

MINUTES OF THE REGULAR MEETING OF THE MEDFORD WATER COMMISSION

November 3, 2010

The regular meeting of the Medford Water Commission was called to order at 12:32 p.m. on the above date at Medford City Hall Lausmann Annex, Room 151/157.

The following commissioners and staff were present:

Chair Leigh Johnson; Commissioners Jason Anderson, Cathie Davis, Tom Hall, Don Skundrick

Manager Larry Rains; Deputy City Recorder Karen Spoonts; Administrative Coordinator Betsy Martin; Principal Engineer Eric Johnson; Finance Administrator Tessa DeLine; Public Information Coordinator Laura Hodnett; Water Quality Superintendent Bob Noelle; Operations Superintendent Ken Johnson; TS Coordinator Kris Stitt

Guests: Medford Councilmembers Bob Strosser and Jim Kuntz; Medford City Attorney John Huttl; Phoenix Councilmember Mike Stitt; City of Medford Deputy Fire Chief Kurt Bennett; Public Works Management Joe Strahl; City of Talent City Manager Jay Henry; Phoenix Mayor Carlos DeBritto; Central Point Mayor Hank Williams; Central Point Assistant City Administrator Chris Clayton; Central Point Interim Parks & Public Works Director Matt Samitore; Central Point City Administrator Phil Messina; Regional Account Executive for Umpqua Bank Jason Hettinga; Mail Tribune Reporter Damian Mann

2. Approval or Correction of the Minutes of the Regular Meeting of October 20, 2010
The minutes were approved as presented.

3. Comments from Audience

- 3.1 Central Point Mayor Williams brought forth issues that the Cities Water Coalition (CWC) which comprise cities of Eagle Point, Central Point, Phoenix, Jacksonville and Talent, have pertaining to water rights and requested that the CWC be treated as more than just a customer. He expressed concern that the outside customers pay more than the inside customers and that everyone should be treated the same. He noted that during the RPS process it was discussed to have smaller lots due to water and they did that. He thought that the Medford Water Commission should be the Rogue Valley Water Commission.
- 3.2 Phoenix Councilmember Stitt thanked the MWC for the positive learning experience. He agreed with Mayor Williams on much of what he said. Growth is a regional dynamic issue and as a region we need to bring customers to the valley universally. He was curious about the SDCs that are collected, if the money will go to Duff, and questioned if the Cities will have any ownership. Manager Rains noted that it does go to Duff and the City of Medford is the owner. Mr. Stitt also questioned if annual water consumption or peak consumption were driving the demand for Duff and questioned if the other Cities are involved in that such as Medford. Mr. Rains noted that without studying the question further he would say it is a direct correlation and that all Cities as well as Medford inside customers pay the same SDC. Commissioner Johnson noted that the letter the Board received last night was quite comprehensive and that the MWC will review, develop a response, and get back to all of them in a public forum. City Attorney Huttl agreed that the CWC does request that in their letter.

4. Resolutions

- 4.1 No. 1423, A RESOLUTION Authorizing the Manager of the Medford Water Commission (Commission) to Execute an Agreement on Behalf of the Board of Water Commissioners with Elavon to provide Credit/Debit Card Services to Commission Customers

As staff has reported at prior Board meetings, there is a strong demand for credit/debit cards payment options. At the September 15 Board meeting, the Commissioners directed staff to proceed with providing these services to the Inside Customer Group through the vendor Elavon. The associated fees and charges will be split between the City of Medford and MWC, 70/30 respectively. Visa, MasterCard and Discover credit/debit cards will be accepted at the counter and over the phone, with an online option to be offered in the future. Staff will roll out the process around

December 1, 2010. Staff recommended approval.

Motion: Approve Resolution No. 1423.

Moved by: Ms. Davis

Seconded by: Mr. Hall

Commissioner Skundrick questioned when implementation would take place and if we should start this January 1, 2011. Commissioner Hall noted that this will be a soft opening. Commissioner Anderson questioned the exhibit pages and fees. Regional Account Executive Jason Hettinga from Umpqua Bank explained the type of categories and fees and stated that rates are also determined by fraud rate. TS Coordinator Stitt provided further explanation and that the MWC will be using a utility fee. Mr. Anderson questioned how much staff time this would reduce; Mr. Rains noted that we should see reduction in staff turning off/turning back on water as some customers will use credit cards to prevent having their water turned off. Mr. Hall questioned the annual fees the MWC would pay; Mr. Stitt noted that it could be about \$15,000 for the MWC portion of the bill if 20% of customers use this and that the City of Medford would be paying the other portion of the annual fees.

