



This meeting will be held in person, but you may attend virtually; see the instructions on page 2.

AGENDA

12:00 a.m. LUNCH

12:15 p.m. BOARD MEETING

1. Roll Call

2. Pledge of Allegiance

3. 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.

4. Consent Calendar

4.1 Approval or Correction of the Minutes of the Last Regular Meeting of July 19, 2023

4.2 Resolution No. 1898, A RESOLUTION Authorizing the Chair of the Board of Water Commissioners to Execute an Intergovernmental Agreement by and between Medford Water and City of Medford, an Oregon Municipal Corporation, for Departmental Charges of the City of Medford

5. Items Removed from Consent Calendar

6. Resolution No. 1899, A RESOLUTION Authorizing the General Manager to Execute Purchase Orders in the Amount of \$797,677 with Sensus Metering Systems for Fiscal Year 2023-2024

7. Leadership Team Reports

Leadership Team staff will be present and may provide information: Engineering Manager Brian Runyen, Water Operations Manager Dan Perkins, Finance Manager Anna Roeder, Information Technology Manager Kris Stitt, Human Resources Manager Tanya Haakinson, Water Resources & Customer Service Manager Julie Smitherman, and General Manager Brad Taylor.

8. Propositions and Remarks from the Commissioners

9. Adjourn

DATES TO REMEMBER *

DATE	DAY	TYPE OF MEETING	STUDY SESSION TIME & TOPIC	REGULAR MEETING	LOCATION
08/16/23	Wed	Board Meeting	TBD – BBS Modernization	12:15 p.m.	Prescott Room, Police Dept
09/06/23	Wed	Board Meeting	TBD	12:15 p.m.	Prescott Room, Police Dept
09/20/23	Wed	Duff WTP Tour	TBD	12:15 p.m.	Robert A. Duff Water Treatment Plant

**Meeting dates, times, and locations are subject to change.*

INSTRUCTIONS FOR ATTENDING THIS MEETING VIRTUALLY



To join by computer, click the following link:

https://us02web.zoom.us/webinar/register/WN_n_0yG0mAQhmflnzcbcsWlg

Meeting passcode: 973518



To join by phone, call:

(669) 900-6833

Meeting ID Number: 834 6226 9900 Meeting passcode: 973518



Memorandum

TO: Commissioners Michael Smith, John Dailey, Jason Anderson, Bob Strosser, and David Wright

FROM: Jamie Loock, Senior Accountant

DATE: August 2, 2023

SUBJECT: Item 4.2 – Resolution 1898, Authorizing the General Manager to Execute an Intergovernmental Agreement with the City of Medford

OBJECTIVE: Board Approval

Issue

The current Intergovernmental Agreement (IGA) between Medford Water and City of Medford (City) for departmental charges of the City of Medford expired June 30, 2023.

Discussion

Medford Water is empowered with maintaining and operating the water system, including but not limited to, daily administration and billing of the water utility charges to City and others, and the City provides certain billable services to Medford Water pertaining to routine business operations in other areas of our administration. Both parties receive a benefit from sharing these costs.

The IGA allows for an annual adjustment of the costs based on the previous year's Consumer Price Index (CPI), which shall be the 12-month average (January through December) of West Cities as determined from the CPI-W, Pacific Cities and US City Averages for urban wage earners and clerical workers.

Exhibit A to the agreement, Annual Charges for City's Indirect Costs, outlines the allocation of the charges. Both parties perform a "math check" at the beginning of each fiscal year. Due to Medford Water network upgrades, Medford Water will not be charged intranet/internet, technical help desk or storage of data fees and computer network charges were reduced by 50%.

Medford Water will continue to staff recording functions, and lobbyist activities that are done through League of Oregon Cities and the Oregon Water Utilities Council. This agreement shall be effective retroactive to the beginning of FY23/24 and forward through FY24/25.

Financial Impact

The adopted budget for FY23/24 has allocated funds for these billable services; the FY24/25 will allocate funds for these services as well. For FY23/24 we are under budget by \$16.9K for Franchise Fees and \$18.8K for other billable services.

Requested Board Action

Staff recommends approval of Resolution 1898, authorizing the General Manager to execute an Intergovernmental Agreement with the City of Medford for departmental charges.

