

## MINUTES OF THE REGULAR MEETING OF THE MEDFORD WATER COMMISSION

November 2, 2016

The regular meeting of the Medford Water Commission was called to order at 12:35 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

Interim Manager and Principal Engineer Eric Johnson, Medford City Attorney Lori Cooper; City Recorder Karen Spoons; Administrative Coordinator Yvette Finstad; Finance Director Tessa DeLine; Water Quality Director Rosie Pindilli; Operations Superintendent Ken Johnson; Duff/Water Treatment Plant Director Jim Stockton

Guests: Medford Councilmember Chris Corcoran; Central Point Mayor Hank Williams; Central Point City Manager Chris Clayton; Ashland Associate Engineer Pieter Smeenk; Eagle Point City Administrator Henry Lawrence; Eagle Point Irrigation District Brad Taylor; Megan Allison of KTVL; Lora Painter of KDRV

The pledge of allegiance was given.

3. Approval or Correction of the Minutes of the Regular Meeting of October 19, 2016  
The minutes were approved as presented.

4. Comments from Audience  
None

5. Written Communications

- 5.1 Quarterly Letter to the Mayor and City Council

The letter for the first quarter of Fiscal Year 2016-17 was provided as well as the September financials and recent precipitation and flow data. The board agreed to its contents, the Chair will sign and staff will forward it and attachments to the Mayor and council.

6. Authorization of Vouchers

Motion: Authorize the Manager and the Recorder to issue check-warrants in payment of invoices for a total amount of \$1,090,520.63

Moved by: Mr. Dailey

Seconded by: Mr. Strosser

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

Motion carried and so ordered.

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

- 7.1 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 is nearing completion. Footings for the new baffle walls have been poured and the baffle walls started. Electrical work continues.

- 7.2 Highway 62 14" Water Main Reroute – No activities concerning MWC facilities have occurred.

- 7.3 City of Medford Lozier Lane Project – ODOT is preparing the project for advertising and bidding. The bid opening is scheduled for November 17.

- 7.4 Master Plan Updates – The Water Management and Conservation Water Plan (WMCP) has been sent back to CH2M for minor corrections and then will be forwarded to the State for review. Staff received the BBS/Duff WTP Facilities Master Plan from CH2M. CH2M continues

to work on the Water Distribution Master Plan and will submit a rough draft to MWC by the middle of November.

- 7.5 Corrosion Study – MWC received three proposals; the proposals are from West Yost, CH2M, and Black & Veatch. The review period has begun and is scheduled to have one of the proposers chosen by December 9. Staff is requesting two Commissioners participate in the review process. Commissioners Fortier and Dailey agreed to review; Interim Manager & Engineer Eric Johnson will meet with both commissioners mid-December.
- 7.6 Jackson County Table Rock Road Project – Mr. Eric Johnson noted that he will meet with Jackson County and HDR and report back to the board.

Commissioner Strosser would like MWC staff tour the Floc/Sed Basin construction; Mr. Eric Johnson will work with the department heads to set that up.

8. Operations Report (Operations Superintendent Ken Johnson)

- 8.1 Lead Pigtail Update – Operations Superintendent Johnson stated 181 potholes have been completed, 22 formal investigations, with three yet to remove. The most recent lead pigtail was found October 31 on Haven Street from a 1927 12" line. All four temporary people are now working; two on the pot hole crew and two on the regular crew.

Commissioner Dailey questioned the location of those not done; Superintendent Johnson noted they are on Central and the lots are vacant so the homeowners are not concerned.

- 8.2 Big Butte Springs #1 Pipeline – Last Wednesday the MWC went to half pipe on number one pipeline. Average demand has been around 16.64 MG over the past week.
- 8.3 City of Klamath Falls Request – The City of Klamath Falls has requested MWC test four residential SR2 meters on our test bench to confirm their testing protocols and meter accuracy. Klamath Falls is in a bit of controversy on meter accuracy and billing amount to a small percentage of their customers. Staff requested direction.

Commissioner Johnson questioned the liability of doing this; Attorney Cooper noted this is the first she has heard about this but we can have them sign a liability form. The board questioned why they are not going to an independent lab and advised staff to let them know we could not assist in this manner.

- 8.4 Sensus Reach 16 Conference – TS Administrator Stitt and Superintendent Johnson will attend the Sensus Reach 16 conference next weeks in Southern California where they plan to learn about will Sensus FlexNet, AMI systems and successful implementation.
- 8.5 Truck Quotes – Staff solicited quotes on October 11 for one F550 chassis cab with service body using the State of Oregon contract pricing and non-ORPIN Ford vendors. The lowest quote was from Butler Ford at \$72,022; staff recommended accepting the quote. The board agreed.

9. Water Treatment Report (Water Treatment Director Jim Stockton)

- 9.1 Production for the month of September and October was 433 and 11 million gallons (MG) respectively. The September production was well above the five year average. The average high temperature was 84 degrees in September and only a trace of moisture. October had nearly five inches of rain and an average high in the mid-60s. Production for the season was 2,738 MG which is greater than the five year average. The last day of operation was October 5.

