

**REGULAR MEETING OF BOARD OF DIRECTORS
ROGUE VALLEY SEWER SERVICES
March 15, 2017**

TIME AND PLACE OF MEETING

A regular meeting of the Board of Directors of the Rogue Valley Sewer Services, Jackson County, Oregon, was held at the Rogue Valley Sewer Services Office, 138 West Vilas Road, Central Point, Oregon, March 15, 2017 at 7:00 a.m.

PLEDGE OF ALLEGIANCE

PRESENT

Bob Dunn, Chairman; Kay Harrison, Director; Wayne Brown, Director; Bill Stults Vice Chairman;
Absent: Jim Lewis, Director

ALSO PRESENT

Carl Tappert, Manager; Brenda Baldovino, Finance Director; Joan Pariani, Executive Secretary;
Jennie Morgan, Stormwater Manager; Shane Macuk, Operations Manager; Nick Bakke, District
Engineer

APPEARANCE OF INTERESTED CITIZENS

Larry Martin from RRVID presented the Bradshaw Drop Piping Project. He was asking the Board for a letter of support to help with a the grant writing. The project will conserve water, protect habitat and improve water quality throughout the valley.

Jim Snyder from Phoenix also attending the meeting. He is a nominee for the Budget Committee.

CONSENT AGENDA

Bill Stults motioned and Wayne Brown seconded approval of the consent agenda consisting of Minutes of the February 15, 2017 Board Meeting. The motion carried with a unanimous vote of the all board members.

RESOLUTION 17-02: ESTABLISHING TIPPING FEES FOR THE WHITE CITY LAGOONS

A facility in Douglas County that was taking septic waste shut down. The DEQ came to RVSS to have the lagoons opened for septic waste. This resolution establishes a rate for dumping septic waste at the lagoons.

Kay Harrison motioned and Wayne Brown seconded approval of Resolution 17-02: Establishing Tipping Fees for the White City Lagoons. The motion carried with a unanimous vote of the all board members.

PROJECT UPDATES

Engineering and O&M staff met in the beginning of March to discuss short and long term Capital Improvement plans. Specific projects have been identified, prioritized or removed from the previous plan.

J084 Antelope Road Sewer Rehab: The flow monitors that have been deployed are currently collecting data. Summer dry weather flows are needed to get better data to size the pipe accordingly.

J232 Lozier Lane Street Improvements: No information has been received from Jackson County or the City of Medford regarding this job.

J243 North Central Valley Sewer Replacement: This job is still in the design phase. The sewer along Corcoran Road has been added. This will include the replacement of sewer 2970 feet of mainline and the correcting of shared laterals.

J262 Hwy 62 Bypass: Hopefully this will wrap up at the end of April. RVSS is still waiting for the pipe liner to be shipped from Germany.

J266 FY 2016 CIPP Project: In the meeting that took place earlier in March, it was discovered that 390 feet of addition pipe on Crater Lane needs to be lined. The contractor is opened to adding this to the current contract.

17-01 Table Rock Sewer Ext: This is still on hold. Jennie has been in contact with Jackson County regarding stormwater quality treatment requirements.

Wilson Way Sewer Extension: Nick presented a map of this new project. This will include 1,600 feet of new 10-inch mainline and replacement of 1,400 feet of 4-inch sewer with new 8-inch sewer. This will allow RVSS to decommission the Wilson Way Pump Station and 12 adjacent STEP/STEG tanks along the way. In significant storm events, the Wilson Way pump station is costly because it pumps not only stormwater, but ground water as well. This will help eliminate the cost of overtime and electricity from the pumps running during these times. The 8-inch mainline would also eliminate one of the pump stations on Dutton Rd.

STORMWATER UPDATES

DEQ is planning to release a restructured permit on April 17th. On April 27th they will have a stakeholder meeting to inform everyone on what they have done.

RVSS is currently advertising for a Stormwater Technician.

Jennie is working with the City of Phoenix to hold a Bear Creek Clean-up at Blue Heron Park. This will take place on Earth Day.

The 1200-C permit for Hilton Fuel in White City has been terminated. One 1200-C permit was approved and issued for NIC Industries in White City. A stormwater management facility for Wilson Equipment was re-reviewed and approved.

A Notice of Non-Compliance with an order to clean the street and catch basin was issued to Dan Ames of Ames Custom Home on March 9th. This is an ongoing issue.

Jennie has been talking with Jackson County for the past couple weeks regarding the stormwater plan for the Table Rock Road Sewer Extension. The county feels that Resolution 16-18: Establishing Excessive Maintenance Fees should not apply to them because they are also a governmental agency. This would be a cost to them of a onetime fee of \$8,500 per Stormwater Vault. The county is ready to go to dispute resolution under the intergovernmental agreement. Chairman Bob Dunn stated that he believes that the County should be held to the same standard as everybody else and directed Carl to run this by the attorney. The rest of the Board agreed.

