



BOARD OF WATER COMMISSIONERS MINUTES

Wednesday, April 4, 2018

Lausmann Annex Room 151/157

200 S. Ivy Street., Medford, Oregon 97501

The regular meeting of the Medford Water Commission was called to order at 12:26 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, Daniel Bunn, Rick Whitlock

General Manager Brad Taylor; City Recorder Karen Spoonts; Administrative Coordinator Yvette Finstad; Principal Engineer Eric Johnson; Finance Director Tessa DeLine; Operations Superintendent Ken Johnson; Duff/Water Treatment Plant Director Jim Stockton; TS Administrator Kris Stitt

Guests: Medford Councilmember Michael Zarosinski; Central Point Mayor Hank Williams; Eagle Point Mayor Bob Russell; Preston McGill of True South Solar; Jim Herndon

Commissioner Leigh Johnson was absent.

3. Approval or Correction of the Minutes of the Last Regular Meeting of March 15, 2018
The minutes were approved as presented.
4. Comments from the Audience
 - 4.1 Preston McGill, True South Solar, talked about the price of DUFF pumping costs and offsetting with solar. Solar can offset up to 100% of the costs. Infrastructure costs were provided and return on investment is about 10-12 years.
5. Resolutions
 - 5.1 No. 1662, A RESOLUTION Designating Those Persons Authorized to Sign Checks in Person or by Facsimiles of Signatures Drawn on the Water Commission Designated Qualified Depositories as Required by ORS 295.002

This resolution designates who is allowed to sign financial documents on behalf of the Commission; necessitated by a change in personnel. The previous designation was approved in 2004. The General Manager routinely arranges for or processes a variety of banking transactions on behalf of the Commission, which require dual signatures. The resolution also authorizes the Chair and Vice Chair to sign a separate letter specifying the names of the General Manager and City of Medford Recorder to be submitted to qualified depositories as needed, eliminating the need for a new resolution every time a personnel change occurs.

Motion: Approve Resolution No. 1662

Moved by: Mr. Dailey

Seconded by: Mr. Bunn

Roll Call: Commissioners Anderson, Bunn, Dailey, and Whitlock voting yes.

Motion carried and so ordered. Resolution No. 1662 was approved.

- 5.2 No. 1663, A RESOLUTION Adopting Findings, Authorizing an Exemption from Competitive Bidding and Awarding a Contract to Kemira Water Solutions for a Primary Coagulant for Medford Water Commission's Duff Water Treatment Plant

At the March 21 meeting, staff indicated their strategy to maintain the use of the current coagulant, a proven product, for a two-year period. This will allow for the process modifications to be completed and then optimized. During that time, numerous coagulants

will be evaluated for performance to determine an optimal process. The product has been determined to be superior and has been in use by the Commission since 2004. Exempting this project is unlikely to encourage favoritism and is reasonably expected to result in substantial cost savings to the Commission. Staff recommended approval.

Motion: Approve Resolution No. 1663

Moved by: Mr. Dailey

Seconded by: Mr. Bunn

Commissioner Bunn thought this made sense; the change of the design was discussed.

Roll Call: Commissioners Anderson, Bunn, Dailey, and Whitlock voting yes.

Motion carried and so ordered. Resolution No. 1663 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 \$681,864.79

Moved by: Mr. Dailey

Seconded by: Mr. Bunn

Commissioner Dailey questioned if we have blanket purchase orders for companies such as Ferguson and Grover; Operations Superintendent Ken Johnson noted all vendors have the opportunity to provide their best price by quotes, which are usually done four-five times a year.

Roll Call: Commissioners Anderson, Bunn, Dailey, and Whitlock voting yes.

Motion carried and so ordered.

7. Staff Reports

7.1 Engineer's Report (Principal Engineer Eric Johnson)

- a. Duff Water Treatment Plant Flocc/Sed Basins – Concrete and rebar work continues for basin #1 and #2. All bridges are installed, as well as flocculators. Electrical work continues on various items. Chemical feed systems installations are done. SCADA integration continues. The plant is being commissioned and finished water will be produced in the very near future.
- b. City of Medford Lozier Lane Project – The 12" water main and water service installation are complete in Lozier Lane. Final adjust of valve can lids will be done when the paving is installed.
- c. Jackson County Table Rock Road Project – Construction for this project is 95% done. Work continues on the sewer crossings. The final water main connection will be completed once the sewer is complete. At the August 16, 2017 Board meeting, the Board authorized the Manager to execute a contract with ODOT in the amount of \$265,739.50. ODOT has revised the contract to include 15% contingency and another 15% for construction engineering and inspection. The revised contract amount is now \$289,437.50. The increase to the contract is \$23,698.

Both the Lozier Lane and Table Rock Road contracts with ODOT were approved by Board motion. Per MWC's contracting regulations, both contracts should have been approved by resolution. Staff can bring both contracts to the next Board meeting with resolutions to correct this issue. Once the resolutions are approved, the regulations allow the manager to sign change orders up to \$150,000. Staff requested direction from the Board.

The Board agreed to bring these back by resolutions. Mr. Taylor noted the agreement we signed will pay 100% of the price of the contract, regardless. This contract is administered by ODOT. Commissioner Dailey questioned their accountability; staff noted the price is determined by the bid schedule.

- d. City of Medford Foothill Road Project – City of Medford continues to work on the right-of-way acquisition and land appraisals.
- e. Corrosion Study – The pipe loop conditioning and distribution sampling continues. Results from the scale analysis are as follows:

The scale analysis from pipes, fittings, and water meters in MWC's distribution system is very similar to what has been observed for various other utilities by Dr. Marc Edwards' group. Silica is present in both of MWC's source waters and as expected silica is incorporated in the scale. Silica is a natural corrosion inhibitor and usually slows down corrosion and sometimes can help with reducing aesthetics as silica has a color hiding effect.

