

MINUTES OF THE REGULAR MEETING OF THE MEDFORD WATER COMMISSION

May 18, 2011

The regular meeting of the Medford Water Commission was called to order at 12:25 p.m. on the above date at Medford City Hall Lausmann Annex, Room 151/157.

The following commissioners and staff were present:

Acting Chair Jason Anderson; Commissioners John Dailey, Cathie Davis, Leigh Johnson

Manager Larry Rains; Deputy City Recorder Karen Spoons; Administrative Coordinator Betsy Martin; Principal Engineer Eric Johnson; Finance Administrator Tessa DeLine; Operations Superintendent Ken Johnson; Medford City Attorney John Huttli; T.S. Coordinator Chris Stitt

Guests: Medford City Manager Mike Dyal; Medford Councilmember's Bob Strosser and Jim Kuntz; Central Point Mayor and Liaison Hank Williams; Central Point Manager Phil Messina; Central Point Assistant City Manager Chris Clayton; Central Point Councilmember Carol Fischer; Public Works Management Joe Strahl; Eagle Point Mayor and Liaison Bob Russell; Brad Martinkovich

Commissioner Tom Hall was absent.

2. Approval or Correction of the Minutes of the Regular Meeting of May 4, 2011
Approved.

3. Comments from Audience

- 3.1 Central Point Assistant City Manager Clayton thanked Mr. Rains, Commissioners Hall and Johnson, as well as Ms. DeLine for their presence at the last work session recently held.
- 3.2 Central Point Manager Messina stated that he has received no contact with MWC staff on numerous concerns as addressed on the letter he sent to them; Commissioner Anderson stated that a response will be forthcoming.

4. Public Hearings

- 4.1 Consider Resolution No. 1446, A RESOLUTION Modifying "Exhibit A, Charges In Lieu of Assessment," of the *Regulations Governing Water Service*, for Properties Directly Benefited by the Installation of Water Mains but Not Specifically Assessed for Such Benefit, Effective July 1, 2011

The per-foot assessments are revised on an annual basis using the December Engineering News Record, "Construction Cost Index." Staff is asking for approval to change the current rate of \$20.12 to \$20.84 per foot. The schedule for these charges is an exhibit to the Commission's *Regulations Governing Water Service*. Notice of the Public Hearing was published in the *Mail Tribune* and on the Web site. A copy of the charges was distributed for review and comparison at the last study session; if approved, the modified charges would be effective July 1, 2011. Staff recommended approval.

Public hearing opened.

No one spoke.

Public hearing closed.

Motion: Approve Resolution No. 1446

Moved by: Mr. Johnson

Seconded by: Ms. Davis

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

Motion carried and so ordered. Resolution No. 1446 was approved.

5. Authorization of Vouchers

Motion: Authorize the Manager and the Recorder to issue check-warrants in payment of invoices for a total amount of \$1,952,345.45

Moved by: Ms. Davis

Seconded by: Mr. Dailey

Commissioner Johnson questioned the price of rain boots; staff noted they are steel toed and the price was for two pairs. He questioned the late fees pertaining to Chevron; Ms. DeLine noted that a late fee was received due to the statement sitting in her in-basket too long. Commissioner Johnson also questioned the Quality Fence invoice and if that was shared by the city; staff noted that was for our portion of work done at the Service Center.

Roll Call: Commissioners Anderson, Dailey, Davis, and Johnson voting yes; Anderson recused himself from the Knife River voucher. Motion carried and so ordered.

6. Engineer's Report

- 6.1 Duff Operation Seismic Upgrade and Remodel – Sheet rock installation on the third floor to be finished this week. Framing continues on the first and second floors. Insulation of third floor ceiling and second floor wall are under way. The rough plumbing, electrical and mechanical for first and second floor to be completed this week. Exterior brick infill is under way.
- 6.2 Duff Reservoir Seismic Upgrade – Marquess has returned the 90% design plans for staff to review. Marquess also submitted the construction cost estimate for the project. The cost estimate is approximately \$750,000; the CIP budget has \$450,000 allocated for this project. The original estimate in the Facility Plan was \$450,000; that estimate was based on using the reservoir walls to brace the roof. During the design of the project it was determined that the wall would fail if the roof was tied to the wall, thus an exterior grade beam was designed to reinforce the reservoir for the calculated seismic event.
- 6.3 Control Station Upgrades – Pressure reducing valves and surge valve for Conrad Control Station are installed. The electrical vaults for Rossanley and Conrad Control Stations are installed. The pad for the air conditioning unit is being formed.
- 6.4 Avenue G 48" Transmission Main – Staff is reviewing the construction specifications and will be returning them to Thornton Engineering for corrections next week.
- 6.5 Martin Control Station – The application for the PLA has been submitted to the Planning Department and has been routed for review.
- 6.6 Brentwood Drive & Brookdale 12" Water Main – The project is under construction and approximately 1100' of water main have been installed. The water main is being flushed today. The pressure testing and disinfection of the water main will be done next week.
- 6.7 11th Street 36" Water Transmission Main – The portion of the 16" water main from north of the railroad tracks to Ave F has been installed, pressure tested, and disinfected; is currently being tied in today. The portion of existing 16" steel water main between Ave F and Ave G has been very problematic during the road construction on 11th Street. MWC crews have repaired at least six leaks this week. Three suggestions were presented for this portion of the water main 1) leave status quo 2) replace this portion, which would cost approximately \$190,000 or 3) abandon this section. Staff recommended abandoning this portion of the 16" water main. Staff has also coordinated with Fire District #3 concerning the two existing fire hydrants. Since the fire hydrants lie on the far side of the railroad tracks the fire hydrants that service the property can be removed. The Central Oregon and Pacific Railroad (CORP) permit will be submitted this week for the portion of the 16" water main from Murphy Plywood to the north tie in-point. The Board questioned fees, where the fire hydrants could be placed and what would happen should new development go in; staff presented a map to show locations for new hydrants and noted new development would have to be evaluated at the

