



## BOARD OF WATER COMMISSIONERS MINUTES

**Wednesday, October 3, 2018**

**Medford Service Center**

**821 N. Columbus Avenue, Medford, Oregon 97501**

The regular meeting of the Medford Water Commission was called to order at 12:20 p.m. on the above date at the Medford Service Center, 821 N. Columbus with the following commissioners, staff, and guests present:

Chair Jason Anderson; Commissioners John Dailey, Daniel Bunn, Leigh Johnson, Rick Whitlock

General Manager Brad Taylor; City Recorder Karen Spoonts; Administrative Coordinator Yvette Finstad; Principal Engineer Eric Johnson; Finance Director Tessa DeLine; Water Meter & Controls Supervisor Ken Johnson; TS Administrator Kris Stitt; Watershed Administrator Craig Harper; Water Treatment & Quality Director Ben Klayman; Water Maintenance Supervisor Brian Davidson; Field Technician III Tim Huffine; Administrative Specialist Jenny Crenshaw

Attorney Mark Bartholomew; Central Point Mayor Hank Williams and City Manager Chris Clayton

3. Comments from the Audience

- 3.1 The Board questioned if Central Point is part of ORWARN; Central Point City Manager Clayton stated they are.

4. Public Hearings

- 4.1 Consider Resolution No. 1689, A RESOLUTION of the City of Medford, Oregon, By and Through its Board of Water Commissioners, Modifying System Development Charges (SDCs) for Water Treatment and Transmission Facilities, to \$1,611.52 per Equivalent Residential Unit (ERU), Using the Methodology and Other Provisions Relating to Imposition and Collection of SDCs, Effective November 1, 2018

Public hearing opened.

No one spoke.

Public hearing closed.

Motion: Approve Resolution No. 1689

Moved by: Mr. Dailey

Seconded by: Mr. Bunn

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

Motion carried and so ordered. Resolution No. 1689 was approved.

- 4.2 Consider Resolution No. 1690, A RESOLUTION of the City of Medford, Oregon, By and Through its Board of Water Commissioners, Modifying System Development Charges (SDCs) for the East Side High Level Area (ESHL), to \$7,850.90 per Gross Acre, Using the Methodology and Other Provisions Relating to Imposition and Collection of SDCs, Effective November 1, 2018

Public hearing opened.

No one spoke.

Public hearing closed.

Motion: Approve Resolution No. 1690

Moved by: Mr. Dailey

Seconded by: Mr. Bunn

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

Motion carried and so ordered. Resolution No. 1690 was approved.

- 4.3 Consider Resolution No. 1691, A RESOLUTION of the City of Medford, Oregon, By and Through its Board of Water Commissioners, Modifying System Development Charges (SDCs) for the Southwest High Level Area (SWHL) to \$8,781.27 per Gross Acre, Using the Methodology and Other Provisions Relating to Imposition and Collection of SDCs, Effective November 1, 2018

Public hearing opened.  
No one spoke.  
Public hearing closed.

Motion: Approve Resolution No. 1691

Moved by: Mr. Johnson

Seconded by: Mr. Dailey

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

Motion carried and so ordered. Resolution No. 1691 was approved.

5. Consent Calendar

- 5.1 Approval or Correction of the Minutes of the Last Regular Meeting of September 19, 2018

Motion: Approve the Consent Calendar

Moved by: Mr. Whitlock

Seconded by: Mr. Bunn

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

Motion carried and so ordered.

General Manager Taylor questioned if the public hearing format was acceptable. The Board questioned if the three resolutions could be one and if a public hearing is needed. Attorney Bartholomew noted he will verify if this is an option for the Board in the future.

6. Items Removed from Consent Calendar  
None.

7. Review of Vouchers  
The board reviewed the vouchers; no questions were received.

8. Staff Reports

- 8.1 Engineer's Report (Principal Engineer Eric Johnson)
- a. Duff Water Treatment Plant Flocc/Sed Basins – The plate settlers for basins #3 and #4 are being installed.
  - b. Duff Maintenance Building Design – The plans have been returned to MSI for revisions. Corrected plans and building costs are forthcoming.
  - c. Rancheria Spring RFP – Staff is coordinating with Jacobs on a Scope of Service for the project.
  - d. Filter 5-8 Rehabilitation – Marquess is proceeding with the seismic analysis.
  - e. Duff Electrical Backup – PEC is proceeding with the analysis for backup generators.
  - f. Conservation
    - On Saturday, September 29, the MWC participated in the Bear Creek Fall Festival. Parents and children learned about water and conservation.
    - The Conservation Department is compiling non-revenue water amounts for Fiscal Year 2017-18.