For the brass materials, the scale was very uniform, which eventually slows down the corrosion process. The brass meters were produced prior to the 2014 reduction in lead content in "lead free" materials and they were shown to contain elevated levels of lead in the scale (up to 12.3% using electron scanning microscopy with an X-ray energy dispersive system). Brass meters are being used as part of the pipe-loop testing to understand if the presence of lead in the brass meter scale will result in lead leaching into the water under varying water treatment conditions, and at the end of the study some of the materials will be examined for a scale analysis comparison.

Over time, present components will be replaced with lead free components. There was discussion on the lead within the system, from what we own to what is on the other side.

- f. Duff II Wetland Fill – Grading and rocking of the wetland fill area continues and will be completed next week.
- g. Big Butte Springs Tours – Dates for the Big Butte Spring tours are Tuesday, June 12 and Thursday, September 13.

7.2 Operations Report (Operations Superintendent Ken Johnson)

- a. On March 27, an employee had a low speed rear end accident while driving a 10-yard dump truck. Unfortunately, the car hit was totaled. Our insurance company stated that occupants of the vehicle sought medical attention. All protocols were followed and Jackson County Sheriffs investigated the accident. The driver was taken to a medical facility for a post-accident drug screen. No citation was issued.
- b. On April 10, Liquivision Technology is scheduled to inspect and clean Lone Pine #3 and Cherry Lane Reservoirs.
- c. On April 23-25, six staff members will receive training regarding mobile boom trucks. OSHA requires a higher level of training and documentation of hours over a five-year period.
- d. Operations new uniforms roll out April 10. Cintas Uniform Services is the new provider. The process of the RFP solicitation began late 2017.

7.3 Water Quality/Treatment Report (Water Quality Superintendent Jim Stockton)

- a. Harris Group engineers continue to be on site this week while the commissioning activities continue. The PLCs are in place and tested, along with several new equipment items, which have been integrated into the SCADA system associated with the new Floc/Sed project.
- b. Plant staff has been in the process of commissioning, including the ozone system, raw

water pumping systems, chemical feed systems, and basins and filters.

- c. Training is being conducted on many of the new plant equipment items.
- d. The new uninterruptable power supply is now in service.
- e. Liquid oxygen is currently out for bid at this time. Bids are due back on April 16.
- f. The next Rogue Drinking Water Provider meeting is scheduled for early May to discuss source water protection planning and implementation.
- g. On March 30, we co-sponsored a free Agricultural and Commercial Pesticide Collection Event at the Rogue Disposal Transfer Station. 3,500 lbs. of pesticides were collected from nine participants.
- h. The forest management contractor is preparing a commercial thinning project on approximately 80 acres near Willow Lake. We expect to harvest about 5,000 board feet/acre of Douglas fir and white fir while improving forest health and reducing fire risk.
- i. Work is proceeding on the feasibility study and cost-benefit analysis for the WISE project. The State Legislative approved funding for the Rogue River Valley Irrigation District's Bradshaw Drop (irrigation ditch piping and pressurization) project. Assuming the Governor signs the budget bill, the Bradshaw Drop project will proceed this summer.

7.4 Finance Report (Finance Director Tessa DeLine)

- a. The Investment Advisory Services RFP is now open. Letters were sent to approximately 25 investment firms in the Rogue Valley. In addition, it is advertised on our website.
- b. Implementation of our new banking services has gone slower than expected. With the updated resolution in place, staff can move forward.
- c. The preparation of the annual budget is going well.

8. Manager's Report
Out of sequence

- 8.2 The Monthly Collections Report was provided and explained. Commissioners requested a study session on whether the fees cover our costs, and in addition, landlord/tenant agreements.
- 8.3 A new spreadsheet outlining contracts approved by the General Manager was presented.
- 8.4 Elk City will be raising their base rate effective April 1, 2018.
- 8.5 Invoice Cloud is moving forward with a go live date of May 1, 2018. This will provide simple and secure payment options for customers.
- 8.6 Ethics training for all MWC employees will be April 24; the County will also have training available on April 25. The Board was invited to attend.
- 8.7 At the request of the Board, St. Vincent De Paul received an additional \$2,000 for water payment assistance to those in need.
- 8.8 The position in Technology Services is still open.
- 8.9 Mr. Taylor, Jim Stockton, and Ken Johnson attended an Asante Emergency Table Top Drill

on March 22 regarding a simulated contaminated water source and how this impacted hospital operations.

- 8.10 Jackson County opened their new water dispensing station along with their older water coin operated system on March 27. They plan to transition to just using the new system by the time the busy season starts.

Back in sequence

- 8.1 Regulations Governing Water Service
Exhibit F of Resolution No. 1113 dated July 16, 2003 was presented pertaining to compensation for water damage. The exhibit states there is a \$2,500 limit per claim and \$25,000 would be put into the contingency fund on a yearly basis. Mr. Taylor noted we are not putting aside \$25,000/year nor are we seeing that type of funding needed. The Board questioned when this would be used; staff noted this could be water damage to a home that fails obtaining insurance through other measures. This is a mechanism that would cause us to be neighborly. The Board requested past information on how much has been spent and would like to be notified when used.
9. Propositions and Remarks from the Commissioners
 - 9.1 Commissioner Whitlock apologized for missing the clarification regarding the findings and thanked staff for helping him to comprehend it all.
 - 9.2 Commissioner Whitlock stated he accepted a temporary part time job as the City Attorney for Klamath Falls. He stated if staff perceives any conflicts of interest because of this, he would like to know.
10. Adjourn
There being no further business, this Commission meeting adjourned at 1:23 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