

**REGULAR MEETING OF BOARD OF DIRECTORS
ROGUE VALLEY SEWER SERVICES
December 16, 2015**

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, December 16, 2015 at 7:00 a.m.

PLEDGE OF ALLEGIANCE

PRESENT

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

ALSO PRESENT

Carl Tappert, Manager; Brenda Baldovino, Finance Director; Shane Macuk, Operations Manager; Joan Pariani, Executive Secretary; Dave McFadden, President of the Medford Rifle and Pistol Club; Steve Samson, Vice-President of the Medford Rifle and Pistol Club; Mark Damon, KDP, Inc.; Jim Sharp, Phoenix Urban Renewal Agency.

By phone: Jennie Morgan, Stormwater Manager;

APPEARANCE OF INTERESTED CITIZENS

Representatives from the Medford Rifle and Pistol club were in attendance to ask for forgiveness of their loan and/or interest on the SDC charges that were financed in 1979. The club has not had the funds to make payments in the past, but now is in a better position and would like to make arrangements to pay this loan off.

Carl explained the situation that the club was assessed as a single family residence, rather than a commercial building in 1979. The difference in assessment of \$2,738.45 was deferred at 7% annual interest rate until the property was either sold or had a change in use. Carl stated that from the record it does not appear as though the District ever expected to receive payment. The account has accrued \$6,906.01 in interest.

RVSS Code gives the Board broad discretion in forgiving debts and does have a provision referred to as "the Boy Scout" rule, which provides for a reduction in SDC's for non-profit groups that serve children. It was noted that the Club does provide youth hunter safety courses.

Kay Harrison motioned and Wayne Brown seconded approval of a waiver of interest on the loan for SDC fees for the Medford Rifle and Pistol Club. The motion carried by a majority roll call vote of the board members.

CONSENT AGENDA

Kay Harrison motioned and Jim Lewis seconded approval of the Consent Agenda consisting of the Minutes of the Regular Meeting of November 18, 2015. The motion carried by a majority roll call vote of the board members with Bill Stults abstaining.

FINANCE UPDATES

Mark Damon from KDP presented a statement for the FY15 audit. The balance sheets have been presented fairly in all material respects. This is the highest form of accolade that this firms gives.

Jim Lewis motioned and Wayne Brown seconded to approve the FY15 Audit Report. The motion carried with a unanimous vote of the board members.

Brenda presented the second quarter financial report for FY16. She noted that because of some accrual done in FY15, the ending fund balance was in a negative. This continues to be the case because the purchases were made in the first part of the 2016 fiscal year. When all the revenues are received for the current year fiscal, it should end in a positive statement balance.

PROJECT UPDATES

J182-Hwy 62 Bypass: ODOT has requested additional information in support of the reimbursement claim of \$337,701.75. The information has been provided and are still awaiting a response.

16-02 Viewcrest Drive Sewer: This project is proceeding slowly. It is expected to be completed within the next two weeks.

STORMWATER UPDATES

Jennie is proposing a Capital Improvement Project in Phoenix in correlation with the City of Phoenix and the Phoenix Urban Renewal Agency. RVSS has not funded a project for the City of Phoenix since 2009. The City and its Urban Renewal Agency have proposed to address their stormwater management requirements by redeveloping a parking lot with permeable pavers. The estimated cost of this project is \$164,094. The request is for RVSS to donate \$50,000. Jennie does have a couple of concerns regarding this project. Improvements are currently in process around this proposed parking lot and equipment is being driven over the area where the parking lot will be created. This compacts the dirt and will make the permeable pavers useless. Jennie's request is that if the Board approves this donation an infiltration test be done, once it has dried out, to ensure the storm water will infiltrate and work properly.

Jim Sharp from Phoenix Urban Renewal commented that they have now received a bid for this project of \$172,000. He feels that this is a great project of a large 13,000 SF parking lot. He appreciates the Board's consideration of a donation.

