



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

AGENDA

11:30 a.m. LUNCH

11:45 a.m. STUDY SESSION – **Bulk Water Sales Update** (J Domis and Steve Lambert, Jackson County Roads & Parks; Water Meter & Controls Supervisor Ken Johnson), and **Intermittent Water User Update** (Water Resources & Customer Service Manager Julie Smitherman)

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. Public Hearings

4.1 Consider Resolution No. 1912, A RESOLUTION Prescribing and Establishing Rates for the Use and Sale of Water from the Municipal Water System of the City of Medford, Oregon, Within and Without Said City, to Intermittent Users, and to Special Outside Customers, Repealing All Prior Rates in Conflict Herewith and Providing That the Modifications as Set Forth in the 2023 Cost of Service Study Shall Become Effective on March 1, 2024, and Thereafter

5. Consent Calendar

5.1 Approval or Correction of the Minutes of the Last Regular Meeting of November 15, 2023

5.2 Resolution No. 1913, Authorizing the General Manager to Execute an additional Payment to CIS for Property Liability Insurance for Fiscal Year 2023-2024

6. Items Removed from Consent Calendar

7. Resolution No. 1914, Adopting a resolution Declaring a Public Need for the Fee Title Acquisition of Real Property for a New Reservoir Site and an Easement for Associated Access and Infrastructure

8. Resolution No. 1915, Authorizing the General Manager to Execute a Contract Amendment with Soderstrom Architects, Ltd. for Consulting Engineering & Architectural Services for Task Order 3 Design Development of the Medford Water Operations Center Project

- 9. **Resolution No. 1916, Authorizing a Contract Amendment to Slayden Constructors, Inc. for the Duff WTP Expansion (Filters/Reservoir/Pumping) CM/GC Guaranteed Maximum Price (CIPW-22-00198)**
- 10. **Resolution No. 1917, Authorizing the General Manager to Execute a Contract Amendment to the Academy Place Waterline Relocation Project Construction Contract with Central Pipeline, Inc.**
- 11. **Leadership Team Reports**
Leadership Team staff will be present and may provide information: Engineering Manager Brian Runyen, Water Operations Manager Dan Perkins, Finance Manager Beau Belikoff, Information Technology Manager Kris Stitt, Human Resources Manager Tanya Haakinson, Water Resources & Customer Service Manager Julie Smitherman, and General Manager Brad Taylor.
- 12. **Propositions and Remarks from the Commissioners**
- 13. **Adjourn**

DATES TO REMEMBER*					
DATE	DAY	TYPE OF MEETING	STUDY SESSION TIME & TOPIC	REGULAR MEETING	LOCATION
12/20/23	Wed	Board Meeting	Annual Audit	12:15 p.m.	Prescott Room, Police Dept
1/3/2024	Wed	Board Meeting	TBD	12:15 p.m.	Prescott Room, Police Dept
1/17/24	Wed	Board Meeting	Source Water Protection	12:15 p.m.	Prescott Room, Police Dept

*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_hILzBD5ZSWiE-izHBY0MnQ
Meeting passcode: 444646



To join by phone, call:
(669) 900-6833
Meeting ID Number: 890 2824 2444 Meeting passcode: 444646



Memorandum

TO: Commissioners Michael Smith, John Dailey, Jason Anderson, Bob Strosser, David Wright
FROM: Beau Belikoff, Finance Manager
DATE: Wednesday, December 6, 2023
SUBJECT: Item 4.1 - Resolution 1912, Prescribing and Establishing Rates for the Use and Sale of Water from the Municipal Water System of the City of Medford
OBJECTIVE: Board Approval

Issue

Medford Water reconsiders its Cost of Service on an annual basis in order to equitably allocate revenue requirements to the various customer classes of service.

Discussion

Shawn Koorn of HDR, Inc. presented study sessions to the Board on November 1 and November 15 on the 2023 Cost of Service Study.

There are no proposed changes to the rate structure or customer classes of service for all schedules, class usage characteristics and cost information was updated, and specific rate components will be assessed based on actual costs: high level surcharges (system average adjustment), backflow fee (no change), and the Bulk Water Rate (updated based on current costs of providing services).

Based on HDR's analysis, staff recommends board consideration of modifications in the monthly and gallonage charges for all customer groups. Rate schedules are attached, along with a copy of the resolution. Notice of the public hearing was provided to all customer groups, other interested parties, as well as the general public. If approved, modified rates would become effective March 1, 2024.

Financial Impact

Total system revenue adjustment is estimated at 8.6% for retail customers (including inside and outside customers), - 6.1% for districts, and 3.7% for Partner Cities.

Requested Board Action

Staff recommends approval of Resolution 1912, which modifies water rates for all customer groups served by the Medford Water system.

RESOLUTION NO. 1912

A RESOLUTION Prescribing and Establishing Rates for the Use and Sale of Water from the Municipal Water System of the City of Medford, Oregon, Within and Without Said City, to Intermittent Users, and to Special Outside Customers, Repealing All Prior Rates in Conflict Herewith and Providing That the Modifications as Set Forth in the 2023 Cost of Service Study Shall Become Effective on March 1, 2024, and Thereafter

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

SECTION 1. On the 28th day of February 2024, all rates heretofore prescribed and established for the use and sale of water from the municipal water system of the City of Medford, Oregon, within and without said City, shall be repealed.

SECTION 2. Beginning with the billing for water service on the 1st day of March 2024, and thereafter, the rates for the use and sale of water from the municipal water system of the City of Medford, Oregon, within and without said City, shall be as set forth in the Schedules of the 2023 Cost of Service Study, a copy of which is on file at Medford Water's office and by reference made a part hereof, and summarized non-inclusively (per 1,000 gallons) as follows; the modified schedules will replace the repealed schedules in Exhibit E of the Regulations Governing Water Service, also effective March 1, 2024.

PASSED by the Board of Water Commissioners and signed by me in authentication of its passage this 6th day of December 2023.

