

## MINUTES OF THE REGULAR MEETING OF THE MEDFORD WATER COMMISSION

November 16, 2016

The regular meeting of the Medford Water Commission was called to order at 12:30 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

Interim Manager and Principal Engineer Eric Johnson, Medford City Attorney Lori Cooper; City Recorder Karen Spoons; Administrative Coordinator Yvette Finstad; Finance Director Tessa DeLine; Operations Superintendent Ken Johnson; Conservation Coordinator Dave Searcy

Guests: Ashland Public Works Director Mike Faught; Central Point Mayor Hank Williams; Ed Olson of RH2 Consulting; Rudd Johnson of Crown Hill Consulting; Eagle Point Mayor Bob Russell; Eagle Point City Administrator Henry Lawrence; Kristin Hosfelt from KOB1 TV

The pledge of allegiance was given.

### 3. Approval or Correction of the Minutes of the Regular Meeting of November 2, 2016

The minutes were approved as presented.

### 4. Comments from Audience

4.1 Ashland Public Works Director Mike Faught remarked the signed contract was approved by their Council. He stated they are building a new water plant and received no interest loans for the project. Commissioner Johnson commented on the Mail Tribune article about an issue with the granite pit area where the water plant will be located. Mr. Faught noted they have yet to determine the accuracy of the report.

4.2 Ed Olson, RH2 Engineering, stated it was good to be back.

4.3 Eagle Point City Administrator Henry Lawrence stated they have about six weeks before their water tank is completed.

### 5. Written Communications

#### 5.1 Letter from St Vincent de Paul

St. Vincent de Paul is one of three agencies that receive annual grants from the Commission for low-income, water bill payment assistance. The emergency assistance grants have been included in the Commission's budget since 2003 and were increased to a \$5,000 per agency maximum in 2014. At the September 7 meeting, board members approved a \$4,000 grant for FY 16/17 to St. Vincent's based on their funding status at the time (they had a balance of approximately \$1,000 carried over). On October 24, the agency expanded their existing Urban Rest Stop facility, which provides access to shower and laundry services for their homeless clients. Due to the increase in water usage imposed by this facility, they requested a grant or discount on their water bill to help offset costs.

Interim Manager Eric Johnson stated St. Vincent de Paul's water consumption did go up about \$60/month. It is not past practice to offset costs of water bills as that is the purpose of the grant. Commissioner Strosser noted the increase would be covered if we increased our grant back to \$5,000 vs. \$4,000, which would add \$1,000 to the grant received from the MWC. Commissioner Anderson questioned if Eric Johnson could convey that to them; he noted he would put that in the letter. They would then be allowed to use \$1,000 of the grant for their water bill.

6. Authorization of Vouchers

Motion: Authorize the Manager and the Recorder to issue check-warrants in payment of invoices for a total amount of \$574,594.92

Moved by: Mr. Dailey

Seconded by: Mr. Strosser

Questioned was the payment of \$15,000 to the Oregon Department of Forestry; staff noted this pertains to the timber acres in the watershed.

Roll Call: Commissioners Anderson, Dailey, Fortier, Johnson, and Strosser voting yes; Fortier recused himself from the Rogue Disposal and Rogue Transfer vouchers; Johnson recused himself from the Stanley voucher.

Motion carried and so ordered.

Eric Johnson stated Water Quality Director Rosie Pindilli is attending a seminar and will not be attending today's meeting.

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

7.1 Duff Water Treatment Plant Flocc/Sed Basins - Concrete forming, rebar setting and concrete pours continue for the sedimentation basins and elevated walkways. The demolition for existing basins #3 and #4 is nearing completion. The baffle walls have been done. The interior seismic walls are underway. The flocculation bridges are being set. Electrical work continues.

Tours for staff are being organized at the request of Commissioner Dailey.

7.2 Highway 62 14" Water Main Reroute - No activities concerning MWC facilities have occurred.

7.3 Lozier Lane Project – The bid opening date is November 17. Bid results should be available on Friday. This will give us the cost of the construction portion for the Lozier Lane Project, which is managed by ODOT.

7.4 Master Plan Updates - The Water Management and Conservation Water Plan (WMCP) have been submitted to the State for review. CH2M completed the BBS/Duff WTP Facilities Master Plan. A rough draft of the Water Distribution Master Plan is completed and will be submitted this week.

7.5 Corrosion Study - Staff is currently reviewing the proposals and will meet in the near future to score the proposals and select a consultant.

7.6 Jackson County Table Rock Road Project - MWC is awaiting a revised schedule from Jackson County Road Department.

Commissioner Dailey questioned what size is the pipeline on Foothill Road; Eric Johnson noted it is 16" but we will be impacted due to the design of the road.

8. Operations Report (Operations Superintendent Ken Johnson)

8.1 Lead Pigtail Update – There have been 249 pot holes completed, 24 lead pigtails found, and 22 removed. Two lead pigtails on Central may be removed next week. Staff is performing a thorough review of all investigations to date, reviewing the GIS map and looking for any services that were missed that need to be pot holed. The pot hole list will increase from its current count as we have a staff member on light duty reviewing the final maps.

8.2 Brass corps is attached to lead pigtails, and is often referred to as lead corps or lead corp adapters. They are actually a "Flanged Lead Thread Inlet Corp". It is a brass "corp" that a lead pigtail can attach to. It is not made of lead.

- 8.3 TS Administrator Kris Stitt and Operations Superintendent Ken Johnson attended the Sensus Reach16 Conference to learn more about advance meter infrastructure and implementation. The conference was very informative and staff learned successes and pitfalls to consider from other utilities.

