

**MINUTES OF THE REGULAR MEETING OF THE MEDFORD WATER COMMISSION**  
**April 17, 2013**

The pledge of allegiance was given.

The regular meeting of the Medford Water Commission was called to order at 12:18 p.m. on the above date at the Medford City Hall Lausmann Annex, Room 151/157 with the following commissioners and staff present:

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

Manager Larry Rains; Attorney John Huttli; Deputy City Recorder Karen Spoons; Administrative Coordinator Betsy Martin; Principal Engineer Eric Johnson; Finance Administrator Tessa DeLine; Public Information Coordinator Laura Hodnett; Geologist Bob Jones; Water Quality Administrator Rosie Pindilli; Operations Superintendent Ken Johnson; Conservation Specialist Dave Searcy

Guests: City of Medford Councilmembers Bob Strosser and Chris Corcoran; Ashland Public Works Director Mike Faught; Ashland Senior Engineer Pieter Smeenk; Central Point Mayor and Liaison Hank Williams; Central Point City Manager Chris Clayton; Eagle Point Mayor & Liaison Bob Russell; Eagle Point Public Works Director Robert Miller; Phoenix Mayor & Liaison Jeff Bellah; Joe Strahl and Chris Peters of RH2 Engineering; Alicia Speidel of First Christian Church

Commissioner John Dailey was absent

3. Approval or Correction of the Minutes of the Last Regular Meeting of April 3, 2013  
The minutes were approved as presented.
4. Comments from Audience
  - 4.1 Central Point Mayor & Liaison Hank Williams stated that the reason why the Commission needs a professional rate study is to correct the inequities in the current Cost of Service Study.
  - 4.2 Phoenix Mayor & Liaison Jeff Bellah stated that he has studied the water service in Phoenix and would like the Commission to consider the Cost of Service Study. He would encourage them not to go cheap on the study; ultimately the "Other Cities" are paying for part of the study as well. He stated that he was unsure how much of the study would consider conservation. He further suggested that a representative from the Commission's wholesale customers should sit in on the study.
  - 4.3 Chris Peters of RH2 Engineering questioned the software improvements account on the capital budget presented at today's study session; staff explained that all consultant costs would fall under "378 - Other Tangible Property"; Ms. Peters noted that the "Other Cities" would be paying for this by at least 25%. Commissioner Anderson questioned if she thought they should not be paying for a portion of this; Ms. Peters just wanted all to be aware of how it can be passed along.
5. Written Communications
  - 5.1 Covered under Manager/Other Staff Reports
6. Resolutions
  - 6.1 No. 1516, A RESOLUTION Authorizing the Distribution of a Water Conservation Assistance Grant in the Amount of \$5,100.00 to Facilitate the Design, Site Preparation and Installation of Landscape and Irrigation Components at the First Christian Church on the Northeast Corner of Crater Lake Avenue and Brookhurst Street

The Commission received a grant request from First Christian Church to assist in the installation of water conserving landscape components at their property on Crater Lake

Avenue. With a large frontage area that has historically been almost all lawn, conversion of this site offers an ideal opportunity to demonstrate aesthetic water-saving potential in a high traffic location. The majority of the site work is being done by church members, reflecting the congregation's commitment to this project. The church has stayed in contact with the Commission over the last several years while in the process of saving dedicated funds and developing plans; staff has reviewed the plans and made suggestions that have been incorporated. Projects such as this, which directly focus on improved efficiency of landscape water usage, are designated as highest priority for conservation grants. Therefore, staff recommended approval of the grant request for FY 2012-13, noting that funding for planting in fall 2013 will be requested in FY 2013-14.

Motion: Approve Resolution No. 1516

Moved by: Ms. Davis

Seconded by: Mr. Fortier

Mr. Anderson noted that this is a great project for conservation. Alicia Speidel of First Christian Church stated that the church has been saving as well in order to take on this project and the congregation is thrilled to receive the grant.

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

Motion carried and so ordered. Resolution No. 1516 was approved.

- 6.2 No. 1517, A RESOLUTION Authorizing the Manager to Execute a "Notification for Spectrum Manager Lease and Ownership Disclosure Information" Form, to be Filed by Sensus on Behalf of the Medford Water Commission (Commission), Related to Federal Communication Corporation (FCC) Licensing Requirements for the Commission's Radio-Read Water Meters

Last year the board authorized execution of a lease agreement for radio frequency for the Commission's water meters. Sensus requires additional information regarding ownership disclosure. They initially wanted that information from all of the Commissioners but now have agreed that signing and disclosure by the Manager would be acceptable. Staff recommended approval.

Motion: Approve Resolution No. 1517

Moved by: Mr. Fortier

Seconded by: Mr. Johnson

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

Motion carried and so ordered. Resolution No. 1517 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 \$1,912,504.25

Moved by: Mr. Johnson

Seconded by: Ms. Davis

The board questioned the payment to the State of California; staff noted the process they must go through pertaining to unclaimed property.

Roll Call: Commissioners Anderson, Davis, Fortier and Johnson voting yes; Fortier recused himself from the Rogue Disposal and Rogue Transfer vouchers. Motion carried and so ordered.

## 8. Engineer's Report (E. Johnson)

- 8.1 Duff Floc/Sed Basins – Black & Veatch is finishing the technical memorandums and will be submitted for staff review on April 26. A workshop pertaining to the construction phasing is scheduled for May 16. The Basis of Design Report will be started once Technical

Memorandums are complete. The Rogue River water coagulation testing is done and the results are being formulated and forwarded to Black & Veatch for inclusion in the Technical Memorandums.