Bill Stults motioned and Wayne Brown seconded to approve a donation of \$50,000, with the stipulation that it passes the percolation test. The motion carried with a unanimous vote of the board members.

Jennie also presented the Board with a map of the extended areas that the DEQ is now requiring RVSS to include within the MS4 Boundary. Carl and Jennie have met with Jackson County Representatives on how RVSS will include properties not within the RVSS boundaries. Jackson County is working on a document and plan on having a proposal into the DEQ by June 2016. Jennie is proposing that RVSS go ahead and expand their MS4 boundary within the district sooner than June 2016. The first reading of an ordinance will be presented at the January Board meeting for this matter.

One brown tag was issued to Twin Creeks Development last month for failure to maintain BMPs.

The construction general permit was reissued by DEQ yesterday. RVSS is able to issue permits again. One major change in the new permit is that this is now a requirement for riparian setback. This is a 50 foot setback from waters of the State. Some of the local cities currently have requirement on riparian setbacks of only 25 feet.

Going back to Capital Improvement Programs, Jennie would like to offer incentives for commercial and industrial projects that go above and beyond RVSS' current requirements for Stormwater management. RVSS currently offers incentives for cities. Jennie is working on developing this program.

O&M UPDATES

RVSS Maintenance staff have flushed 6,630 feet of pipe and the video inspection crew has TV'd 32,290 feet.

Kevan Kerby has manufactured a robot, which will grind out protruding services in the mainline. Shane plans on a demo at next month Board Meeting.

The Special Cleaning Staff have flushed a total of 6,584 feet of pipe and video inspected 172'. They also root sawed 663' and V root sawed 947'.

Shady Cove Treatment Plant received 86,100 gallons of hauled septage in the month of November for a total of \$12,915.

The special cleaning totals for November are 211.5 combined hours of labor & equipment for a total cost of \$7,009.51.

Dunn Pump Station motor has been rebuilt and installed. It is working great.

The gas service line was trenched across Hwy 62 next to the Luthy Pump Station and no indication of trench line location for the parallel 14" pressure main.

Forty-two FOG inspections were completed in the last 30 days. Of those, seven were in violation of not maintaining their interceptor and 38 were in violation of not maintaining their log books. One did not have a grease removal device installed.

Shane is working toward selling the 2009 International flusher truck. Carl has a municipality interested in it and is waiting for their decision before it is put out to the public.

MANAGER'S REPORT

Carl is having discussions with the City of Shady Cove regarding the renewal of the maintenance contract for the Shady Cove Treatment Plant. His initial plan is to go into a one year contract until the discharge permit is renewed. Following that, RVSS would do a 5 year contract with an annexation provision in it. The city council is concerned with this proposition. Another option to have a contract to do work when needed and then bill for time and materials.

Carl reminded the Board about the SDAO conference in February at Sunriver in Bend.

Carl presented the Incentive Plan for 2015. There were no time loss injuries. Overtime hours were up from last year. The goal pump station alarms is two per month and was exceeded only once. Spills continue to be a problem, there were four last year. Fuel consumption has been split between diesel and gas from last year's data. Diesel consumption was down and gas consumption was up. Electricity is measured in three different locations, the pump stations, the office and the treatment plant. The goal was hit eight time for the pump stations, five times for the office and seven time at the plant. Also the treatment plant met the discharge requirements 100%. Carl explained the calculation per employee. He then asked the board to approve incentive pay for management staff. All board members were in favor of giving the management staff incentive pay using the same calculations as the Union staff.

CLAIMS LISTING

Kay Harrison motioned and Jim Lewis seconded to approve the Claims Listing of \$622,161.80. The motion carried with a unanimous vote of the board members.

ADJOURNMENT TO EXECUTIVE SESSION

RETURN TO OPEN MEETING

ADJOURNMENT

There being no further business, the meeting was adjourned at 8:50 a.m.

ROGUE VALLEY SEWER SERVICES



Bob Dunn, Chairman
Board of Directors



Joan Pariani, Executive Secretary