9. Finance Report (Finance Director Tessa DeLine)

- 9.1 The field work for the annual audit has been completed. All went well. Finance is now focused on preparing the narrative and the schedules for the Comprehensive Annual Financial Report. That report will be presented to the board at the December 21 board meeting by Paul Nielson of Isler CPA.
- 9.2 October financial statements have been completed and will be reviewed by Interim Manager Eric Johnson this afternoon. Staff expects to email the statements to the board by tomorrow morning.

10. Interim Manager/Other Staff Reports

10.1 Payment to Water Resource Foundation (Conservation Coordinator Dave Searcy)

For over a decade, the Commission has helped to support the work of the Water Research Foundation (WRF). WRF is a research cooperative helping to ensure that organizations, such as ours, can continue to deliver safe, sustainable, and affordable water regardless of source, through the development and delivery of scientifically sound research solutions. In this regard, staff finds it to be a significant resource, and during the FY 15/16, staff used WRF reports that had a combined total research value – and savings to our organization – of over a million dollars. Staff requested approval of the \$22,643 subscription renewal.

Commissioner Fortier questioned why the invoice was dated in May. Conservation Coordinator Dave Searcy explained the review process this invoice went through. Commissioner Anderson questioned the increase; Mr. Searcy noted it has to do with the amount of water used. He also stated we have to rely on research that we don't do. Mr. Olson noted we can't afford to do the research that they do, such as lead testing. Eric Johnson stated this item will be in the next voucher.

- 10.2 Customer Service Tech II – The Customer Service Tech II submittal application period ended at 5:00 p.m. on November 14. Human Resource Department is currently reviewing the applications.
- 10.3 Recurring Payments – MWC is currently awaiting a response from AUS (the customer service software vendor) on the capability of the software accommodating recurring payments.
- 10.4 Study Session List – A proposed study session list was included in the board's packet for review and comment.
- 10.5 Construction Tour – Construction Administrator Andy Huffman will be scheduling tours of the construction at Duff/WTP. The tours will be coordinated with the department heads to insure proper staff coverage at all levels.
- 10.6 City of Ashland – The contract between the City of Ashland and MWC was approved at the City Council meeting on November 15. Staff will be coordinating with the City of Ashland to see if any changes to the contract were made. If any changes did occur, the contract will be brought back to the board for approval.
- 10.7 Public Information Coordinator Position – The requirements for the position are currently being reviewed and modified prior to advertising.

Commissioner Dailey questioned if we hired a consultant; Eric Johnson noted the newsletter and website is being taken care.

- 10.8. Schroeder Law Letter – MWC received a letter from Schroeder Law Office concerning the purchase of a piece of land with an existing reservoir and lack of water rights to fill the reservoir. Past practices have been not to grant any water rights or easements to any land owner to fill the reservoirs. Schroeder Law Office has requested this item be placed on the board's agenda.

Commissioner Dailey questioned if there was another way to do allow this; Eric Johnson noted we have never granted water due to water rights and this would set a bad precedent. Commissioner Johnson thought the Herrington pond impeded water; Eric Johnson noted Geologist Bob Jones knows the background on the Herrington issue. Commissioner Johnson thought we might want to talk to the State due to the turtles being an endangered species. Mr. Olson did not think you can grant rights. The board agreed to add this item to the agenda. Staff will place this item on the December 7, 2016 meeting and notify the Schroeder Law Office.

- 10.9 Eric Johnson requested a commissioner attend the Cost of Service Study which will be held with the other cities on December 5; Commissioner Johnson stated he will attend.

- 10.10 Manager Positions – Staff requested input pertaining to the recruitment of the Manager's position. Commissioner Dailey and Anderson met with Rudd Johnson of Crown Hill Consulting; they proposed the board hire Rudd Johnson to manage the recruiting process and suggest several recruiting firms to be interviewed. The board would then hire the firm. Attorney Cooper noted you may need to look at the purchasing regulations depending on the price of the consultant.

Rudd Johnson noted this would be a liaison role with the expectation of finding a viable consultant, to interview them and present to the board three or more firms. Commissioner Anderson noted the contract would be under \$100,000. Eric Johnson noted we would need a contract with Rudd Johnson as well.

Commissioner Strosser appreciated the diligence that Eric Johnson is exhibiting as Interim Manager. Superintendent Ken Johnson also remarked Eric Johnson has been doing a great job as Interim Manager.

A contract was presented by Rudd Johnson who explained the process that would be taken. Commissioner Strosser questioned selecting the search firm and thought utility experience was going to be included. Rudd Johnson questioned what credentials the board was seeking; the board was looking for a good manager and if they had water experience that would be beneficial. Commissioner Anderson noted a search firm can help determine the board's needs.

Motion: Direct staff to hire Crown Hill Consulting as a liaison in selecting several recruiting firms and to manage the hiring of a Water Commission manager in an amount not to exceed \$20,000

Moved by: Mr. Dailey

Seconded by: Mr. Fortier

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

Motion carried and so ordered.

## 11. Propositions and Remarks from the Commissioners

- 11.1 Commissioner Anderson would like to have an offer to the new manager by spring so that can they would start by July 1.

- 11.2 Ms. Cooper noted Eric Johnson's salary needs to be discussed; Commissioner Johnson stated he would like to address this at the next meeting. Ms. Cooper remarked it will be added to the agenda.

12. Executive Session in Accordance with ORS 192.660(2)(h) – To Consult with Counsel Concerning the Legal Rights and Duties Regarding Current Litigation or Litigation Likely to be Filed

The Board adjourned to executive session at 1:18 p.m.

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The Board reconvened at 1:33 p.m. with the same members present.

It was agreed that Crown Hill Consulting contract needs to be signed by Commissioner Johnson so that the process of hiring a manager can begin.

13. Adjourn

There being no further business, this Commission meeting adjourned at 1:35 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