



In accordance with the Governor's current recommendations regarding COVID-19, this meeting will be held virtually. To attend, click on the following link:

https://us02web.zoom.us/webinar/register/WN_VxRUMvIDQGKzi-L9Q94b2w

The meeting passcode is 975857.

Online participants will be able to view presentation material and submit questions or comments.

You can also join by dialing in with your phone; call (669) 900-6833.

The meeting ID number is 873 0435 3440, and the meeting passcode is 975857.

AGENDA

12:15 p.m. BOARD MEETING (*No Study Session*)

1. Roll Call

2. Comments from the Audience

Comments will be limited to 4 minutes per individual, group, or organization; please state your name and organization (if applicable) when prompted via teleconference.

3. Consent Calendar

3.1 Approval or Correction of the Minutes of the Last Regular Meeting of December 15, 2021

3.2 Quarterly Letter to Mayor and Council

4. Resolution No. 1797, A RESOLUTION Awarding and Authorizing the General Manager to Execute a Contract with Jacobs Engineering Group, Inc for Consulting Services for SCADA Architecture Master Planning, Design, & Implementation Consulting Services

5. Management Reports

Management staff will be present and may provide information: Engineering Manager Brian Runyen, Water Meter & Controls Supervisor Ken Johnson, Water Maintenance Supervisor Lester McFall, Water Treatment/Quality Director Ben Klayman, Finance & Administration Director Tessa DeLine, Information Technology Manager Kris Stitt, Human Resources Manager Tanya Haakinson, and General Manager Brad Taylor.

6. Propositions and Remarks from the Commissioners

7. Adjourn

| DATES TO REMEMBER* | | | | | |
|-------------------------------------------------------------------------------|-----|-----------------|---------------------------------|-----------------|----------|
| DATE | DAY | TYPE OF MEETING | STUDY SESSION TIME & TOPIC | REGULAR MEETING | LOCATION |
| <i>Monday, January 17, 2022 – Martin Luther King Jr. Day – Offices closed</i> | | | | | |
| 1/19/22 | Wed | Board Meeting | 11:45am – BBS Operations Update | 12:15 p.m. | TBD |

**Meeting dates, times, and locations are subject to change due to COVID-19 precautions and by order of Governor Brown.*



Memorandum

TO: Commissioners Jason Anderson, Bob Strosser, Daniel Bunn, John Dailey,
and Mike Smith
FROM: Brad Taylor, General Manager
DATE: Wednesday, December 29, 2021
SUBJECT: Item 3.2 – Quarterly Letter to the Mayor and City Council
OBJECTIVE: Board Approval

Issue

The letter to the Mayor and City Council for the first quarter of Fiscal Year 2021-22 along with the financials, Consumption Report, and Watershed Report.

Discussion

Medford Water is required by Section 19 of the Medford Charter to make full reports of the business transacted by it and of the condition of its funds once every three months to the City Council. If the board members agree to the contents of the letter for the first quarter of FY21-22, the Chair and General Manager will sign, and it will be forwarded to the Mayor and Council members.

Financial Impact

n/a

Requested Board Action

Approve contents of first quarter letter to Mayor and City Council.



January 5, 2022

Mayor Randy Sparacino and City Council
City of Medford, Oregon
411 West 8th St.
Medford, Oregon 97501

Honorable Mayor and Council Members:

Attached are Medford Water's quarterly financial reports for the first quarter of Fiscal Year 2021-22, as well as Consumption and Watershed Reports.

During the first quarter of Fiscal Year 2021-22, Medford Water continued to manage issues around the COVID-19 pandemic and maintaining continuity of service to our customers. Direct public access to customer service was restored. Our in-office visits have been significantly reduced from pre-pandemic levels.

We continue to work with the Environmental Protection Agency (EPA) on securing a low interest loan to support our Rogue Valley Water Supply Resiliency Project, which aims to add capacity to our Robert A. Duff Water Treatment Plant (Duff WTP) and water conveyance system, construct Water Quality Improvement Facilities (pH adjustment) at the Duff WTP and Big Butte Springs, and add and rebuild critical water system storage projects in the distribution system. We anticipate closing on the loan in mid-January 2022.

If the Mayor or Council members have any questions, feel free to contact our office at any time, or Tim D'Alessandro, Council Liaison.

