

MINUTES OF THE REGULAR MEETING OF THE MEDFORD WATER COMMISSION
July 2, 2014

The regular meeting of the Medford Water Commission was called to order at 12:29 p.m. on the above date at the Lausmann Annex, 200 S. Ivy Street, Room 151/157, Medford, Oregon.

1. Roll Call

The following commissioners were present:

Chair Jason Anderson; and Commissioners Leigh Johnson, Cathie Davis, Lee Fortier, and John Dailey

The following staff members were present:

Manager Larry Rains; Administrative Coordinator/Acting City Recorder Betsy Martin; Principal Engineer Eric Johnson; Finance Administrator Tessa DeLine; Public Information Coordinator Laura Hodnett; Operations Superintendent Ken Johnson; Duff/Water Treatment Plant Supervisor Jim Stockton; BBS Operator Dennis Burg; Staff Engineer Rodney Grehn; HR/Payroll Specialist Kristin Berg

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

2. The pledge of allegiance was given.

3. Approval or Correction of the Minutes of the Last Regular Meeting of June 18, 2014

The minutes were not available and approval was postponed until the July 16, 2014 regular meeting.

4. Comments from Audience

None

5. Written Communications

5.1 Quarterly Letter to the Mayor and City Council

The letter covering the first through third quarters of Fiscal Year 2013-14 was provided. The reports have been delayed due to impacts of the financial software upgrade project. The letter was approved by the Commissioners and signed by the Chair; staff will forward to the Mayor and councilmembers.

6. Authorization of Vouchers

Motion: Authorize the Manager and the Recorder to issue check-warrants in payment of invoices for a total amount of \$827,917.24

Moved by: Mr. Dailey

Seconded by: Mr. Johnson

Roll Call: Commissioners Anderson, Dailey, Davis, Fortier and Johnson voting yes; Fortier abstained from the Dry Creek Landfill voucher; Johnson abstained from the Stanley Security voucher. Motion carried and so ordered.

7. Engineer's Report (Eric Johnson)

7.1 Duff Water Treatment Plant Floc/Sed Basins – Staff received the 90 percent plans and specification from Black & Veatch on June 19. Staff review is scheduled to be completed by August 7. A set of plans was shown.

7.2 Duff Water Treatment Plant Raw Water Intake Pumps 1 & 2 – A pre-construction was held on June 24. A list for equipment is being formulated and submittals will follow from Pacific Electrical Contractors.

7.3 Angelcrest Pump Station – The pump and motor have been installed and is operational. The pump and motor will be observed over the next month, and then rebalanced if required.

- 7.4 Highway 62 Bypass – The 14-inch water main was flushed, pigged, chlorinated, de-chlorinated and samples were taken. The tie-in at Whittle Ave, Lava Lanes, Del Taco and the north side of Highway 62 will be completed this week.
- 7.5 Vilas Road 16-Inch Water Main Inter-tie – Marquess and Associates continues to design the 16-inch water main.

8. Water Treatment Report (Jim Stockton)

- 8.1 Production – The plant went to 24-hour operations on June 16, which was 2-3 weeks earlier than usual. Consistent output at 17-18 MGD typically triggers the transition to 24-hour production. June production was 503.79 MG, even with rain and cooler temperatures. The 10-year average production for the month of June is 367 MG; record June production occurred in 2003 at 595 MG; 2001 and 2007 also had higher June production.
- 8.2 Pumping – A major part of operations and a major expense. High Service Pump #1 is back in service; maintenance work on High Service Pump #4 is underway.
- 8.3 Intake Screens – The annual diving inspection was performed on June 12; gravel continues to build up on the downstream end of the screens. Staff is scheduling the maintenance in August, during the permitted in-water work period.

Commissioner Anderson questioned production levels for the entire summer of 2003; staff replied that it turned out to be one of the highest production years. Production decreased during the recession, but now appears to be increasing again.

9. Finance Report (Tessa DeLine)

- 9.1 Software – A Cogsdale consultant was onsite last week to work through punch-list items; a couple of areas need work. Pipeline and other legacy data had not been loaded in the system; corrections should be forthcoming this week.
- 9.2 Financial statements – Completion of May statements have been delayed to the consultant's visit, but should be finalized by early next week. Staff also is preparing for fiscal year-end.
- 9.3 Inventory – The semi-annual inventory is scheduled for July 10.

10. Operations Report (Ken Johnson)

- 10.1 TAP Meter – Staff is awaiting additional data from the City of Phoenix.
- 10.2 Oregon Sanitary Survey – Based on state recommendations, staff is upgrading some of the reservoir overflows.
- 10.3 Pipeline Projects – Crews have been busy pressure testing and chlorinating/de-chlorinating the lines.