ATTEST:

Amber Furu, Asst. Clerk of the Commission

Michael Smith, Chair

Schedule 1

Rates Effective: March 1, 2024

**Fire Standby Service
Inside City of Medford**

Application:

This rate schedule shall apply to all fire standby services within the City of Medford as permitted under the Regulations Governing Water Service

Base Charge	Line Size	Present Rates	Calculated Rates
1) Normal Monthly Fee	2"	\$18.21	\$19.78
<i>Per Service by Line Size; per month</i>	4"	41.02	44.56
	6"	74.88	81.34
	8"	112.87	122.60
	10"	170.01	184.67
	12"	256.04	278.11

Schedule 2R

Rates Effective: March 1, 2024

Single Family Residential (Metered) Inside City of Medford

Application:

This rate schedule shall apply to all single-family residences within the City of Medford and to individual apartments in apartment houses in Medford where service is furnished through a separate meter for each such individual apartment

Base Charge	Meter Size	Present Rates	Calculated Rates
1) Normal Monthly Fee	5/8"x3/4"	\$16.65	\$18.09
	1"	26.10	28.36
	1/1/2"	53.44	58.06
	2"	79.80	86.70
	2) Special Fees		
a) High Elevation Water Service Charge <i>Per month, per meter; surcharge where booster pumping is provided</i>		\$4.37	\$4.64
b) Residential Backflow Monthly Fee <i>per month</i>		\$0.90	\$0.90
Consumption Charges			
1) Water Gallonage Charge			
<i>Per month, per 1,000 gallons</i>			
0 - 5,000		\$0.95	\$1.03
6,000 - 25,000		1.72	1.86
> 25,000		2.49	2.70
2) High Elevation Water Gallonage Surcharge			
<i>per 1,000 gallons, for service above elevation 1,500 where booster pumping is provided by the utility, for each 150 feet in elevation or additional fraction thereof</i>			
		\$0.08	\$0.09

Schedule 2C

Rates Effective: March 1, 2024

Nonresidential & Multi-Family Inside City of Medford

Application:

This rate schedule shall apply to all accounts within the city limits of Medford except single family residential; shall apply to all schools, hospitals, churches, commercials, and industrials

Base Charge	Meter Size	Present Rates	Calculated Rates
1) Normal Monthly Fee	5/8"x3/4"	\$16.65	\$18.09
	1"	26.10	28.36
	1/1/2"	53.44	58.06
	2"	79.80	86.70
	3"	158.39	172.09
	4"	247.77	269.20
	6"	474.65	515.70
	8"	729.57	792.67
	10"	1,112.77	1,209.01
2) Special Fees			
a) High Elevation Water Service Charge		\$4.37	\$4.64
<i>Per month, per meter; surcharge where booster pumping is provided</i>			
Consumption Charges			
1) Water Gallonage Charge			
<i>all gallonage, per 1,000 gallons</i>			
<u>Blocks</u>			
Summer - Water Billed during April through September		\$1.69	\$1.84
Winter - Water Billed during October through March		1.49	1.64
2) High Elevation Water Gallonage Surcharge		\$0.08	\$0.09
<i>per 1,000 gallons, for service above elevation 1,500 where booster pumping is provided by the utility, for each 150 feet in elevation or additional fraction thereof</i>			

Schedule 3

Rates Effective: March 1, 2024

**Fire Standby Service
Outside City of Medford**

Application:

This rate schedule shall apply to all fire standby services outside the City of Medford as permitted under the Regulations Governing Water Service

Base Charge	Line Size	Present Rates	Calculated Rates
1) Normal Monthly Fee	2"	\$26.70	\$29.00
<i>Per Service by Line Size; per month</i>	4"	58.82	63.90
	6"	106.71	115.92
	8"	157.97	171.59
	10"	235.26	255.55
	12"	350.37	380.57

Schedule 4R

Rates Effective: March 1, 2024

Single Family Residential Outside City of Medford

Application:

This rate schedule shall apply to all residential accounts outside the City of Medford except to accounts classified as utility or city customers in accordance with the Regulations Governing Water Service and except fire standby service

Base Charge	Meter Size	Present Rates	Calculated Rates
1) Normal Monthly Fee	5/8"x3/4"	\$23.16	\$25.16
	1"	38.50	41.83
	1/1/2"	77.42	84.11
	2"	114.01	123.87
	3"	239.49	260.17
	4"	363.94	395.37
	6"	685.24	744.41
	8"	1,031.60	1,120.68
	10"	1,552.18	1,686.22
2) Special Fees			
a) High Elevation Water Service Charge <i>Per month, per meter; surcharge where booster pumping is provided</i>		\$4.98	\$5.28
b) Service from Big Butte Springs Pipelines Surcharge <i>per meter, per month</i>		\$5.13	\$5.13
c) Service from Big Butte Springs Pipeline Surcharge <i>per meter, per month, with backflow</i>		\$12.73	\$12.73
d) Residential Backflow Monthly Fee <i>per meter, per month</i>		\$0.90	\$0.90
Consumption Charges			
1) Water Gallonage Charge <i>Per month, per 1,000 gallons</i>			
0 - 5,000		\$1.39	\$1.51
6,000 - 25,000		2.53	2.74
> 25,000		3.71	4.02
2) High Elevation Water Gallonage Surcharge <i>per 1,000 gallons, for service above elevation 1,500 where booster pumping is provided by the utility, for each 150 feet in elevation or additional fraction thereof</i>		\$0.08	\$0.09

Schedule 4C

Rates Effective: March 1, 2024

Nonresidential & Multi-Family Outside City of Medford

Application:

This rate schedule shall apply to all accounts except single family residential accounts and those classified as utility or other city customers, outside the City of Medford - to all schools, hospitals, churches, commercials, and industrials - in accordance with the Regulations Governing Water Service and except fire standby service

Base Charge	Meter Size	Present Rates	Calculated Rates
1) Normal Monthly Fee	5/8"x3/4"	\$23.16	\$25.16
	1"	38.50	41.83
	1/1/2"	77.42	84.11
	2"	114.01	123.87
	3"	239.49	260.17
	4"	363.94	395.37
	6"	685.24	744.41
	8"	1,031.60	1,120.68
	10"	1,552.18	1,686.22
2) Special Fees			
a) High Elevation Water Service Charge		\$4.98	\$5.28
<i>Per month, per meter; surcharge where booster pumping is provided</i>			
b) Service from Big Butte Springs Pipelines Surcharge		\$5.13	\$5.13
<i>per meter, per month</i>			
c) Service from Big Butte Springs Pipelines Surcharge		\$12.73	\$12.73
<i>per meter, per month, with backflow</i>			
Consumption Charges			
1) Water Gallonage Charge			
<i>all gallonage, per 1,000 gallons</i>			
<u>Blocks</u>			
Summer - Water Billed during April through September		\$2.24	\$2.44
Winter - Water billed during October through March		2.04	2.24
2) High Elevation Water Gallonage Surcharge		\$0.08	\$0.09
<i>per 1,000 gallons, for service above elevation 1,500 where booster pumping is provided by the utility, for each 150 feet in elevation or additional fraction thereof</i>			