Sincerely,

Jason Anderson, Chair
Board of Medford Water Commissioners

Brad Taylor, General Manager
Medford Water

Attachments

Medford Water Commission
Balance Sheet
September 30, 2021

Item No. 3.2(c)

| | Water Fund | Water System Construction Fund | Total | Last Year |
|----------------------------------------------|--------------------------|--------------------------------------|--------------------------|--------------------------|
| Assets | | | | |
| Current Assets | | | | |
| Cash | \$3,638,187.97 | \$0.00 | \$3,638,187.97 | \$2,957,780.73 |
| Revolving Fund Cash | 36,256.69 | 0.00 | 36,256.69 | 37,455.34 |
| Cafeteria Plan Cash | 14,235.90 | 0.00 | 14,235.90 | 11,056.48 |
| Investments | 2,946,353.68 | 12,828,276.40 | 15,774,630.08 | 25,260,911.18 |
| Investments- Future Main Replacements | 0.00 | 4,274,474.17 | 4,274,474.17 | 0.00 |
| Investments- Future Treatment and Transport | 0.00 | 7,549,861.43 | 7,549,861.43 | 0.00 |
| Investments- Future Water Rights Development | 0.00 | 501,111.19 | 501,111.19 | 0.00 |
| Investments- Vernal Pool Management | 0.00 | 136,816.71 | 136,816.71 | 0.00 |
| Restricted Investments | 215,865.08 | 0.00 | 215,865.08 | 192,167.08 |
| Notes Receivable | 2,083,500.03 | 0.00 | 2,083,500.03 | 2,219,508.55 |
| Accounts Receivable | 3,077,827.84 | 0.00 | 3,077,827.84 | 2,663,010.01 |
| Accounts Receivable - Misc. | 663,856.73 | 0.00 | 663,856.73 | 218,137.33 |
| Cafeteria Plan Receivable | 5,953.58 | 0.00 | 5,953.58 | 5,702.50 |
| Inventory | 1,274,768.03 | 0.00 | 1,274,768.03 | 1,044,700.54 |
| Work in Progress | 375,220.25 | 0.00 | 375,220.25 | 284,467.16 |
| Prepaid Expenses | 1,768,766.86 | 0.00 | 1,768,766.86 | 1,622,604.56 |
| Other Current Assets | 105,553.43 | 0.00 | 105,553.43 | 1,475.27 |
| Total Current Assets | 16,206,346.07 | 25,290,539.90 | 41,496,885.97 | 36,518,976.73 |
| Fixed Assets | | | | |
| Utility Plant / Service | 205,378,322.72 | 0.00 | 205,378,322.72 | 198,116,679.70 |
| Construction in Progress | 9,828,627.76 | 0.00 | 9,828,627.76 | 9,042,489.80 |
| Accumulated Depreciation | (68,191,690.60) | 0.00 | (68,191,690.60) | (64,511,094.20) |
| Total Fixed Assets | 147,015,259.88 | 0.00 | 147,015,259.88 | 142,648,075.30 |
| Total Assets | \$ 163,221,605.95 | \$ 25,290,539.90 | \$ 188,512,145.85 | \$ 179,167,052.03 |
| Liabilities & Fund Equity | | | | |
| Current Liabilities | | | | |
| Accounts Payable | 835,141.57 | 0.00 | 835,141.57 | 1,590,865.64 |
| Retainage Payable | 0.01 | 0.00 | 0.01 | 201,590.72 |
| Customer Deposits | 79,062.48 | 0.00 | 79,062.48 | 93,810.07 |
| Construction Deposits | 461,658.18 | 0.00 | 461,658.18 | 400,457.40 |
| Miscellaneous Payable | 275,536.07 | 0.00 | 275,536.07 | 352,284.17 |
| Water Districts Payable | 48,654.04 | 0.00 | 48,654.04 | 55,603.62 |
| Accrued Vacation | 686,222.57 | 0.00 | 686,222.57 | 622,067.38 |
| Cafeteria Plan Payable | 14,233.14 | 0.00 | 14,233.14 | 9,074.17 |
| Other Current Liabilities | 105.15 | 0.00 | 105.15 | 1,183.13 |
| Total Current Liabilities | 2,400,613.21 | 0.00 | 2,400,613.21 | 3,326,936.30 |
| Fund Equity | | | | |
| Retained Earnings | 155,940,768.51 | 24,866,725.04 | 180,807,493.55 | 171,590,165.40 |
| Total Fund Equity | 155,940,768.51 | 24,866,725.04 | 180,807,493.55 | 171,590,165.40 |
| Net Income - Fiscal YTD | 5,287,188.13 | 16,850.96 | 5,304,039.09 | 4,249,950.33 |
| Fund Transfers In (Out) | (406,963.90) | 406,963.90 | 0.00 | 0.00 |
| Total Liabilities & Fund Equity | \$ 163,221,605.95 | \$ 25,290,539.90 | \$ 188,512,145.85 | \$ 179,167,052.03 |

