



BOARD OF WATER COMMISSIONERS MINUTES

Wednesday, August 5, 2020

Via teleconference

The regular meeting of the Medford Water Commission was called to order at 12:00 p.m. on the above date via teleconference with the following commissioners, staff, and guests present:

Chair Daniel Bunn; Commissioners Jason Anderson, John Dailey, Greg Jones

General Manager Brad Taylor; Executive Administrative Coordinator Yvette Finstad; Information Technology Manager Kris Stitt; Water Meter & Controls Supervisor Ken Johnson; Water Treatment & Quality Director Ben Klayman; Finance & Administration Services Director Tessa DeLine; Human Resources Manager Tanya Haakinson; Capital & Special Projects Coordinator Andy Huffman

Guest(s): Attorney Mark Bartholomew; Medford Council Liaison Tim D'Alessandro

2. Comments from the Audience

None.

3. Public Hearing

- 3.1 Consider Resolution No. 1748, A RESOLUTION Adopting the Amended Proposed Budget for the Medford Water Commission of the City of Medford, by and through its Board of Water Commissioners, for Fiscal Year 2020-21, Which Commenced July 1, 2020, and Making Appropriations Thereunder

Public hearing opened.

No one spoke.

Public hearing closed.

Finance & Administration Services Director DeLine apologized for the error that necessitated the amended budget.

Motion: Approve Resolution No. 1748

Moved by: Mr. Dailey

Seconded by: Mr. Jones

Roll Call: Commissioners Anderson, Bunn, Dailey, and Jones voting yes.

Motion carried and so ordered.

4. Written Communications

- 4.1 Letters from ACCESS and The Salvation Army

Letters have been received requesting annual grant funding for low-income, water bill payment assistance. General Manager Taylor stated that while ACCESS is seeking the standard grant to bring them to a \$5,000 balance, The Salvation Army is asking for a full \$5,000 (despite carrying a remaining balance) in anticipation of being inundated with requests post COVID. Commissioner Anderson disagrees with granting the full \$5,000 to The Salvation Army and is in favor of bringing them up to \$5,000 per usual—they can request more later in the year if needed—and remaining members of the Board agreed. DeLine mentioned that St. Vincent de Paul will submit their request in the near future. Commissioner Bunn confirmed that staff is authorized to proceed with funding St. Vincent de Paul up to \$5,000 when their request is received as well, and Taylor will update the Board following receipt of that request.

5. Consent Calendar

5.1 Approval or Correction of the Minutes of the Last Regular Meeting of July 15, 2020

5.2 Resolution No. 1749, A RESOLUTION Awarding and Authorizing the General Manager to Execute a Contract Amendment in the Amount of \$400,059.35 with LTM, Inc. dba Knife River Materials for Construction of the Robert A. Duff Water Treatment Plant Engineered Lagoons 5-8 Expansion Project

Motion: Approve Consent Calendar

Moved by: Mr. Anderson

Seconded by: Mr. Dailey

Roll Call: Commissioners Anderson, Bunn, Dailey, and Jones voting yes.

Motion carried and so ordered.

6. Items Removed from Consent Calendar

None.

7. Review of Vouchers

Commissioners reviewed the vouchers; no questions were received.

8. Management Reports

8.1 Engineering Report (Capital & Special Projects Coordinator Andy Huffman)

- Coker Butte Reservoir and Duff 65 MGD Expansion projects are in the evaluation & pre-design phase.
- Water Quality Improvements Project and Point of Entry Project in design phase.
- Projects under construction:
 - Duff Water Treatment Plant Backup Power
 - Following a question by Commissioner Dailey at the July 15 meeting, Huffman noted the generators can run for 96 hours to at $\frac{3}{4}$ capacity.
 - 3 generators are being installed; sizes and type appropriate for the different power configurations.
 - Each generator has an onboard reservoir, with internal containment, as well as secondary containment to ensure any spill would be confined.

Commissioner Bunn inquired if the Commission carries pollution liability insurance; we store many different types of materials and it could be beneficial in case of catastrophic failure. Staff will check and report back to the Board at a future meeting.

- Rancheria UV Facility – The building shell is nearly complete, interior piping and installation of UV unit is proceeding, and electrical installation has begun; startup is targeted for the 4th week of August.
- Lagoons 5-8 – Approximately 1970' of structural footing and wall has been installed, along with 450' of 18", 24", and 36" ductile iron pipe and valves.

8.2 Operations Report (Water Meter & Controls Supervisor Ken Johnson)

- Staff is pre-planning for budgeted capital improvement projects:
 - Advanced Metering Infrastructure (AMI) sites at Highland Reservoir and Southwest Reservoirs
 - Completing safety improvements related to fall protection at various reservoirs
- Operations Maintenance Department – A three-man crew lowered 12 valves for the City of Medford paving project on McAndrews Road, 9 had to be lowered to the main. This involved night work, permission from the City, and a moving traffic

control plan.

8.3 Water Treatment & Quality Report (Water Treatment & Quality Director Ben Klayman)

- Springs operating at pipe and a half capacity (approximately 19 mgd); staff is still working with the historical data.
- Willow Lake level is above average; extra capacity in Big Butte Creek keeps lake levels up, as Eagle Point Irrigation District (EPID) requests less water. Taylor noted that EPID has been pumping from their lower intake, demonstrating their understanding and willingness to work with us. Klayman confirmed that they have been a great partner.

Commissioner Dailey questioned how other irrigation districts are doing with their water supplies; Klayman acknowledged that Talent Irrigation District delayed their season and will likely end early as well, but he is not familiar with others besides EPID.

