

**MINUTES OF THE REGULAR MEETING OF THE MEDFORD WATER COMMISSION**  
**June 18, 2014**

The regular meeting of the Medford Water Commission was called to order at 12:34 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, Lee Fortier; Leigh Johnson

Manager Larry Rains; Attorney John Huttli; Deputy City Recorder Karen Spoons; Administrative Coordinator Betsy Martin; Principal Engineer Eric Johnson; Finance Administrator Tessa DeLine; Public Information Coordinator Laura Hodnett; Operations Superintendent Ken Johnson; Water Quality Administrator Rosie Pindilli; TS Coordinator Kris Stitt; HR Payroll Specialist Kristin Berg; Staff Engineer Rodney Grehn

Guests: City of Medford Councilmember Chris Corcoran; Medford City Manager Eric Swanson; Ashland Associate Engineer Pieter Smeenk; Central Point Mayor & Liaison Hank Williams

Commissioner Cathie Davis was absent.

3. Approval or Correction of the Minutes of the Last Regular Meeting of June 4, 2014

The minutes were approved as presented.

4. Comments from Audience

4.1 Ashland Associate Engineer Smeenk stated that pertaining to the TAP, the contractor was able to get 8,000 feet of pipe in the ground on a 14,000 feet project. They are expecting to get into rock which will slow down the process. The line is scheduled to be done mid-August or sooner. Mr. Smeenk expected that Ashland will need the water sooner than anticipated.

4.2 Councilmember Corcoran thanked the forefathers for putting the MWC together.

5. Resolutions

5.1 Resolution No. 1552, A RESOLUTION Approving Amendments to the Monthly Salary Rates for Non-Bargaining Unit Employees of the Medford Water Commission, Effective July 1, 2014

As part of the budget process, staff revised the monthly salary rates for all nonunion employees, based on the Consumer Price Indexes, Pacific Cities and US City Averages, for Urban Wage Earners and Clerical Workers. The resolution reflects a 1.4 percent cost-of-living increase. Staff recommended approval.

Motion: Approve Resolution No. 1552

Moved by: Mr. Dailey

Seconded by: Mr. Fortier

Commissioner Dailey questioned how the salaries are set in the first place as seen in Exhibit A; Manager Rains explained that there are step increases and that there is also a COLA increase, which is what this resolution is. Mr. Rains stated that they are performing a salary survey which should be ready in a few months. Commissioner Anderson questioned if a person automatically receives a step increase; Mr. Rains noted that it would depend on their performance.

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

Motion carried and so ordered. Resolution No. 1552 was approved.

- 5.2 Resolution No. 1553, A RESOLUTION Approving Amendments to the Pay Schedule of Bargaining Unit Employees of the Medford Water Commission, as Set Forth in the Agreement between the Board of Water Commissioners and the Oregon and Southern Idaho District Council of Laborers, Laborers' International Union of North America, Local #121, Effective July 1, 2014

The 2012 union contract provides for a cost-of-living increase based on the Consumer Price Indexes, Pacific Cities and US City Averages, for Urban Wage Earners and Clerical Workers. The average of the indexes was a 1.4 percent increase. Staff recommended approval.

Motion: Approve Resolution No. 1553

Moved by: Mr. Dailey

Seconded by: Mr. Johnson

Mr. Dailey questioned when the contract expires; Mr. Rains noted that it is a three-year contract that ends next year.

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

Motion carried and so ordered. Resolution No. 1553 was approved.

- 5.3 Resolution No. 1554, A RESOLUTION Authorizing the Manager to Execute an Agreement to Provide Workers Compensation Insurance for Medford Water Commission Employees, for Fiscal Year 2014-15

Staff received quotes annually for this insurance coverage; two were received this year. SAIF provided the low quotation. Staff recommended approval.

Motion: Approve Resolution No. 1554

Moved by: Mr. Johnson

Seconded by: Mr. Dailey

Mr. Anderson questioned why the huge discrepancy in the quotes; HR/Payroll Specialist Berg commented that they were not sure why the other party was so high but it could be due to a high claim. She also noted that we received a dividend last year of \$16,000. Mr. Dailey questioned our safety rating; Ms. Berg noted it is based on the last three years of claims; presently we have about four claims which are mostly due to injuries due to staff getting older. Mr. Dailey questioned if we have an active safety program; Ms. Berg noted we have safety meetings every month and we have also had a safety specialist from SAIF that has come in to assist and offer suggestions. Commissioner Johnson remarked that the Safety Committee has spoken to the board.

