

MINUTES OF THE REGULAR MEETING OF THE MEDFORD WATER COMMISSION

August 3, 2011

The regular meeting of the Medford Water Commission was called to order at 12:30 p.m. on the above date at Medford City Hall Lausmann Annex, Room 151/157.

The following commissioners and staff were present:

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

Manager Larry Rains; Deputy City Recorder Karen Spoonts; Administrative Coordinator Betsy Martin; Principal Engineer Eric Johnson; Finance Administrator Tessa DeLine; Water Quality Superintendent Bob Noelle; Operations Superintendent Ken Johnson

Guests: Medford Councilmember Jim Kuntz; Central Point Councilmember Kay Harrison; Mike Mastroni of Beecher Carlson Insurance Agency

Chair Tom Hall was absent.

2. Approval or Correction of the Minutes of the Regular Meeting of July 20, 2011
Approved.
3. Comments from Audience
None.
4. Presentation of Property Insurance Coverage by Beecher Carlson
Mike Mastroni presented the annual property/liability insurance review and recommendations. He stated that the renewal premium is down 9% from last year; from \$117,841 to approximately \$108,000.
5. Resolutions
 - 5.1 No. 1456, A RESOLUTION Amending the Medford Water Commission's Contracting and Purchasing Regulations, Effective August 3, 2011

The proposed changes to the Commission's Contracting and Purchasing Regulations were presented at the study session. Staff will need direction from the Board on several of the modifications. Staff recommended approval of the Regulations as proposed.

The Board discussed the Manager's current signing cap of \$50,000 vs. the recommended State regulations of \$150,000. Commissioner Davis questioned what Medford City Manager's cap is; City Attorney HuttI noted that several years ago council reviewed this and kept it at \$50,000. She further stated that she would like to wait and hear Chair Hall's comments.

Motion: Continue Resolution No. 1456 to the next scheduled meeting of August 17, 2011

Moved by: Mr. Johnson

Seconded by: Mr. Dailey

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

Motion carried and so ordered.

6. Authorization of Vouchers

Motion: Authorize the Manager and the Recorder to issue check-warrants in payment of invoices for a total amount of \$736,309.89

Moved by: Mr. Johnson

Seconded by: Ms. Davis

Commissioner Johnson questioned the payment to Oregon Government Ethics Commission; staff noted that this is a new charge that was passed a few years ago and that every public agency has to pay a yearly charge. Central Point Councilmember Harrison noted that the City of Central Point is paying for this as well. Attorney HuttI explained what this Commission entails and how enforcement takes place. He noted their responses are timely and thorough. The other payment questioned was the Water Resource Foundation subscription; staff noted the name has changed but this is a yearly fee that we have been paying and staff does recommend

supporting them.

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

7. Engineer's Report

- 7.1 Duff Operation Seismic Upgrade and Remodel – Work continues on all floors. Painting, flooring, bathroom tile and other items are being installed. Final cleanup has been started. The elevator has been installed and is operational. The project is scheduled to be completed this month.
- 7.2 Duff Reservoir Seismic Upgrade – This project is currently being advertised for bid. A pre-bid meeting was held on August 2, ten general contractors attended. The bid opening date is scheduled for August 23.
- 7.3 Duff Filters 13-16, Redundant Backwash System and Yard Piping Project – The RFP is being advertised for proposals. A pre-proposal meeting was held on July 26; ten consulting companies attended. Proposals are due August 30.
- 7.4 Control Station Upgrades – The air conditioning equipment is installed at Rossanley. The motor control center is installed and is being wired. There will be no activities at Conrad Pump Station until pumping season is over.
- 7.5 Avenue G 48" Transmission Main – The construction plans and specifications were presented to the Board today. The project is being advertised for bid this weekend.
- 7.6 Martin Control Station – The proposals for the RFP were due August 2. Four proposals were received and are being reviewed by staff. Staff inquired if a Commissioner would like to participate as part of the review committee. Engineer Johnson further stated that there will be a larger project that staff will need board participation.

Acting Chair Anderson requested the Commissioners contact staff if they would like to participate in the review committee.