**Medford Water Commission
Income Statement
September 30, 2021**

Item No. 3.2(d)

| | Month to Date | | Year to Date | |
|---------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | Current | Prior | Current | Prior |
| Water Fund | | | | |
| Operating Revenues | | | | |
| Residential Sales Inside Gallonage | \$739,321.58 | \$831,753.99 | \$2,596,056.17 | \$2,555,239.12 |
| Commercial Sales Inside Gallonage | 291,092.88 | 269,110.95 | 907,506.56 | 804,430.53 |
| Industrial Sales Inside Gallonage | 23,970.08 | 20,382.96 | 62,945.88 | 56,244.96 |
| Base Charges Inside | 494,838.36 | 458,261.04 | 1,482,599.12 | 1,375,142.56 |
| High Elevation Charges | 40,493.85 | 41,475.26 | 124,201.18 | 122,750.77 |
| Fire Services Inside | 26,879.77 | 24,553.41 | 80,650.87 | 73,666.56 |
| Residential Sales Outside Gallonage | 110,773.71 | 123,423.81 | 422,457.57 | 429,948.81 |
| Commercial Sales Outside Gallonage | 86,426.55 | 62,209.00 | 288,300.82 | 194,952.68 |
| Industrial Sales Outside Gallonage | 139,640.20 | 133,646.56 | 453,008.92 | 401,307.68 |
| Base Charges Outside | 106,681.14 | 99,103.95 | 320,422.01 | 296,562.57 |
| Fire Services Outside | 7,664.20 | 7,065.68 | 22,983.31 | 21,197.04 |
| Sales to Other Utilities | 316,373.69 | 328,950.67 | 1,475,404.07 | 1,098,592.03 |
| Miscellaneous Collections | 17,774.66 | 20,835.31 | 54,989.99 | 66,135.80 |
| Connections/Installations | 110,730.10 | 90,419.31 | 250,382.34 | 150,439.32 |
| Total Operating Revenues | 2,512,660.77 | 2,511,191.90 | 8,541,908.81 | 7,646,610.43 |
| Operating Expenses | | | | |
| Source of Supply | 57,103.57 | 54,017.61 | 218,040.45 | 178,388.06 |
| Supply Pumping | 95,245.06 | 114,714.11 | 282,133.09 | 301,642.54 |
| Purification | 236,209.82 | 227,651.59 | 749,255.22 | 749,608.92 |
| Transmission | 29,157.08 | 14,544.07 | 62,033.74 | 40,862.44 |
| Distribution Pumping | 35,171.16 | 37,115.77 | 118,357.32 | 122,433.05 |
| Distribution | 222,128.41 | 246,479.63 | 660,982.40 | 830,521.41 |
| Customer Accounts & Collection | 154,951.23 | 177,546.43 | 492,492.80 | 640,215.95 |
| Administrative & General | 85,765.90 | 38,796.62 | 233,282.79 | 404,586.74 |
| Connections/Installations | 100,810.60 | 73,473.64 | 191,866.61 | 127,145.25 |
| Total Operating Expenses | 1,016,542.83 | 984,339.47 | 3,008,444.42 | 3,395,404.36 |
| Operating Income Before Depreciation | 1,496,117.94 | 1,526,852.43 | 5,533,464.39 | 4,251,206.07 |
| Depreciation | 319,666.92 | 324,712.85 | 959,000.76 | 974,045.02 |
| Total Operating Income | | | | |
| Non Operating Revenues | | | | |
| Charges in Lieu of Assessments | 0.00 | 0.00 | 0.00 | 0.00 |
| Investment Revenue | 494.68 | 3,218.50 | 17,037.67 | 12,777.23 |
| Grant Revenue | 0.00 | 0.00 | 0.00 | 0.00 |
| Forest Product Revenue | 0.00 | 0.00 | 0.00 | 0.00 |
| Miscellaneous Revenue | 51,634.18 | 149.79 | 88,676.77 | 551.80 |
| Total Non Operating Revenues | 52,128.86 | 3,368.29 | 105,714.44 | 13,329.03 |
| Income Before Contributions | 1,228,579.88 | 1,205,507.87 | 4,680,178.07 | 3,290,490.08 |
| Capital Contributions | | | | |
| System Development Charges | 265,552.95 | 249,306.13 | 607,010.06 | 384,120.05 |
| Developer Donations (Capitalized) | 0.00 | 523,308.42 | 0.00 | 523,308.42 |
| Total Income from Contributions | 265,552.95 | 772,614.55 | 607,010.06 | 907,428.47 |
| Net Income - Water Fund | \$1,494,132.83 | \$1,978,122.42 | \$5,287,188.13 | \$4,197,918.55 |
| Combined Income (All Funds) | | | | |
| Net Income - Water Fund | 1,494,132.83 | 1,978,122.42 | 5,287,188.13 | 4,197,918.55 |
| Net Income - Construction Fund | 3,935.10 | 3,816.49 | 16,850.96 | 13,227.00 |
| Net Income - Main Replacement Fund | 0.00 | 3,070.51 | 0.00 | 10,641.59 |
| Net Income - FWTP Fund | 0.00 | 4,695.65 | 0.00 | 15,877.84 |
| Net Income - FWRD Fund | 0.00 | 3,485.22 | 0.00 | 11,944.74 |
| Net Income - Vernal Pool Mgmt Fund | 0.00 | 98.27 | 0.00 | 340.61 |
| Total Combined Net Income | \$1,498,067.93 | \$1,993,288.56 | \$5,304,039.09 | \$4,249,950.33 |