Schedule 5

Rates Effective: March 1, 2024

District Customers

Application:

This rate schedule shall apply to domestic water districts incorporated under Oregon State Statutes or private corporations organized for the provision of water service to 15 or more premises

Base Charge	Meter Size	Present Rates	Calculated Rates
1) Normal Monthly Fee	5/8"x3/4"	\$11.08	\$10.40
	1"	17.46	16.39
	1/1/2"	36.23	34.01
	2"	54.69	51.33
	3"	103.29	96.95
	4"	166.39	156.18
	6"	322.58	302.78
	8"	504.40	473.44
	10"	777.40	729.69
2) Special Fees			
a) Residential Backflow Monthly Fee		\$0.90	\$0.90
b) Fire Service by Detector Check Size	2"	\$12.26	\$11.51
	4"	28.10	26.38
	6"	51.50	48.35
	8"	78.73	73.91
	10"	119.60	112.28

Consumption Charges

1) Water Gallonage Charge

for all water measured by the master meters supplying the utility customers, or in the absence of master meters, the total of the gallonage used by the individual users within the service area of the utility customer plus 6 percent thereof. All gallonage, per 1,000 gallons.

Blocks

Summer - Water Billed during April through September	\$0.90	\$0.85
Winter - Water Billed during October through March	0.70	0.65

Schedule 6

Rates Effective: March 1, 2024

Partner Cities

Application:

This rate schedule shall apply to incorporated cities purchasing water from the commission as defined by the Regulations Governing Water Service

Base Charge	Meter Size	Present Rates	Calculated Rates
1) Normal Monthly Fee	2"	\$87.63	\$90.88
	3"	165.65	171.79
	4"	257.07	266.60
	6"	472.69	490.22
	8"	723.90	750.75
	10"	1,101.68	1,142.54

Consumption Charges

1) Water Gallonage Charge

All gallonage, per 1,000 gallons

Blocks

Summer - Water Billed during April through September	\$0.97	\$1.01
Winter - Water billed during October through March	0.77	0.81

Schedule 7

Rates Effective: March 1, 2024

Intermittent Users

Application:

This rate schedule shall apply to all customers that are served on an intermittent basis (e.g., golf course irrigation systems)

Base Charge	Present Rates	Calculated Rates
1) Normal Monthly Fee		
a) Base charge will be based on the meter size for the appropriate customer class		
2) Special Fees		
a) High Elevation Water Service Charge <i>Surcharge where booster pumping is provided; per month per meter</i>	\$4.98	\$5.28
b) Residential Backflow Monthly Fee	\$0.90	\$0.90
Consumption Charges		
1) Water Gallonage Charge		
Summer - Water Billed during April through September	\$2.24	\$2.44
Winter - Water Billed during October through March	\$2.04	\$2.24
2) Special Charges		
a) High Elevation Water Gallonage Surcharge <i>per 1,000 gallons, for service above elevation 1,500 where booster pumping is provided by the utility, for each 150 feet in elevation or additional fraction thereof</i>	\$0.08	\$0.09

Schedule 8

Rates Effective: March 1, 2024

Special Outside Customers Outside City of Medford

Application:

This rate schedule shall apply to all accounts receiving service from the Medford Water Commission connected through a master meter serving more than one residential unit have not paid a System Development Charge and approved for receiving of water service by the Board of Water Commissioners in accordance to the standards as set forth in Resolution No. 1058, and in accordance with the Regulations Governing Water Service

Base Charge	Meter Size	Present Rates	Calculated Rates
1) Normal Monthly Fee			
<i>Service charge per month</i>	5/8"x3/4"	\$23.16	\$25.16
	1"	38.50	41.83
	1 1/2"	77.42	84.11
	2"	114.01	123.87
	3"	239.49	260.17
	4"	363.94	395.37
	6"	685.24	744.41
	8"	1,031.60	1,120.68
	10"	1,552.18	1,686.22
2) Special Fees			
a) High Elevation Water Service Charge		\$4.98	\$5.28
<i>Per month, per meter; surcharge where booster pumping is provided</i>			
b) Service from Big Butte Springs Pipelines Surcharge		\$5.13	\$5.13
<i>per meter, per month</i>			
c) Service from Big Butte Springs Pipelines Surcharge		\$12.73	\$12.73
<i>per meter, per month, with backflow</i>			
d) Residential Backflow Monthly Fee		\$0.90	\$0.90
<i>per meter, per month</i>			
Consumption Charges			
1) Water Gallonage Charge			
<i>All gallonage, per 1,000 gallons</i>			
Summer - Water Billed during April through September		\$2.77	\$2.99
Winter - Water billed during October through March		2.52	2.72
2) Special Charges			
a) High Elevation Water Gallonage Surcharge		\$0.08	\$0.09
<i>per 1,000 gallons, for service above elevation 1,500 where booster pumping is provided by the utility, for each 150 feet in elevation or additional fraction thereof</i>			

Schedule 9

Rates Effective: March 1, 2024

Irrigation Inside City of Medford

Application:

This rate schedule shall apply to all accounts within the city limits of Medford for Irrigation Customers

Base Charge	Meter Size	Present Rates	Calculated Rates
1) Normal Monthly Fee	5/8"x3/4"	\$16.65	\$18.09
	1"	26.10	28.36
	1/1/2"	53.44	58.06
	2"	79.80	86.70
	3"	158.39	172.09
	4"	247.77	269.20
	6"	474.65	515.70
	8"	729.57	792.67
	10"	1,112.77	1,209.01
2) Special Fees			
a) High Elevation Water Service Charge		\$4.37	\$4.64
<i>Per month, per meter; surcharge where booster pumping is provided</i>			
Consumption Charges			
1) Water Gallonage Charge			
<i>all gallonage, per 1,000 gallons</i>			
All Consumption		\$1.69	\$1.84
2) High Elevation Water Gallonage Surcharge		\$0.08	\$0.09
<i>per 1,000 gallons, for service above elevation 1,500 where booster pumping is provided by the utility, for each 150 feet in elevation or additional fraction thereof</i>			

