

MINUTES OF THE REGULAR MEETING OF THE MEDFORD WATER COMMISSION

August 19, 2015

The regular meeting of the Medford Water Commission was called to order at 12:30 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

Manager Larry Rains, Medford Deputy City Attorney John Huttli; City Recorder Karen Spoons; Administrative Coordinator Betsy Martin; Administrative Specialist Yvette Finstad; Principal Engineer Eric Johnson; Public Information Coordinator Laura Hodnett; Water Quality Director Rosie Pindilli; Operations Superintendent Ken Johnson

Guests: Ashland Public Works Director Mike Faught; Ashland Associate Engineer Pieter Smeenk; Central Point Mayor and Liaison Hank Williams; Central Point City Manager Chris Clayton; Eagle Point Mayor & Liaison Bob Russell; Eagle Point City Administrator Henry Lawrence; Phoenix Mayor & Liaison Jeff Bellah; Phoenix City Manager/Recorder Steve Dahl; Kay Harrison

Commissioner Leigh Johnson was absent.

3. Approval or Correction of the Minutes of the Regular Meeting of July 15 and August 5, 2015
The minutes were approved as presented.

4. Written Communications

- 4.1 Letter Received from the City of Ashland Regarding the Cost of Service Analysis
After the August 5 Board meeting, Ashland Public Works Director Mike Faught hand-delivered a letter of questions and comments related to the cost of service analysis. The list of issues was addressed by staff and Commission consultant HDR, Inc. at the first rates workshop, which was held on August 12, 2015.

- 4.2 Letter Received from the City of Central Point Regarding Peak Flow Data
This is in response to information received from the Medford Water Commission and will be addressed at the upcoming Water Rates Workshop.

5. Comments from Audience
None

6. Authorization of Vouchers

Motion: Authorize the Manager and the Recorder to issue check-warrants in payment of invoices for a total amount of \$865,135.96

Moved by: Mr. Dailey

Seconded by: Mr. Strosser

Commissioner Anderson questioned the payment to Now CFO Portland, LLC; Manager Rains noted that we have changed auditors. Commissioner Anderson questioned why we changed auditors and requested Mr. Rains provide the background information on this. Mr. Rains commented that a year ago the MWC requested to the City that we stay with Isler until after the software upgrade. City Attorney Huttli noted that per Charter the MWC is a fund under the City of Medford and we use who they use; Medford Finance Director Alison Chan has some responsibility over the MWC per Charter.

Roll Call: Commissioners Anderson, Dailey, Fortier, and Strosser voting yes; Anderson recused himself from the Asante Physician Partners voucher; Fortier recused himself from Rogue Disposal and Rogue Transfer vouchers.

Motion carried and so ordered.

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

- 7.1 Duff Water Treatment Plant Floc/Sed Basins – The backfill for the earthen lagoon is nearing completion. The floor of the sludge vault is being formed and reinforcing bars being set. Demolition of the existing 42" sludge line is complete.
- 7.2 Vilas Road 16" Water Main Inter-tie – The as built drawings for the project are being completed.
- 7.3 Avenue H 12" Water Main Replacement – The as built drawings for the project are completed and the project is mapped.
- 7.4 Hwy 62 14" Water Main Reroute – MWC staff received three quotes for the relocation of the 14" water main. The low quote was Kogap Enterprises with a quote of \$59,579.00; Central Pipeline's quote was \$68,400.00 and Copeland Construction quote was \$71,000. Staff has contacted ODOT and informed them of the quotes. ODOT has agreed to investigate the design of the sign post to see if any redesign could be done to lessen the impact to the 14" water main. Staff talked with OBEC, ODOT's design consultant today. OBEC's estimated engineering redesign costs are between \$10,000 to \$12,000. MWC will also be responsible for the difference in construction cost between the original spread footing and the proposed drilled shaft. The estimated difference in construction cost between the spread footing and the drilled shaft is \$15,000 to \$20,000. OBEC will confer with ODOT to receive approval to move ahead with the redesign of the sign post base. Staff is currently working with OBEC to pursue the redesign of the sign pole base option. Quotes did not include the contaminated soil that will need to be removed.
- 7.5 Master Plan Updates – Staff continues to work with CH2M Hill for the Scope of Services to update the three master plans: Water Distribution System Facility Plan, the Robert A. Duff Water Treatment Plant Facility Plan and the Water Management and Conservation Plan. The Scope of Services for the master plans is nearing completion. Upon completion of the Scope of Services, cost for the Scope of Services will be negotiated.