2021-22 FISCAL YEAR WATER CONSUMPTION & SERVICES First Quarter

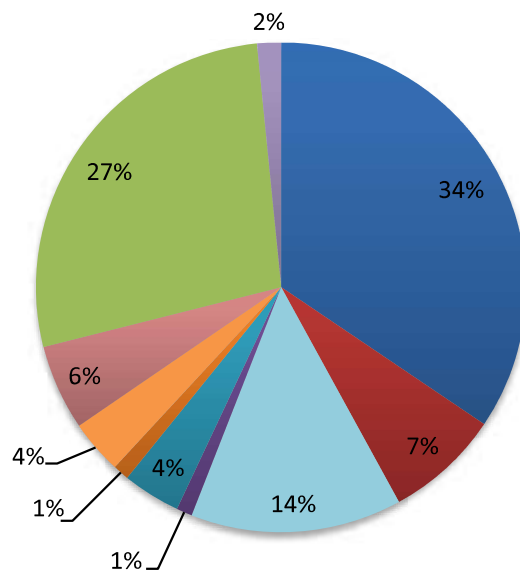
WATER CONSUMPTION - THOUSANDS OF GALLONS

| | CONSUMPTION JUL - SEPT 2021 | CONSUMPTION JUL - SEPT 2020 | CHANGE IN CONSUMPTION |
|-------------------------------------|--------------------------------|--------------------------------|--------------------------|
| INSIDE SINGLE-FAMILY RESIDENTIAL | 1,416,116 | 1,482,362 | -4.47% |
| INSIDE MULTIPLE-FAMILY RESIDENTIAL | 310,900 | 317,435 | -2.06% |
| INSIDE COMMERCIAL | 573,133 | 578,877 | -0.99% |
| INSIDE INDUSTRIAL | 42,585 | 40,464 | 5.24% |
| OUTSIDE SINGLE-FAMILY RESIDENTIAL | 157,361 | 167,415 | -6.01% |
| OUTSIDE MULTIPLE-FAMILY RESIDENTIAL | 43,276 | 48,257 | -10.32% |
| OUTSIDE COMMERCIAL | 146,755 | 105,501 | 39.10% |
| OUTSIDE INDUSTRIAL | 231,127 | 218,102 | 5.97% |
| SALES TO OTHER UTILITIES | 1,124,674 | 1,051,619 | 6.95% |
| SALES TO WATER DISTRICTS | 64,796 | 96,191 | -32.64% |
| TOTAL WATER CONSUMPTION | 4,110,723 | 4,106,223 | 0.11% |

