

MINUTES OF THE REGULAR MEETING OF THE MEDFORD WATER COMMISSION

January 7, 2015

The pledge of allegiance was given.

The regular meeting of the Medford Water Commission was called to order at 12:30 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; Assistant City Attorney Lori Cooper; Deputy City Recorder Karen Spoons; Administrative Coordinator Betsy Martin; Principal Engineer Eric Johnson; Public Information Coordinator Laura Hodnett; Operations Superintendent Ken Johnson; Duff/Water Treatment Plant Supervisor Jim Stockton; TS Coordinator Kris Stitt; Geologist Bob Jones; Conservation Technician Dave Searcy

Guests: City of Medford Councilmember Chris Corcoran; Central Point Mayor & Liaison Hank Williams; Central Point City Manager Chris Clayton; Bob Strosser

3. Approval or Correction of the Minutes of the Last Regular Meeting of December 17, 2014
The minutes were approved as presented.
4. Comments from Audience
 - 4.1 Medford Councilmember Corcoran stated that the City of Medford is very proud to elect Bob Strosser to serve as a Medford Water Commissioner and thanked outgoing Commissioner Cathie Davis for her service.
5. Resolutions
 - 5.1 No. 1566, A RESOLUTION Authorizing the Manager to Execute a Three-Year Agreement By and Between Ricoh and the Medford Water Commission (Commission), for Maintenance Services for the Ricoh Copy Machine at the Service Center Facility

Staff is interested in extending the maintenance agreement with Ricoh for the Service Center copy machine. The agreement includes limitations-of-liability language as a condition of providing services. Agreements that include such language must be approved by the Board per the Commission's Contracting and Purchasing Regulations. Costs for these services by the third year of the agreement will be around \$200 annually. Staff recommended approval.

Motion: Approve Resolution No. 1566

Moved by: Mr. Dailey

Seconded by: Mr. Johnson

Commissioner Anderson questioned the location of the copier; Operations Superintendent Ken Johnson stated that this is the machine that he uses, is housed at the Service Center and is a great copier. Mr. Anderson questioned what the shelf life is; Mr. Johnson noted that they have had this copier for about five years and that the shelf life could be any time and if that happened they would go out to bid.

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

Motion carried and so ordered. Resolution No. 1566 was approved.

- 5.2 No. 1567, A RESOLUTION Authorizing the Distribution of a Water Conservation Assistance Grant in the Amount of \$2,400 to Facilitate Completion of the Final Phase of the Landscape Conversion Project at the First Christian Church of the Northeast Corner of Crater Lake Avenue and Brookhurst Street

The final wrap-up of the project will address the parking strip on Brookhurst. When completed, the value of the entire project will be approximately \$30,000, of which the Commission has contributed around \$13,000. All of the labor has been donated. Staff recommended approval.

Motion: Approve Resolution No.1567

Moved by: Mr. Dailey

Seconded by: Mr. Johnson

Commissioner Dailey questioned the amount of money needed for this portion of the project and thought it seemed high; Public Information Coordinator Laura Hodnett noted that this is a comment that is common when talking about landscaping. Conservation Technician Dave Searcy provided additional information on the project and remarked that the church is also being awarded a grant from Cow Creek pertaining to food.

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

Motion carried and so ordered. Resolution No. 1567 was approved.

6. Authorization of Vouchers

Motion: Authorize the Manager and the Recorder to issue check-warrants in payment of invoices for a total amount of \$486,865.87

Moved by: Mr. Johnson

Seconded by: Mr. Fortier

Mr. Dailey questioned the penciled in figures; Finance Administrator Tessa DeLine stated the total was correct but there are still issues that the software company will have to help with. Commissioner Johnson questioned a payment to USDA Forest Service; Geologist Bob Jones noted that it is an annual fee that we have been paying for years but the fees have increased. Mr. Johnson expressed his frustration that they charge us even though the MWC does help them out on their lands.

