

MINUTES OF THE REGULAR MEETING OF THE MEDFORD WATER COMMISSION

October 19, 2016

The regular meeting of the Medford Water Commission was called to order at 12:15 p.m. on the above date at the Medford City Hall Lausmann Annex, Room 151/157 with the following commissioners and staff present:

Acting Chair Lee Fortier; Commissioners Jason Anderson, John Dailey, Bob Strosser; Leigh Johnson (attended via phone)*

Manager Larry Rains, Medford City Attorney Lori Cooper; City Recorder Karen Spoonts; Administrative Coordinator Yvette Finstad; Principal Engineer Eric Johnson; Finance Director Tessa DeLine; Water Quality Director Rosie Pindilli; Operations Superintendent Ken Johnson; TS Administrator Kris Stitt

Guests: Medford Councilmembers Chris Corcoran and Michael Zarosinski; Central Point Mayor Hank Williams; Central Point City Manager Chris Clayton; Eagle Point Mayor Bob Russell; City of Ashland Associate Engineer Pieter Smeenk; City of Ashland Water Resource Technician Ciara Marshall, CEO of Crown Hill Consulting Rudd Johnson; KOBI 5 Reporter Kristin Hofelt, Mail Tribune Reporter Damian Mann

*Arrived as noted.

The pledge of allegiance was given.

3. Approval or Correction of the Minutes of the Regular Meeting of October 5, 2016
The minutes were approved as presented.

4. Comments from Audience
None

5. Resolutions

- 5.1 No. 1619, A RESOLUTION Adopting Findings, Authorizing an Exemption from Competitive Bidding, and Awarding a Contract to Neilson Research Corporation for Laboratory Analytical Services

The Commission is required to conduct a variety of chemical and microbiological testing for water quality compliance and investigative purposes. Analyses must be performed using approved methods and accredited laboratories; Neilson Research Corporation (NCR) is the only such laboratory in the Medford area and has successfully provided analytical services since 1981. The presence of a local, nationally-accredited environmental laboratory provides great benefits and results in substantial cost savings for the Commission. Most of NRC's prices have remained the same since 2010. MWC typically spends around \$85,000 per year, which is included in the budget. Public notice of the proposed exemption was posted on the Commission's website and at the MWC office and the City of Medford. Staff recommended approval.

Motion: Approve Resolution No. 1619.

Moved by: Mr. Dailey

Seconded by: Mr. Strosser

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

Motion carried and so ordered. Resolution No. 1619 was approved.

- 5.2 No 1620, A RESOLUTION Authorizing the Chair of the Board of Water Commissioners and the City Recorder to Execute a Wholesale Water Service Agreement with the City of Ashland, Oregon, for a Five-Year Period Retroactive to October 1, 2016

Water Commission Minutes

October 19, 2016

Page 2

This item is postponed as Ashland has not approved it yet, although it should be on their November 1, 2016 agenda. Commissioner Anderson questioned if we could approve this before Ashland; Manager Rains stated we usually wait as they may make changes. Commissioner Anderson stated if they don't we won't need to bring this back to the board.

Motion: Approve Resolution No. 1620.

Moved by: Mr. Dailey

Seconded by: Mr. Anderson

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

Motion carried and so ordered. Resolution No. 1620 was approved.

6. Authorization of Vouchers

Motion: Authorize the Manager and the Recorder to issue check-warrants in payment of invoices for a total amount of \$395,467.91.

Moved by: Mr. Dailey

Seconded by: Mr. Anderson

Roll Call: Commissioners Anderson, Dailey, Fortier, and Strosser voting yes; Anderson recused himself from the Asante voucher; Fortier recused himself from Dry Creek, Rogue Disposal and Rogue Shred vouchers.

Motion carried and so ordered.

7. Operations Report (Operations Superintendent Ken Johnson)

7.1 Pertaining to the lead pigtail search, we have a total of 298 on the pothole list; 111 have been completed. No changes to pigtails found or removed. There are still two left on Central Avenue that are on vacant property. Commissioner Dailey questioned pothole #1; Operations Superintendent Johnson noted there is a list of locations which that need further checking. Two temporary workers have been hired to help on this project.

7.2 Superintendent Johnson provided information pertaining to Commissioner Dailey's question on Sensus FlexNet system security. Sensus had requested a data file be sent to them of various fields. There contained no financial data nor will there be; it will be location, customer name, meter information. Other fields such as a low flow, etc. can be added. Sensus has a dedicated system with security personnel; data being transmitted and submitted to the MWC. Whitepaper and encryption information was presented to the board. TS Administrator Stitt, who has been working with them, remarked that everything is sent is through a secure site where they are storing our data.

Commissioner Dailey questioned the benefit of sending customer's name and address; Mr. Stitt noted the readings get married at their site. The board agreed with the current information being sent to Sensus, although staff remarked the name is not absolutely necessary. Commissioner Anderson questioned if Mr. Stitt felt good about the system; he stated that he did as there is no credit card or other personal information given. On another note, Mr. Stitt stated we do use Bend Mailing for billing and the same type of information is sent to them on a daily basis. They retain six months of pdf copies of the bill. Information is sent to them electronically through their website. No credit card information is given to them.

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

8.1 Duff Water Treatment Plant Floc-Sed Basins – Concrete forming, rebar setting and concrete pours continue for the sedimentation basins, settled water flume, elevated walkways and the west end of the basins. Existing basins #3 and #4 have been emptied and demolition work is nearing completion, footings for the new baffle walls have been started. Electrical work continues.

