

MINUTES OF THE REGULAR MEETING OF THE MEDFORD WATER COMMISSION
May 15, 2013

The pledge of allegiance was given.

The regular meeting of the Medford Water Commission was called to order at 12:24 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; Attorney John Huttli; Deputy City Recorder Karen Spoons; Administrative Coordinator Betsy Martin; Principal Engineer Eric Johnson; Geologist Bob Jones; Water Quality Administrator Rosie Pindilli; Operations Superintendent Ken Johnson

Guests: City of Medford Councilmembers Bob Strosser; Ashland Senior Engineer Pieter Smeenk; Central Point Mayor and Liaison Hank Williams; Central Point City Manager Chris Clayton; Eagle Point Mayor and Liaison Bob Russell; Eagle Point Public Works Director Robert Miller; Joe Strahl of RH2 Engineering; Talent Councilmember Darby Stricker; Greg Jones

3. Approval or Correction of the Minutes of the Last Regular Meeting of May 1, 2013

The minutes were approved as presented.

4. Comments from Audience

4.1 Eagle Point Mayor Bob Russell stated that their council held a public hearing last night and approved raising their water base and consumption rates. Commissioner Johnson questioned when the last time they raised their rates was; Mr. Russell stated that they have not raised their rates, other than MWC increases, in about ten years.

4.2 Central Point Mayor Hank Williams stated that the City of Central Point had also raised their fees as well.

4.3 Joe Strahl of RH2 Engineering stated that he received the letter from the Medford Water Commission pertaining to the focus group for the rate study evaluation project and will get back to the board regarding a representative.

5. Authorization of Vouchers

Motion: Authorize the Manager and the Recorder to issue check-warrants in payment of invoices for a total amount of \$5,067,197.84

Moved by: Mr. Dailey

Seconded by: Mr. Johnson

Roll Call: Commissioners Anderson, Dailey, Davis, Fortier and Johnson voting yes; Fortier abstained from the Rogue Disposal, Rogue Transfer and Rogue Shred vouchers.

Motion carried and so ordered.

6. Engineer's Report (E. Johnson)

6.1 Duff Flocc/Sed Basins – Staff has reviewed the technical memorandums and Part B, Scope of Service, for the design portion of the contract. Staff will be reviewing all of the documents with Black & Veatch tomorrow at the workshop. The workshop will also focus on the construction phasing for the project. The Basis of Design Report will be started once the technical memorandums are returned to Black & Veatch.

6.2 Duff Emergency Backwash – The project is on hold as staff is awaiting for equipment to be manufactured and delivered.

6.3 Martin Control Station – The block walls are under construction and will continue for all of next week.

Commissioner Anderson questioned where the property is located; Principal Engineer Johnson noted this is the property we bought from ODOT. Mr. Anderson further questioned how the station received its name; staff explained that it was named after a former employee.

- 6.4 Water Main Project Lyman Street & Bundy Street – Central Valley Excavation has started construction on the Lyman Street project. The water main has been installed on Hillcrest Road and is currently being installed on Lyman Road. The Bundy Street Project will start once the Lyman Street project is completed.

Mr. Anderson questioned what the BOLI fees are for; Mr. Johnson noted the fees were previously paid by the contractor but are now paid by the developer.

- 6.5 Water Main Project Highway 62 Bypass – The pothole data and conflict exhibits are still under review with ODOT.
- 6.6 Water Main Project Texas Roadhouse – Quotes were solicited for the Texas Roadhouse project. Three quotes for the projects were received on May 9. The low quote for Texas Roadhouse is Johnny Cat, Inc. with a quote of \$93,934. All of the quotes were submitted to ODOT for review; ODOT has approved the quotes. The contract was awarded to Johnny Cat, Inc. and MWC is awaiting return of the contracts, bonds and insurance. Once submitted to MWC a notice to proceed will be issued. Texas Roadhouse is expected to open June 17.
- 6.7 Highlands Subdivision Phase 2 – A prospective buyer for Highlands Phase 2 has been inquiring about the requirements for developing Phase 2. Although the requirements for developing Phase 2 are the same as any other subdivision, there were previous issues associated with this development that were not resolved. A refund district for the reimbursement for the construction of the Highland Reservoir was to be formed, but the amount of reimbursement was never agreed upon by the developers. The refund district would have started on March 3, 1999 and expire on March 3, 2009, ten years later. A longer time period, 25 years, for a refund district was presented to the board on April 13, 1999 and in general discussion the board was not in favor of the longer period. On February 22, 2007 a fee letter was issued on the project for Phase 2. The letter instructed the current owner to work with the Highlands, LLC to resolve the refund district reimbursement concern. Since June 6, 2007 no correspondence has occurred on this issue. The prospective buyer has been informed about the refund district. However the refund issue should be a dead issue since the refund district time has elapsed.

