

**Minutes of the Medford Water Commission Meeting
June 16, 2010**

The meeting was called to order at 12:36 p.m. in the Annex Conference Room 151 at 200 S. Ivy Street, Medford with the following members and staff present.

Commissioner Cathie Davis, Tom Hall, Leigh Johnson and Jason Anderson.

Commissioner Don Skundrick was absent.

Manager Larry Rains, City Recorder Glenda Owens, Administrative Coordinator Betsy Martin, Principal Engineer Eric Johnson, Public Information Coordinator Laura Hodnett, Geologist Bob Jones, Water Quality Superintendent Bob Noelle.

Visitors: James Kuntz, City of Medford City Council; Kay Harrison City of Central Point Council; John Huttli, City of Medford City Attorney; Kurt Bennett, City of Medford Fire Department.

2. Approval or Correction of the Minutes of the Last Regular Meeting of June 2, 2010
The minutes were approved as presented.
3. Comments from Audience
None
4. Presentation of Property Insurance Coverage by Beecher Carlson
Mike Mastroni, Beecher Carlson provided the annual insurance liability report. He noted that the coverage remained the same and that there were some increases but due to the Multi Line Credit, CIS has been able to affect a lower total premium of \$117,841.75. He provided an estimate of the data breach insurance which would cost approximately \$15,000 if implemented.
5. Written Communications
None
6. Public Hearings
None
7. Resolutions
 - 7.1 No. 1412, A RESOLUTION Exempting Personal Services for Hydraulic Modeling with Extended Period Simulation (EPS), Training, and Maintenance from the Medford Water Commission's "Contracting and Purchasing Regulations," Pursuant to Section 3.35 – Specific Exemptions, and Awarding Contract to CH2M HILL

Mr. Rains reported that CH2MHill prepared the Water Distribution System Facility Plan and a static hydraulic model of the Medford Water Commission's water system. The static hydraulic model and EPS model continue to be under expansion, and allows staff to look at the performance of the water distribution system over time. Staff recommends approval of this resolution.

Motion: Adopt the resolution.

Moved by: Mr. Hall

Seconded by: Ms. Davis

Roll Call: Commissioners Hall, Davis, Johnson and Anderson voting yes.

Motion carried and so ordered. Resolution No. 1412 was approved.

- 7.2 No. 1413, A RESOLUTION Exempting Water Rights Consulting Services from the Competitive Bidding Requirements of Medford Water Commission's "Contracting and Purchasing Regulations," Pursuant to Section 3.35 – Specific Exemptions, and Awarding a Contract to GSI Water Solutions, Inc.

Mr. Rains reported that this resolution approves the exemption of GSI Water Solutions, Inc. (GSI) from competitive bidding to provide water rights consulting services. In November 2009 the Commission awarded a contract to GSI for preparation of a Water Rights Master Plan. GSI presented the final report at the June 2, 2010 board meeting study session. At that meeting GSI recommended various strategies for securing water rights and the board agreed with moving forward with exploring and implementing those options. GSI has performed satisfactorily and has developed a good understanding of our existing water rights and future resource needs. GSI was the only proposer on the RFP and Adam Sussman is recognized as the most knowledgeable water rights professional in the state of Oregon. Staff recommends that we continue to contract with GSI for the next phases of the project.

Motion: Adopt the resolution.

Moved by: Ms. Davis

Seconded by: Mr. Anderson

Roll Call: Commissioners Davis, Anderson, Johnson and Hall voting yes.

Motion carried and so ordered. Resolution No. 1413 was approved.

- 7.1 No. 1414, A RESOLUTION Authorizing the Manager to Execute an Agreement to Provide Workers Compensation Insurance for Medford Water Commission Employees

Mr. Rains reported that staff receives quotes annually for this insurance coverage. Two quotes were received for policy year 7/1/10 – 6/30/11. Staff recommends awarding to City County Insurance Services (CCIS), based on a quote of \$55,091.02. SAIF once again submitted the lowest quotation: \$49,749.00; however, when staff takes into consideration the multiple policy credit received from CCIS for also carrying the Commission's property/liability insurance, CCIS remains the lower cost option. CCIS has performed very well for the Commission and changing carriers would be a major undertaking without a monetary benefit to the Commission.