Commissioner Anderson questioned how the new TAP meter is performing and if staff will be able to obtain the information needed from the City of Phoenix. Staff reported that the meter is performing well; a letter was sent to Jeff Ballard of RH2 Engineering, requesting pump data; the Commission only has the monthly meter-reads. Commissioner Dailey questioned if Phoenix has the pump information; staff indicated that they may have it, but perhaps not in a usable format; they are working on it. If Ballard can't provide the information, the next step may be additional pump testing. The Commissioners preferred not to delay a resolution to this issue

and requested that staff present options to the Board as soon as possible.

11. Manager/Other Staff Reports

11.1 Shutoff Notices Update for May 2014

Mr. Rains provided the first monthly report on shutoff notices, which had been requested by the Board. The report included the number of different notices mailed, as well as how many customers eventually either paid the bill or had their water service disconnected. The 400 shutoffs indicated are fairly typical. Board members discussed the process and requested additional figures on reconnections. Commissioner Dailey asked for information on the length of time that the Commission allows between the bill due-date and disconnection. Commissioner Johnson inquired about the status of the high-use account discussed at prior meetings. Staff reported that the customer appears to be staying within the water budget; in addition to the property owner, each resident at the house received a copy of the notice.

11.2 Southern Oregon Subsection - AWWA – Annual Golf Tournament Fundraiser

Mr. Rains announced the dates (August 8 & 9) for this year's golf tournament, which again will be held at Stone Ridge Golf Course. A flyer was circulated. The tournament is no longer sponsored by the Commission, as it was in years past. Funds are raised for Water for People's drinking water and sanitation projects in developing countries.

11.3 Hillcrest Corporation Request for an Emergency Water Connection

On June 16, the Commission received a written request from Hillcrest Corporation (Corporation) for a water connection due to drought conditions. Rains explained that through Resolution No. 802, the Commission is authorized to supply the Corporation with emergency metered water service, at the intermittent rate. Staff mailed a letter of agreement to the Corporation on June 30, along with copies of the 1994 resolution and agreement, which included the terms and conditions of water service.

11.4 Resolution No. 1555, A RESOLUTION Authorizing Medford Water Commission Employees to Participate in the PERS Unused Sick Leave Program, For PERS Retirement Benefits, Effective July 1, 2014

Staff reported that in 1998, the City of Medford started offering its employees the ability to apply up to 50 percent of their sick leave hours towards their final average salary calculation for PERS retirement purposes. The Commission only recently learned of the City policy and would like to offer the same benefit to Commission employees. The policy only applies to employees on the full-formula or full-formula-plus-annuity plans. There are no additional costs to the Commission.

Commissioner Anderson questioned the possible impact for employees; staff noted that it could increase monthly payments by several hundred dollars, depending on the amount of sick leave in the employee's account at the time of retirement. Commissioner Dailey questioned how the addition of sick leave affects the calculation; staff explained that the sick leave would be converted using the employee's final salary rate, and then added to the final salary. It only applies to Tier I and II employees.

Commissioner Anderson questioned what would happen if the City opted out at some point; staff explained that once you start participating in the program, you can't opt out. Printed copies of the resolution were included in the Board's folders. Staff recommended approval.

Motion: Approve Resolution No. 1555

Moved by: Mr. Dailey

Seconded by: Ms. Davis

Roll Call: Commissioners Anderson, Dailey, Davis, Fortier and Johnson voting yes.
Motion carried and so ordered. Resolution No. 1555 was approved.

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.

The Board reconvened at 1:16 p.m. with the same members present.

Motion: Direct staff to provide a cover letter and a copy of the new wholesale water service agreement to the other cities and water districts for their review, and request the return of comments by the end of August 2014.

Moved by: Mr. Johnson

Seconded by: Mr. Dailey

The Commissioners and staff discussed the letter to the other cities; it will be sent to the mayors and city managers. Regarding water service for the City of Ashland, Commissioner Dailey suggested that staff include a draft letter of intent as an agenda item for Board review at the next regular meeting, on July 16.

Roll Call: Commissioners Anderson, Dailey, Davis, Fortier and Johnson voting yes.
Motion carried and so ordered.

13. Propositions and Remarks from the Commissioners

- 13.1 Commissioner Dailey read a letter of appreciation that he composed and delivered to the Commission, regarding his recent bus tour of the Big Butte Springs and Robert A. Duff Water Treatment Plant facilities. He noted in particular the professionalism of staff members Laura Hodnett, Public Information Coordinator; Bob Jones, Geologist; Dennis Burg, Big Butte Springs Operator; and Jim Stockton, Water Treatment Plant Director; and thanked them for being great ambassadors for the Commission.

14. Adjourn

There being no further business, this Commission meeting adjourned at 1:22 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.

Betsy Martin
Administrative Coordinator of the Medford Water Commission
Acting City Recorder/Clerk of the Commission