O&M UPDATES

RVSS Maintenance staff have flushed 90,119 feet of pipe and the video inspection crew has inspected 24,636 feet.

The Special Cleaning Staff have flushed a total of 4,507 feet of pipe.

Shady Cove Treatment Plant received 158,505 gallons of hauled septage in the month of February for a total of \$23,775.75. Rotational footages video inspected were 7,699 feet.

The special cleaning totals for February are 44.5 combined hours of labor & equipment for a total cost of \$1,927.50.

New carpet will be installed the first two weekends in April

Forty-two FOG Inspections were completed in the last 30 days. Of those, five were in violation of not maintaining their interceptor.

There have been no interested parties for the Onan III Generator. Shane has removed the advertising for this and may use this on some projects. All of the old shop light have been sold.

MANAGER'S REPORT

RVSS has a draft agreement for the City of Gold Hill to manage their sewer system. According to the agreement, the City of will pay RVSS \$360,000 per year. Carl is not planning for any Capital Improvements. This City does have an emergency fund for this purpose. It is written as a five year agreement, but there is a clause that RVSS can terminate the agreement with a 90-day notice. Carl is recommending approval of this agreement. The city is in the process of doing a facilities plan for their treatment plant. That is supposed to be completed this summer. The City will then need to decide whether to completely renovate the current plant or to decommission the treatment plant and build a pump station to connect to RVSS. Discussions of annexation would not occur until this decision has been made.

Bill Stults motioned and Kay Harrison seconded approval of the agreement with Gold Hill to manage their sewer system. The motion carried with a unanimous vote of the all board members.

Jim Snyder has offered to serve on the Budget Committee. He will not be able to attend the first Budget meeting. Jim introduced himself to the Board. He has a BS in Chemistry, a Master's in Business Administration, a Masters in International Business, and also has a PMP from the Project Management Institute. He spent 23 years in active duty with the Army. He retired from a job with the US Government called the On-Site Inspection Agency. They worked with Russia and other countries to destroy chemical, biological and nuclear weapons. In 2010 he moved to the Rogue Valley.

Kay Harrison motioned and Wayne Brown seconded approval of Jim Snyder to serve on the Budget Committee. The motion carried with a unanimous vote of the all board members.

The mediation for the Teamster's contract was scheduled for April 5th, but some of the employees have filed a petition to de-certify the union so that is now delayed.

Carl reminded Wayne of the filing deadline for re-election.

Talent Irrigation District filed a foreclosure lawsuit on a home on Glory C Road and RVSS was named as a defendant. Joe Kellerman is also the attorney for TID and needs RVSS to sign a waiver of conflict. Carl checked with Thad Pauck at Brophy Schmor who agreed that this waiver would be appropriate.

Carl asked the Board if they would be interested in having Tablets to access the Board packet instead of binders full of paper. Another point he made was when the preliminary Board packet is emailed to Board members personal email, it can become subject to public records requests. The Board was agreeable to this.

If the Union is de-certified it could significantly affect the budget. The biggest issue, if the Union is de-certified, is that RVSS will no longer be able to purchase Health insurance from the Teamsters. Carl asked the Board if they were committed to providing the dollar amount of the premiums or if they are they committed to paying the benefit level. Currently the premiums run about \$500,000 per year. If RVSS goes with a policy that is comparable, this would increase the

budget by \$150,000 to \$200,000 per year. Carl reassured the Board that RVSS has the funds to cover this cost. Bill Stults commented that RVSS has such a fantastic crew that he would want all employees to have the same kind of coverage that is currently available. All other Board members agreed. The Board directed Carl to prepare the budget anticipating that health care costs would increase to maintain the same benefit level as the current plan.

Other increases to the Budget will be Gold Hill, possibly adding four additional employees, \$2 million in capital improvements, upgrading software to integrate all the different databases, and the City of Medford has increase their treatment fee 7.5%. This could all be achieved without increasing rates. The Board was very pleased with this. If RVSS did impose an increase of 3% to cover the increase in treatment charges, a new flusher truck could be purchased. This is less than the annual 4.25% that was anticipated by the rate analysis complete a couple years ago. The Board agreed that a small increase annually is better than a large rate increase later.

The Budget Committee date was set for April 26th, 7:00 am, to be held in the Board room of RVSS.

CLAIMS LISTING

Bill Stults motioned and Kay Harrison seconded to approve the Claims Listing of \$685,825.20. The motion carried with a unanimous vote of the remaining board members.

ADJOURNMENT

There being no further business, the meeting was adjourned at 8:08 a.m.

ROGUE VALLEY SEWER SERVICES



Bob Dunn, Chairman
Board of Directors



Joan Pariani, Executive Secretary