

MINUTES OF THE REGULAR MEETING OF THE MEDFORD WATER COMMISSION
June 19, 2013

The pledge of allegiance was given.

The regular meeting of the Medford Water Commission was called to order at 12:28 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, Lee Fortier; Leigh Johnson

Manager Larry Rains; Attorney John Huttli; Deputy City Recorder Karen Spoons; Administrative Coordinator Betsy Martin; Principal Engineer Eric Johnson; Public Information Coordinator Laura Hodnett; Water Quality Administrator Rosie Pindilli; Operations Superintendent Ken Johnson; HR Payroll Specialist Kristin Berg; Construction Administrator Andy Huffman

Guests: City of Medford Councilmembers Bob Strosser and Chris Corcoran; Ashland Public Works Director Mike Faught; Ashland Associate Engineer Pieter Smeenk; Central Point Mayor and Liaison Hank Williams; Joe Strahl of RH2 Engineering

Commissioner Cathie Davis was absent.

3. Approval or Correction of the Minutes of the Last Regular Meeting of June 5, 2013

The minutes were approved as presented.

4. Comments from Audience

- 4.1 Medford Councilmember Chris Corcoran commented that during the last study session held at the Service Center it was obvious that the Service Center employees appreciate their job.

5. Written Communications

5.1 Letter from the City of Phoenix

A letter was received from Phoenix Mayor Jeff Bellah regarding testing of the two master meters on the TAP system, one located at the pump station where the waterline enters Phoenix and the other located between Phoenix and Talent. There are concerns about the accuracy of the flow measurements. The Commission has been working with Phoenix on an evaluation of the mag meter at the pump station.

Operations Superintendent Ken Johnson has been at the facility for the last two weeks along with Phoenix employees and have come up with some ways to do testing; that information has been given to Jeff Ballard, Phoenix City Engineer. Commissioner Anderson questioned the prognosis; Mr. Johnson noted that through the analysis it was showing the station was over metering about 13-15%. Mr. Anderson questioned the Phoenix/Talent meter; Mr. Johnson noted that we could give some level of service if directed by Manager Rains. Councilmember Dailey questioned if we are doing everything we can; Mr. Johnson noted we are and that typically you don't monitor these at the site although staff was able to figure out a way to do so. He provided information on MWC's current testing methods. Mr. Dailey questioned how many mag meters we have in the system; Mr. Johnson noted about 12 but this is the only one assigned to a city. He further stated that we have had to pull and return mag meters to the factory. Commissioner Johnson stated that the main thing we need to do is make sure that Phoenix is comfortable with what has been done; Mr. Rains noted that we are working very closely with them and explained that the objective is to get a mag meter that is correct.

Joe Strahl of RH2 Engineering provided background information on this situation. He stated that they suspected an error for about nine years. He agreed that the mag meter is not set to test, that it was originally set to metric, and when changed from metric the numbers still did not change much. This particular mag meter was sent back to the factory years ago and was

rebuilt. He expressed concern with lost water rates both in Talent and Phoenix. He noted that the meter at the pump station is very important to Phoenix, less important to Talent, and explained that Phoenix absorbs all costs before water is diverted to Talent and in the future, Ashland. He expressed concern with the extra energy costs to Phoenix and believes both meters need to be replaced.

Commissioner Johnson questioned who owns the mag meters; Mr. Strahl stated that the pump station is owned by TAP; the meter was paid for by TAP, and is owned by MWC. The other meter at Hwy 99 was paid for by TAP, and it is questionable who owns it or who would replace it. Mr. Strahl noted that the pump station needs to be replaced by MWC.

Mr. Dailey questioned Mr. Strahl on what he thinks should be used; Mr. Strahl suggested an old school turbine meter. Mr. Johnson noted that there are many opinions and advantages to the mag meters but a standard meter would require major improvements and takes longer to install. He noted there are other options such as a spool meter that is accurate. Commissioner Fortier stated that his experience is with the tube type which is more reliable. Mr. Dailey stated he would like this on the agenda until this is resolved and requested Phoenix be informed of this.

6. Resolutions

6.1 No. 1527, A RESOLUTION Amending Monthly Salary Rates for Medford Water Commission Employees, Effective July 1, 2013

As part of the budget process, staff revised the monthly salary rates for all nonunion employees, based on the Consumer Price Indexes, Pacific Cities and US City Averages, for Urban Wage Earners and Clerical Workers. The resolution reflects a 2.1% cost-of-living increase. Staff recommended approval.

