

**MINUTES OF THE REGULAR MEETING OF THE MEDFORD WATER COMMISSION**  
**June 20, 2012**

The regular meeting of the Medford Water Commission was called to order at 12:31 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; Finance Administrator Tess DeLine; Water Quality Superintendent Bob Noelle; Operations Superintendent Ken Johnson

Guests: City of Medford Councilmembers Bob Strosser and Greg Jones; Medford City Manager Eric Swanson; Central Point Mayor and Liaison Hank Williams; Mike Mastroni of Beecher Carlson, Mark Williams of City County Insurances Services; City of Ashland Associate Engineer Pieter Smeenk

2. Approval or Correction of the Minutes of the Last Regular Meeting of June 6, 2012  
Approved.

3. Comments from Audience  
None.

4. Annual Presentation on General Liability Insurance Policy (Mike Mastroni of Beecher Carlson)  
Manager Rains introduced Mike Mastroni of Beecher Carlson. Mr. Mastroni stated there was a slight increase in insurance but nothing compared to what others are experiencing. He further stated that there is a hardening of the market which could drive up prices by 10%. Commissioner Anderson questioned why the MWC didn't see a larger increase; Mr. Mastroni stated that one reason is that the Commission doesn't have many losses.

5. Resolutions

5.1 No. 1492, A RESOLUTION Authorizing the Manager to Execute an Agreement to Provide Worker's Compensation Insurance for Medford Water Commission Employees

Staff received quotes for this insurance coverage. One proposal was received from current insurer SAIF. Staff recommended approval.

Mr. Anderson questioned the amount of the increase; HR/Payroll Specialist Jones stated that it went up by about \$7,000 and the entire increase is based on claims cost. Commissioner Dailey questioned the figures and amount budgeted; Ms. Jones stated that they anticipated an increase and budgeted accordingly.

Motion: Approve Resolution No. 1492

Moved by: Mr. Dailey

Seconded by: Ms. Davis

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

Motion carried and so ordered. Resolution No. 1492 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 \$2,094,718.88

Moved by: Mr. Johnson

Seconded by: Mr. Fortier

The Commission questioned the purchase to Costco as well as the Garden Wise Garden Site.

Roll Call: Commissioners Anderson, Dailey, Davis, Fortier and Johnson voting yes; Anderson recused himself from the Knife River and Mail Tribune vouchers; Fortier recused himself from the Rogue Transfer voucher; Johnson recused himself from the Stanley voucher.

Motion carried and so ordered.

7. Engineer's Report

7.1 Duff Flocc/Sed Basins – Notification was sent to Black & Veatch that they are the highest ranked Quality Base Selection proposer. Staff and Black & Veatch are formulating a scope of services.

7.2 Ave G 48" Transmission Main – All of the 48" water transmission main has been installed and the tie-in at 11<sup>th</sup> Street will be next week. Phase 3 was successfully pigged and pressure tested. Phase 2 and 3 was successfully chlorinated and has passed the biological test. Project cleanup and surface restoration is underway along Avenue G. Avenue G is being paved today and Thursday. This project will be completed in early July.

Mr. Anderson questioned the time line; staff noted the project is on time and in budget. Commissioner Dailey questioned what happened to the pipe not in specification; Engineer Johnson noted that it will be shipped back to the company.

7.3 Martin Control Station – OBEC continues to work towards completion of the 90% design phase. Plans and specifications are due back to MWC on June 28.

7.4 Other Projects Engineering/Operation Staff are Currently Working on:

- ODOT: Highway 62 is in the preliminary design phase
- City of Medford: Garfield is currently under construction
- Jackson County: Pacific Avenue is currently under construction
- City of Medford: Holmes Avenue is in the final design phase

8. Water Quality Report

8.1 The Duff Water Treatment Plant has been in production since May 11; a historical chart was presented.

8.2 Big Butte Springs project has been completed.

8.3 The 2012 Consumer Confidence Report was available for review. Water Quality Superintendent Noelle shared information on a phone call received from Mr. Allen Ehr who expressed concern that certain chemicals weren't listed on the report. Mr. Rains thought that the Commission might get phone calls from Mr. Ehr. Mr. Dailey questioned if the Environmental Protection Agency (EPA) has changed any of its recommendations on these chemicals; Mr. Noelle noted that the EPA is reviewing and a proposed regulation is expected in 2014.

8.4 Rosie Pindilli has been hired as the Water Quality Administrator and will start July 2. She will replace Mr. Noelle.

8.5 The July 18 study session will be Mr. Noelle's final state of the water address.

9. Finance Report

9.1 Finance staff is spending a lot of time with the software implementation.

9.2 Pertaining to banking issues, the Custodial Bank Contract should be completed this week. The Banking Services Contract with Umpqua Bank will expire at the end of this year; Finance Administrator DeLine will meet with them to discuss a new contract. Ms. DeLine stated that she has enjoyed working with Umpqua Bank and appreciated the services they offered.

9.3 Finance staff will soon be busy preparing for year end.

10. Operations Report

- 10.1 Staff is extremely busy on many projects as noted by Engineer Johnson; many of these have been budgeted. Operations Superintendent Johnson expressed appreciation to the crew for their work on the 48" pipeline project.
- 10.2 This week the fire hydrant painting contractor will be painting the hydrants around Medford City Hall; the contract is for the painting of about 170 hydrants.
- 10.3 Staff has completed the restoration on the concrete lid on the East Intake at Big Butte Springs Lake which is working very well. Staff is continuing to finish up many small projects at the springs.
- 10.4 The Southwest Reservoir irrigation has been restored; trees have been replaced due to goat issues.

11. Manager/Other Staff Reports

- 11.1 Because there would not be a quorum at the next scheduled board meeting of July 3, Mr. Rains questioned if the Commissioners would be able to attend if the meeting was held on July 11. Mr. Anderson questioned if we need two meetings in two weeks; Mr. Rains noted that we do as the bills need to be approved in order to be paid. The board agreed to July 11.
- 11.2 Mr. Rains acknowledged City of Ashland Associate Engineer Smeenk and questioned if they are interested in presenting their emergency water connection request at a study session. Mr. Smeenk expressed interest sometime in the fall. Commissioner Johnson questioned if we could do it in October; Mr. Smeenk will verify if October 17 would work for them.
- 11.3 A Board member tour for the reservoir will be scheduled sometime this summer.
- 11.4 Mr. Anderson questioned if those who arrived late had any questions; he noted that we provide time at the beginning of the meeting for comments from the audience. Mr. Smeenk noted that Ashland has not been involved in the meetings but he will be attending a few meetings to become familiar with the process.
- 11.5 Mr. Johnson commended staff on their diligent work pertaining to the High Usage Water Reports; he noted this report has proved invaluable for saving water.
- 11.6 Mr. Anderson thanked Medford City Manager Swanson for attending the meeting; Mr. Swanson noted he would like to be involved in the orientation and any other opportunities to see items upfront.

12. Executive Session in Accordance with ORS 192.660(2)(f) – To Consider Information or Records that are Exempt by Law from Public Inspection; and ORS 192.660(2)(h) – To Consult with Council Concerning the Legal Rights and Duties of a Public Body with Regard to Current Litigation or Litigation Likely to be Filed.

The Board adjourned to executive session at 12:59 p.m.

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The Board reconvened at 1:22 p.m. with the same members present.

13. Propositions and Remarks from the Commissioners  
None.

14. Adjourn

There being no further business, this Commission meeting adjourned at 1:22 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. Spoons, MMC  
Deputy City Recorder  
Clerk of the Commission