8.2 Highway 62 14" Water Main Reroute – No activities concerning MWC facilities have occurred. Commissioner Dailey questioned the sign post; Engineer Johnson noted it has been drilled but no sign has been installed.

- 8.3 City of Medford Lozier Lane Project – ODOT is preparing the project for advertising and bidding. The bid opening is scheduled for November 17.
- 8.4 Master Plan Updates – The Water Management and Conservation Water Plan will be finalized and submitted to the State for review this month. CH2M is working on the final draft of the BBS/Duff Water Treatment Plan Facilities Master Plan. CH2M continues to work on the Water Distribution Master Plan.
- 8.5 Corrosion Study – Three consultants attended the mandatory pre-proposal meeting: West Yost, CH2M, and Black and Veatch. The proposals are due October 28. Commissioner Anderson questioned if we used West Yost before; Engineer Johnson noted we have not; Attorney Cooper noted the city does use them. Black and Veatch are still being used as the project is moving forward.

Engineer Johnson noted the Floc Sed is on budget and we are doing well; the basins need to be ready for water by February. Commissioner Dailey questioned if the rain caused any issues; Engineer Johnson noted there have been none.

9. Water Quality Report (Water Quality Director Rosie Pindilli)

- 9.1 Of the 21 pigtails found; 12 were not tested due to customer declining the testing; six service lines had leaks which invalidates the samples. Only three valid sets of results have been acquired thus far, all with lead results well over the action level of 15 ppb (439, 1110, and 2890 ppb). At the three residences, high lead was also found in the customer collected samples at internal kitchen taps with the most recent results of 55 and 317 ppb. A second full house flush has been conducted at these residences and repeat samples have been collected, which we are still waiting results.

Customer inquiries regarding lead and lead pigtails are at 280. All water quality calls continue to be directed to conservation, not water quality.

- 9.2 All residences that had lead pigtails were given a pay request form and a letter stating that MWC will cover up to \$250 of out-of-pocket expenses for each resident in the home. To date, no pay requests have been submitted.

Provided in the boards packet is an AWWA Regulatory Alert and EPA memo outlining provisions related to sample site selection and triennial monitoring under the Lead and Copper Rule (LCR). This is just one of the many areas of the LCR under revision. The Oregon Health Authority will most likely follow suit with a letter to all public water utilities outlining what they require us to do. Our materials inventory will need to be updated including distribution materials, which is currently occurring as we are potholing and recording the materials found. As far as site selection, MWC has all Tier 1 sites for lead which are single family homes built between 1983 and 1985. However, if the system has lead services lines (LSLs), 50% of the required samples were to be collected from those sites. As we are currently looking for and removing LSLs, no changes should be required for lead sites. It may be questionable as to whether or not we can remain on a three-year monitoring cycle if copper levels or site selections are considered, but there is no mention of copper as of yet. Our last round of required monitoring in August showed the 90th percentile for copper at 84% of the Maximum Contaminant Level and 65% of the Action Level with half of the samples over the level to qualify for reduced monitoring. The submission of all lead and copper results may be required, not just the results from the 30 single family homes. Some of the results for lead and copper at other sites have been much higher than the 30 required site results, with several results exceeding the ALs. All of our lead results since June have been posted on our website.

Water Commission Minutes

October 19, 2016

Page 4

Commissioner Dailey questioned if it is a health issue; Water Quality Director Pindilli stated that it is.

10 Finance Report (Finance Administrator Tessa DeLine)

- 10.1 Staff is focused on the cost of service study; Associate VP at HDR Shawn Koorn, who designed the water rate model, came down to review. We are on track to have it completed by the end of October.
- 10.2 The annual audit is still on track for the week of October 31. Commissioner Anderson questioned if Isler will present to the board. Finance Director DeLine noted Isler will present at the December 21 meeting.

11. Manager/Other Staff Reports

- 11.1 None.

12. Propositions and Remarks from the Commissioners

None.

13. Executive Session In Accordance with ORS 192.660(2)(i) – To review and evaluate the employment-related performance of the chief executive officer of any public body, a public officer, employee or staff member who does not request an open hearing.

The Board adjourned to executive session at 12:46 p.m.

The Board reconvened at 1:54 p.m. with the same members present.

*The Board reconvened with all board members present, including Leigh Johnson who attended via phone.

Manager Rains stated that he plans to resign October 31, 2016, based on negotiations of a severance package. Acting Board Chair Fortier thanked him for his service to the MWC.

Motion: Place Larry Rains on paid administrative leave effective immediately.

Moved by: Mr. Anderson

Seconded by: Mr. Dailey

Commissioner Anderson thanked Larry Rains for his service to the MWC.

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

Motion carried and so ordered.

Motion: Appoint Eric Johnson as Interim Medford Water Commission Manager.

Moved by: Mr. Anderson

Seconded by: Mr. Strosser

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

Motion carried and so ordered.

Commissioner Anderson would like Attorney Cooper to issue a press release and forward it to him and Mr. Rains' attorney as well as draft an interim manager agreement for Eric Johnson. Commissioner Johnson requested the draft press release to be forwarded to all board members.

Motion: Authorize Eric Johnson to have check signing authority without board authorization up to \$25,000.

Moved by: Mr. Fortier

Seconded by: Mr. Dailey

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

Motion carried and so ordered.

Water Commission Minutes

October 19, 2016

Page 5

13. Adjourn

There being no further business, this Commission meeting adjourned at 1:58 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. Spoonts, MMC
City Recorder
Clerk of the Commission