time of development. Manager Rains noted that if the hydrants had to be on 11th Street, they could tap the 36" transmission if needed. The Board agreed to abandon the line.

7. Water Quality Report

- 7.1 Best Tasting Water Contest – Geologist Bob Jones noted that the MWC did not win the next phase of the Pacific Northwest Subsection Best Tasting Water Contest.
- 7.2 The Willow Lake Algae Study contracts have been signed and executed; notice to proceed has been give. Contractor has taken sub-samples.
- 7.3 The Duff Water Treatment Plant is ready to treat water.
- 7.4 One of our seasonal employees at the Duff Treatment Plant, Jim Poole, just retired after 10 years. Manager Rains noted that he is one of our most experienced seasonal operators and that it is difficult to get seasonal operator workers as they only work part of the year.
- 7.5 Duff Vernal Pool Mitigation Project – Still on track to submit a permit in June; staff has not received the draft from the contractor but they are working on completing reports to go along with the permits. It appears that the reports submitted on Duff property wetlands are concurrent with the state.

8. Finance Report

- 8.1 Starting to gear up for year-end; in the process of gathering reports for Workers' Compensation Insurance. It is anticipated that general liability, property and casualty will go down 2%, with a possibility that worker's compensation could go up 6%.
- 8.2 Staff is triple checking our general ledger; the goal is to present a clean report to the auditors.
- 8.3 Staff is preparing for changes to our current chart of accounts for the new software program.

9. Operations Report

- 9.1 Archer Fence Project - Posts were put in the ground last week. Contractor is waiting for materials to finish the project.
- 9.2 Fire Hydrant Painting – The RFP is drafted and will be open up for contractors to submit bids; approximately 400-700 hydrants are scheduled to be painted each year.
- 9.3 Transmission Line Leak – Staff has been at Big Butte Springs #2 to repair a leak and may have to turn that water off to work on that repair.
- 9.4 The City of Medford Public Works Operations Division invited the MWC to participate in an event held at Kennedy School; the kids were able to learn about where our water comes from.

10. Manager/Other Staff Reports

- 10.1 Consider Approval of the Proposed Budget for Fiscal Year 2011-12
At study sessions held on March 16 and April 20, the Board reviewed components of the proposed 2011-12 Fiscal Year budget. The Water Fund, Water System Construction Fund, Future Main Replacement Fund, and Future Water Treatment Plant Fund pages of the budget document serve as the public notice, which will be submitted for publication after the meeting. Staff recommended approval.

Motion: Direct Manager to bring back a resolution to adopt the Proposed Budget at a Public Hearing on June

1, 2011

Moved by: Mr. Johnson

Seconded by: Ms. Davis

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

Motion carried and so ordered.

10.2 Manager Rains thanked Mr. Clayton for his earlier comments and pointed out that they still need to have another meeting or two and will report to the board when complete.

10.3 Manager Rains stated that Betsy Martin will at this time make two calls to connect those who will be attending the Executive Session by phone.

11. Propositions and Remarks from the Commissioners

11.1 Commissioner Johnson noted he will not be at the September 21 Board meeting; Commissioner Anderson noted that that meeting will be held at Duff.

12. Executive Session in Accordance with ORS 192.660(2)(f) – To consider Information or Records that are Exempt by Law from Public Inspection; and ORS 192.660(2)(h) – To consult with Counsel Concerning the Legal Rights and Duties of a Public Body with Regard to Current Litigation or Litigation Likely to be Filed

The Board adjourned to executive session at 12:51 p.m.

The Board reconvened at 1:35 p.m. with same members present.

Motion: Direct staff to amend draft letter to City of Central Point as discussed

Moved by: Mr. Johnson

Seconded by: Mr. Dailey

Commissioner Anderson noted that he would sign the letter, requested that it be sent to the City of Central Point and that Manager Rains would take the initiative to call them after they have received the letter.

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

Motion carried and so ordered.

Motion: Direct staff to respond to the City of Phoenix letter as discussed

Moved by: Mr. Dailey

Seconded by: Ms. Dailey

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

Motion carried and so ordered.

13. Adjourn

There being no further business, this Commission meeting adjourned at 1:37 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.