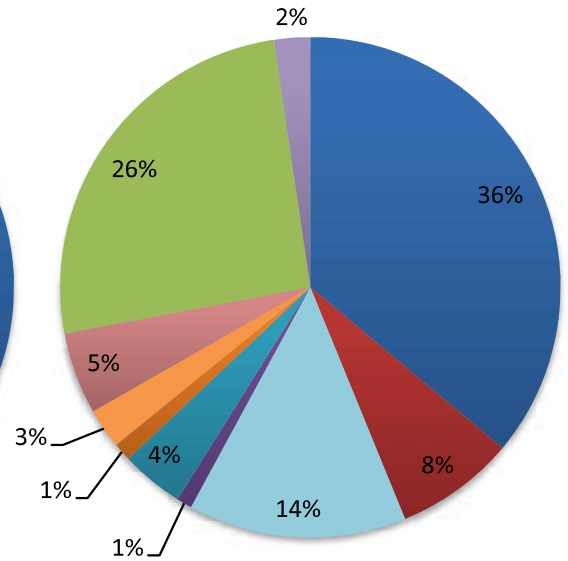
Percentage of Total Consumption for Quarter

- INSIDE SFR
- INSIDE MFR
- INSIDE COM.
- INSIDE IND.
- OUTSIDE SFR
- OUTSIDE MFR
- OUTSIDE COM.
- OUTSIDE IND.
- OTHER UTILITIES
- WATER DISTRICTS

Q1-2021



Q1-2020



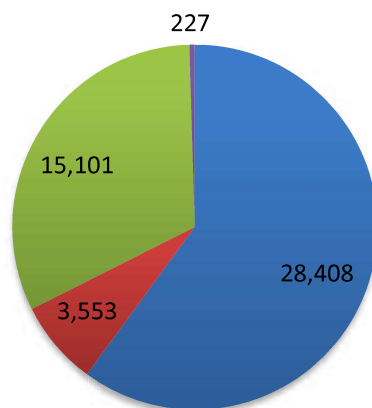
WATER SERVICES TO SEPTEMBER 30, 2021

| | <u>SERVICES SEPT 2021</u> | <u>SERVICES SEPT 2020</u> | <u>CHANGE IN SERVICES</u> |
|------------------------------------------|-------------------------------|-------------------------------|-------------------------------|
| <u>INSIDE CITY</u> | | | |
| RESIDENTIAL - SINGLE-FAMILY | 22,623 | 22,343 | 280 |
| RESIDENTIAL - MULTIPLE-FAMILY | 2,489 | 2,476 | 13 |
| COMMERCIAL | 2,756 | 2,723 | 33 |
| INDUSTRIAL | 48 | 47 | 1 |
| FIRE SERVICES | 492 | 475 | 17 |
| <i>SUBTOTAL - INSIDE CITY</i> | <u>28,408</u> | <u>28,064</u> | <u>344</u> |
| <u>OUTSIDE CITY</u> | | | |
| RESIDENTIAL - SINGLE-FAMILY | 3,060 | 3,003 | 57 |
| RESIDENTIAL - MULTIPLE FAMILY | 82 | 78 | 4 |
| COMMERCIAL | 229 | 230 | -1 |
| INDUSTRIAL | 97 | 94 | 3 |
| UTILITIES | 7 | 7 | 0 |
| FIRE SERVICES | 78 | 76 | 2 |
| <i>SUBTOTAL - OUTSIDE CITY</i> | <u>3,553</u> | <u>3,488</u> | <u>65</u> |
| <u>OTHER UTILITIES</u> | | | |
| CITY OF CENTRAL POINT | 6,772 | 6,685 | 87 |
| CITY OF JACKSONVILLE | 1,546 | 1,530 | 16 |
| CITY OF EAGLE POINT | 3,505 | 3,410 | 95 |
| CITY OF PHOENIX | 1,163 | 1,393 | -230 |
| T.A.P. | 2,115 | 2,077 | 38 |
| <i>SUBTOTAL - OTHER UTILITIES</i> | <u>15,101</u> | <u>15,095</u> | <u>6</u> |
| <u>WATER DISTRICTS</u> | | | |
| CHARLOTTE ANN | 123 | 251 | -128 |
| ELK CITY | 104 | 103 | 1 |
| <i>SUBTOTAL - WATER DISTRICTS</i> | <u>227</u> | <u>354</u> | <u>-127</u> |
| TOTAL WATER SERVICES | <u>47,289</u> | <u>47,001</u> | <u>288</u> |