- In light of being a pipe and a half capacity, Klayman compared total system demand from May 2015-current to finished water production from the Duff WTP for the same period. Current daily demand is lower than in 2015 in spite of warm temperatures, and a record for daily production from the treatment plant has been set due to the Springs being at pipe and a half capacity. Duff has to make up the difference: this year has been the earliest start date on record, a new record of nearly 38 mgd of finished water was produced on August 1, and it has been a record production year-to-date from startup through August 4. Taylor remarked that this data tells a clear story around the reasoning for the work we are doing to expand the plant.
- Preparing an RFP with the forestry consultant for fuels treatment in the watershed, which will culminate in a recommendation to the Board in a couple months.
- Compliance with water quality regulations is 100%.

8.4 Finance Report (Finance & Administration Services Director Tessa DeLine)

- A monthly comparison of cash receipts from 2020 versus calendar year 2019 results in a noticeable decrease in cash receipts for July. Even with this decrease, we are still \$433k ahead of last year when looking at the year to date.
- Starting to see an increase in accounts receivable totals for the 31 to 60-day period, and the 120-plus day period as well, when looking at past due accounts and average bill totals.

Commissioner Dailey asked for clarification on the “average” terminology; DeLine confirmed it refers to cumulative average.

- Closed water accounts – Accounts that have been closed due to customer moving out of the area or no longer at the service address for reasons other than shut off for non-payment. The account holders are no longer active customers of MWC. Due to the temporary halt on collections activity for COVID-19, accounts that have been closed and past due have not been sent to collections.
 - Staff would like thoughts from the Board on resuming collection activities for these accounts.

Commissioner Dailey remarked that starting collection activities in the middle of a pandemic could be badly perceived by the public, with Commissioner Anderson adding that they could become stale if you wait too long. Taylor recognized that this was the reason for bringing this item to the Board, although perception may not be impacted since these are no longer Commission customers. To collect on such

accounts, they are sent to a collection agency. Since we have not done collections since March, these are all 30 to 120-plus days past due, reinforced DeLine. Commissioners Dailey and Jones asked for the rate of recovery on previous collections activity; DeLine will research that topic. Commissioner Bunn noted that it is more of a philosophical issue than a fiscal one. When queried by Commissioner Anderson on what staff wants to do, DeLine responded that they would like to submit these accounts to collections. This could be problematic in the future around our decision making for those that are behind on their bill, cautioned Commissioner Bunn. We have limited funds for bad debt accounts, and per Taylor, the internal thinking is to start working with these customers with greater liabilities and connect with them on ways to get caught up.

Commissioner Bunn is in agreement with sending these to collections and would rather put staff effort on customers. It is difficult to tell other customers that they must pick up the slack, as bad debt translates to water rates. Commissioner Dailey asked if we have liens against real estate, and Commissioner Bunn added that he would be in favor of liens if we can. Attorney Mark Bartholomew will look into liens and report back to staff. The Board gave overall consensus to send these closed accounts to collections. Klayman interjected that if some of these accounts are less than 30 days old, perhaps we need to make a distinction between those closed before and those closed after the pandemic; Commissioner Bunn approves sending to collections after 90 days. Commissioner Dailey specified that we should catch up to whatever our policy is.

8.5 IT Report (IT Manager Kris Stitt)

- Security update
 - LastPass Rollout – Password management software provides password protection and allows departments to securely share passwords; rollout has started with the Finance Department.
 - Phish Testing – We are seeing an uptick in COVID-19 related phishing emails and have increased our testing; this has resulted in a slight increase in failure rates early on (2.25% for Q4).
 - Multi-Factor Authentication for remote access – We now require Multi-Factor Authentication to connect to our systems with ConnectWise.

Commissioner Bunn noted that his office utilizes LastPass and finds it very helpful.

8.6 HR Report (Human Resources Manager Tanya Haakinson)

- 12-month look back at personnel changes
 - New hires – New positions: HR Manager, Purchasing Agent, Field Tech Lead, Associate Engineer, Utility Person I. Refill positions: Staff Engineer (due to promotion), Customer Service Tech I (due to a retirement)
 - Retirements – Field Tech III, CS Coordinator
 - Voluntary terminations – Utility Person I (return to previous job), Water Maintenance Supervisor (new position at another company), Conservation Specialist (did not return after Leave of Absence)
- Promotions and job growth have provided a lot of internal growth and development.
- Upcoming New Hire: Associate Engineer Dashton Peccia set to start on 8/24.
- The performance management system update has been completed; will conduct a live test before phased roll out.
- Working on compensation structure update: Including Equal Pay Act Analysis, Compensation policies and releasing those related policies to employees by end of August 2020.

8.7 General Manager's Report (General Manager Brad Taylor)

- Buck Rowden – Longtime BBS caretaker (1962 to 2003) Buck Rowden passed away July 26 at the age of 77; his dad had worked in the position before him since 1948. They are part of a long-term legacy that cannot be replaced. He resided on our last remaining life estate, which we will be working to close and restore to natural condition (bare land).
- Draft framework for phase 1 of the water right strategy is underway; the goal is to bring it back to the Board during the first meeting in September.
- Continuing MWC Campus property search; may be bringing it to the Board soon.
- Conversations continue with the Union; there has been positive movement, but the process is lingering due to challenges such as healthcare and the pandemic.
- Upcoming Board Schedule: 8/19 - 4Q 2019/20 Summary Report, 9/2 - MWC Regulations, which is moving forward after a long period of no changes.

9. Propositions and Remarks from the Commissioners

None.

10. Adjourn

There being no further business, this Commission meeting adjourned at 12:53 p.m. The proceedings of the Medford Water Commission meeting were recorded and are filed at Medford Water Commission's office, along with the complete agenda of this meeting.

Yvette Finstad
Assistant Clerk of the Commission