Schedule 10

Rates Effective: March 1, 2024

Irrigation Outside City of Medford

Application:

This rate schedule shall apply to all irrigation accounts outside Medford City limits

Base Charge	Meter Size	Present Rates	Calculated Rates
1) Normal Monthly Fee	5/8"x3/4"	\$23.16	\$25.16
	1"	38.50	41.83
	1/1/2"	77.42	84.11
	2"	114.01	123.87
	3"	239.49	260.17
	4"	363.94	395.37
	6"	685.24	744.41
	8"	1,031.60	1,120.68
	10"	1,552.18	1,686.22
2) Special Fees			
a) High Elevation Water Service Charge <i>Per month, per meter; surcharge where booster pumping is provided</i>		\$4.98	\$5.28
b) Service from Big Butte Springs Pipelines Surcharge <i>per meter, per month</i>		\$5.13	\$5.13
c) Service from Big Butte Springs Pipelines Surcharge <i>per meter, per month, with backflow</i>		\$12.73	\$12.73
Consumption Charges			
1) Water Gallonage Charge <i>all gallonage, per 1,000 gallons</i>			
All Consumption		\$2.24	\$2.44
2) High Elevation Water Gallonage Surcharge <i>per 1,000 gallons, for service above elevation 1,500 where booster pumping is provided by the utility, for each 150 feet in elevation or additional fraction thereof</i>		\$0.08	\$0.09

Schedule 11

Rates Effective: March 1, 2024

Service Center Bulk Water Sales Dispenser

Application:

This rate schedule shall apply to the sale of bulk water from Medford Water's dispenser located at the City of Medford Service Center, at 821 N. Columbus Ave., Medford, Oregon 97501.

Consumption Charges	Present Rates	Calculated Rates
1) Water Gallonage Charge <i>all gallonage, per 1,000 gallons</i>	\$4.01	\$4.54



Memorandum

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

FROM: Beau Belikoff, Finance Manager

DATE: Wednesday, December 06, 2023

SUBJECT: Item 5.2 – Resolution 1913, Authorizing the General Manager to Execute an additional Payment to CIS for Property Liability Insurance for Fiscal Year 2023-2024

OBJECTIVE: Board Approval

Issue

The total cost of the annual premium for general liability, automotive, and property damage insurance premium for Fiscal Year 2023-2024 was \$237,673.65 and approved by Board Resolution # 1889 on June 21, 2023. The addition of four vehicles to our insurance coverage, removal of two items in our property schedule, and Duff Ozone property valuation changes in July 2023 resulted in an additional property liability premium cost of \$3,873.40.

Discussion

To authorize and direct the General Manager to make an additional payment on behalf of the Board of Water Commissioners in the amount of \$3,873.40 to CityCounty Insurance Services (CIS). Vehicle # 783 – 2014 Ford F150 truck was inadvertently omitted from this year's Property Schedule. It was added back in July 2023 along with three new 2023 Chevrolet Silverado 1500 trucks. This additional coverage has resulted in an additional \$1,860.61 in premium cost. Additionally, Vehicle # 784 – 2014 Ford F150 truck and # 791 – 2013 Kubota Tractor were inadvertently kept on this year's Property Schedule but were both sold in 2022. The reduction in coverage resulted in a credit of \$331.16 in premium costs. Additionally, property valuations were increased \$3,565,238 to account for the asset additions and retirements related to the Duff Ozone upgrades, resulting in additional premiums of \$2,343.95.

Financial Impact

The total of both the original CIS premium of \$237,673.65 and the additional premium of \$3,873.40 are under our budgeted amount by \$6,042.61.

Requested Board Action

Approval of Resolution 1913, authorizing the General Manager of Medford Water to execute an additional payment of \$3,873.40 to CIS for Medford Water's property liability insurance premium for Fiscal Year 2023-24.

RESOLUTION NO. 1913

A RESOLUTION Authorizing the General Manager of Medford Water to Execute on Behalf of the Board of Water Commissioners, an additional Payment to CityCounty Insurance Services in the Amount of \$3,873.40 for Medford Water's Property Liability Insurance Premium for Fiscal Year 2023-2024

WHEREAS, the original cost of the premium for general liability, automotive, and property damage insurance from CityCounty Insurance Services (CIS) for Fiscal Year 2023-2024 authorized under Resolution # 1889 on June 21, 2023 was \$237,673.65; and

WHEREAS, in July 2023 Medford Water added back to our Property Schedule Vehicle # 783 - 2014 Ford F150 Truck that was inadvertently omitted from this year's Property Schedule; and

WHEREAS, Medford Water added three 2023 Chevrolet Silverado 1500 trucks to our Property Schedule in July 2023; and

WHEREAS, in July 2023 Medford Water removed from our Property Schedule Vehicle # 784 - 2014 Ford F150 Truck and # 791 – 2013 Kubota Tractor that were sold in 2022 and were not removed from this year's Property Schedule; and

WHEREAS, in July 2023 Medford Water increased property valuations related to the Duff Ozone upgrades to increase value by \$3,565,238 which were mistakenly missed when providing property valuations to CityCounty; and

WHEREAS, the amount of this coverage increase and the additional premium payment to CIS does not exceed the General Manager's authority but insurance coverage amendments were not specifically authorized under the original Resolution # 1889; and

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

The General Manager is hereby authorized and directed to execute on behalf of the Board of Water Commissioners an additional payment in the amount of \$3,873.40 to CIS for Medford Water's property liability insurance.

PASSED by the Board of Water Commissioners and signed by me in authentication of its passage this 6th day of December 2023.

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

Michael Smith, Chair



Memorandum

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

FROM: Mark Bartholomew, Counsel; Brad Taylor, General Manager

DATE: Wednesday, December 6, 2023

SUBJECT: Item 7.0 – Resolution 1914, Adopting a resolution declaring a public need for the fee title acquisition of real property for a new reservoir site and an easement for associated access and infrastructure

OBJECTIVE: Board Approval

Issue

Medford Water needs to construct a new reservoir site to serve its customer base. As such, the reservoir needs to be within a circumscribed area based on topography and elevations. Medford Water has identified the property shown on Exhibit A (“Subject Property”) as the appropriate location for the reservoir and associated infrastructure.