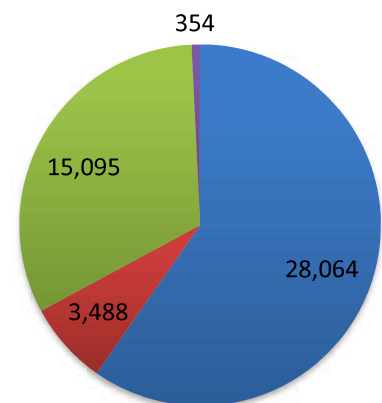
**Number of Services
in September**

- INSIDE CITY
- OUTSIDE CITY
- OTHER UTILITIES
- WATER DISTRICTS

SEPT 2021



SEPT 2020

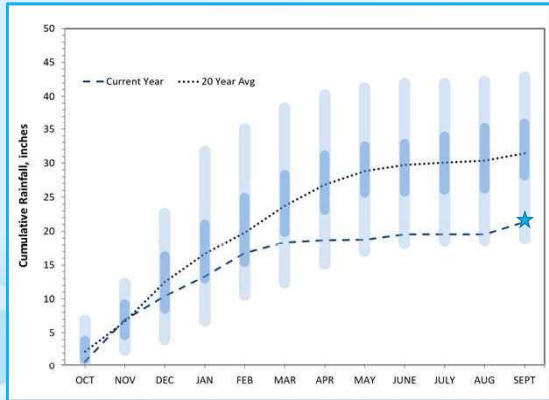


Watershed Report

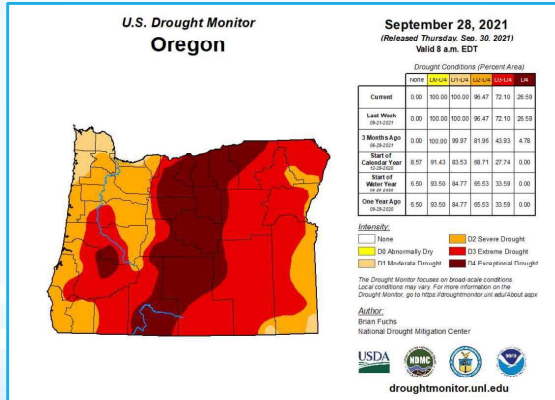
Ben Klayman, Water Treatment & Quality Director

3-month outlook calls for above average precipitation

Precipitation at BBS (68% of average for the year)



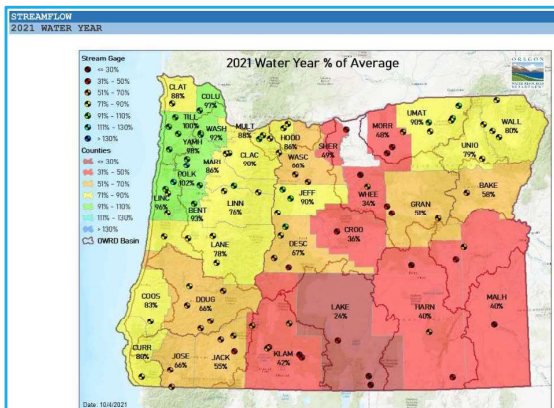
State-wide (96% Severe Drought or worse)



