

MINUTES OF THE REGULAR MEETING OF THE MEDFORD WATER COMMISSION
July 11, 2012

The regular meeting of the Medford Water Commission was called to order at 12:28 p.m. on the above date at the Medford City Hall Lausmann Annex, Room 151/157 with the following commissioners and staff present:

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

Manager Larry Rains; Deputy City Recorder Karen Spoons; Administrative Coordinator Betsy Martin; Principal Engineer Eric Johnson; Finance Administrator Tessa DeLine; Public Information Coordinator Laura Hodnett; Geologist Bob Jones; Water Quality Superintendent Bob Noelle; Operations Superintendent Ken Johnson; Water Quality Administrator Rosie Pindilli; TS Coordinator Kris Stitt; Conservation Specialist Dave Searcy

Guests: City of Medford Councilmembers Bob Strosser and Greg Jones; Medford City Manager Eric Swanson; Central Point Mayor and Liaison Hank Williams; Central Point Assistant City Manager Chris Clayton; Public Works Management Chris Peters

2. Approval or Correction of the Minutes of the Last Regular Meeting of June 20, 2012
Approved.

3. Comments from Audience

3.1 Chris Peters of Public Works Management stated that the grant application has been accepted; now they will begin to put in requests for reimbursements. The first \$18,000 is available for the grant. Central Point is hosting the trust account for the funding. Forms to be used for tracking purposes have been sent to all cities involved in this process.

3.2 Medford City Manager Swanson stated that he is looking forward to the tours of the Medford Water Commission facilities.

4. Resolutions

4.1 No. 1493, A RESOLUTION Authorizing the Chair of the Board of Water Commissioners to Execute on Behalf of the Medford Water Commission an Intergovernmental Agreement (IGA) By and Between the City of Medford, Oregon, Acting By and Through its Board of Water Commissioners (hereinafter referred to as Commission), and Jackson County, Oregon, a Home Rule Political Subdivision of the State of Oregon, Acting By and Through its Board of County Commissioners (hereinafter referred to as County), for Management and Operations of the Willow Lake Recreational Area

The board approved an earlier version of this agreement at the March 7, 2012 meeting. Subsequently, the County Administrator requested changes. A copy of the revised, signed IGA was presented. The IGA will be effective for 20 years (through December 2031). The prior agreement was executed in 1986 and was a lease agreement. The IGA reduces the total acreage of the recreation area to 760 acres (excluding 200 acres of the "Red Zone" below the dam) and clarifies the responsibilities of each party. Some of the mutually agreed upon, key changes to the agreement are: recognition of the Willow Lake Recreation Master Plan; increased cooperation on water quality issues; annual reporting by the County to the Commission; a requirement for Commission approval in advance of any future County improvements and associated funding sources; that ownership of all infrastructure reverts to the Commission if the County decides not to continue operation of the recreational facilities; and installation of fencing around the recreation area. Staff recommended approval.

Geologist Jones stated that Jackson County has signed the revised agreement; Commissioner Anderson questioned if these were all their requests, Mr. Jones noted that they were. Commissioner Dailey questioned if we were still testing for algae; Manager Rains noted that we are and Water Quality Superintendent Noelle will be presenting information on that later in the meeting.

Motion: Approve Resolution No. 1493

Moved by: Mr. Johnson

Seconded by: Mr. Dailey

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

Motion carried and so ordered. Resolution No. 1493 was approved.

- 4.2 No. 1494, A RESOLUTION Awarding and Authorizing the Manager to Execute an Investment Custody Agreement with U.S. Bank National Association (U.S. Bank) to Provide Custody and Other Services in Connection with Medford Water Commission (Commission) Securities, Cash, and Other Property

As part of the Commission's new investment policy, bank custodial services are required for the Commission's investments. Staff recommended approval.

Mr. Anderson questioned what this will do for us; Mr. Dailey explained the process this entails and questioned if the City of Medford uses U.S. Bank; Finance Administrator DeLine stated that the City is looking into this. Mr. Anderson questioned the charge for their services; staff explained that the minimum annual account fee is \$1,250 a year but can go up to a maximum of \$5,000 per year based on the market value fee. Mr. Anderson questioned if other institutions were considered; Ms. DeLine stated that U.S. Bank was recommended by Davidson Fixed Income Management.

Motion: Approve Resolution No. 1494

Moved by: Mr. Dailey

Seconded by: Ms. Davis

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

Motion carried and so ordered. Resolution No. 1494 was approved.

Out of order.