Motion: Adopt the resolution.

Moved by: Mr. Hall

Seconded by: Ms. Davis

Discussion regarding SAIF being the lower bid but that CIS is lower as there are multiple policies with them, if we remove one of the policies the savings presented on the general liability would not be as much as the savings from the lower SAIF bid on workers compensation.

Roll Call: Commissioners Anderson, Hall, Davis and Johnson voting yes.

Motion carried and so ordered. Resolution No. 1414 was approved.

8. Authorization of Vouchers

Motion: Authorize the Manager and the Recorder to issue check-warrants in payment of invoices for a total amount of \$1,917,970.49.

Moved by: Mr. Hall

Seconded by: Mr. Anderson

The Board questioned payment to the Shed Guys.

Roll Call: Commissioners Davis, Hall and Johnson voting yes; Anderson recused himself from the Knife River, Mail Tribune vouchers.
Motion carried and so ordered.

9. Engineer's Report

90.1 Duff Water Plan Fish Screen:

Due to the high river flows last week and the in water work period restrictions only exploratory work was done last week. The clam shell excavator is on site and has removed rock that was in the way of the debris deflector. The debris deflector is being installed this week. Once the debris deflector is installed, then work for the tee screen installation will start.

90.2 Duff Operation Remodel:

Staff is currently reviewing the 90% plans and specification and will return the plans and specification this week to KSW for revisions.

90.3 Jackson County Project Ross Lane:

Approximately 2500' of the 12' water main has been installed. Phase 1 is complete and in service. The water portion of the project is approaching the half way mark.

90.4 Control Stations Upgrades

CH2MHill continues to work on the 90% design plans and specifications.

90.5 Ave. G 48" Transmission Main

Staff has returned the rough draft of the pre-design technical memorandum to Thornton Engineering for revisions.

90.6 Coker Butte and Owens

Medford Water Commission staff attended the pre-construction meeting on Tuesday and the project is underway.

90.7 Big Butte Springs #1 Transmission Main

Staff is waiting for the roads to dry out before starting the repairs to BBS #1 transmission main.

90.8 11th Street 36" Water transmission Main

Staff has reviewed the proposed water main alignment in 11th Street and has returned the alignment to Jackson County Urban Renewal Agency engineer for final design.

10. Water Quality Report

10.1 Rogue source production is way short of normal; June production for the Duff WTP is finally increasing. The month-to-date production is about 100 MG.

10.2 All major components are now on site for the High Service Pump #3 replacement project. The installation work will be delayed until after the peak summer demand period.

10.3 Staff continues to monitor the course of events for the harmful algae blooms at Willow Lake and Lost Creek Lake. The latest Willow Lake algae sample collected June 8th was reported at 115,000 cells/ml and continues to exceed the threshold limit required to lift the public health advisory. Jackson County Parks officials expressed concern that the advisory may persist through the summer, significantly impacting the parks operation.

This is the first year for monitoring an algae bloom at Willow Lake and there is no prior reference data. Staff shares the concern that this may become a long term issue and is proceeding with further investigation of the Willow Lake algae problem.

A HAB advisory is now posted for Lost Creek Lake. The COE has an aggressive monitoring program for tracking the algae bloom that includes toxin testing at several locations; no cyanotoxins have been detected to date. Staff is working to coordinate additional monitoring below the dam to confirm that there are no issues for downstream public water systems.

11. Operations Report
None

12. Manager/Other Staff Reports

12.1 Mr. Rains reported on the tour to Big Butte Springs and the Duff Plant and noted that staff did a great job with the presentations. He also noted that a tour open to the general public has been scheduled for July 1st.

12.2 Mr. Rains reminded the commissioners of the joint study session with the Medford City Council on Thursday, June 17, 2010 at 6:00 p.m. in the Medford Room at City Hall.

13. Propositions and Remarks from the Commissioners
None.

14. Adjourn

There being no further business, this Commission meeting adjourned at 1:10 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.

Glenda Owens
City Recorder