Discussion

Medford Water and its agents have been in negotiations with the owners of the Subject Property since at least February 2023. To date, Medford Water and the owners of the Subject Property have been unable to reach an agreement for the Subject Property. Oregon law permits government entities to acquire private property for public needs through a process known as condemnation. In order to file a lawsuit for condemnation, the public entity seeking to acquire real property must first adopt a resolution declaring a public need for the property. Adoption of the resolution is not a lawsuit, and no lawsuit would be filed without further board approval.

Financial Impact

Unknown. Federal and State law require that a public entity must pay fair market value for any property acquired by condemnation. Therefore, the financial impact will be at least the fair market value of the property but could be higher if the parties continue to fail to reach an agreement and litigation becomes needed.

Requested Board Action

Staff recommends approval of Resolution 1914, declaring a public need for the fee title acquisition of real property for a new reservoir site and an easement for associated access and infrastructure.

RESOLUTION NO. 1914

A RESOLUTION of the Board of Water Commissioners of Medford Water is declaring a public need for the acquisition of property for a new reservoir site and an easement for associated access and infrastructure.

WHEREAS, Medford Water needs to construct a new reservoir and acquire an easement for access and infrastructure appurtenant to the reservoir; and

WHEREAS, Medford Water evaluated sites in and near its service area and has determined that the property identified on Exhibit A is the ideal location for the reservoir, due to elevation, topography, and service needs for Medford Water Commission customers; and

WHEREAS, the reservoir will also require an easement for access and its associated infrastructure. The easement is depicted on Exhibit A; and

WHEREAS, Medford Water has attempted to reach a negotiated purchase of the reservoir property in fee simple, as well as the easement, but all negotiations to date have failed.

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

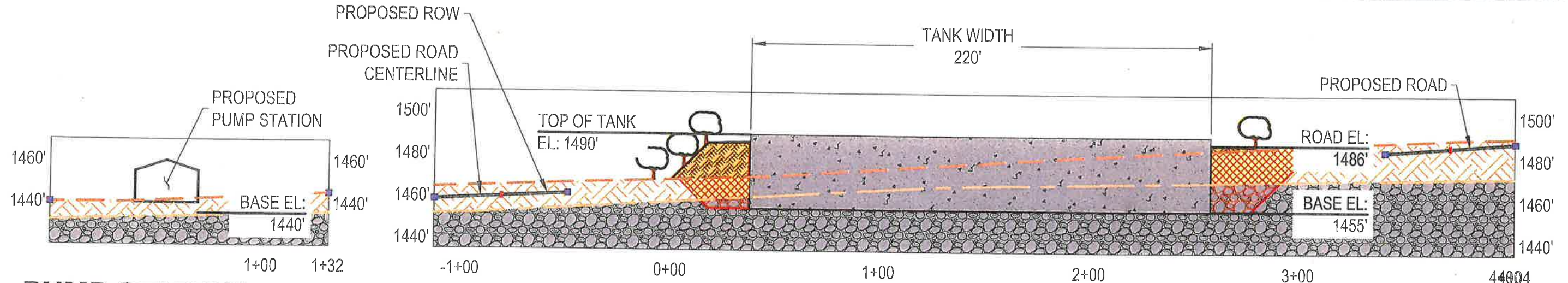
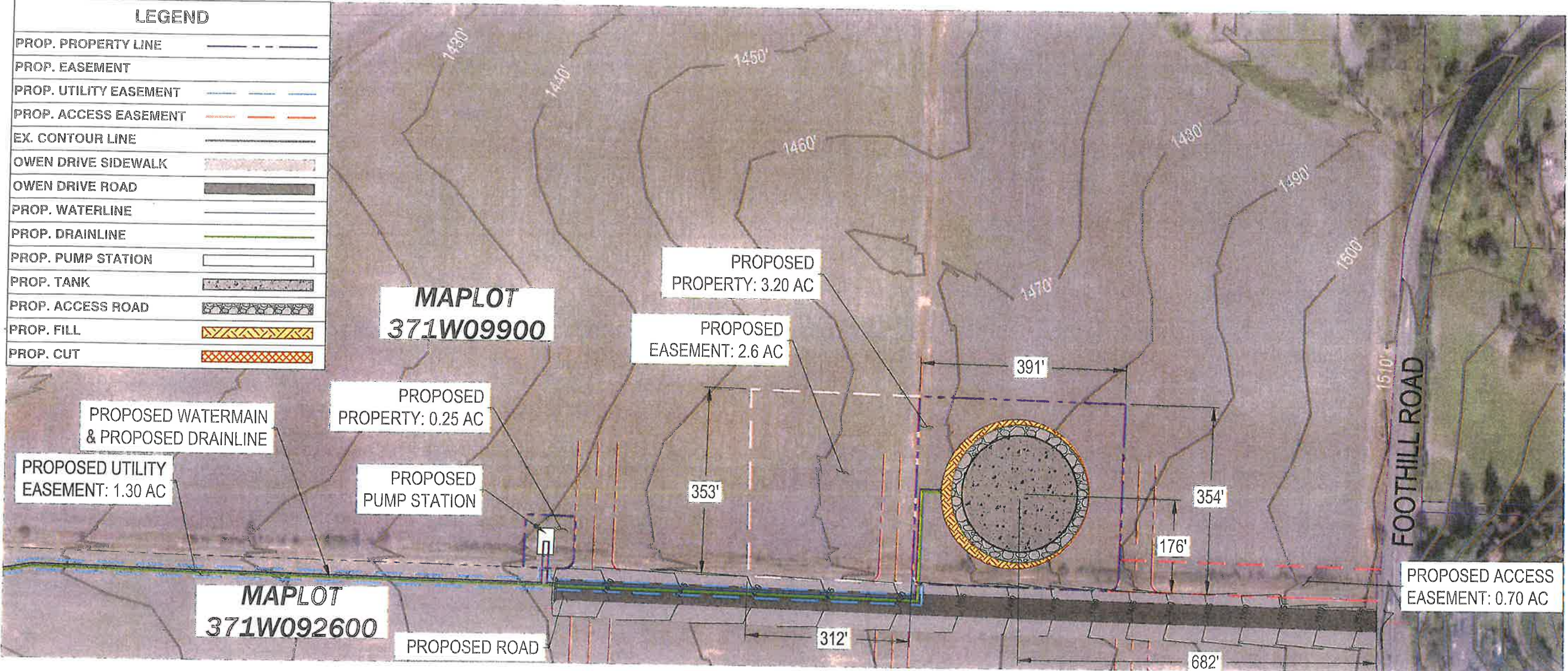
SECTION 1. That Medford Water hereby declares a public need to acquire fee title to the reservoir property identified on Exhibit A, as well as a public need to acquire the easement, also identified on Exhibit A.