6. Engineer's Report

- 6.1 Duff Floc/Sed Basins – Black & Veatch and staff met on June 28 to discuss a Scope of Services for the Floc/Sed Basins. Black & Veatch is currently compiling items to be included in the scope and will resubmit for staff review and approval in the near future.
- 6.2 Duff VFD – The project was awarded to Welburn Electric. A preconstruction meeting is scheduled for Thursday.
- 6.3 Duff Emergency Backwash – CH2M Hill has submitted a Scope of Services for staff's review.
- 6.4 Ave G 48" Transmission Main – The final 48" water transmission main tie-in at 11th Street is scheduled for next week. Project cleanup continues; surface restoration is complete except at the water main tie-in point. The disturbed area along Avenue G has been hydro-seeded. Jackson County Road Department has taken possession of the Kirkland Road/Pacific Avenue portion of the project. This project should be completed in the next two weeks.
- 6.5 Martin Control Station – Staff has received the 90% plans and specification from OBEC and is currently reviewing them.
- 6.6 Rossanley Control Station – Staff is soliciting quotes for the installation of the chain link fence and gates.
- 6.7 Other Projects Engineering/Operation Staff are Currently Working on:
- ODOT - Highway 62 is in the preliminary design phase.
 - Jackson County - Pacific Avenue is currently under construction.

- City of Medford - Staff is reviewing the Holmes Avenue final design phase.

7. Water Quality Report

- 7.1 Mr. Noelle noted that staff is pleased to have Rosie Pindilli join the Commission as Water Quality Administrator.
- 7.2 Water Plant Production – A graph was presented, noting we are short of our expected production at this time. With the hot weather we are increasing in water usage but not at the levels seen in past years. Mr. Noelle thought that this could be from people being involved in water conservation. Mr. Rains noted that this is a good thing but this will produce lower revenue.
- 7.3 Blue Green Algae Issues – Mr. Noelle noted that the *Mail Tribune* recently covered this story; so far no algae have been reported in the state. Staff has been working with the state on the rules they are developing for drinking water that may affect the public water source.
- 7.4 Willow Lake - Staff has received the 2011 monitoring report; there is still a small amount of sampling to do this summer. With the additional data and research we should have a good picture what is driving the algae dynamics; at that point staff can then come up with ways to minimize the blooms.
- 7.5 Staff is working on various water quality programs for pending compliance purposes. Mr. Noelle noted that he planned on speaking on this topic at the next meeting but may be out of the office for jury duty.

8. Finance Report

- 8.1 The May Financial Statement will be in next week's packet.
- 8.2 The audit is tentatively set for September 10-14.
- 8.3 New software training for Finance staff will be next week.
- 8.4 The semi annual Service Center inventory so far is only off about \$500.

9. Operations Report

- 9.1 The final inventory report will be presented at the next meeting.
- 9.2 Crews have been busy working on various projects. Two fire hydrants were hit in the last week. Mr. Johnson questioned where this happened at; staff noted on Lone Pine and Inverness.
- 9.3 No Lead Brass Issue – The Commission's inventory is posted at the AWWA subsection website; at present staff has not seen any interest in our inventory.
- 9.4 Water for People Golf Tournament – There will be a golf tournament at Stoneridge Golf Course on August 11 sponsored by the AWWA subsection and various other entities.

Back in order.

5. Authorization of Vouchers

Motion: Authorize the Manager and the Recorder to issue check-warrants in payment of invoices for a total amount of \$432,365.11

Moved by: Mr. Johnson

Seconded by: Ms. Davis

Mr. Johnson questioned the Bear Creek Watershed Council payment; staff noted this is pertaining to Lone Pine, is a portion of the amount owed for the fine and that the rest of the payment should be forthcoming. Mr. Johnson also questioned what is being done on Lone Pine and requested staff input when things come up. Lastly he questioned a high bill for one of the phone lines with Century Link; staff was unsure which location this was for but staff will check on why this line is so much higher.

Roll Call: Commissioners Anderson, Dailey, Davis, Fortier and Johnson voting yes; Anderson recused himself from the Knife River voucher; Fortier recused himself from the Dry Creek Landfill and Rogue Disposal vouchers; Johnson recused himself from the Stanley voucher.
Motion carried and so ordered.

10. Manager/Other Staff Reports

10.1 Leaded Fittings

Mr. Rains noted that Operations Superintendent Johnson has contacted all entities in the Pacific Northwest that use the same leaded fittings that we have in inventory; as of yet there have been no takers. Mr. Anderson questioned if we would be using other cities lists if we needed parts; Mr. Johnson noted that we would. Mr. Rains noted that the reason this is coming before the board is that this will be before them in 17 months. Mr. Dailey questioned the inventory dollar amount; staff noted about \$500,000.

10.2 Software Update

TS Coordinator Stitt stated that on June 19 all three vendors were on site to discuss the discovery sessions and gave a better understanding how the software packages will work together. Staff is currently working on reviewing the discovery documents; cleaning data in the current system and Ms. DeLine is working on a new chart of accounts. The pace is picking up and will continue to do so with training to continue in August. The current date to go live is April 1, 2013.

11. Executive Session in Accordance with ORS 192.660(2)(f) – To Consider Information or Records that are Exempt by Law from Public Inspection

The Board adjourned to executive session at 1:03 p.m.

The Board reconvened at 1:25 p.m. with the same members present.

12. Propositions and Remarks from the Commissioners

12.1 Commissioner Davis noted that she will be gone next week but requested staff update her on the executive session topic of next week.

13. Adjourn

There being no further business, this Commission meeting adjourned at 1:25 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.