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

Motion carried and so ordered. Resolution No. 1423 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 \$336,262.00.

Moved by: Mr. Hall

Seconded by: Ms. Davis

Commissioner Skundrick questioned the Teck Plumbing, LLC payment; Manager Rains noted that this is for a licensed plumber which we do not have on staff.

Roll Call: Commissioners Davis, Hall, Johnson, Skundrick voting yes; Anderson recused himself from the C&C Tire and Mail Tribune vouchers. Motion carried and so ordered.

6. Engineer's Report

- 6.1 Duff Water Treatment Plant Seismic Upgrade and Remodel – A preconstruction meeting was held on October 28; the permits were pulled and the project is under way.
- 6.2 Duff Water Treatment Plant Reservoir Seismic Upgrade – Staff is evaluating the proposals and will bring a recommendation to the next Board meeting concerning the successful consultant.
- 6.3 Control Station Upgrades – Plans and specifications were presented to the Board today. The project is being advertised for bid this weekend.
- 6.4 Ave G 48" Transmission Main – The potholing of utilities is complete and Thornton Engineering will submit the 50% design plans this week for review.
- 6.5 11th Street 36" Water Transmission Main – A pre-construction meeting for this project has been rescheduled for November 19.
- 6.6 Martin Control Station – A formal proposal concerning the property has been submitted to ODOT for their review and approval.

7. Water Quality Report

- 7.1 The Rogue Source Production season is officially over. Tables were presented showing the "BBS" production vs. "Normal" production. Overall over two billion gallons of water were produced, which

is the least amount produced since 2001.

- 7.2 The High Service Pump Project continues but is behind schedule; staff expects to get this completed soon.
- 7.3 Jackson County Parks will hold a Blue Green Algae Conference on October 6 where they will present their perspective pertaining to the algae. John Vial and Steve Lambert with the Jackson County Parks will invite the state down as well. MWC staff will be attending.
8. Finance Report
 - 8.1 Two CDs matured within the last few weeks. Staff has been checking to see what the current rate is; most have been less than one-half percent. Both rates were rolled; rates are still dropping.
9. Operations Report
 - 9.1 There was a bid opening for the Angelcrest Pump Station; Acme West was the apparent low bidder. Staff will proceed with the Notice to Award.
 - 9.2 Brownsboro Services – Staff has come to a resolution on this project and expects to finish early next week.
 - 9.3 Lost power to Hillcrest #2 reservoir; a gracious neighbor allowed the MWC to use an extension cord to run power.
 - 9.4 Commissioner Johnson requested that the commissioners be able to see the bid tab information on future projects; Mr. Rains noted that the Board does receive a copy if the project is over \$50,000, and in the future will provide the information to the Board for projects under \$50,000 as well.
10. Manager/Other Staff Reports
 - 10.1 TS Coordinator Stitt stated that the MWC hired on Accent Business Systems to help write a multi-tiered RFP; November 8 should be the release date of the RFP. Staff will review and choose the three best proposals, review the software, and then present the information to the Board. This is a lengthy RFP process. There are about 300 questions, of which 60 are essay questions. Mr. Rains noted this is the first step to what we have been talking about and expects that this could take three years to finish.
 - 10.2 Commissioner Johnson signed the letter addressed to Mayor Wheeler and City Council regarding the Water Conservation Committee and it has been sent.
 - 10.3 Operations Superintendent Johnson received an email from Gary Shipley from the City of Eagle Point requesting the go ahead to open the BBS line to the 3.6 mg reservoir feeding off Palima Drive at 600 gpm to reduce pumping costs from the Hwy 62 pump station as they have done in prior years. The City of Eagle Point has not signed their five-year agreement with the MWC. Staff requested direction from the Board. City Attorney Huttl questioned if taking the water off the line is part of the agreement; Mr. Rains noted that it is. Commissioner Skundrick noted that if Eagle Point signs the agreement he would say yes. Commissioner Anderson questioned if they need to ask permission every year; Mr. Rains stated yes. The Commission requested that until the agreement is signed with the City of Eagle Point, staff should not open the BBS line for their use. Mr. Huttl noted that Eagle Point still can receive water thru their White City connection.
 - 10.4 The annual Holiday Party at the Rogue Regency Inn has moved to Thursday, December 9 at 7:00 p.m.

11. Propositions and Remarks from the Commissioners

- 11.1 Commissioner Johnson acknowledged Medford Deputy Fire Chief Bennett's attendance and appreciated him attending for the Medford Fire Department.

12. Adjourn

There being no further business, this Commission meeting adjourned at 1:10 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.

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