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

Motion carried and so ordered. Resolution No. 1554 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 \$421,921.15

Moved by: Mr. Dailey

Seconded by: Mr. Fortier

The board questioned the voucher to Bear Creek Watershed Council; Mr. Rains stated that the process of the potential consolidation was approved by the board. Mr. Johnson noted that he is trying to keep up with the changes. Mr. Rains remarked that the State is pushing to consolidate and staff asked for incentive money to help get this formed. Mr. Johnson questioned how many watershed councils would be left; Mr. Rains noted that we are down to one or two. Public Information Coordinator Hodnett noted she is on the Bear Creek Watershed Board and that they received special funding from OWEB to look at

consolidation and our grant helps with this. Mr. Dailey questioned if we should further this process if we supported one; Mr. Rains noted that Geologist Bob Jones is involved on this.

The other payment in question had to do with the software implementation program and Mr. Rains stated that there should be one more payment. Mr. Anderson questioned if we are on target; Mr. Rains noted that with the original cost we are about 18% above our contract. On top of that, in the middle of the software implementation the City split away which required extra funding, although the City did pay for it. Mr. Rains thought we have done well with the change orders.

Roll Call: Commissioners Anderson, Dailey, Fortier, Johnson voting yes; Anderson abstained from the C&C Tire voucher; Fortier abstained from the Rogue Disposal and Rogue Transfer vouchers.  
Motion carried and so ordered.

7. Engineer's Report (E. Johnson)

- 7.1 Duff Water Treatment Plant Floc/Sed Basins – Black & Veatch continue to work towards the completion of the 90% plans and specifications which are due June 19.
- 7.2 Duff Water Treatment Plant Raw Water Intake Pumps 1 & 2 – The contract, bonds and insurance forms have been received from Pacific Electrical Contractors. A Notice to Proceed was issued June 16 with a completion date of June 25, 2015. A pre-construction meeting will be held in the near future.
- 7.3 Angelcrest Pump Station – The pump has not yet arrived but it should be here Friday; once it is on site the installation of the pump and motor will start.
- 7.4 Highway 62 Bypass – The ODOT permit was obtained and construction was started last week. The 14" water main has been installed from Whittle Road east to Lava Lanes then to the north side of Hwy 62. The pressure test and chlorination are scheduled for tonight. The project should be completed by the end of next week. .
- 7.5 Vilas Road 16" Water Main Inter-tie – Marquess & Associates continues to design the 16" water main.

8. Water Quality Report (Pindilli)

- 8.1 Jake Kahn with Aquatic Ecosystem Sciences is to deliver the final report on the Willow Lake algae study by June 20.
- 8.2 Lost Creek Lake hazardous algae bloom was issued on June 3. Algal toxins are not tested at Lost Creek Lake, just algae counts. However, this still triggers downstream monitoring for toxins at public water system intakes. Angler's Cove in Shady Cove was sampled last week. They had a positive result for toxins in the raw water. Now they must sample the raw and finished water and MWC must now sample the raw. This is really early in the season to start this sampling. Water Quality Administrator Pindilli stated that the analysis for these toxins is not perfected. She received the assurance from the State that if we get any detects in our finished water, we will be able to re-sample and have other labs perform the analysis to confirm results before any public notification would be needed.

Mr. Anderson questioned when we were going to test; Ms. Pindilli stated that she would either test today or tomorrow.

- 8.3 The recent treatment violation for Big Butte Springs water that was rescinded resulted in the State's re-evaluation of the location of our compliance entry point to the distribution system.

The State conducted our sanitary survey over the last two days which encompassed an evaluation of the Duff Water Treatment Plant, Big Butte Springs, and storage tanks in the distribution system. Although it will take a few weeks to receive the completed survey, it was made clear to us that our entry point will be relocated to the Springs and will no longer be at Coal Mine. We will now have two entry points, one for each line. As for disinfection and continuous monitoring, nothing will change since we have been doing this at the Springs all along. What will change are our chemical analysis collection sites, which doubled (one for each line) and will be required to be collected at the points designated by the State. The State was also very concerned about the pH of our water and its corrosiveness. This may lead to more required testing and potentially some additional treatment.

Mr. Johnson stated that if the State wanted more and more control of the Springs we need to meet about this as they have an agenda. Mr. Anderson did not think this was about that and thought that the State has reason to ask for the testing to be done at the Springs.

9. Finance Report (Pindilli)

9.1 April financial statements have been completed; May should be done shortly.

9.2 The focus next week will be to have all software changes complete as the consultant is working on the final list.

Out of sequence.

It was stated that there is a conference call at 1:00 p.m. pertaining to the executive session.

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 1:00 p.m.

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The Board reconvened at 1:55 p.m. with the same members present except Leigh Johnson.

Back in sequence.

14. Adjourn

As there was no additional time for the balance of the items on the agenda, this Commission meeting adjourned at 1:56 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.