



BOARD OF WATER COMMISSIONERS MINUTES

Wednesday, October 18, 2017 – 12:15 pm

Medford Service Center

821 N. Columbus Ave., Medford, Oregon 97501

The regular meeting of the Medford Water Commission was called to order at 12:05 p.m. on the above date at the Medford Service Center with the following commissioners and staff present:

Acting Chair Jason Anderson; Commissioners Leigh Johnson; Bob Strosser

General Manager Brad Taylor; Medford City Attorney Lori Cooper; City Recorder Karen Spoonts; Administrative Coordinator Yvette Finstad; Administrative Specialist Jenny Crenshaw; Principal Engineer Eric Johnson; Finance Director Tessa DeLine; Operations Supervisor Brian Davidson; Duff/Water Treatment Plant Director Jim Stockton; Conservation Coordinator Dave Searcy; Conservation Specialist Amie Batham

Guests: Medford Councilmembers Tim D'Alessandro and Michael Zarosinski; Central Point Mayor Hank Williams; Central Point City Manager Chris Clayton

Commissioners Daniel Bunn and John Dailey were absent.

3. Approval or Correction of the Minutes of the Last Regular Meeting of October 4, 2017
The minutes were approved as presented.
4. Comments from the Audience
5. Resolutions
 - 5.1 No. 1655, A RESOLUTION Authorizing the Chair and City Recorder of the City of Medford, By and Through its Board of Water Commissioners to Execute a Quitclaim Deed Releasing All Right and Title to, and Interest in, a Water Main Easement to KOGAP Enterprises, Inc., That Certain Real Property Situated in Jackson County, Oregon, Described as a 10-Foot Wide Easement Being More Fully Described in Document No. 95-26121 of the Official Records of Jackson County, Oregon

A water main easement for this property was originally granted to Medford Water Commission in 1995. The water main has since been abandoned and the easement is no longer required; this quitclaim deed will remove an unnecessary encumbrance from the property. Staff recommended approval.

Principal Engineer Johnson noted this pertains to Stewart Meadow and a new development is being built in this location.

Motion: Approve Resolution No. 1655

Moved by: Mr. Strosser

Seconded by: Mr. Johnson

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

Motion carried and so ordered. Resolution No. 1655 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 \$455,295.11

Moved by: Mr. Johnson

Seconded by: Mr. Strosser

Roll Call: Commissioners Anderson, Johnson, and Strosser voting yes; Anderson recused himself from the Asante Physicians Partners voucher. Asante Physicians Partners voucher will come back to the next meeting for approval.

Motion carried and so ordered.

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

7.1 Duff Water Treatment Plant Floc/Sed Basins – The new settled water flume has been poured and is being backfilled. Bridge brackets are installed in basins #1 and #2. Forming and rebar for the baffle walks is underway. Concrete pours on the baffle walls has started. Bridges are being set.

7.2 City of Medford Lozier Lane Project – New 12" water main installation in Lozier Lane is nearing completion for the second phase of the project. The 12" water main has been constructed from West Main to Prune Street. The water main has passed the pressure test. The chlorination test and the connecting tie will be made during the next few weeks.

7.3 Corrosion Study – The bench scale testing is done and the results are being calculated. Barney & Worth has completed the draft online survey questions. The online survey will be on the MWC website and will be available to the public in November. A workshop is scheduled for October 31 with Barney & Worth to go over the bench scale testing results and review the next steps for the Corrosion Study. Black & Veatch will attend the November 1 Board meeting and provide an update. Black & Veatch has submitted a draft copy of the Existing Information Review, technical memorandum.

7.4 Jackson County Table Rock Road Project – The project is scheduled to go to bid this month. Construction is scheduled to start in January 2018.

7.5 City of Medford Foothill Road Project – Staff is waiting on Public Works for the base drawing which will be available sometime this month.

8. Operations Report (Operations Supervisor Brian Davidson)

8.1 MWC crews, with assistance of the Field Tech's, successfully repaired a leak in the clay valve at Coal Mine Station.

8.2 A lead joint tee that had been troublesome was replaced. Staff also found an abandoned lead pigtail that had been leaking.

8.3 Following State guidelines of sampling water mains after depressurization has been successful in proving our repairs are sanitary.

9. Water Treatment Report (Water Treatment Director Jim Stockton)

9.1 Plant production is down to around 2-3 MGD. It is anticipated that the season production will be over by the end of the week due to the upcoming moisture.