PASSED at a regular meeting of the Board of Water Commissioners and signed by me in authentication of its passage this 6^h day of December 2023.

ATTEST: _____
Amber Furu, Asst Clerk of the Commission

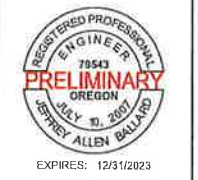
Michael Smith, Chair

LEGEND	
PROP. PROPERTY LINE	---
PROP. EASEMENT	---
PROP. UTILITY EASEMENT	---
PROP. ACCESS EASEMENT	---
EX. CONTOUR LINE	---
OWEN DRIVE SIDEWALK	---
OWEN DRIVE ROAD	---
PROP. WATERLINE	---
PROP. DRAINLINE	---
PROP. PUMP STATION	---
PROP. TANK	---
PROP. ACCESS ROAD	---
PROP. FILL	---
PROP. CUT	---



PUMP STATION

3721 N FOOTHILL ROAD MAPLOT 371W09900



MEDFORD WATER COMMISSION
RIVER ZONE RESERVOIR SITING

TL 900 W TANK SITE 2023-07-07

NO.	DATE	DESCRIPTION	BY	REVIEW

REVISIONS

SCALE: ###

DRAWING IS FULL SCALE WHEN BAR MEASUREMENTS ARE USED

DWG. NO. SHEET NO.



Memorandum

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

FROM: Brad Taylor, General Manager

DATE: Wednesday, December 6, 2023

SUBJECT: Item 8.0 – Resolution 1915, Authorizing the General Manager to Execute a Contract Amendment with Soderstrom Architects, Ltd. for Consulting Engineering & Architectural Services for Task Order 3 Design Development of the Medford Water Operations Center project

OBJECTIVE: Board Approval

Issue

Soderstrom Architects, Ltd contract for Task Order 1 (Programming and Basis of Design for Medford Water Operations Center Project) and Task 2 (Schematic Design) are nearing completion. The team is moving into Task 3 Design Development. We anticipate additional Task Orders to take the project through completion and building commissioning.

Discussion

In November 2022, Medford Water advertised an RFP seeking proposals to deliver Consulting Engineering & Architectural Services for this project. Soderstrom Architects, Ltd. was selected for a combination of experience, technical expertise, and industry knowledge to deliver this work to the satisfaction of Medford Water. On March 1, 2023, Resolution 1862 was approved for a Scope of Services and fee of \$116,720 for the first phase of work: Task Order 1 Programming and Basis of Design. Task 1 work is complete.

On August 16, 2023, Resolution 1900 was approved for a Scope of Services for Task Order 2 Schematic Design (30% Design) and fee of \$508,327. Task 2 work is nearing completion.

The work completed under this Task Order 3 will better inform the scope for Construction Documents and Construction Administration of the project. At that time, a scope and fee for the remaining work will be negotiated and brought to the Board for approval, which is anticipated in March of 2024.

Financial Impact

This project will span multiple fiscal years. There is budget allocated for design of the project in fiscal year 23/24 and money forecast for design and construction is included in the 10 yr. CIP plan in FY23/24 thru FY25/26.

Requested Board Action

Staff recommends approval of Resolution 1915, authorizing the General Manager to execute an Amendment to the Consulting Services contract with Soderstrom Architects, Ltd. in the amount of \$596,154 for Task Order 3 Design Development of the Medford Water Campus project. This would bring the total authorized amount under the contract to \$1,221,201.

RESOLUTION NO. 1915

A RESOLUTION Awarding and Authorizing the General Manager to Execute a Contract Amendment in the amount of \$596,154.00 with Soderstrom Architects, Ltd. for Consulting Services for Consulting Engineering & Architectural Services for Task Order 3 Design Development of the Medford Water Operations Center project.

WHEREAS, a contract in the amount of \$116,720.00 was awarded by the Board of Water Commissioners through Resolution No. 1862 on March 1, 2023; and

WHEREAS, a contract amendment in the amount of \$508,327.00 was awarded by the Board of Water Commissioners through Resolution No. 1900 on August 16, 2023; and

WHEREAS, Soderstrom Architects, Ltd. has submitted a Scope of Work, Schedule, and Budget for Task Order 3 Design Development phase of the project and is qualified and agreeable to render the services specified therein; and

WHEREAS, upon completion of this Task Order 3 Design Development phase of the project, a scope and fee for remaining work will be negotiated and brought to the Board for approval; and

WHEREAS, the value of the contract Amendment for Task Order 3, is estimated at \$596,154.00, bringing the total contract value to \$1,221,201.00.

WHEREAS, the contract amendment price has been examined and has been found to be agreeable;

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

SECTION 1. That an amendment to the contract in the amount of \$596,154.00 for Consulting Services for Task Order 3 Design Development of the Medford Water Operations Center project is hereby awarded to Soderstrom Architects, Ltd.

SECTION 2. That the General Manager is hereby authorized and directed to execute said contract amendment on behalf of the Board of Water Commissioners, which contract is on file in the Office of the Commission and by reference made a part hereof.

PASSED at a regular meeting of the Board of Water Commissioners and signed by me in authentication thereof this 6th day of December 2023.

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

Michael Smith, Chair



Memorandum

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

FROM: Andy Huffman, Senior Capital and Special Projects Manager
Brian Runyen, PE, Engineering Manager

DATE: Wednesday, December 6, 2023

SUBJECT: Item 9.0 – Resolution 1916 Authorizing a Contract Amendment to Slayden Constructors, Inc. for the Duff WTP Expansion (Filters/Reservoir/Pumping) CM/GC Guaranteed Maximum Price (CIPW-22-00198)

OBJECTIVE: Board Approval

Issue

The Duff WTP 65MGD Expansion (Filters/Reservoir/Pumping) construction contract with Slayden Constructors, Inc. anticipated multiple contract amendments as design of the project elements are developed. The final anticipated contracting element is in the form of a Guaranteed Maximum Price (GMP). Medford Water staff is in receipt of the GMP and is presenting to the Board for consideration.

