



The regular meeting of the Medford Water Commission was called to order at 12:27 p.m. on the above date via teleconference with the following commissioners, staff, and guests present:

Chair Jason Anderson; Commissioners Daniel Bunn, John Dailey, and Bob Strosser; Commissioner Michael Smith was absent.

General Manager Brad Taylor; Executive Administrative Coordinator Yvette Finstad; Finance & Administration Director Tessa DeLine; Human Resources Manager Tanya Haakinson; Water Meter & Controls Supervisor Ken Johnson; Water Maintenance Supervisor Lester McFall; Engineering Supervisor Brian Runyen; Information Technology Manager Kris Stitt; Water Treatment & Quality Director Ben Klayman

Guest(s): Attorney Mark Bartholomew; City of Central Point Councilor Tanea West Browning; Shawn Koorn, HDR>(* Left early)

2. Comments from the Audience

None.

3. Consent Calendar

3.1 Approval or Correction of the Minutes of the Last Regular Meeting of October 20, 2021

3.2 Resolution No. 1793, A RESOLUTION Providing for the Collection of a Proportionate Share of the Cost of Water Main Construction on Sunset Drive from Tivoli Drive to Approximately 320 Feet West of Tivoli Drive, and on Dulcimer Lane from Sunset Drive to Approximately 350 Feet North of Sunset Drive, from Property Owners Benefitting Thereby at the Time of Use of the Said Water Mains and Providing for the Payment of the Sums so Collected to River Lane Homes, Inc., Installer of Said Water Main

Motion: Approve the Consent Calendar.

Moved by: Mr. Dailey Seconded by: Mr. Bunn

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

Motion carried and so ordered.

4. Items Removed from Consent Calendar

None.

5. Resolution No. 1794, A RESOLUTION Awarding and Authorizing the General Manager to Execute a Contract in the Amount of \$8,398,000 with McClure & Sons, Inc. for the Water Quality Improvements Project (WQIP)

Engineering Supervisor Brian Runyen provided information regarding the Water Quality Improvements Project, consisting of the construction of sodium hydroxide chemical feed facilities at Duff WTP and BBS. Two bids were received at the bid opening on 10/19; the lowest responsive bid was \$8,398,000 from McClure. The project results from the 2017 Water Quality & Corrosion Study, which determined that while both Duff WTP and BBS finished water is in compliance, changes could be made to further improve the water quality. Increasing the pH of both the BBS and Duff WTP finished waters using sodium hydroxide will further limit the release of lead, copper, and iron. An estimated \$5M will be spent in FY21-22 and remainder in FY22-23. Construction costs are included within the CIP budget for FY21-22 and the proposed CIP budget for FY22-23. It is included in potential WIFIA projects; construction is anticipated to occur late 2021 to June 2023.

Motion: Approve Item 5, Resolution No. 1794.

Moved by: Mr. Dailey Seconded by: Mr. Strosser

Commissioner Dailey questioned the material benefits to Rogue Valley Sewer Services; Taylor confirmed that staff will be collaborating with them on this issue, and the benefits will be better defined following implementation. Klayman confirmed that they will benefit, adding that they have uncertainty around renegotiating their DEQ discharge permit.

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

Motion carried and so ordered.

6. Review of Vouchers

The vouchers were circulated to board members prior to the meeting; no questions were received regarding the contents. Commissioner Dailey did inquire if staff has run a debit balance report to look for suppliers owing money that may be collected. DeLine responded that it is not part of the current process, but could be run at month end with AP aging.

7. Management Reports

- Water Treatment & Quality Director Ben Klayman
 - Watershed Report – A cool fall has resulted in above average precipitation for the water year. Springflow is setting new historic lows each week; currently at 80% of average. Willow Lake level slightly above the 20-year average and is filling.
 - System Demand and Treatment Plant Production – The water treatment plant is offline but not fully put to bed; it appears that it will remain offline for rest of year. The operating season saw record demand and plant production.
 - Forest management – Photos were provided of a recent commercial harvest near the BBS infrastructure, and a recent Forest Service tour of the watershed. They have a project coming up soon focused on reducing fire risk by thinning trees to decrease fuel loads, and are eager to collaborate, and encourage other landowners to do the same. Taylor remarked that this work is a huge step in right direction, as the forest had grown up around the infiltration galleries, and it is those things that effect the durability and lifespan of the facility.

- Finance & Administration Director Tessa DeLine
 - CAWD Billing – Charlotte Ann Water District enacted a rate change for all their customers on August 1, 2021. In our system, the rates were erroneously updated effective September 30, 2021, two billing cycles later. Staff is currently working with Charlotte Ann Water District to resolve the problem.
 - Zero interest repayment plans – Staff has begun the collection process for delinquent accounts; our first set of urgent notices (there were 346) went out yesterday. We are currently offering zero-interest repayment plans to assist customers with their past due balances. We also encourage those customers to contact ACCESS, St. Vincent de Paul, and The Salvation Army for additional assistance.

Commissioner Dailey asked if any customer owes more than \$1000 and stated his concern that some customers with significant balances may take advantage of the situation; DeLine confirmed that there are some that owe more than that, and this process will help get these accounts into collections. They discussed the circumstances under which concessions would be extended for, preferring that a struggling family receive concessions over a commercial business with a large balance that might see the opportunity as a free loan.

- General Manager Brad Taylor
 - WIFIA updates – The review of the first loan agreement has been completed by the deadline. It covers WQIP, Ozone, and Filters; the required environmental review is in process. Loan closing will be late January or February 2022.

Commissioner Bunn inquired if the funds would be pulled from WIFIA or from the private debt first; Taylor responded that they are working to get approval on the loan agreement first to get the interest rate locked in. In the spring, they will move towards revenue bond issuance and those dollars will be used first. Once WIFIA is locked in, the funds can be used to cover expenses related to bond issuance. This strategy will take full advantage of the low interest loan money available, leveraging the “cheapest” money available.

- Upcoming board meeting schedule: the November 17 Board Meeting Study Sessions will cover the Personnel Manual Section 3, and Cost of Service Study Part 2. If the Personnel Manual materials are not available by Monday before the meeting, that discussion will be pushed.

8. Propositions and Remarks from the Commissioners

Commissioner Strosser requested an update on the work plan from WRD and Watermaster regarding Carey Pond. Taylor replied that they have served notice on Carey and others nearby that have illegal ponds and are in direct conversations with them on how to move forward. There is also work going on with Jackson Soil & Water Conservation District on potential ways to leverage some of this work into something beneficial and restorative to the environment. A meeting has not yet been set up with WRD, but hopefully progress will continue. Concern that serving the notice might delay the taking of action and the potential for the issue to be brought back again as a bill at the next legislative session was discussed. Commissioner Bunn suggested having legal counsel prepare a memo to WRD regarding the process and how long they have to complete it.

Commissioner Strosser also mentioned that he had been contacted by a member of Rotary Club of Medford who invited Taylor to speak to the organization. The initial conversation centered around the Capital Plan, and a recent presentation by Sheriff Nate Sickler brought up the issue of water, in terms of the problems they are seeing in our area relative to evolving industries. Taylor is scheduled to present to Rotary on December 7 and will speak on the capital investments planned to continue to meet the demands of our community; the Sheriff was referred to the County for water usage data.

9. Adjourn

There being no further business, this Commission meeting adjourned at 1:06 p.m. The proceedings of the Medford Water Commission meeting were recorded and are on file along with the complete agenda of this meeting.

Yvette Finstad
Assistant Clerk of the Commission