

MINUTES OF THE REGULAR MEETING OF THE MEDFORD WATER COMMISSION

November 4, 2015

The regular meeting of the Medford Water Commission was called to order at 12:22 p.m. on the above date at the Medford City Hall Lausmann Annex, Room 151/157 with the following commissioners and staff present:

Chair Leigh Johnson; Commissioners Jason Anderson, John Dailey, Lee Fortier, Bob Strosser

Manager Larry Rains; Medford Deputy City Attorney John Huttli; City Recorder Karen Spoons; Administrative Coordinator Betsy Martin; Administrative Specialist Yvette Finstad; Principal Engineer Eric Johnson; Finance Administrator Tessa DeLine; Public Information Coordinator Laura Hodnett; Operations Superintendent Ken Johnson; Duff/WTP Director Jim Stockton

Guests: Medford Councilmember Chris Corcoran; Central Point Mayor Hank Williams; Central Point City Manager Chris Clayton; Acting City Manager Pro Tem Mike Snyder

3. Approval or Correction of the Minutes of the Regular Meeting of October 21, 2015

The minutes were approved as presented.

4. Comments from Audience

4.1 Acting City Manager Pro Tem Mike Snyder stated that he is filling in for City Manager Pro Tem Bill Hoke who is currently at the National League of Cities Conference.

4.2 Medford Councilmember Chris Corcoran stated that his wife is excited to meet the commissioners who raised the water rates.

Out of sequence.

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

*Commissioner Strosser arrived at 12:26 p.m.

6.1 Duff Water Treatment Plant Flocc/Sed Basins – The second pour of the sludge vault is done. Headwall structures to outlet pipes are poured. The north pond outlet control structure is installed. The 30" and 60" concrete pipe is installed.

6.2 Highway 62 14" Water Main Reroute – OBEC has submitted the redesign of the sign post base to ODOT, who will incorporate the redesign into the project bid plans.

6.3 City of Medford Lozier Lane Project – MWC staff and the City of Medford Public Works staff are scheduled to attend the Jacksonville Highway Water District meeting on November 10 to discuss the Lozier Lane project. MWC staff continues to work with Marquess and Associates on the water design of MWC's portion of the project.

6.4 MWC staff continues to compile data per CH2M's request for the master plans. A meeting with CH2M will then take place pertaining to all three master plans.

7. Water Treatment Report (Water Quality Plant Director Jim Stockton)

7.1 DUFF season came to an end on October 18. It set a number of records such as over three billion gallons of water. The highest prior production year was 2.6 billion gallons in 2007. If the valley had not been filled with smoke for much of the summer we would have had more record highs.

- 7.2 Staff is currently decommissioning the plant.
- 7.3 One ozone generator failed in September; that generator was put in during 2002 and a portion was obsolete at a cost of approximately \$3,000.
- 7.4 Manager Rains provided the future demand graph titled "50 Year Long Term Source Needs" with the new 2015 summer record high day added and stated that staying current on demand projections and providing facilities to serve the anticipated need will help us be prepared to deal with drought years and not have to face water rationing or cutbacks. The new master plans will update this demand graph with current population estimates and water use trends.

Commissioner Anderson questioned if there is additional wear and tear when we run three billion gallons of water; Duff/WTP Director Jim Stockton stated yes but noted that while additional wear and tear make costs go up, higher production rates often make the cost of production per thousand gallons go down.

Councilmember Corcoran questioned what customer group is driving the increased demand; Mr. Rains noted everyone used more water during this season.

- 8. Finance Report (Finance Administrator Tessa DeLine)
 - 8.1 Isler CPA is remotely working on the audit.
 - 8.2 Many software issues that have been continuous were resolved when the software vendor was brought in to work on the system; Cogsdale will need to resolve issues as well.
- 9. Operations Report (Operations Superintendent Ken Johnson)
 - 9.1 Staff is observing the system demand and BBS #1 could go to half pipe shortly.
 - 9.2 The Ohio Street project traffic loop was completed on Monday.
 - 9.3 Staff has been working on unburying valves that have been paved over; staff is moving towards more valve maintenance.

Commissioner Dailey questioned the Avista project(s); Operations Superintendent Ken Johnson noted there is interaction but they are working through the issues.

Back in sequence

5. Authorization of Vouchers

Motion: Authorize the Manager and the Recorder to issue check-warrants in payment of invoices for a total amount of \$503,160.09

Moved by: Mr. Dailey

Seconded by: Mr. Anderson

Roll Call: Commissioners Anderson, Dailey, Fortier, Johnson, and Strosser voting yes; Fortier recused himself from the Rogue Shred and Dry Creek Landfill vouchers.

Motion carried and so ordered.

10. Manager/Other Staff Reports

- 10.1 At the last board meeting, Commissioner Anderson requested a report on the Regulatory Compliance Update Round 2 which was presented by Water Quality Director Rosie Pindilli. Mr. Rains reported that the test of October 12 on raw water at the Duff Intake showed no cryptosporidium (crypto) but six hits on Giardia which is not unusual. The Duff Treatment Plant with its direct filtration and ozone systems remove both giardia and cryptosporidium in the potable water cleansing process.

10.2 Because the Finance Department has been short staffed, Mr. Rains requested the original software consultant come in to fix some nuisance issues. Moss Adams, a local financial accounting firm was also asked to help staff catch up on year end. Moss Adams will also review the month end process to see if there can be any improvements. The goal is to have all month end statements, through September, be completed by the end of November and then come as close as possible to speedily processing typical month end financial statements.

10.3 Pertaining to Commissioner Anderson's question about timing for rate changes, Mr. Rains stated that the end of fiscal year is right before summer incentive rates kick in and January is a little rushed as we want to base rate increases on the previous fiscal year end and have it audit correct. Commissioner Anderson questioned if we have ever had correction from the auditors; Finance Administrator Tessa DeLine noted that there have been very few. Commissioner Dailey provided information on how the process works pertaining to an audit. He did not think there was much risk to have the rate increase in January. Mr. Rains stated that historically rate changes have been done in March but staff is willing to change if directed so. Consensus was to maintain the schedule for reviewing rates for annual increases, as necessary, and implement them on March 1st of every year.

11. Propositions and Remarks from the Commissioners

None

12. Adjourn

There being no further business, this Commission meeting adjourned at 12:46 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