Motion: Approve Resolution No. 1527

Moved by: Mr. Dailey

Seconded by: Mr. Johnson

Mr. Anderson questioned if we have a contract with non-union employees; Mr. Rains noted that we do not. Mr. Dailey questioned how salaries are set; Mr. Rains noted that in 2005 we did an in-house salary review from other entities but it has not been done since. Mr. Dailey questioned if we have a plan to revisit this; Mr. Rains noted that we have not due to the recession. Mr. Dailey noted that as a former Harry & David employee he saw nothing in this resolution that would concern him. Mr. Anderson questioned if the board had any comments pertaining to COLA for non-union employees; Mr. Fortier noted that they follow the same practice at Rogue Disposal but stated he would like to see the base rates reviewed on a scheduled basis. Mr. Johnson noted he would like to see it every five years and that it has not been done for eight years. Mr. Rains stated that it will take a year to compile the information and that there are two choices on how to tackle this 1) in-house or 2) hire a consultant. Mr. Anderson questioned the number of employees; Mr. Rains noted there are 16 union employees and 36 non-union employees. The board agreed to have the base salary rates reviewed in-house.

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

Motion carried and so ordered. Resolution No. 1527 was approved.

6.2 No. 1528, A RESOLUTION Approving Exhibit A, Pay Schedule, of Agreement between the Board of Water Commissioners of the City of Medford, Oregon and the Oregon and Southern Idaho District Council of Laborers, Laborers' International Union of North America, Local #121, Effective July 1, 2013

The 2012 union contract provides for a cost-of-living increase based on the Consumer Price

Indexes, Pacific Cities and US Cities Average, for Urban Wage Earners and Clerical Workers. The average of the indexes was 2.1%. Staff recommended approval.

Motion: Approve Resolution No. 1528

Moved by: Mr. Dailey

Seconded by: Mr. Fortier

Mr. Anderson questioned the term of the contract; Mr. Rains noted it is a three year contract which continues through June 2015. Mr. Dailey questioned where staff obtained the cost of living figures; Mr. Rains stated that it came from the U.S. Department of Labor based on the Consumer Price Index. Mr. Dailey requested the link for that site. Mr. Dailey stated that he looked through government statistics to validate that number and came up with a very interesting statistic; the 2012 increase for water and sewer increases reported by the Bureau of Labor Statistics went up by 6.7% and questioned how much ours went up; Mr. Rains noted that our rates did not go up last year.

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

Motion carried and so ordered. Resolution No. 1528 was approved.

6.3 No. 1529, A RESOLUTION Authorizing the Manager to Execute an Agreement to Provide Workers Compensation Insurance for Medford Water Commission Employees

Staff receives quotes annually for this insurance coverage; two were received this year. SAIF provided the low quotation. Staff recommended approval.

Motion: Approve Resolution No. 1529

Moved by: Mr. Dailey

Seconded by: Mr. Johnson

Mr. Anderson questioned the higher rate between the two quotes; HR/Payroll Specialist Kristin Berg commented that staff assumed that City County Insurance had high losses years ago and may be trying to compensate for that. Commissioner Johnson noted that he has been watching the quotes for years and remarked on the cost difference this year. Mr. Dailey questioned MWC's worker's compensation claims; staff noted it is higher than normal at 1.05 which is based on three years of claims history. Mr. Dailey questioned if we have an active safety program; staff noted that we do and it is active.

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

Motion carried and so ordered. Resolution No. 1529 was approved.

7. Authorization of Vouchers

Motion: Authorize the Manager and the Recorder to issue check-warrants in payment of invoices for a total amount of \$2,045,817.93

Moved by: Mr. Dailey

Seconded by: Mr. Johnson

Mr. Johnson questioned the bill for CenturyLink; staff noted that CenturyLink is our landline and this is probably for multiple lines. Mr. Anderson requested staff review this and report back to the board. Mr. Johnson also questioned the bill to Johnny Cat; staff noted that it was for the Hwy 62 water main, was done by quote, and will be reimbursed by ODOT.

Roll Call: Commissioners Anderson, Dailey, Fortier and Johnson voting yes; Fortier abstained from the Rogue Disposal voucher; Johnson abstained from the Stanley Convergent Security voucher. Motion carried and so ordered.

8. Engineer's Report (E. Johnson)

8.1 Duff Floc/Sed Basins – Black & Veatch is working on the Basis of Design Report; the rough

draft of the report is due June 28. Black & Veatch has returned Part B, Scope of Service to MWC for approval. Once Part B is approved, Black & Veatch will assign cost and return to MWC for review and approval.