- The Board questioned:
  - Filters
  - Maintenance building - Principal Johnson noted it will be used for storage. The budget is for \$600,000 but we hope it will come in lower.

8.2 Operations Report (Water Meter & Controls Supervisor Ken Johnson)

- a. At the last board meeting there was a question about meter purchasing. Water Meter & Controls Supervisor Johnson stated we budget for meter purchasing every year. Typically we make three large purchases a year, which helps with storage. Payments are made as items are received.
- b. Two meters have been installed at the Capital Hill Reservoir and the third meter will be installed on October 11. Meters are critical for calculating daily system demand and also provide a flow pacing signal to Captor pump(s), which are used to dechlorinate overflow water.

Commissioner Johnson questioned if these meters are like the PP&L readers; Mr. Johnson noted PP&L's are residential radio meters whereas these are for the purpose of internal use. The Board requested an update on efforts with AMR/AMI and how we will get there. Staff noted presently we have three different systems, and with the speed of technology this needs to be reviewed.

Field Technician Huffine stated meters for control systems are in our major transmission lines. They are the magnetic flow meters.

8.3 Water Treatment/Quality Report (Water Treatment/Quality Director Ben Klayman)

- a. Treatment
  - Since Rancheria Springs is unavailable, flow coming down from BBS have been reduced to 20 mgd for the remainder of the year.
  - Moisture and cooler temperatures mean we can likely get off of the 24-hour operations in the coming week.
  - Intermittent operation of the plate settlers is new for plant staff this year. It is going very well and prepares us to come off of 24-hour plant operations.
- b. Watershed
  - Willow Basket commercial thinning has kicked off and is looking successful. The first loads of logs have gone to purchasers. It is anticipated this will continue through November. Payment comes 30 days after delivery.

Commissioner Dailey would like a photographic history of what we have done with this area. Water Treatment & Quality Director Klayman stated we have photo points already in place and we will be able to monitor regrowth as well.

- c. Water Quality
  - 100 compliant.

8.4 Finance Report (Finance Director Tessa DeLine)

- a. The second draft of the Comprehensive Financial Management Policy was submitted to HDR for review.
- b. Field work for the annual audit will resume on October 8. Staff is close to wrapping it up.

- c. Staff will resume work on the Cost of Service Study and the ten-year financial plan next week.

Mr. Taylor noted HDR will be here for the November 21 Work Session.

- 8.5 I.T. Report (Technical Services Administrator Kris Stitt)
  - a. Staff is working on a new server at the Service Center to upgrade the SCADA system. This is similar to what we did in Duff a few years ago.

9. Manager's Report

9.1 SAIF Dividend

SAIF Corporation, our workers compensation carrier, has declared a dividend for the 2016 Policy Year. MWC will be receiving a dividend from SAIF in the amount of \$22,081, which is a 23.86% total dividend factor. Dividends are not a guarantee, however, from plan years 2011-2016 we have received \$116,303 back from SAIF.

Mr. Taylor further stated that our premium is approximately \$90,000. Paid claims were close to \$40,000. Commissioner Whitlock stated there are other alternative compensation plans where the risk (payment of claims) can be shared with the insurance provider; Mr. Taylor noted he will explore that with the SAIF agent.

- 9.2 Mr. Taylor attended the Oregon Water Utility Council (OWUC) meeting where there was discussion on regulatory agencies upcoming rules. Those with unaccounted water greater than 10% will need to be more stringent. We sit right at that 10% water loss. That's why we need to support those items that help us monitor our water loss more accurately.

Staff will provide an overview during an upcoming work session and noted unaccounted water is in our Water Conservation Plan. An overview or diagram will be provided.

The next legislative session may see some changes proposed for water right transfers. Over the last year, the Oregon Water Resources Department (OWRD) have determined that they do not have the authority to process transfers. Legal staff hired by the OWUC has submitted a white paper to the OWRD arguing against their conclusion. OWUC is also evaluating other avenues to challenge the interpretation of this issue.

10. Propositions and Remarks from the Commissioners

- 10.1 Commissioner Johnson questioned Mr. Clayton on Central Point's bulk water meter sale from last year to this year. Mr. Clayton stated Central Point is not selling bulk water although the County is dispensing, in fact, they have had to make subsequent improvements to the station as they sold more water than they thought. Mr. Taylor noted the Legislative is paying close attending to this. This item may be addressed in the future. Staff will bring a report back once the season ends, which is the end of October.

11. Adjourn

There being no further business, this Commission meeting adjourned at 12:57 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.