Roll Call: Commissioners Anderson, Dailey, Davis, Fortier, and Johnson voting yes; Anderson abstained from the Ipipe Plumbing voucher; Fortier abstained from Rogue Transfer & Recycling voucher.

Motion carried and so ordered.

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

- 7.1 Duff Water Treatment Plant Duff Flocc/Sed Basins – Staff and Black & Veatch had a review meeting yesterday. The 98% plan comments were reviewed and the 100% plans are being completed. Staff will present the plans to the Board in early February.
- 7.2 Duff Water Treatment Plant Raw Water Intake Pumps 1 & 2 – The project is currently on hold awaiting delivery of the variable frequency drive motors in February and the new pump #2 in March.
- 7.3 Duff Water Treatment Plant Filters 5-8 Valve Replacement – All of the 4" valves are on site. The 24" valves have been ordered and should be on site in about four weeks. Medford Mechanical is in the process of submitting contracts, bonds and insurance to MWC. Once the contracts are received by MWC a pre-construction meeting will be held.
- 7.4 Vilas Road 16" Water Main Inter-tie – Staff has reviewed the final plans. The specification and cost estimate are currently being worked on.
- 7.5 Avenue H 12" Water Main Replacement – Marquess is working on the final design of the water main.

8. Water Treatment Report (Water Treatment Director Jim Stockton)
 - 8.1 Water Treatment Director Jim Stockton stated that they are at the half-way point in winter maintenance. He stated that they are working on items such as modifying the surface piping, winterizing, and repairs to stop leaks. CIP maintenance projects are underway as well.
9. Finance Report (Finance Administrator Tessa DeLine)
 - 9.1 Finance Administrator Tessa DeLine stated that the software consultants implemented the inventory fix. It will be tested once the December and part January issuances have been posted; it is expected to be completed by the end of the week.
 - 9.2 Finance staff is working on getting caught up; final issues should be expected to be completed soon. Mr. Anderson questioned if there were any issues with the July financial received; staff stated there was none.
10. Operations Report (Operations Superintendent Ken Johnson)
 - 10.1 Operations Superintendent Ken Johnson stated that staff is questioning how much pipe to replace on Ohio Street and will know more next week.
 - 10.2 It has been since 2007 that staff has purchased copper and will need to order more shortly. Low lead brass will also need to be ordered.
 - 10.3 The MWC received a letter from Knife River announcing a price increase in raw product cement.
11. Manager/Other Staff Reports
 - 11.1 Manager Rains stated that the City of Medford Boards and Commissions luncheon will be January 23 at the Rogue Valley Country Club. The Board noted that they had not received their invites; Mr. Rains stated that he would get them sent.
 - 11.2 The HDR rate study is back on track. This September staff hopes to have the rate study done by HDR with a possible rate increase in January 2016 which would be based on June 2014 numbers. In September 2016 another annual rate study will be done by staff with a possible rate increase in January 2017 which would be based on June 2016 numbers. This will establish an annual rate study review using financial numbers that have a six month lag period. Mr. Anderson questioned when we will see the initial HDR rate study; Mr. Rains noted that the Board will see this well before this September, most likely around the beginning of summer.
12. Propositions and Remarks from the Commissioners
 - 12.1 Mr. Anderson questioned if the Board would like to discuss the study session topic of bi-monthly billing; staff presented mostly the con side of the issue at the study session: Mr. Rains noted that staff will be happy to bring back a more detailed pro side to the issue for going to bi-monthly readings including related cost savings. Mr. Anderson expressed concern with the 7 to 10 day delay with the third party direct payment method. Mr. Dailey expressed concern with the proposed IVR system and phone tree issues we all have experienced at one time or another. Commissioner Fortier thought that Mr. Corcoran brought forth great information during the study session. Other options were discussed such as incentives to persuade customers to use electronic payments in some form rather than checks. Ms. Hodnett noted that there has been talk about automatic payments and that if implemented, would have to be customer friendly.
13. Adjourn

There being no further business, this Commission meeting adjourned at 1:00 p.m. The proceedings of the Water Commission meeting were recorded on tape and are filed in the Water Commission's

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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