Discussion

The Board approved Resolution 1818 on June 15, 2022, which authorized a CM/GC style construction delivery for the Duff WTP 65MGD Expansion Project (Filters/Reservoir/Pumping) through Slayden Constructors. This CM/GC approach to construction is characterized by an incremental approach to construction delivery. This initial contract covered pre-construction services.

The Board approved Resolution 1843 on November 2, 2022, authorizing the construction work covered in EWA #1. EWA #1 scope included filters excavation & backfill, large diameter underslab piping, dewatering, early filter concrete work, ductile iron pipe procurement, and valve and actuator procurement.

The Board approved Resolution 1854 on January 4, 2023, authorizing the construction work covered in EWA #2. EWA #2 scope included filter concrete, fabricated steel pipe, electrical, instrumentation, electrical switchgear and transformers, and other long lead items.

The Board approved Resolution 1872 on May 3, 2023, authorizing the construction work covered in EWA #3 items based on the 100% Filters plans and specifications provided by Jacobs Engineering. EWA #3 scope included building mechanical, CMU block, interior and exterior finishes, electrical switchgear and installation, and various other components to finish the filter portion of the project.

The Board approved Resolution 1886 on June 21, 2023, authorizing the construction work covered in EWA #4. EWA #4 scope included reservoir excavation, reservoir slabs, new stormwater swale and piping, finished water pumps, surge system equipment, and analytical equipment.

Slayden Constructors has provided costing for the GMP based on 100% Reservoir/Pump Station plans provided by Jacobs Engineering. The plans were delivered for pricing to Slayden on September 17th which included but not limited to:

- All site exterior improvements
- Balance of structural concrete
- Structural & miscellaneous metals
- Civil & yard pipe
- Process mechanical piping
- Installation of process equipment
- HVAC
- Building trades
- Electrical and Instrumentation & Control
- Other miscellaneous elements

Following is a summary of the construction contract with Slayden Constructors to provide for the final designed installation for the Duff Expansion:

Duff WTP 65 MGD Expansion CM/GC Construction Contract Summary

Pre-Construction Services - Reso 1818 (6/15/22)	\$ 167,500.00
EWA #1 - Reso 1843 (11/2/22)	\$5,838,212.00
EWA #2 - Reso 1854 (1/4/23)	\$20,526,913.00
EWA #3 - Reso 1872 (5/3/23)	\$8,526,803.00
EWA #4 – Reso 1886 (6/21/2023)	\$10,552,457.00
<u>GMP – (To Board 12/6/2023)</u>	<u>\$20,663,704.00</u>
<u>TOTAL CM/GC Construction Contract (GMP)</u>	<u>\$66,275,589.00</u>

The GMP & Total Contact amounts above are in line with what was estimated at the time of approval of EWA #4: “Balance of Future EWA’s” (GMP) was estimated at \$20,680,609, for an estimated Total CM/GC Construction Contract of \$66,292,494.

This is the final anticipated contracting action to complete construction on the project.

Financial Impact

This project is accounted for in the current approved FY23/24 CIP budget and in the 10-yr CIP plan for FY24/25 and FY25/26. Project costs will continue to be managed through variance and adjustments to the 10-yr CIP.

Requested Board Action

Staff recommends approval of Resolution 1916, awarding a Contract Amendment to the CM/GC contract with Slayden Constructors, Inc. in the amount of \$20,663,704.00 for the Guaranteed Maximum Price of \$66,275,589.00.

RESOLUTION NO. 1916

A RESOLUTION Awarding and Authorizing the General Manager to Execute a Contract Amendment in the Amount of \$20,663,704.00 with Slayden Constructors, Inc. for the Duff Filter/Reservoir/Pumping Expansion CM/GC Construction Services

WHEREAS, a contract in the amount of \$167,500.00 for Duff WTP Filter / Reservoir / Pumping Expansion CM/GC Pre-Construction Services was awarded by the Board of Water Commissioners through Resolution No. 1818 on June 15, 2022; and

WHEREAS, a contract amendment to the Duff Filter/Reservoir/Pumping Expansion CM/GC Construction Services in the amount of \$5,828,212.00 for Early Work Amendment #1 was awarded with Resolution No. 1843 on November 2, 2022; and

WHEREAS, a contract amendment to the Duff Filter/Reservoir/Pumping Expansion CM/GC Construction Services in the amount of \$20,526,913.00 for Early Work Amendment #2 was awarded with Resolution No. 1854 on January 4, 2023, and

WHEREAS, a contract amendment to the Duff Filter/Reservoir/Pumping Expansion CM/GC Construction Services in the amount of \$8,526,803.00 for Early Work Amendment #3 was awarded with Resolution No. 1872 on May 3, 2023, and

WHEREAS, a contract amendment to the Duff Filter/Reservoir/Pumping Expansion CM/GC Construction Services in the amount of \$10,552,457.00 for Early Work Amendment #4 was awarded with Resolution No. 1886 on June 21, 2023, and

WHEREAS, a contract amendment to the Duff Filter/Reservoir/Pumping Expansion CM/GC Construction Services has been presented by Slayden Constructors in the amount of \$20,663,704.00 identified as the Guaranteed Maximum Price, and

WHEREAS, the contract amendment price has been examined and has been found to be agreeable; and

WHEREAS, Slayden Constructors, Inc. is qualified and agreeable to render the services specified for the \$66,275,589.00 Guaranteed Maximum Price;

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

SECTION 1. A contract amendment in the amount of \$20,663,704.00 to the Duff Filter/Reservoir/Pumping Expansion CM/GC Construction Services contract, for a Guaranteed Maximum Price of \$66,275,589.00, is hereby awarded to Slayden Constructors, Inc.

SECTION 2. The General Manager is hereby authorized and directed to execute said contract amendment and payments for said contract amendment with Slayden Constructors, Inc.

PASSED at a regular meeting of the Board of Water Commissioners and signed by me in authentication thereof this 6th day of December 2023.