9.2 Staff is continuing with labor activities primarily involved with annual maintenance of the filters.

- 9.3 The requested testing of Rancheria Springs by the Oregon Health Authority (OHA) has been completed and sent to the State for evaluation. There were two microscopic particle analysis done, one in the spring and the other in the fall in order to capture a wet and dry season. The results yield what is called a risk factor based on the findings. The spring sample yielded a Relative Risk of “low” while the fall sample yielded “moderate”. The State will evaluate the data and provide their prescribed action.
- 9.4 UCMR (unregulated contaminate monitoring rule) 4 will be in effect starting in 2018. These requirements are EPA administered. We are in the process of preparing to meet the monitoring requirements with sampling schedules with an analysis performed in place by a contract laboratory.
- 9.5 Channel 12 News was at the plant on Tuesday, October 17 to question what impact there may be on facilities like ours when people dispose of leftover medications in an inappropriate manner.
- 10. Finance Report (Finance Director Tessa DeLine)
 - 10.1 The field work for the annual audit was completed last week. Draft statements should be complete within the next couple of weeks. Staff is currently working on preparing the comprehensive annual financial report that the Board will receive in the latter part of December.
 - 10.2 The Cost of Service Study work is nearing completion.
 - 10.3 The Long Term Financial Plan is still in the hands of HDR. We will be revisiting that project sometime in the near future.
 - 10.4 September financial statements are in draft form and should be to the Board later this week.
 - 10.5 Last week we received notice from the IRS denying our request for the abatement of the penalty. Since it was a data entry error and not beyond our control, the IRS could not use it as a reason for removing the penalty. The penalty is paid; Ms. DeLine will again request further consideration in an effort to reverse it.

Commissioner Anderson questioned when we will have the Cost of Service Study; Finance Administrator Tessa DeLine noted it is scheduled for the next meeting and HDR is involved in it.

11. Manager/Other Staff Reports

Out of sequence

- 11.2 General Manager Brad Taylor went over the study session calendar, noting the Cost of Service Study will be held November 1 and 15, Construction Inspection will be December 6, and the Annual Audit Presentation will be December 20.

Back in sequence

- 11.1 Bulk Water Sales Letter from City of Central Point
On October 9, the General Manager received a letter from the City of Central Point regarding the increase in bulk water sales, presumably due to the influx of marijuana growing operations throughout Jackson County. Central Point's City Manager Chris Clayton requested an addition to the upcoming water rate analysis to determine the true costs of supplying water to these customers. Once this is known, a regional bulk rate may

be considered as well, so that all parties involved have a common policy on this issue.

Our consultant is on board with looking at this in detail. This item will be presented in the Cost of Service Study. It is important that we consider the full cost of delivering the water. The rate can be tiered as well. Commissioner Johnson questioned if we will receive all numbers by then, such as the County figures. Ms. DeLine noted it will be easy to get the figures from the Service Center quickly. Commissioner Strosser noted his concern is with our administrative policies. Mr. Taylor noted the package will also include legal issues. It was noted other places, as well as Medford, has treated water used for agricultural. Commissioner Johnson noted a member of the Water Resource Commission asked about this. Mr. Taylor noted the cities are looking at the MWC to come up with a plan. Commissioner Anderson noted there appears to be two issues 1) cost of service and 2) actual policy for use. Mr. Taylor agreed and stated Resolution #1058 governs the policy of water.

- 11.3 Staff is currently working on a minor job description modifications to Jim Stockton's position (Water Quality Superintendent). The position will be posted in November with the hopes that someone would start in March and work with Mr. Stockton before he retires. We are also doing different things pertaining to the Water Quality Director position Rosie Pindilli held. Commissioner Anderson questioned how other cities are structured pertaining to those two positions; Mr. Taylor briefly spoke of what other cities do and noted for us, we won't resolve this until we get another person in here.
12. Propositions and Remarks from the Commissioners
 - 12.1 Commissioner Strosser appreciated the letter of support from the City of Central Point.
 - 12.2 Commissioner Anderson thanked the Service Center staff for allowing the Board to have the meeting at the Service Center.
 - 12.3 Mr. Taylor noted the union agreement with those at the Service Center will be extended for another year. He thanked these employees for allowing him to become acclimated before the need to work on agreement.
13. Adjourn

There being no further business, this Commission meeting adjourned at 12:38 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. Spoonts, MMC
City Recorder
Clerk of the Commission