



BOARD OF WATER COMMISSIONERS MINUTES

Wednesday, June 20, 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 12:03 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, Leigh Johnson (via phone); Rick Whitlock

General Manager Brad Taylor; City Recorder Karen Spoonts; Administrative Coordinator Yvette Finstad; Principal Engineer Eric Johnson; Finance Director Tessa DeLine; TS Administrator Kris Stitt; Water Treatment and Quality Director Ben Klayman; Water Maintenance Supervisor Brian Davidson

Guests: Medford Councilmember Tim D'Alessandro; Central Point City Manager Chris Clayton*; Eagle Point Mayor Bob Russell

3. Executive Session I Accordance with ORS 192.660(a)(a) – To Consider Employment of a Public Officer, Employee, Staff Member of Individual Agent

The Board adjourned to Executive Session at 12:08 p.m.

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The Board reconvened at 12:21 p.m. with the same Board members present.

4. Approval or Correction of the Minutes of the Last Regular Meeting of June 6, 2018
The minutes were approved as presented.
5. Comments from the Audience
6. Resolutions
 - 6.1 No. 1676, A RESOLUTION Adopting, and Authorizing the General 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 revisions since last year's policy was adopted. Staff recommended approval.

Motion: Approve Resolution No. 1676

Moved by: Mr. Dailey

Seconded by: Mr. Whitlock

Deanne Woodring of Government Portfolio will present at an upcoming study session. Commissioner Whitlock questioned the 30 day notice requirement and would prefer it shortened. Staff to follow up.

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

Motion carried and so ordered. Resolution No. 1676 was approved.

- 6.2 No. 1677, A RESOLUTION Approving Amendments to the Monthly Salaries of Bargaining Unit Employees of the Medford Water Commission, as Set Forth in the Agreement between the Board of Water Commissioners of the City of Medford, Oregon and the Oregon and Southern Idaho District Council of Laborers, Laborers' International

Union of North America, Local #737, Effective July 1, 2018

The union contract signed in 2015 and extended to 2019 provides for a cost-of-living increase determined by the preceding year's 12-month average of the Consumer Price Indexes, Pacific Cities and US City Averages, for Urban Wage Earners and Clerical Workers. The resolution reflects a 2.8 percent cost-of-living increase. Staff recommended approval.

Motion: Approve Resolution No. 1677

Moved by: Mr. Dailey

Seconded by: Mr. Whitlock

Commissioner Johnson questioned if the previous manager had signed this contract; Mr. Taylor noted that is correct and is renewable for one year as required by the contract.

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

Motion carried and so ordered. Resolution No. 1677 was approved.

- 6.3 No. 1678, A RESOLUTION Approving Amendments to the Monthly Salary Rates for Non-Bargaining Unit Employees of the Medford Water Commission, Effective July 1, 2018

As part of the budget process, staff revised the monthly salary rates for all nonunion employees, determined by the preceding year's 12-month average of the Consumer Price Indexes, Pacific Cities and US City Averages, for Urban Wage Earners and Clerical Workers. The average of the indexes was 2.8 percent. Staff recommended approval.

Motion: Approve Resolution No. 1678

Moved by: Mr. Dailey

Seconded by: Mr. Whitlock

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

Motion carried and so ordered. Resolution No. 1678 was approved.

7. Authorization of Vouchers

Motion: Authorize the Manager and the Recorder to issue check-warrants in payment of invoices for a total amount of \$451,229.99

Moved by: Mr. Dailey

Seconded by: Mr. Whitlock

Commissioner Whitlock questioned at will contracts; Mr. Taylor noted he is the only at will contract.

Roll Call: Commissioners Anderson, Bunn, Dailey, Johnson, and Whitlock voting yes; Johnson abstained from Stanley Security Systems.

Motion carried and so ordered.

*Central Point City Manager Chris Clayton arrived.

8. Staff Reports

8.1 Engineer's Report (Principal Engineer Eric Johnson)

- a. Duff Water Treatment Plant Floc/Sed Basins – Electrical work, lighting, hand rail and grate installation continues and is nearing completion. The plate settles for basin #1 and #2 are being installed. The sludge removal equipment is being installed in basin #1. Site cleanup continues.