**INTERGOVERNMENTAL AGREEMENT
BETWEEN CITY OF MEDFORD AND MEDFORD WATER COMMISSION
FOR DEPARTMENTAL CHARGES OF THE CITY**

This Agreement, hereinafter referred to as "Agreement", is made and entered into this ____ day of _____, 2023, by and between the City of Medford ("City") and the Board of Water Commissioners of Medford Water.

In accordance with and pursuant to the provisions of ORS Chapter 190, entitled "INTERGOVERNMENTAL COOPERATION", the City and Medford Water are authorized to jointly provide for the performance of a function or activity in cooperation with a "unit of local government" that includes a commission or other governmental authority in Oregon.

As a result of this Agreement, and pursuant to ORS 190.030, any unit of local government, consolidated department, intergovernmental entity or administrative officers designated herein to perform specified functions or activities is vested with all powers, rights and duties relating to those functions and activities that are vested by law in each separate party to the Agreement, its officers and agencies.

WHEREAS, Medford Water, as per Medford Charter Section 19, is empowered with maintaining and operating the water system, including but not limited to, daily administration and billing of the water utility charges to City and others, providing water to the City, and maintaining and providing fire hydrants to the City for fire protection; and

WHEREAS, Medford Water, as per Medford Charter Section 19, "It shall be the duty of the board to furnish water to the City of Medford for fire protection and other like public purposes," and the term "like public purposes is not expressly defined. For the duration of this particular Agreement, the parties understand "like public purposes" to refer to municipal functions, including Parks facilities that may charge admission for purposes of partial cost recovery, so long as under the totality of the circumstances the facility's operations maintain the primary character of a municipal service and not a for-profit venture. The parties understand that under the totality of the circumstances, Rogue Credit Union Community Complex would constitute a "like public purpose" but Harry & David Field would not.

WHEREAS, the City provides certain billable services to Medford Water pertaining to routine business operations in other areas of Medford Water administration; and

WHEREAS, the sharing of these costs are beneficial to both entities;

NOW THEREFORE, the City and Medford Water agree as follows:

1. Indirect Costs. Medford Water shall pay the City for services enumerated on Exhibit A (the "Indirect Costs"). The annual costs on Exhibit A were derived through the 2007-08 ("Base Year") end-of-fiscal year process and have been increased and compounded each fiscal year from the Base Year by the preceding calendar year's CPI (a 12-month average (January through December) of West Cities as determined from the "Consumer Price Indexes, Pacific Cities and U.S. City Averages," for Urban Wage Earners and Clerical Workers). The Indirect Costs shall be billed in twelve (12) monthly installments. Additionally, Medford Water shall pay its share of

any extraordinary costs incurred by Medford Water and related to the Indirect Costs. The City shall bill Medford Water for

2. Direct Costs. In addition to Indirect Costs, Medford Water shall pay to the City its share of the costs enumerated on Exhibit A (“Direct Costs”). Medford Water shall remit payment for Direct Costs within 30 days of receipt of invoice.

3. City Water Bills. The City shall pay all invoiced water bills to Medford Water.

4. Reimbursement Fee. Medford Water shall pay to the City an annual reimbursement fee equal to the amount of water bills invoiced to the City the prior year in twelve equal monthly installments. For example, if during fiscal year 2022-2023, the total water bills invoiced from Medford Water to the City is \$240,000.00, Medford Water shall make twelve monthly payments to the City in the amount of \$20,000.00 in 2023-2024. Notwithstanding the foregoing, the water bills invoice to the City shall not be subject to the reimbursement fee: water bills serving Harry & David Field so long as the principal use of that field is functionally equivalent to a private business.

3) The City Chief Financial Officer and the Medford Water Finance Manager shall deliver updated costs in July of every year, to the City Manager and Medford Water General Manager for approval and eventual inclusion in respective budgets. The update shall clarify the proposed costs for the coming fiscal year period starting July 1st but not change the basis of methodology for calculation unless mutually agreed upon by both parties.

By this Agreement, the City and Medford Water authorize the transfer of funds mentioned herein and authorize the City Manager and the Medford Water General Manager or their designees to commence the processes included herein.

This Agreement shall not become effective until all parties hereto have executed this Agreement. After execution, this Agreement will be effective, and retroactive if need be to July 1, 2023 and shall end June 30, 2025.

This Agreement may not be amended, changed, or modified in any way, except by written agreement signed by all parties hereto. Neither party shall assign or otherwise transfer its interest in this Agreement, except by written agreement signed by all parties hereto.

This Agreement shall be construed and enforced in accordance with the laws of the State of Oregon. If any part of this Agreement is declared invalid, the remaining parts survive.