- 8.2 Duff Emergency Backwash – The project is waiting for equipment to be manufactured and delivered. The variable speed drives are on site and the transformers will arrive by the end of this month. The estimated time for delivery for the pumps and motors is late August.
 - 8.3 Martin Control Station –The roof is under construction; the interior grating and crane are being installed.
 - 8.4 Water Main Project Lyman Street & Bundy Street – The Bundy Street Project is nearing completion and should be completed next week.
 - 8.5 Water Main Project Highway 62 Bypass – ODOT has returned the conflict list after review of the pothole data which staff is currently reviewing to assess the impact to existing water facilities. Staff has also submitted a construction drawing to ODOT for review and approval concerning the existing 14" water main on Highway 62.
 - 8.6 Pressure Issues at the Rogue Valley Mall - Staff continues to investigate the pressure issues at the Mall. Staff has coordinated with CH2M Hill to obtain pressure loggers and log pressures around that area. The loggers have captured some pressure spikes in the early morning hours when the water system is going from forward flow mode to reverse flow mode. Staff is currently reviewing operational protocols to try various pumping and pressure reducing valves to reduce the pressure fluctuations.
9. Water Quality Report (Pindilli)
- 9.1 Water Quality Administrator reported that the testing of the third round of stage 2 disinfection byproducts came back with good results. The second round of unregulated contaminates monitoring is scheduled for the first week of July. Testing for lead and copper, which is tested every three years, is scheduled for this July or August.
10. Finance Report (DeLine)
- Not available.
11. Operations Report (K. Johnson)
- 11.1 Last night the Operations staff cut in a 24" valve by Martin Control Station. MWC was able to continue to supply a neighborhood with water when it seemed unlikely; project is complete.
 - 11.2 Due to the new software update inventory will be done in June vs. July.
 - 11.3 Operations Superintendent Ken Johnson stated that he noticed in his neighborhood a tree planted over a line leading to a hydrant; he notified Principal Engineer Johnson and the tree had been removed. He stated that staff is always looking for things that need to be corrected. Commissioner Johnson noted that he won't hesitate to call pertaining to overrun water issues.
12. Manager/Other Staff Reports
- 12.1 The new software go live date is fast approaching; at the next meeting staff will report on the software conversion.
 - 12.2 Mr. Rains stated that he recently attended the AWWA conference held in Denver; one class of interest pertained to fires and watersheds. Because of this information Geologist Bob Jones will

review our watershed procedures and update our policy, if needed. Mr. Johnson stated his concern with keeping up on brush control.

- 12.3 Pertaining to the Duff plant, divers were sent down to check the tube in the water; gravel material is starting to build up on the downstream side and will need to be worked on so that the tee-screen is not blocked. Mr. Johnson questioned if a reverse blow out would work; staff noted that would not work and a diver will be needed. Mr. Johnson questioned the amount of gravel needed to be moved; Engineer Johnson noted that the divers believe it to be about five to seven cubic yards. Consultants have also been called to help determine how to resolve this.
 - 12.4 Our water rights consultant, GSI, will be at Duff tomorrow; all cities have been invited to learn about water rights and certification.
 - 12.5 Attorney Huttel stated that our utility code had provisions for utility collections by the MWC; the City questioned if MWC would still be interested in utility collections for them. The City was going to leave that portion of the code intact in case it would want to be used, especially for delinquent accounts for both the City and the MWC. Mr. Rains stated that his recollection was that the MWC would not do the collecting for the City if in fact they were going on their own. Mr. Huttel will bring this back to the board at the next meeting. Councilmember Strosser noted that there was a third conversation pertaining to non-payment with both entities.
 - 12.6 Public Information Coordinator Hodnett stated that the mandated annual water quality report is done.
 - 12.7 Ms. Hodnett provided a brochure on the Oregon Hills Park groundbreaking ceremony where thanks were given to the MWC for landscaping the park strip; invoices for the landscaping will be included in the next accounts payable report.
 - 12.8 Ms. Hodnett stated that staff provided a draft thank you letter to those on the landscape committee for their service through the years. The landscape ordinance went to City Council on June 6. one of the other tasks was a demonstration garden. The MWC did include \$25,000 in our budget but the City did not include in their budget because there wasn't enough information on this. This was presented back to council; the Budget Committee was disappointed that a plan or site was not selected. Councilmember Corcoran noted that the money is there but council does want assurances that the project will not fail as it did at the last site.
 - 12.9 Every year the AWWA Pacific Northwest Subsection holds a public relations contest; this year the MWC won the 2013 Electronic Communications Award for the "water wise" garden landscape site.
13. Propositions and Remarks from the Commissioners
 - 13.1 Mr. Anderson signed the thank you letter pertaining to the landscaping committee.
 14. 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.