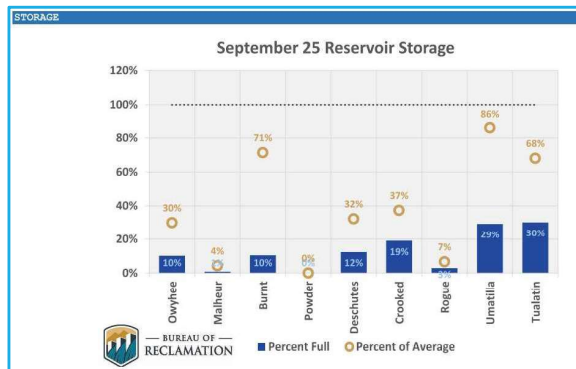
Watershed Report

Surface water storage is well below average

Streamflows (68% of average for the year)

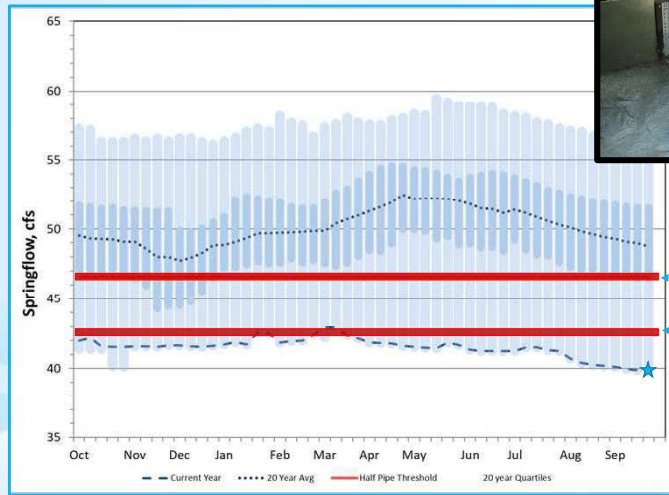


Reservoir Storage (Lost Creek at 14% full)



Springflow

Setting new historic lows each week; 80% of average



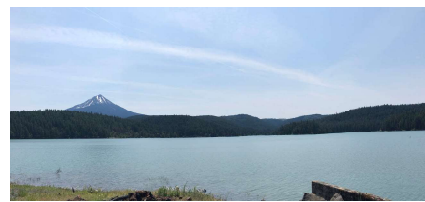
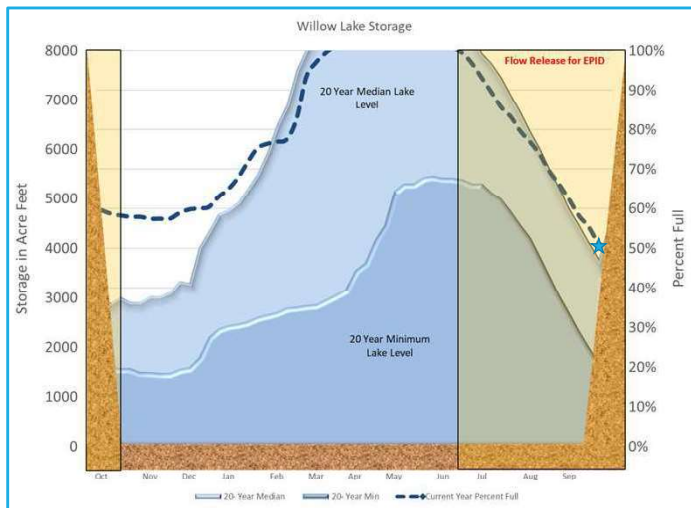
Minimum flow for 2 full pipes:

Without Rancheria

With Rancheria online

Willow Lake Storage

Lake level slightly above the 20-year average; Oct 15 end of releases





Memorandum

TO: Commissioners Jason Anderson, Bob Strosser, Daniel Bunn, John Dailey, and Mike Smith

FROM: Brian Runyen, PE, Engineering Manager
Andy Huffman, Capital & Special Projects Coordinator

DATE: Tuesday, December 28, 2021

SUBJECT: Item 4 – Resolution 1797, Authorizing a Contract with Jacobs Engineering Group for Consulting Services for Master Planning, Design, and Implementation of Supervisory Control and Data Acquisition (SCADA) Architecture for Medford Water

OBJECTIVE: Board Approval

Issue

Aging and incompatible SCADA and communications coupled with increasing security considerations necessitates an overall rework of the SCADA and communications platforms for Medford Water. The existing SCADA network does not provide convenient integration across the organization. The network limits the availability of data which is collected, and the data is not routinely available over the SCADA network. This, along with a lack of infrastructure standards, results in a need to plan and implement system improvements. These improvements are necessary to provide support to all other infrastructure projects in the 10-year Capital Improvement Plan (CIP) and beyond.