- 9.2 Decommissioning of the plant is approximately 90% complete at this time. The process is nearly a month ahead of schedule mainly due to weather, so plant staff has been expediting the availability of portions of the plant for construction.
- 9.3 Anthracite filter media will be ordered this month and delivered early next year. All bids have been received as of today with the low bid of \$30,406. This activity is done approximately every three years to restore the total capacity of media.
- 9.4 Plant staff will be working to accomplish the winter maintenance tasks over the next four-five months. Commissioning activities will need to start earlier than usual next season to bring a portion of the plant on line with part of the new structure.

10 Finance Report (Finance Administrator Tessa DeLine)

- 10.1 Finance Director Tessa DeLine requested the board reconsider Interim Manager Johnson's spending authority of \$25,000. She noted that the board already reviews and approves the vouchers at each meeting and having an authority of only \$25,000 will increase the number of items that will be brought to the board for special approval at each meeting. This includes expenditures such as payroll, payroll taxes, power bills and other items.

Commissioner Dailey questioned what the former Manager's authority was; Finance Director DeLine noted it was \$150,000. Commissioner Strosser questioned what her recommendation would be; Ms. DeLine stated she would like it to stay at \$150,000. Attorney Cooper noted it would be \$100,000 for construction per state law.

Motion: Direct staff to increase the spending authority of Interim Manager Eric Johnson to the previous managerial position policy

Moved by: Mr. Dailey

Seconded by: Mr. Strosser

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

Motion carried and so ordered.

- 10.2 The field work for the annual audit begins early next week. We have supplied all the requested work papers to Isler CPA and now are waiting for the audit selections for account testing.
- 10.3 Staff received notice that PERS rates for the 17/18 and 18/19 fiscal years will increase by an average of 5%. The financial impact is approximately \$20,000 per fiscal year.

11. Interim Manager/Other Staff Reports

Out of sequence

11.3 Customer Service Tech II

MWC has advertised for a Customer Service Tech II to fill the vacancy with Marci Calhoun retiring at the end of November. Closing date for applications is November 14.

11.4 Recurring Payments

MWC currently takes recurring payments from checking accounts. Customers have requested MWC take recurring payments (Auto Pay) from credit cards. Staff will pursue this issue and report back to the board. This was looked at a few years ago but the software has been reconfigured. Accepting credit cards for auto pay will provide another tool for our customers. Customer service would like to do this as well.

Commissioner Dailey questioned if we accept ACH payments; Mr. DeLine stated we do and credit card information is not stored. By looking into auto pay for credit cards may give us an opportunity to look at credit card fees.

- 11.5 The City of Ashland does have a few word changes to their agreement with the MWC; the agreement will be presented to their board December 15.

Back in sequence

11.1 Recruitment of Manager

Mr. Eric Johnson questioned if the board had any comments on the recruitment of a manager, such as water experience only or other managerial experience; he noted past managers have worked for the MWC as engineers.

Commissioner Strosser requested his perspective; Mr. Eric Johnson requested someone with utility experience. He thought part of the failing is taking an engineer into a management experience. Attorney Cooper noted you can hire a recruiting firm who can help. Because the MWC does not really have a human resource department, Commissioner Dailey would like to form a subcommittee of two commissioners and hire Rudd Johnson who can manage the applicant's resumes received from the recruiting firm. The board and Councilmember Corcoran agreed with comments expressed. Commissioner Strosser noted the MWC has become much more complicated through the years and thanked those who have managed before. Commissioners Dailey and Anderson will serve as the subcommittee while meeting with Rudd Johnson. Commissioner Dailey noted we should receive an engagement letter from Rudd Johnson and we will move forward from that.

11.2 2017 Study Session List

A draft of the 2017 study session list was presented; staff strives to provide informative and thought-provoking presentations, and was open to suggestions from board members. Staff made suggestions such as vernal pools, lead pigtails, and working in the public right-of-way. The study session topic for the first meeting of February will be elections training. Commissioners would like a lead pig tail study session sooner and a budget forecast meeting in February. Ms. DeLine would like to meet before that to meet Commissioner's Dailey's expectation.

12. Propositions and Remarks from the Commissioners

12.1 Commissioner Fortier remarked that the Table Rock Road water line discussed during the study session does need to be replaced.

12.2 Commissioner Dailey questioned if we can receive outside help for the newsletter; Administrative Coordinator Finstad stated staff is already working on that.

13. Executive Session in Accordance with ORS 192.660(2)(h) – To Consult with Counsel Concerning the Legal Right and Duties Regarding Current Litigation or Litigation Likely to be Filed

The Board adjourned to executive session at 1:18 p.m.

.....  
The Board reconvened at 1:41 p.m. with the same members present.

Motion: Direct Attorney Cooper to move forward with Larry Rains severance package as discussed in the executive session

Moved by: Mr. Strosser

Seconded by: Mr. Dailey

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

Motion carried and so ordered.

Commissioner Strosser noted at the direction of the board, he met with staff at all locations to update them on the board's decision pertaining to Mr. Rains. The board requested an executive session to discuss Interim Manager Johnson's pay.

14. Adjourn

There being no further business, this Commission meeting adjourned at 1:45 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