Commissioner Dailey questioned the 14" line in the right-of-way; Engineer Johnson noted it was ODOT right-of-way, therefore they can dictate that we move the line.

8. Operations Report (Operations Superintendent Ken Johnson)

- 8.1 Operating Superintendent Johnson stated that we received our new crew truck and presented photos.
- 8.2 Staff has been busy on valve projects; this Friday staff will be working on Table Rock Road and will have flaggers on Vilas Road and Table Rock Road as well as Vilas Road and Biddle Road.
- 8.3 Pertaining to the cathodic project on the pipeline; two easements have been recorded for this project.
- 8.4 Crews are busy with items such as service leaks, and private development.
- 8.5 The initial contractor who was awarded the fire hydrant painting contract backed out. The next lowest bidder is a painter we have used in the past and Mr. Ken Johnson recommended that we use him. Painting of hydrants will now be \$60 each. Commissioner Dailey questioned why the first contractor backed out; Mr. Ken Johnson thought that once he saw the contract he did not want to do it.

9. Manager/Other Staff Reports

- 9.1 Consideration of Purchase of Water Meters

This is the first of two budgeted large meter purchases for Fiscal Year 2015-16. Sensus Metering Systems is the Commission's sole-source provider. The total cost will be \$219,558.54, which exceeds the Manager's purchasing authority. Staff recommended approval.

Motion: Direct staff to purchase water meters from Sensus Metering Systems in the amount of \$219,558.54

Moved by: Mr. Dailey

Seconded by: Mr. Strosser

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

Motion carried and so ordered.

9.2 Rogue Valley Country Club Golf Course for Intermittent Water

Mr. Rains stated that he received a request from the Rogue Valley Country Club for intermittent water for their golf course. He remarked that July/August is our peak time and did not think we should allow surplus water for this purpose. Mr. Rains noted we need to get past the hot period and to the end of August. He brought this to the Board for their suggestion. He stated that we can make the water and they will pay for intermittent water and that if we have extra demands we would need them to turn off the water. Commissioner Dailey questioned if we have a contract with them; Mr. Rains noted that we do. Commissioners Dailey and Fortier stated they are both members; Commissioner Anderson stated that they are his customer. Commissioner Dailey noted that there is a tournament there in September and that this is an economic opportunity and we should not turn down anyone. Mr. Rains stated the agreement does not specifically mention about turning water on and off. Mr. Huttli read the agreement where it stated that it would be supplied if there was surplus water and not detrimental to the other users. Pertaining to a quorum, Mr. Huttli noted there may be a rule of necessity for a quorum but will look at that. Commissioner Dailey noted he would apply these rules to any user that would use intermittent. Commissioner Strosser does have a problem with first come, first serve but would give to the agricultural customer first. Commissioner Dailey noted there is a time element due to the tournament. Mr. Rains noted that we can make the water but we do not have it now. Mr. Huttli questioned the Board's desire for any intermittent user group. Commissioner Dailey noted agricultural would take precedent over recreation.

Motion: Direct staff to provide water to the Rogue Valley Country Club per the agreement with them

Moved by: Mr. Strosser

Seconded by: Mr. Dailey

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

Motion carried and so ordered.

9.3 Cost of Service Study Workshop

Mr. Rains stated that in his opinion the meeting went very well; no decision or directive came out of that. The consultant was there to take concerns addressed and the meeting ended at 5:00 p.m. He stated he is looking forward to the second meeting and the consultant will be there to discuss the items that needed to be looked into. Mr. Rains thinks all issues should be ironed out at that meeting. It was agreed that the same Commissioners will attend the second workshop, if possible.

10. Propositions and Remarks from the Commissioners

10.1 Commissioner Strosser appreciated the individual opinions, thoughts and concerns presented at the Cost of Service Study Workshop.

10.2 Commissioner Fortier questioned if the bond issue is scheduled for a study session; Administrative Coordinator Martin noted it is September 16.

10.3 Ashland Public Works Director Mike Faught remarked that the Cost of Service Study went very well; he expressed concern that one more workshop might not get to all questions presented. Commissioner Fortier stated that the Board would keep their mind open on that.

11. Executive Session In Accordance with ORS 192.660(2)(d), to Conduct Deliberations with Persons Designated by the Governing Body to Carry on Labor Negotiations; and in Accordance with ORS 192.660(2)(e), to Deliberate with Persons Designated by the Governing Body to Negotiate Real Property Transactions

The Board adjourned to executive session at 1:12 p.m.

The Board reconvened at 1:30 p.m. with the same members present.

12. Adjourn

There being no further business, this Commission meeting adjourned at 1:30 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