This Agreement and the exhibits attached and incorporated by reference herein contain the entire agreement between the parties hereto and supersede any and all prior express and/or implied statements, negotiations and/or agreements between the parties, either oral or written.

IN WITNESS WHEREOF, the parties hereby enter into this Agreement.

CITY OF MEDFORD

By: _____
Brian Sjothun
City Manager, City of Medford

Date: _____

MEDFORD WATER

By: _____
Brad Taylor
General Manager

Date: _____

MEDFORD WATER COMMISSION

ANNUAL CHARGES FOR CITY'S INDIRECT COSTS*

City Costs	Medford Water Charge
Computer Network	\$9,702
Telephone System Maintenance	\$16,522
Annex Landscaping	\$5,074
Service Center Landscaping	\$3,075
Annex Building Maint./Janitorial	\$43,311
Service Center Janitorial	\$26,249

*These costs were originally based on the March 18, 2009 City of Medford Full Cost Allocation Plan by Mahoney Associates Consulting, LLC, using 2007-08 end-of-fiscal-year City of Medford data, with MWC historical clarifications and exclusion of reallocated administrative costs. Since then, the costs have been annually increased based on the preceding calendar year's CPI (a January through December 12-month as determined from the "Consumer Price Indexes, Pacific Cities and U.S. City Averages" for Urban Wage Earners and Clerical Workers.

MEDFORD WATER COMMISSION

CHARGES FOR CITY DIRECT COSTS

Category	% Share of Total Costs
Monthly Share of Power Bill for Annex/Service Center	33%/20%
Monthly Share of Natural Gas Bill for Annex/Service Center	33%/20%
Monthly Share of Utility Bill for Annex/Service Center	33%/20%
Monthly Share of 103B/109B Telephone Lines	50%
Monthly Share of FO Communications Lines	50%
Annual Share of RVCOG Bill	18%
City Billable Costs e.g. audit/garage/shipping/etc.	100%



Memorandum

TO: Commissioners Michael Smith, John Dailey, Jason Anderson, Bob Strosser,
David Wright

FROM: Dan Perkins Operations Manager

DATE: Wednesday, August 2, 2023

SUBJECT: Item 6.0 – Resolution 1899 Authorizing the General Manager to Execute
purchase orders to Sensus Metering Systems

OBJECTIVE: Board Approval

Issue

Purchase of water meters of various sizes, radio SmartPoints via quote #3440 from Sensus Metering Systems over multiple purchases in FY23-24 exceed the General Managers authorized limit of \$150,000.

Discussion

Purchases exceeding the General Manager purchasing authority are required to be approved by the Board, and in each of the past six years, a resolution to authorize the General Manager to execute purchase order(s) to Sensus Metering Systems for water meters, radio SmartPoints, and AMI Infrastructure have been presented.

Staff request that General Manager again be granted authority to approve purchases throughout the fiscal year that added together exceed General Managers authorized limit of \$150,000.

Financial Impact

\$797,677 stock and inventory purchases; to be expensed over time (as issued) to various work orders or CIP's.

Requested Board Action

Staff recommends approval of the Resolution 1899, allowing the General Manager to execute purchase order(s) to Sensus Metering Systems in the amount of \$797,677.

RESOLUTION NO. 1899

A RESOLUTION Authorizing the General Manager to Execute Purchase Orders in the Amount of \$797,677 with Sensus Metering Systems for Fiscal Year 2023-2024

WHEREAS, Medford Water budgets and purchases meters, radio SmartPoints, and Advanced Metering Infrastructure (AMI) for the distribution system annually; and

WHEREAS, Medford Water will prepare multiple orders for Sensus Metering Systems for the fiscal year 2023-2024 for inventory; and

WHEREAS, the combined amount of the multiple purchase orders exceeds the General Manager’s authority pursuant to Medford Water’s Contracting and Purchasing Regulations, Section 1.02;

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

That the General Manager is hereby authorized and directed to execute purchase order(s) to Sensus Metering Systems for FY23-24 in the total amount of \$797,677. This authorization exceeds the authority of the General Manager as defined in Section 1.02 of the Contracting & Purchasing Regulations.

PASSED at a regular meeting of the Board of Water Commissioners and signed by me in authentication thereof this 2nd day of August 2023.

ATTEST: _____
Amber Furu, Asst. Clerk of the Commission

Michael Smith, Chair