- b. Duff Maintenance Building Design – The change order to allow MSI to start the

building design services has been signed. MSI has approved Bull Engineering to start the planning, surveying, engineering (drawing and specifications) for the building.

- c. Corrosion Study – An update of the Corrosion Study will be provided by Black and Veatch at the August 1st Board meeting.
 - d. Big Butte Springs Tour – The June 12 Duff WTP and BBS tour was successful. The bus was full and the tour took the full day.
 - e. Capital Hill Reservoir – The roof on Capital Hill Reservoir #3 has been undergoing a study to evaluate the delamination/spall and crack defects via chain drag and hand sounding of the concrete. Upon evaluation, a course of action will be prescribed by Marquess and Associates.
- 8.2 Operations Report (Water Maintenance Supervisor Brian Davidson)
- a. Crews have started maintenance on fire hydrants and are adjusting valves for all City paving projects. Air valve maintenance is still ongoing.
- 8.3 Water Quality/Treatment Report (Water Treatment & Quality Director Ben Klayman)
- a. The AWWA Annual Conference was held last week. Staff Engineer Rodney Grehn and Ben Klayman attended. MWC presented our corrosion study. Big topics overall were: algal toxins, risk communication, public funding, water rates, and regional partnerships.
 - b. OHA fast-track rule on Cyanotoxin monitoring anticipated out around July 1.
 - o Salem continues to have a water advisory in place, keeping the spotlight on algal toxins
 - o The proposed rule provides guidance for monitoring and reporting
 - o Draft has been released and has been reviewed and commented on by MWC and other water providers and stakeholders
 - o We are well positioned for continued compliance
 - o MWC has contributed to three local news stories on algae issues
 - c. Watershed monitoring
 - o Have strong candidate pool for watershed/water quality tech position, expect to have new staff member hired by August
 - o Watershed water quality monitoring increasing during the summer
 - d. Plant is operating 24/7
 - o Ashland utilized the TAP connection at approximately 2 mgd from June 5-15.
- 8.4 Finance Report (Finance Director Tessa DeLine)
- a. May 2018 Financial Statements are completed and will be distributed shortly. Staff is working on cash flow projections and are revisiting revenue and expenditure targets. The most recent data has been entered into our Cost of Service Study. Staff will advise when it is completed.
 - b. A team from Isler CPA will be here for audit fieldwork the week of September 17.
- 8.5 I.T. Report (Technical Services Administrator Kris Stitt)
- a. Staff has been transitioning over to Invoice Cloud, which will replace our current

credit card processor and provide additional services to our customers. The go live date is set for July 6.

- b. Staff has finished up the contract with our Finance software support vendor, Cogsdale, who has helped complete the upgrade of financial software (Microsoft Dynamics GP). Staff will meet with one of their project managers in the coming weeks to set up a timeline for the upgrade.
- c. Projects this coming fiscal year: server and infrastructure upgrades and upgrading our billing system.
- d. Two interviews for the Technology Services Business Analyst position will be this week.

9. Manager's Report

9.1 Notification of Award of Emergency Contract for Generator Repair

An emergency contract for generator repair at Big Butte Springs has been awarded in accordance with the Commission's Contracting & Purchasing Regulations, which authorize the award of a contract without competitive bidding in the case of an emergency and with written notification to the Board of Water Commissioners. The contract amount is under \$6,000.

9.2 Mr. Taylor has been involved in a statewide work groups with the Oregon Health Authority (OHA) that is reviewing fee schedules. The goals of OHA are: balanced program revenue, restore staffing, and provide adequate support for water systems. Currently we pay \$2,400/year (water survey fee), which may go up to between \$22,000 and \$33,000/year.

9.3 Direction was requested pertaining to the Brown & Brown's presentation at the study session. The Board requested staff review with Brown & Brown cyber security insurance coverage and the amount of coverage. This voucher will come before the Board at the next meeting.

9.4 The upcoming meeting schedule was presented.

9.5 The voucher process was discussed; Mr. Taylor noted the Board should only approve those that are over his authority.

10. Propositions and Remarks from the Commissioners

- a. The Board discussed a potential special meeting next week.

11. Adjourn

There being no further business, this Commission meeting adjourned at 1:03 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.