2 Highway 62 14" Water Main Reroute – No activities concerning MWC facilities have occurred.
- 8.3 City of Medford Lozier Lane Project – ODOT is currently reviewing the plans and specifications and preparing the project for advertising and bidding. The bid opening date is November 17, 2016.
- 8.4 Master Plan Updates – The Water Management and Conservation Water Plan (WMCP) will be finalized and submitted to the state for review this month. CH2M is working on the final draft of the BBS/Duff WTP Facilities Master Plan. CH2M continues to work on the Water Distribution Master Plan reservoir strategies.
- 8.5 Corrosion Study – The mandatory pre-proposal meeting is scheduled for tomorrow at 10 a.m. Currently there are ten consultants on the proposer list. The proposals are due October 28.
- 8.6 Letter from Bernie Young – Staff received a letter from Bernie Young who thought the reimbursement for a 12" commercial line he recently put in was too low as there were many issues he encountered.

Commissioner Johnson would like to see Engineer Johnson reevaluate this soon. Engineer Johnson noted he would look at Mr. Young's costs to see how appropriate they are although he did state this was not something staff requested him to do. The only two properties that can receive service from this are his properties.

- 8.7 Commissioner Fortier questioned the work on Lozier Lane; Engineer Johnson noted utilities were moving their lines before the City started their work.

9. Water Treatment Report (Water Treatment Director Jim Stockton)
Not in attendance.

10 Finance Report (Finance Director Tessa DeLine)

- 10.1 Staff is preparing the Cost of Service Study and will present to the board November 16. The annual audit was postponed but Isler be here the end of October.

Commissioner Dailey questioned the budget and rates. Finance Director DeLine noted rates are based on June of this year.

11. Manager/Other Staff Reports

- 11.1 The MWC will receive a dividend from SAIF Corporation in the amount of \$16,298.

12. Propositions and Remarks from the Commissioners

None

13. Executive Session in Accordance with ORS 192.660_2)(i) – To review and evaluate the employment-related performance of the chief executive officer of any public body, a public officer, employee or staff member who does not request an open hearing.

The Board adjourned to executive session at 12:57 p.m.

The Board reconvened at 1:29 p.m. with the same members present.

14. Adjourn

There being no further business, this Commission meeting adjourned at 1:29 p.m. The proceedings of the Medford 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
City Recorder
Clerk of the Commission