



## BOARD OF WATER COMMISSIONERS MINUTES

Wednesday, September 6, 2017  
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 12:27 p.m. on the above date at the Medford City Hall Lausmann Annex, Room 151/157 with the following commissioners and staff present:

Chair John Dailey; Commissioners Jason Anderson, Leigh Johnson; Bob Strosser

Manager Brad Taylor; Medford City Attorney Lori Cooper; 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; Watershed Administrator Craig Harper

Guests: Medford Councilmember Michael Zarosinski; Central Point Mayor Hank Williams; Central Point City Manager Chris Clayton; John Vial and J. Domis of Jackson County

Commissioner Daniel Bunn was absent.

3. Approval or Correction of the Minutes of the Last Regular Meeting of August 16, 2017  
The minutes were approved as presented.
4. Comments from the Audience
5. Written Communications
  - 5.1 Quarterly Letter to the Mayor and City Council  
The letter for the fourth quarter of Fiscal Year 2016-17 was presented, as was the June financials and recent precipitation and flow data. The board agreed to its contents, the Chair will sign and staff will present it and the attachments to the Mayor and Council.
6. Public Hearings  
Out of sequence
  - 6.2 No. 1651, A RESOLUTION of the City of Medford, Oregon, By and Through its Board of Water Commissioners, Retaining the System Development Charges (SDCs) for the East Side High Level Area (ESHL), at the Current Amount of \$7,667.08 per Gross Acre, Using the Methodology and Other Provisions Relating to Imposition and Collection of SDCs, Effective October 1, 2017  
  
The East Side High Level SDC was last increased in 2015. Staff proposed to hold this SDC at the current level at the study session on May 3. Staff recommended approval.

Public hearing opened.  
No one spoke  
Public hearing closed.

Motion: Approve Resolution No. 1651

Moved by: Mr. Johnson

Seconded by: Mr. Anderson

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

Motion carried and so ordered. Resolution No. 1651 was approved.

Back in sequence

- 6.1 No. 1650, A RESOLUTION of the City of Medford, Oregon, By and Through its Board of Water Commissioners, Retaining System Development Charges (SDCs) for Water Treatment and Transmission Facilities, at the Current Amount of \$1,707.02 per Equivalent Residential Unit (ERU), Using the Methodology and Other Provisions Relating to Imposition and Collection of SDCs, Effective October 1, 2017

The most recent increase in the “system” SDC was approved by the board in 2015. Staff proposed to hold this SDC at the current level at the study session on May 3. The public hearing was noticed according to Oregon statutes. Staff recommended approval.

Public hearing opened.  
No one spoke  
Public hearing closed.

Motion: Approve Resolution No. 1650

Moved by: Mr. Strosser

Seconded by: Mr. Johnson

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

Motion carried and so ordered. Resolution No. 1650 was approved.

- 6.3 No. 1652, A RESOLUTION of the City of Medford, Oregon, By and Through its Board of Water Commissioners, Retaining the System Development Charges (SDCs) for the Southwest High Level Area (SWHL) at the Current Amount of \$8,423.56 per Gross Acre, Using the Methodology and Other Provisions Relating to Imposition and Collections of SDCs, Effective October 1, 2017

The last increase to the Southwest High Level SDC was approved by the board in 2013 (going into effect in 2014). Staff proposed to hold this SDC at the current level at the study session on May 3. Staff recommended approval.

Public hearing opened.  
No one spoke  
Public hearing closed.

Motion: Approve Resolution No. 1652

Moved by: Mr. Johnson

Seconded by: Mr. Anderson

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

Motion carried and so ordered. Resolution No. 1652 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 \$1,242,112.48

Moved by: Mr. Johnson

Seconded by: Mr. Strosser

Roll Call: Commissioners Anderson, Dailey, Johnson, and Strosser voting yes; Anderson recused himself from the Asante voucher.

Motion carried and so ordered.

## 8. Engineer's Report (Principal Engineer Eric Johnson)

- 8.1 Duff Water Treatment Plant Floc/Sed Basins – Full demolition of basins #1 and #2 are underway and the west end of the basins has been saw cut for removal. Staff is starting to gear up for decommissioning the plant. More materials are being delivered to facilitate an increase in construction.
- 8.2 City of Medford Lozier Lane Project – New 12” water main installation in Lozier Lane is underway. Approximately 1300’ of 12” water main has been constructed.

