

MINUTES OF THE REGULAR MEETING OF THE MEDFORD WATER COMMISSION

August 17, 2011

The regular meeting of the Medford Water Commission was called to order at 12:34 p.m. on the above date at Medford City Hall Lausmann Annex, Room 151/157.

The following commissioners and staff were present:

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

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

Guests: Medford Councilmembers Bob Strosser and Jim Kuntz; Central Point Mayor and Liaison Hank Williams; Central Point Assistant City Manager Chris Clayton; Eagle Point Mayor and Liaison Bob Russell; Eagle Point City Administrator Dave Hussell; Eagle Point Public Works Director Robert Miller; Public Works Management Joe Strahl and Chris Peters; Jeff Curl of Northwest Pipe Company

2. Approval or Correction of the Minutes of the Regular Meeting of August 3, 2011
Approved.

3. Comments from Audience

3.1 Eagle Point Mayor Russell enjoyed the study session and the opportunity to work together.

3.2 Jeff Curl, Northwest Pipe Company, located outside of Portland, Oregon, presented a handout on their products. They are a manufacturer of steel pipe and believe they can be very competitive on 48" diameter piping. They are requesting that an addendum be issued to have steel pipe added to the project specifications and allow them to bid on the Avenue G 48" Water Transmission Main. He further stated that the ductile pipe the Water Commission uses originates back east.

Manager Rains noted that staff had not had time to analyze the information provided; Attorney Huttli noted that we would have to search our memory to find out if we have modified specifications after they have gone out. Commissioner Hall noted that when the bids come out in the specification book, if you are requesting a substitution in the bid, the specification book tells you how to do that and Northwest Pipe Company would have to bring this as a formal request to staff, who would approve or deny that request. Mr. Hall requested that Northwest Pipe do this as a formal request. Mr. Curl stated that he did bring this forward to Engineer Johnson and questioned if he did receive that; Mr. Johnson noted that he did. Mr. Rains considers this a formal protest thru the process. Commissioner Johnson questioned if the two pipes coming from the BBS are steel; staff noted that it is. He questioned how long steel lasts vs. ductile pipe; Mr. Rains was unsure but noted that he will bring this back to the Board with a comparison and will let the Board decide. Mr. Curl did have information about corrosion that has been given to staff and noted they have a wealth of knowledge to give to the Board if needed. Mr. Hall noted how he got involved in this, that he asked Mr. Curl for a comparison between ductile pipe vs. steel pipe, and in breaking down the figures thought we should entertain the thought if it saved money. Mr. Hall stated that the opening is September 8, the next Board meeting is September 7; the Board agreed to have Staff provide information on this protest at the September 7 meeting.

4. Resolutions

4.1 No. 1456, A RESOLUTION Amending the Medford Water Commission's Contracting and Purchasing Regulations, Effective August 17, 2011

The proposed changes to the Commission's Contracting and Purchasing Regulations were presented and discussed at the August 3, 2011 study session and regular meeting. Board members preferred to continue the resolution to the August 17 meeting for full Board consideration. Staff requested direction from the Board on the Manager's Purchasing Authority limits. Mr. Huttli recommended the addition of language pertaining to competitive quotes for public improvement,

which has been included in the regulations document. A copy of the amended resolution, in draft form, was presented to the Board.

The Manager's Purchasing Authority is currently \$50,000 and the State allows \$150,000. Change orders that make a contract go over the \$50,000 signing authority has been the issue with staff. Mr. Huttel noted that Commissioner Dailey asked a question pertaining to the signing authority and explained the procedures according to state law including exemptions from competitive bidding. He further stated that this boils down to if the Manager can spend \$150,000. The Board expressed their previous concerns.

Motion: Approve Resolution No. 1456

Moved by: Mr. Dailey

Seconded by: Mr. Anderson

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

Motion carried and so ordered.

5. Authorization of Vouchers

Motion: Authorize the Manager and the Recorder to issue check-warrants in payment of invoices for a total amount of \$1,908,351.43

Moved by: Mr. Johnson

Seconded by: Ms Davis

The vote was deferred until the Board had time to review the vouchers.

