

**MINUTES OF THE REGULAR MEETING OF THE MEDFORD WATER COMMISSION**  
**May 7, 2014**

The regular meeting of the Medford Water Commission was called to order at 12:35 p.m. on the above date at the Lausmann Annex, 200 S. Ivy Street, Room 151/157, Medford, Oregon.

The pledge of allegiance was given.

The following commissioners and staff were 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; Finance Administrator Tessa DeLine; Public Information Coordinator Laura Hodnett; Operations Superintendent Ken Johnson; Duff WTP Supervisor Jim Stockton

Guests: City of Medford Councilmembers Bob Strosser and Chris Corcoran; Central Point Mayor & Liaison Hank Williams; Central Point City Manager Chris Clayton

3. Approval or Correction of the Minutes of the Last Regular Meeting of April 16, 2014

The minutes were approved as presented.

4. Comments from Audience

None

5. Resolutions

- 5.1 Resolution No. 1545, A RESOLUTION Authorizing the Manager to Execute an Indemnity and Hold Harmless Agreement By and Between Rogue Valley Mall (Mall) and the City of Medford, By and Through its Board of Water Commissioners, Related to Limiting Liability to the Mall during the Medford Water Commission's (Commission's) Use of the Mall's Parking Lot Facility for Two Days Related to the Commission's 2014 Bus Tours

Staff would like to use the Mall's parking lot again this year as a staging point for the two public bus tours this summer. The Mall requires the Commission to sign a hold-harmless agreement as a condition of use of the facilities. Commission agreements that include indemnity and hold-harmless language must be approved by the Board per the Commission's Contracting and Purchasing Regulations. The Board has approved this agreement since 2011; staff recommended approval again.

Motion: Approve Resolution No. 1545

Moved by: Mr. Dailey

Seconded by: Ms. Davis

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

Motion carried and so ordered. Resolution No. 1545 was approved.

- 5.2 Resolution No. 1546, A RESOLUTION Adopting, and Authorizing the Manager to Execute, the Investment Policy for the Board of Water Commissioners

The Commission re-adopts its investment policy every year in order to comply with state statutes. The policy provides guidance, diversification, effective management of financial risk and internal controls on investment decisions. There have been no modifications since last year's policy was adopted; staff recommended approval.

Motion: Approve Resolution No. 1546

Commissioner Dailey questioned if we needed to change anything with the new company; Finance

Administrator Tessa DeLine stated that we did not.

Moved by: Mr. Dailey

Seconded by: Ms. Davis

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

Motion carried and so ordered. Resolution No. 1546 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 \$367,674.50

Moved by: Mr. Dailey

Seconded by: Mr. Johnson

Roll Call: Commissioners Anderson, Dailey, Davis, Fortier, Johnson voting yes; Anderson abstained from the Mail Tribune voucher; Fortier abstained from the Rogue Transfer voucher.

Motion carried and so ordered.

7. Engineer's Report (E. Johnson)

None

8. Water Quality Report (Stockton)

8.1 Water demand has been bouncing up and down due to the weather; the first day of production was April 30. This is expected to change drastically due to the upcoming weather forecast.

8.2 Service Pump #1 will need to have the motor rebuilt and is expected to come in under \$9,000. This pump is to buffer pressure variations that come out of the plant. The drive will need to be looked at as well. When complete we will restore pumping facility.

Commissioner Anderson questioned the age of the motor; Duff WTP Supervisor Jim Stockton stated that it is 10 years old but because of its function it is used more than others.

8.3 Staff has been troubleshooting the sewage waste line from Duff to Kirkland Road, which is about 1200 feet long. At present it appears that we have a partially collapsed line or a plugged line.

9. Finance Report (DeLine)

9.1 Finance Administrator Tessa DeLine stated that staff is working on month end financial statements and should be caught up with them by the end of May.

9.2 Ms. DeLine stated that year end is in six weeks.

10. Operations Report (K. Johnson)

10.1 Operations Superintendent Ken Johnson provided information on City of Medford projects and reported on how the Medford Water Commission is working on those projects.

10.2 There was a Hwy 62 preconstruction meeting; this project is expected to be completed by June 13.

10.3 The meter change-out program is ongoing and is being replaced at a steady pace.

Commissioner Dailey questioned the location of the Hwy 62 project; Mr. Johnson noted that it is from Hubbards Hardware to Lava Lanes and will cross the highway; this will be a night work project.

11. Manager/Other Staff Reports

- 11.1 The American Water Works Association (ACE) annual conference will be in Boston June 8-12, 2014.
- 11.2 The Incident Command Overview for Executive & Senior Officials FEMA class will be held May 19 at the Carnegie Building. Mr. Dailey stated that he will be attending.
- 11.3 The Drought Awareness Public Forum for the WISE Project is May 21. The WISE all day bus tour is May 15; the WISE policy making meeting is May 16. Rogue Valley Council of Governments will be holding an Integrated Water Resources Planning meeting on June 2.
- 11.4 Manager Rains stated that in the Board's packets are minutes from the City of Phoenix where discussion was on litigation funds for water rights. He wanted the Board to be aware of the issue and possibility. Commissioner Anderson stated he would like to hold off on any comments until something is received. Medford Attorney Huttel noted that even if they do file no comments can be given as we would be in litigation.

- 12. Executive Session In Accordance with ORS 192.660(2)(f), to consider information or records that are exempt by law from public inspection.

The Board adjourned to executive session at 12:55 p.m.

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The Board reconvened at 1:30 p.m. with the same members present.

Motion: Direct staff to provide documents accumulated to date and send to outside council as per Executive Session for complete review of the proposed water service agreement

Moved by: Mr. Johnson

Seconded by: Mr. Dailey

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

Motion carried and so ordered.

13. Propositions and Remarks from the Commissioners

None.

14. Adjourn

There being no further business, this Commission meeting adjourned at 1:32 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.