- 7.7 11th Street 36" Water Transmission Main – The 16" water main in 11th Street has passed all tests and is now in service. The water project for both the 36" water main and the 16" water main is done.

8. Water Quality Report

- 8.1 Charts were provided showing year-to-date and July production. July production is very low compared to previous years.
- 8.2 Willow Lake remains at fully capacity with a trickle of overflow. There is a very good flow of water in Butte Creek; there have been no water releases out of the lake for the Eagle Point Irrigation District.
- 8.3 The Willow Lake research project is going well and the consultant is pleased with the data collected so far. Although there have been no signs of blue green algae, the consultant is stating that the time is ripe for algae.
- 8.4 Cross Connection Program – Staff is having difficulty with a renter of a duplex who is refusing to allow backflow testing. The landlord is an absentee landlord. Staff is going to try to make a final effort to convince the renter that it is the law; the MWC is prepared to initiate the shut off protocol if needed. The Board questioned if staff has had contact with the renter and how long has this been going on. Staff noted it has been about a month, has talked to the renter and sent a certified letter

as well. At present, there has been no response to the certified letter. Commissioner Johnson questioned if a letter from the City Attorney would help. Manager Rains would like to have Superintendent Noelle contact the renter; if that was unsuccessful then perhaps that would be the next step. Attorney Huttl said that he does review and assist staff on these issues as needed. Commissioner Dailey questioned if the renter offered a reason why they would not allow the backflow testing; staff noted that usually the person has other issues with government in general although no reason was given.

9. Finance Report

9.1 Staff is continuing to work on the year-end close, preparing for audit and the annual financial report. They are also revamping the chart of accounts to have ready for the implementation of the new software. This will allow staff to be able to extract data much more easily.

9.2 Staff is preparing to tackle large projects pertaining to inventory and financial records.

10. Operations Report

10.1 Fire Department Inspections – During the next few weeks the Medford Fire Department will be performing fire hydrant inspections. The results will be presented to the MWC for maintenance of the fire hydrants.

10.2 Fire Hydrant Painting - Request for quotes for fire hydrant painting goes out today; staff will solicit local contractors. Superintendent Johnson provided the documentation for this project noting at times it may seem simple but staff goes to great detail to ensure the outcome is what we want. Commissioner Johnson questioned how many people would be receiving the request; staff noted four with posting on the web as well.

10.3 The McNeal Creek Anode Bed Project is complete.

11. Manager/Other Staff Reports

11.1 Highland Drive 16" Line and Replacement Alternatives - Superintendent Johnson presented a staff report on the history of the 16" line, the failures, and replacement alternatives. A portion of the line is on City of Medford property where there is a proposed development of a water park. The cost estimate to replace 1750' line is approximately \$440,000 to \$480,000. This project will go through the budget process.

11.2 Two letters were presented to the Board; one from the City of Central Point and one addressed to the City of Eagle Point. Manager Rains suggested an executive session at the next board meeting to discuss.

11.3 The Rate Work Group is making strides and will meet before the next board meeting.

11.4 DEQ Issues – Staff is still waiting for a response from DEQ pertaining to the issue at Capital Hill. Attorney Huttl noted that we have done our part and it's up to them to respond. Commissioner Johnson would like us to sit low on this until they bring it up.

12. Propositions and Remarks from the Commissioners

12.1 Commissioner Johnson noted that there are food vendors who would like to be involved in the catering business for the MWC. He requested an RFP for catering on a monthly basis or something along that line and not just order food from one vendor only. Staff will discuss and get back to the board.

12.2 Commissioner Johnson questioned Attorney Huttl on the Contracting and Purchasing Regulations

discussed at the study session; if we had a three million dollar project with \$100,000 change order would there be anything wrong with Manager Rains emailing the board for approval and vote by email. Attorney Huttl noted that would be described as a public meeting and then you would need a notice, minutes, etc. Mr. Huttl would prefer Mr. Rains do a one way communication which could then be ratified at the next board meeting. This could be formalized with the regulations going before the board pertaining to change orders.

13. Adjourn

There being no further business, this Commission meeting adjourned at 1:08 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