



BOARD OF WATER COMMISSIONERS MINUTES

Wednesday, April 19, 2017

Lausmann Annex Room 151/157

200 S. Ivy Street., Medford, Oregon 97501

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 John Dailey; Commissioners Jason Anderson, Daniel Bunn, Leigh Johnson; 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; Geologist Bob Jones; Water Quality Director Rosie Pindilli; Operations Superintendent Ken Johnson; Duff/Water Treatment Plant Director Jim Stockton; Watershed Administrator Craig Harper; Finance Tech I Anna Roeder

Guests: Medford Councilmembers Michael Zarosinski and Tim D'Alessandro; Central Point Mayor Hank Williams; Central Point City Manager Chris Clayton; Eagle Point City Administrator Henry Lawrence; Phoenix Public Works Director Ray Di Pasquale; Dennis Schmader

3. Approval or Correction of the Minutes of the Last Regular Meeting of April 5, 2017
The minutes were approved as presented.

4. Comments from the Audience

- 4.1 Dennis Schmader thanked the Commissioners for their time and effort.

5. Resolutions

- 5.1 No. 1631, A RESOLUTION Modifying and Establishing the Rate of Return on Investments Charged to the Outside, Other Cities, and Districts Customer Groups (OCGs) of the Medford Water Commission

The rate of return charged to the Outside Customer group was established by the board in 1998 and was last modified in 2010. In order to maintain responsiveness to the current rate, Chair Dailey had requested that the minimum and maximum rates of return be modified. This resolution was pulled from the last meeting agenda for further editing. Staff recommended approval.

Commissioner Dailey noted the correction(s) to the resolution.

Motion: Approve Resolution No. 1631

Moved by: Mr. Johnson

Seconded by: Mr. Strosser

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

Motion carried and so ordered. Resolution No. 1631 was approved.

- 5.2 No. 1634, A RESOLUTION Authorizing the Manager of the Medford Water Commission to Execute on Behalf of the Board of Water Commissioners a Memorandum of Understanding with the Rogue River Watershed Council

This Memorandum of Understanding (MOU) between the Commission and Rogue River Watershed Council (RRWC) will formalize a partnership to support water quality and watershed health improvements while facilitating efficiencies, leveraging funding

and maximizing limited resources and staff. The Commission will provide \$25,000 annually, for a five-year term to RRWC to accomplish priorities mutually beneficial to both parties. This MOU replaced the Commission's Water Quality Improvement Grant Program. Staff recommended approval.

Commissioner Anderson questioned if this is something new; Geologist Jones noted this was brought to the board about two years ago and is just now getting back to them. Commissioner Dailey questioned if this has to do with consolidation; Mr. Jones noted the Oregon Watershed Enhancement Board had requested that and it is working well.

Motion: Approve Resolution No. 1634

Moved by: Mr. Johnson

Seconded by: Mr. Strosser

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

Motion carried and so ordered. Resolution No. 1634 was approved.

6. Authorization of Vouchers

6.1 Continued Voucher from the April 5, 2017 Board Meeting

Due to abstentions at the previous meeting, the payment to Asante Physicians Partners was approved by Commissioner Leigh Johnson, who was absent from the April 5 meeting.

6.2 Consideration of Vouchers for April 19, 2017 Board Meeting

Motion: Authorize the Manager and the Recorder to issue check-warrants in payment of invoices for a total amount of \$388,680.32

Moved by: Mr. Anderson

Seconded by: Mr. Johnson

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

Motion carried and so ordered.

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

7.1 Duff Water Treatment Plant Flocc/Sed Basins – The testing and startup of the basin is complete. SCADA integration is in progress. Phase 3 of the project is proceeding.

7.2 City of Medford Lozier Lane Project – The project is underway with construction on Prune Street.

7.3 Master Plan Updates – The Water Management and Conservation Water Plan (WMCP) is on administrative hold pending the approval of the water right extension. Staff has reviewed the CIP portion of the final draft of the Water Distribution Master Plan and is coordinating a meeting with CH2M.

7.4 Corrosion Study – MWC has received the executed contracts from Black and Veatch. A project kickoff meeting is scheduled at the Duff WTP on May 9.

7.5 Jackson County Table Rock Road Project – HDR has submitted the 60 percent plans and specification for review. Staff is currently reviewing the plans.

7.6 City of Medford Foothill Road – The City of Medford will have base plans available to MWC in the middle of April. Upon receiving the base plans MWC will start the water main design.

Commissioner Dailey questioned if the City is doing Foothill by themselves; Interim Manager Johnson noted they will do the design work and will contract the rest out.

8. Operations Report (Operations Superintendent Ken Johnson)

- 8.1 MWC has received claims pertaining to the Jeanette Avenue main break.
- 8.2 The Archer valve that was closed at time of break has been evaluated. It appears that the valve had two intermittent mechanical problems. Staff has observed the valve changing state from OPEN to CLOSE without human interaction. An outside contractor once under contract will evaluate and correct the control logic.
- 8.3 Improvements to the existing Cedar Links anode bed are nearly complete.
- 8.4 Crews have been lowering valves for City of Medford paving projects. This is seasonal work that will continue in the summer months.

9. Water Quality Report (Water Quality Director Rosie Pindilli)

- 9.1 Our annual backflow report was submitted to the Oregon Health Authority as requested. We have approximately 13,000 testable backflow assemblies in our system. Not all were tested due to such things as lack of manpower and software issues. MWC increased the backflow fee charged to all customers from .75 cents to .94 cents to cover expenses.
- 9.2 All MWC owned assemblies are currently being tested, including Duff, Service Center, all pump stations, hydrant devices, and all customers on the BBS transmission lines.
- 9.3 Two recent incidents occurred demonstrating the importance of backflow protection in our system: 1) a plumber caused air into the customers' service line which made its way into the main line and 2) a section of our system lost pressure after a large main break on Jeanette causing water to be pulled from residences back into our system.
- 9.4 Staff is currently searching for a temporary Water Quality Technician.

10. Finance Report (Finance Director Tessa DeLine)

- 10.1 The draft 2017-18 annual budget is nearing completion. Staff worked together late last week and reviewed the draft budget as a whole. The next step is to apply the recommended changes and to update year end projections based upon the March 2017 financial statements.
- 10.2 The annual budget is scheduled to be presented at the May 17 Study Session. Ms. DeLine stated she would like to meet with Commissioner Dailey so that it can be presented as he wants.

Commissioner Strosser stated he will be out of town during the budget process.

11. Interim Manager/Other Staff Reports

- 11.1 Recurring Payments – MWC has received an email from AUS (Advanced Utility Systems) concerning the recurring credit card payments. The current software does not support the current MWC vendor, Elavon, for tokenization. AUS would recommend using Paymentus and/or invoice Cloud for payment vendors. Since the customer service software will be updated in one year, the recurring payment issue will be addressed then. The cost for the software update can include the recurring payment issue.

12. Propositions and Remarks from the Commissioners
 - 12.1 Commissioners Anderson and Dailey will meet Tuesday, April 25 with our consultants pertaining to the search for a manager.
13. Adjourn

There being no further business, this Commission meeting adjourned at 12:55 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. Spoons, MMC
City Recorder
Clerk of the Commission