- 8.2 Duff Emergency Backwash – This project is on hold; staff is waiting for equipment to be manufactured and delivered.
  - 8.3 Martin Control Station – The pipe gallery walls were poured. The interior pedestal and the floor are being formed. The under slab plumbing is complete and the pipe gallery has been backfilled. Submittal approval process is ongoing and nearing completion.
  - 8.4 Water Main Project Lyman Street & Bundy Street – The water main plans and specifications are out to quote. A pre-quote meeting was held on April 11; six contractors attended. The quotes for the project are due tomorrow at 2:00 p.m.
  - 8.5 Water Main Project Highway 62 Bypass – The pothole data and conflict exhibit have been forwarded to ODOT for review. The Texas Roadhouse plans have been approved by ODOT and specifications are being reviewed by them as well.
9. Water Quality Report (Pindilli)
- 9.1 The required second round of sampling included stage 2 disinfection byproducts; levels were basically non-detect for the spring's water. The first round of the Unregulated Contaminants Monitoring Rule (UCMR3) testing detected certain chemicals (chromium, chromium6, strontium, and vanadium) at very low levels in the spring's water. The laboratories now have equipment to detect at much lower levels than previously done.
10. Finance Report (DeLine)
- 10.1 Consultants are on site and working on the integration of systems.
11. Operations Report (K. Johnson)
- 11.1 Staff will have full pipe at the Big Butte Springs today; all is going well getting to full capacity.
  - 11.2 The anode bed which was part of the CIP project at Big Butte Springs One is nearly complete. It may be activated tomorrow.
  - 11.3 Working with Peerless Pump on how best to refurbish a pump that existed at Lone Pine Pump Station #1; staff will then solicit for quotes.

## 12. Manager/Other Staff Reports

### Out of sequence

- 12.3 The Commission received the Fill and Removal/Wetland's mitigation permit from Division of State Lands (DSL); we have one permit to obtain from the Army Corp of Engineers (ACOE).

### Back in sequence

- 12.1 Update on the Leak Response Program  
IS/CS II Barb Henderson provided a recap of the 2012 leak letter program. Letters were sent to customers with higher than normal water usage, suggesting that they may have a leak that needs to be corrected. A three year chart was presented.

12.2 Direction on a Proposal for a Comprehensive Water Rates Study

A proposal for a water rates study was received from HDR Engineering, Inc., and discussed at the April 3 board meeting. In early 2011, the Commission's rate-setting methodology was reviewed by a work committee consisting of staff, two Commissioners, and representatives of the Cities' Water Coalition. Some adjustments were implemented, such as the reduction in the gallonage charge of \$0.06/1,000 gallons for the Other Cities group, which was included in the current rates, effective March 2012. At that time there was general consensus to do another comprehensive review in five years (2016).

An email from Joe Strahl, Cities Coalition spokesperson on this subject, was presented to the board. A discussion with HDR indicated that if Commission staff could perform the revenue requirements, Task 4 of the proposal, and hold only two public presentations, that the overall cost could be reduced in the range of \$15,000. Staff requested direction regarding the scope/cost of the comprehensive rates study.

Mr. Anderson presented three options that he thought was available 1) do nothing 2) approve the full study or 3) approve the reduced study. There could also be the option to put it back out to bid but he would not lean towards that. The board agreed to the full study.

Mr. Anderson addressed Mr. Strahl's email, stated that the Commission is comfortable with HDR's proposal and questioned if he had issues with it; Mr. Strahl stated that he did review the proposal and is comfortable with HDR and the proposal although the comment from Mr. Bellah is another element to consider. He requested a representative of the "Other Cities" be involved in the study. Mr. Strahl also commented on the larger industrial users in Medford and issues pertaining to average per capita usage. Pertaining to public comments in Mr. Strahl's email, Mr. Anderson stated that any person can raise their hand and he would recognize them.

Mr. Bellah stated that the concept of conservation and the delay of projects are very important. He was not sure the citizens of Phoenix can do much more cutting and reiterated that he wanted conservation in the study.

City Attorney HuttI stated that he heard a lot of wanting to be at the table but talked about legal issues in one email. Mr. Anderson stated that he would have a follow up discussion after a motion was made pertaining to the question of a representative.

Motion: Direct staff to order the full rate study with HDR Engineering, Inc.

Moved by: Mr. Johnson

Seconded by: Mr. Fortier

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

Motion carried and so ordered.

Commissioner Fortier stated that he would like to participate in the review of the study and has experience in this. Mr. HuttI questioned what would work for the consultant; Mr. Rains noted that the consultant would sit down with key staff at certain points of the project. Mr. Anderson requested staff obtain HDR's suggestions. Mr. Rains noted that the proposal from HDR does not include conservation as that is not their expertise. Mr. Bellah stated that conservation is very important; Public Information Coordinator Hodnett commented that although the rate study may not have conservation, conservation is covered in other ways.

13. Propositions and Remarks from the Commissioners

- 13.1 Commissioner Johnson stated that because of the bombing during the Boston Marathon he wanted to address security measures and requested the "Other Cities" that we serve take extra security measures on any place that is vulnerable in their system.

13.2 Mr. Anderson requested Mr. Rains review the fairness issue pertaining to Mr. Strahl's comments in his email.

14. Adjourn

There being no further business, this Commission meeting adjourned at 12:55p.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.

Karen M. Spoonts, MMC  
Deputy City Recorder  
Clerk of the Commission