- 8.3 Corrosion Study – The bench scale testing is underway and will continue for the next six to ten weeks. The preliminary work for the design and construction of the pipe loops is underway. The on-site in person interviews will be conducted the week of September 11.
- 8.4 Jackson County Table Rock Road Project – Final revisions to the plans and specifications have been coordinated with HDR. The project will go to bid in October and construction will start in January 2018.
- 8.5 City of Medford Foothill Road – Staff is waiting on Public Works for the base drawing, which will be available in early October.
- 9. Operations Report (Operations Superintendent Ken Johnson)
  - 9.1 Three vehicles were solicited from Ford dealerships using the State of Oregon Procurement Information Network (ORPIN) and to Ford non ORPIN dealerships. A fourth vehicle is being ready to solicit in the same manner.
  - 9.2 Staff will be repairing a leak on a water main at 703 E. Main Street on Thursday evening. Crews do have masks to wear for the bad smoke in the area.
- 10. Water Treatment Report (Water Treatment Director Jim Stockton)
  - 10.1 With the very high temperatures early September Duff water production got off to a bold start. Production for the month was 757 MG (24.5 MGD avg). The five-year average is 646 MG. The record for August was set back in 2005 at 820 MG. Temperatures ranged from 83 F for a low to 112 F for a high. Precipitation was not wide spread but did officially total 0.14 inches.
  - 10.2 Treatment production is quickly tapering off now with the average dropping below 20 MGD. The smoke, start of school, and shorter days contributed to the drop of production. At this point the operating schedule is starting to decrease with manned coverage going from 24 hours per day to around 20.
  - 10.3 A small portion of our staff will be taking specialized training next week at the local Southern Oregon Water and Wastewater Short School at the RCC campus in White City. Credentials for staff were discussed.
  - 10.4 The water quality analyzer at the intake will be installed this month and will provide continuous water quality monitoring year round.
- 11. Finance Report (Finance Director Tessa DeLine)
  - 11.1 Finance is working on the August financial statements. Staff expects to have an answer in regard to the unfavorable general and administration expense variance for the month of July within the next week.
  - 11.2 Finance is working on fulfilling the data request for the Cost of Service Study. Included are items such as asset/plant data, financial information and consumption data.
  - 11.3 An error in processing a payroll tax payment was made in June. The late payment was paid and Isler CPA was notified. The IRS penalty was \$4,000; staff is requesting leniency from the IRS. Procedures have been amended in order to avert a similar situation in the future.
- 12. Manager/Other Staff Reports  
Out of sequence
  - 12.2 Utility Billing  
Manager Brad Taylor stated he attended a Medford City Council study session last week pertaining to updating utility billing software. The meeting went well and the City is moving

forward with the vendor selection.

Back in sequence

- 12.1 Jackson County Bulk Water Dispenser in White City  
J. Domis of Jackson County requested an amendment to the agreement between MWC and Jackson County allowing water service to the bulk water dispenser located in White City. The agreement, signed in 2005, requires MWC approval for any future price increases. The County wishes to modify the cost for the water supplied through the dispenser to cover maintenance, water and operational costs, as well as a fair rate of return. Due to the demand, the County would like to install an automated system where the customer is given an account number, total cost will be about \$100,000. Attorney Lori Cooper questioning the criteria for accepting the water; Mr. Domis noted they will not deny an application. The board requested a list of the top users per month.

Motion: Direct staff to accept proposal from the County as presented.

Moved by: Mr. Johnson

Seconded by: Mr. Anderson

Manager Taylor noted the County is also involved in discussion with Central Point and the MWC on water usage.

Roll Call: Commissioners Anderson, Dailey, and Johnson voting yes; Strosser abstained.

Motion carried and so ordered.

### 13. Propositions and Remarks from the Commissioners

- 13.1 Commissioner Dailey stated Mr. Taylor has requested additional relocation funding to help defray the cost of the move. The board discussed either \$10,000, \$12,000, and \$14,000 noting taxes would be required to be taken from that amount.

Motion: Authorize a one-time \$14,000 relocation allowance payment issued to Brad Taylor subject to payroll deductions, in lieu of the contract provision pertaining to housing.

Moved by: Mr. Dailey

Seconded by: Mr. Johnson

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

Motion carried and so ordered.

The meeting moved to Executive Session at 1:05 p.m.

14. Executive Session in Accordance with ORS 192.660(2)(h) – To Consult with Counsel Concerning the Legal Rights and Duties Regarding Current Litigation or Litigation Likely to be Filed

The meeting returned to the regular MWC meeting at 1:33 p.m. with the same members present.

### 15. Adjourn

There being no further business, this Commission meeting adjourned at 1:33 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. Spoons, MMC  
City Recorder  
Clerk of the Commission