Commissioner Dailey questioned where the location is; Mr. Johnson noted it is at the top of Cherry Lane.

7. Water Quality Report (Pindilli)

- 7.1 The Residential Backflow Survey Program is winding down for the summer season and will resume in October. The testing results for 2012 were provided.
- 7.2 The required regulatory compliance testing has increased with the Duff Treatment now on-line.
- 7.3 Staff is receiving water quality complaints as customers notice now that they are receiving some river water. Most of the complaints are of strong chlorine smell. Even though we haven't increased the hypochlorite, there are more organics in the river water which react with chlorine compounds and typically off-gas at the tap.
- 7.4 Less snow pack, precipitation and stream flows could possibly lead to algae bloom; algae

blooms could impact the river and thus the treatment plant.

Commissioner Johnson stated that he didn't recall that we had very many complaints even when we started to mix river water with Big Butte Springs water; Manager Rains noted that this is unusual but will talk with Ms. Pindilli about it. Mr. Russell stated that he has not heard of any complaints in Eagle Point. Mr. Johnson noted that we haven't had anyone complain in a serious nature for a dozen years so he requested everything double checked. Ms. Pindilli stressed that it is not algae smell but chlorine smell and will look into it and see if there is anything we can do.

8. Finance Report (DeLine)

8.1 Staff was not available for comments due to software implementation.

9. Operations Report (K. Johnson)

9.1 Operations staff is working on software implementation as well.

9.2 Quotes were solicited for the rebuild of Lone Pine Pump #1; MWC has had re-occurring problems at this location.

9.3 Quotes were solicited for Nichols Gap fence; three bids were received and Quality Fence was the low bidder at \$7,715.

9.4 Next week staff is tentatively scheduled to cut in a 24" valve north of Martin Control Station to facilitate some of the construction work around that area.

10. Manager/Other Staff Reports

10.1 Consideration of Proposed Budget for Fiscal Year 2013-14

At study sessions held on April 17 and May 1, the board reviewed components of the proposed FY 2013-14 budget. Staff made minor modifications to the budget and presented those changes to the board. The budgets for the six funds will serve as the public notice, which will be submitted for publication after the board meeting. Staff recommended approval.

Motion: Adopt the proposed budget and schedule the public hearing for the June 5, 2013 meeting

Moved by: Mr. Dailey

Seconded by: Mr. Johnson

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

Motion carried and so ordered.

10.2 Notification of Purchase of Water Meters

This purchase from Sensus, at \$148,141.63, was within the Manager's purchasing authority; no action by the board was needed. Mr. Dailey questioned if we are buying any meters that are not radio read; Mr. Rains noted that we are not.

10.3 Annual Cities & District Meeting

The annual Cities & Districts Meeting will be held May 22, 2013 from 1:30-3:30 p.m. at the Service Center. Mr. Rains stated that normally SDCs is the main topic but will not be the case this time due to other priorities causing the SDC review and update to be delayed until late summer. It was noted that only two board members can attend; Mr. Johnson stated he would like to attend. Mr. Dailey and/or Mr. Fortier will attend as the second Commissioner.

10.4 The next meeting will be held at the Service Center.

11. Propositions and Remarks from the Commissioners

- 11.1 Mr. Anderson stated that he was contacted through Commissioner Strosser by Mike Cavallaro, Executive Director of RVCOG about making a presentation regarding the water rates. Mr. Anderson invited RVCOG to come to our meeting as we have staff here to answer questions that may come up. Mr. Strosser confirmed that Mr. Cavallaro had inquired about this. Mr. Anderson noted that he did tell Mr. Cavallaro that they could be put on the agenda and take as much time to talk, if needed.
- 11.2 Operations Superintendent Johnson noted that he had the privilege of representing the MWC in Spokane pertaining to the best tasting water contest. He stated that a small Washington state community won which did not chlorinate their water. Commissioner Johnson questioned if chlorinating was federal law; Ms. Pindilli stated that it is an Oregon state law.
- 11.3 Geologist Bob Jones stated that there will be a C2 Cattle Conservation Project Completion Open House on May 22; he noted that they received a grant from the MWC pertaining to this project.

12. Adjourn

There being no further business, this Commission meeting adjourned at 12:52 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