Discussion

Utilizing the required Qualifications-Based Selection (QBS) process, in August, Medford Water advertised an RFP to provide consulting services for the Consulting Services for Master Planning, Design, and Implementation of Supervisory Control and Data Acquisition (SCADA) Architecture.

Medford Water received a total of (5) proposals which were:

- Control Systems Northwest
- WestYost
- Jacobs Engineering
- Harris Group
- Layline

A selection committee of (7) Medford Water staff scored the proposals independently and a short list of consultants was notified for interview. WestYost, Jacobs, and Control Systems Northwest were each interviewed and independently scored. The rankings were as follows:

1. Jacobs Engineering
2. West Yost
3. Control Systems Northwest

Upon notification of the Highest Ranked Proposer, the Scope of Service and subsequent fee was agreed upon. Notice of Intent to Award was issued on November 19, 2021, and the protest period closed with no protest.

This project will be delivered in (2) parts.

- **Part A** includes Phase 1 / Master Planning and Phase 2 / Pre-design and Standards.
- **Part B** includes Phase 3 / Implementation.

Staff is satisfied that Jacobs Engineering has the right combination of experience, technical expertise, and industry knowledge to deliver this work to the satisfaction of Medford Water. The work associated with this project will provide Medford Water with a clear roadmap providing direction and standardization throughout the system to manage the ongoing development of the SCADA network. The roadmap for adaptation of the network will provide a secure and future proof template as facilities are added or changed.

Financial Impact

There is money within the FY 2021/22 CIP budget to deliver **Part A** of the 'Consulting Services for Master Planning, Design, and Implementation of Supervisory Control and Data Acquisition (SCADA) Architecture for Medford Water. This work will then help us budget and plan for Part B working in Future Capital Plan years. We also anticipate a software purchase prior to Part B work.

Requested Board Action

Staff recommends approval of Resolution 1797, authorizing the General Manager to execute a Consulting Services contract with Jacobs Engineering in the amount of \$510,773 for Part A. Part B scope will not be negotiated until the completion of Part A. Part B is anticipated to be negotiated in winter of 2022/23 for presentation to the Board.

RESOLUTION NO. 1797

A RESOLUTION Awarding and Authorizing the General Manager to Execute a Contract with Jacobs Engineering Group, Inc for Consulting Services for SCADA Architecture Master Planning, Design, & Implementation Consulting Services

WHEREAS, Medford Water solicited proposals for Consulting Services for SCADA Architecture Master Planning, Design, & Implementation Consulting Services (CIP-22-00353) through a Request for Proposals based on the Qualification Based Selection process; and

WHEREAS, a Notice of Intent to Award was issued to Jacobs Engineering Group, Inc. on November 19, 2021, and no protests of the award were received; and

WHEREAS, Jacobs Engineering Group, Inc., has submitted a Scope of Work, Schedule, and Budget for the project and is qualified and agreeable to render the services specified therein; and

WHEREAS, the value of the contract, estimated at \$510,773.00 exceeds the General Manager’s authority;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF WATER COMMISSIONERS OF THE CITY OF MEDFORD, OREGON, AS FOLLOWS:

SECTION 1. That a contract in the amount of \$510,773.00 for Consulting Services for SCADA Architecture Master Planning, Design, & Implementation Consulting Services for Medford Water (CIP-22-00353) is hereby awarded to Jacobs Engineering Group, Inc.

SECTION 2. That the General Manager is hereby authorized and directed to execute Part A of said contract and any contract amendments not exceeding the General Manager’s purchasing authority or 25 percent of the original contract amount, on behalf of the Board of Water Commissioners, which contract is on file and by reference made a part hereof, is hereby approved. This authorization exceeds the authority of the General Manager as defined in Section 1.02 of the Commission’s Contracting & Purchasing Regulations.

PASSED at a regular meeting of the Board of Water Commissioners and signed by me in authentication thereof this 5th day of January 2022.

ATTEST: _____
Yvette Finstad, Asst. Clerk of the Commission

Jason Anderson, Chair