6. Engineer's Report

- 6.1 Duff Operation Seismic Upgrade and Remodel – Work continues on all floors and on many items of work. A punch list is being compiled. The project is scheduled to be completed this month. The next scheduled Board meeting is at the newly remodeled Duff Water Treatment Plant.
- 6.2 Duff Reservoir Seismic Upgrade – There are six general contractors prequalified to bid on this project. The bid opening date is scheduled for Tuesday, August 23.
- 6.3 Duff Filters 13-16, Redundant Backwash System and Yard Piping Project – Staff continued to respond to questions from the proposers and post the responses on the MWC web site. There is much interest from proposers on this project. Proposals are due August 30.
- 6.4 Control Station Upgrades – The pump and motor will be delivered and installed at Rossanley pump station next week. No activities are planned at the Conrad pump station until pumping season is over.
- 6.5 Avenue G 48" Transmission Main – A pre-bid meeting was held on August 16. A total of 21 contractors and suppliers attended. The bid opening is currently scheduled for September 8 but will issue an addendum for September 20.
- 6.6 Martin Control Station – Staff is currently reviewing the proposals. A recommendation will be brought to the September 21 Board meeting.

Commissioner Hall questioned if the fish screens are working okay; Engineer Johnson noted that to his knowledge they are but Mr. Noelle can elaborate.

7. Water Quality Report

- 7.1 Superintendent Noelle presented the monthly report and noted that production is a little less than normal.

- 7.2 Cross Connection Control Issue – This issue was previously brought to the Board; the renter has agreed to have the device tested.
- 7.3 Intake – The screen system is operating fine; diver inspection was performed earlier this spring and there is good clearance around the screens and the facility looks good. Mr. Rains questioned if the log was still there; Mr. Noelle stated that because the screen is under six feet of water he was unsure if it was.

8. Finance Report

- 8.1 Finance Administrator DeLine stated that the Medford Water Commission received their first ever Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association. She expressed thanks to staff, JC Rowley and Kristen Jones, for their hard work and efforts and to Isler CPA; without them the MWC would have not been able to create the great report.
- 8.2 Sales may be down but pumping cost is down as well.
- 8.3 Commissioner Dailey updated the Board on the investment program and stated that by the next meeting they should have information to the Board. At present they are looking for a consultant to help put together an investment policy and to manager to fund. Mr. Hall questioned the procedure we would need to go through; Mr. Huttli provided the guidelines. Mr. Dailey is anticipating that in order to choose a firm we would need an RFP.

9. Operations Report

- 9.1 Fire Hydrant Painting - A pre quote meeting was held yesterday; only three painters showed up. The bid has been made to be per fire hydrant. The quote is due August 30.
- 9.2 Uniform Services Quote - Quotes came back yesterday and staff is still reviewing them.
- 9.3 BBS Line - A leak was found on the transmission line; staff found two/three holes in the steel pipe and were able to put a band on it and repaired in about five hours. Mr. Hall questioned what caused the hole; Superintendent Johnson thought that it was probably caused by rocks and improper laying of the pipe.

5. Authorization of Vouchers – con't

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

10. Manager/Other Staff Reports

- 10.1 None.

11. Propositions and Remarks from the Commissioners

None.

12. Executive Session in Accordance with ORS 192.660(2)(f) – To Consider Information or Records that are Exempt by Law from Public Inspection; and ORS 192.660(2)(h) – To Consult with Counsel Concerning the Legal Rights and Duties of a Public Body with Regard to Current Litigation or Litigation Likely to be Filed

The Board adjourned to executive session at 1:15 p.m.

The Board reconvened at 1:28 p.m. with same members present.

Motion: With regard to the City of Central Point Service Agreement and the changes that they have proposed, direct staff to reply with not accepting the first proposed change of considering the best interest of the citizens of Central Point, to agree to the change of Article 5 with regard to the typo correction on projections; and agree to the second change in Article 5 but to alter the last sentence as suggested by our attorney.

Moved by: Mr. Anderson

Seconded by: Mr. Dailey

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

Motion carried and so ordered.

13. Adjourn

There being no further business, this Commission meeting adjourned at 1:30 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. Spoons, MMC
Deputy City Recorder
Clerk of the Commission