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

Michael Smith, Chair



Memorandum

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

FROM: Brian Runyen, PE, Engineering Manager

DATE: Wednesday, December 6, 2023

SUBJECT: Item 10.0 – Resolution 1917, Authorizing the General Manager to Execute a Contract Amendment to the Academy Place Waterline Relocation Project Construction Contract with Central Pipeline, Inc.

OBJECTIVE: Board Approval

Issue

Additional challenges and items which varied from the contract plans and specifications have been encountered during construction of the Academy Place Waterline Relocation project. The work necessary to address these items has been delivered by the contractor under the management and direction of the Medford Water project manager. Board approval is needed and hereby requested for a contract amendment to pay for these changes. The cumulative amount of this contract amendment exceeds the General Managers signing authority.

Discussion

Two previous change orders to this contract have been executed under the General Manager's authority (in the amounts of \$8,645.00 and \$42,355.50). This Resolution is for execution of Change Order #3 for \$145,004.66 of additional work performed by the contractor.

Items in these three change orders requiring additional effort from the contractor fall into the following three categories. While unanticipated, these items were necessary for successful completion of the project.

- **Differing subsurface conditions (excessive rock excavation):** Rock excavation was expected and was incorporated as a measurable bid item into the construction contract. However, approximately twice as much rock was encountered than as anticipated. The costs for this additional rock excavation and additional slurry backfill necessary because of the methods utilized to remove the rock account for approximately 23% of the cumulative change order costs.
- **Challenges with construction due to condition of the existing asphalt and concrete street pavement:** As work progressed trenching the new waterlines, the contractor had difficulty maintaining clean, straight trench lines on the existing asphalt and concrete street pavements with the methods and equipment being utilized. This required a substantial increase in the quantity of asphalt repaving and concrete replacement. There was also a three-day delay claimed associated with the methods of repair that would be utilized while this was coordinated with the design engineer and the City of Medford Public Works

Department. The associated costs account for approximately 55% of the cumulative change order costs.

- **Conflicts with underground utilities and structures:** Throughout construction several conflicts were encountered that required adjustment to the work or repair to damaged utilities. These included an unknown and unlocated City storm drain line, subsurface structures encountered in the roadway, conflict with a gas line and new water service line, and adjustments needed to tap an existing water line with a conflicting joint location. The associated costs account for approximately 22% of the cumulative change order costs.

Below is a summary of the construction contract amount thru Change Order #3:

Original Contract	\$ 674,025.00	<i>(Resolution 1875)</i>
Change Orders Total	\$ 196,005.16	
<i>Change Order 1</i>	\$ 8,645.00	<i>(GM Approval)</i>
<i>Change Order 2</i>	\$ 42,355.50	<i>(GM Approval)</i>
<i>Change Order 3</i>	\$ 145,004.66	<i>(this Resolution)</i>
<hr/> CONTRACT TOTAL	\$ 870,030.16	

Financial Impact

The original contract amount with Central Pipeline for construction of this project was \$674,025.00. Accounting for Change Orders #1 and #2 (previously executed under the General Manager's authority) and Change Order #3 (under this Resolution), the final amended contract value will be \$870,030.16, an increase of approximately 29% over the original contract amount.

Total project costs are currently estimated at approximately 20% over what was budgeted. Additional costs over the budgeted amounts are being managed within the CIP budget variance for the current Fiscal Year. The following is a summary of total project costs.

**ACADEMY PLACE WATERLINE RELOCATION
EST TOTAL PROJECT COST SUMMARY**

Waterline Relocation Design (Marquess Engineering)		\$	38,000.00
Surveying (Pariani Land Surveying)		\$	11,130.00
Plumbing Investigations & Design (SOS Plumbing)		\$	9,240.00
Property Owner Coordination		\$	23,415.00
TOTAL DESIGN COSTS		\$	81,785.00
MEDFORD WATER STAFF COSTS		\$	78,000.00
CONSTRUCTION:			
Waterline relocation (Central Pipeline, Inc.)		\$	870,030.16
Original Contract	\$	674,025.00	
Change Order 1	\$	8,645.00	
Change Order 2	\$	42,355.50	
Change Order 3	\$	145,004.66	
Plumbing private side service relocations (SOS Plumbing)		\$	214,322.85
Original Contract	\$	206,535.00	
Change Order 1 (no cost time extension)	\$	-	
Change Order 2	\$	7,787.85	
Medford Water materials, crew work, inspection, proj mgmt		\$	178,000.00
TOTAL CONSTRUCTION COSTS		\$	1,262,353.01
EST ACTUAL TOTAL PROJECT COSTS		\$	1,422,138.01
<i>BUDGETED CIP COST</i>		\$	1,179,155.00

Requested Board Action

Staff recommends approval of a Resolution authorizing the General Manager to execute a Contract Amendment to the Academy Place Waterline Relocation Project Construction Contract with Central Pipeline, Inc. in the amount of \$145,004.66 for a total contract value of \$870,030.16.

RESOLUTION NO. 1917

A RESOLUTION Awarding and Authorizing the General Manager to Execute a Contract Amendment in the Amount of \$145,004.66 with Central Pipeline, Inc. for the Academy Place Waterline Relocation Project.

WHEREAS, a contract in the amount of \$674,025.00 was awarded by the Board of Water Commissioners through Resolution No. 1875 on May 17, 2023; and

WHEREAS, contract amendments to the Academy Place Waterline Relocation Project in the amounts of \$8,645.00 and \$42,355.50 have been authorized by the General Manager of Medford Water; and

WHEREAS, a contract amendment in the amount of \$145,004.66 is necessary to pay costs associated with additional unanticipated work necessary to complete the project; and

WHEREAS, the contract amendment price has been examined and has been found to be agreeable; and

WHEREAS, the cumulative value of contract amendments 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 amendment to the Academy Place Waterline Relocation Project with Central Pipeline, Inc. in the amount of \$145,004.66, for a total contract value of \$870,030.16, is authorized.

SECTION 2. That the General Manager is hereby authorized and directed to execute said contract amendment and payments for said contract amendment with Central Pipeline, Inc.

PASSED at a regular meeting of the Board of Water Commissioners and signed by me in authentication thereof this 6^h day of December 2023.

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

Michael Smith, Chair