



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

## AGENDA

12:00 p.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. Approval or Correction of the Minutes of the Last Regular Meeting of December 20, 2023**

**5. Resolution No. 1918, Awarding and Authorizing the General Manager to Execute a Contract in the Amount of \$264,497.00 with Paramount Ironworks LLC. for the BBS1 Standpipe 858+51 Replacement**

**6. Resolution No. 1919, Awarding and Authorizing the General Manager to execute a Volume Licensing agreement with Microsoft through Software House International for subscription software and services for a 3-year term, Not to Exceed \$261,045.06**

**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 Beau Belikoff, 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**

<b>DATES TO REMEMBER*</b>					
<b>DATE</b>	<b>DAY</b>	<b>TYPE OF MEETING</b>	<b>STUDY SESSION TIME &amp; TOPIC</b>	<b>REGULAR MEETING</b>	<b>LOCATION</b>
1/17/24	Wed	Board Meeting	Source Water Protection	12:15 p.m.	Prescott Room, Police Dept
2/7/24	Wed	Board Meeting	Water Efficiency	12:15 p.m.	Prescott Room, Police Dept
2/21/24	Wed	Board Meeting	Main Website	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\\_mVwYhgXaT1OBYsZFNdC3mA](https://us02web.zoom.us/webinar/register/WN_mVwYhgXaT1OBYsZFNdC3mA)

Meeting passcode: 298164



To join by phone, call:

(669) 900-6833

Meeting ID Number: 813 5323 9558 Meeting passcode: 298164



## Technical Memorandum

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

**FROM:** Dan Perkins; Water Operations Manager

**DATE:** January 3, 2024

**SUBJECT:** Item 5.0 - Resolution 1918, Authorization of a Contract with Paramount Ironworks LLC for BBS1 Standpipe 858+51 Replacement Project

**OBJECTIVE:** Board Approval

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### Issue

In November 2023, Medford Water (MW) issued a public solicitation for the Big Butte Springs (BBS) Line #1 Standpipe 858+51 Replacement. The intent is to award a contract to the lowest bidder, Paramount Ironworks LLC. The total cost of the contract exceeds the General Manager's purchasing authority of \$150,000.

### Discussion

The project will replace an existing pipe and air stack built in 1927 which has failed multiple times and been temporarily repaired. The existing air stack and pipe connection to Medford Water's BBS #1 transmission main will remain connected and in service during the construction of the improvements discussed below.

The contractor Paramount Ironworks LLC shall provide everything necessary for construction and improvements, except for the owner's identified work. This project includes installation of approximately 80 linear feet (LF) of 20" outside diameter (OD) steel pipe and fittings, a vertical 30' tall, 20" diameter steel air stack with vent and foundation, and maintenance gravel pad. Work includes but is not limited to: excavation, placement of pipe and fittings, concrete thrust blocks, cathodic protection measures, backfill, and disinfection per specifications.

### Financial Impact

This project was not budgeted and the need for the project resulted from the unplanned failure of the infrastructure. Use and operations of BBS 1 pipeline are critical to MW. The construction costs are not expected to exceed \$264,497.00. The contractor and MW are continuing discussions of potential cost saving measures that may improve the overall project resiliency while providing cost savings. Capital variance funds will be used to cover the unbudgeted expenses.

### Requested Action

Staff recommends approval of Resolution 1919, authorizing the General Manager to enter into a contract in the amount not-to-exceed \$264,497.00 with Paramount Ironworks LLC.

**RESOLUTION NO. 1918**

A RESOLUTION, Awarding and Authorizing the General Manager to Execute a Contract in the Amount of \$264,497.00 with Paramount Ironworks LLC. for the BBS1 Standpipe 858+51 Replacement

WHEREAS, Medford Water solicited bids for the BBS1 Standpipe 858+51 Replacement through an Invitation to Bid process; and

WHEREAS, A review determined that the bid from Paramount Ironworks LLC. in the amount of \$264,497.00 was the lowest responsive bid; and

WHEREAS, the amount of the contract exceeds the General Manager's purchasing 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 \$264,497.00 for the BBS1 Standpipe 858+51 Replacement is hereby awarded to Paramount Ironworks LLC.

SECTION 2. That the General Manager is hereby authorized and directed to execute said contract and payments for said contract with Paramount Ironworks LLC

PASSED at a regular meeting of the Board of Water Commissioners and signed by me in authentication of its passage this 3rd day of January 2024.

ATTEST: \_\_\_\_\_  
Amber Furu, Asst. Clerk of the Commission

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Michael Smith, Chair



## **Memorandum**

**TO:** Commissioners Michael Smith, John Dailey, Jason Anderson, Bob Strosser, and David Wright  
**FROM:** Kris Stitt, Information Technology Manager  
**DATE:** Wednesday, December 27, 2023  
**SUBJECT:** Item 6.0 - Resolution 1919, Special Procurement – Microsoft / SHI  
**OBJECTIVE:** Board Approval

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### **Issue**

Medford Water utilizes many different software subscriptions and licenses provided by Microsoft through their Volume Licensing purchasing program. This includes subscription software such as Microsoft Office 365 as well as Software Assurance for our Server and Database Software. Volume License agreements are valid for a 3-year term and our current agreement expires on January 31<sup>st</sup>, 2024.

Medford Water will need to enter into a new 3-year agreement to continue utilizing their software and services. The anticipated costs of the renewal for the period is expected to be \$261,046.06 for the 3-year term.

### **Discussion**

Medford Water relies heavily on Microsoft software and services for our day-to-day operations. This includes subscription services and Software Assurance for our non-subscription software. Software Assurance allows us to always utilize the latest version of the software without needing to purchase new licenses when software updates are released.

Over this past year we have migrated our security and logging software over to the Microsoft platform. Doing this allows us to have a single ecosystem to manage our systems as well as creating a common platform for both our Information Technology (IT) and Operational Technology (OT) (SCADA) systems.

This change will also allow us to simplify our licensing with Microsoft. With this new agreement we will migrate to their Microsoft 365 product line which allows us to use a single license for our Operating Systems, Office, Azure, and Security licenses.

Medford Water is also in the process of a major SCADA upgrade project which has required a significant increase in the number of licenses needed for the servers, databases, and security software needed for the project. With this additional software and the increased licensing needs of our existing infrastructure the total costs exceed the purchasing authority of the General Manager and requires board approval.

### **Software Summary (Major components):**

Qty 85	Microsoft 365 G5 (Operating System, Office, and Security) - Subscription
Qty 100	Defender for Endpoint (Server Antivirus) - Subscription
Qty 9	Office G1 (Additional email licensing, misc.) - Subscription
Qty 6	SQL Server Core licenses (12 cores) – Software Assurance
Qty 40	Server Datacenter Core Licenses (80 Cores) – Software Assurance
Qty 10	Server Datacenter Core Licenses (160 Cores) – Software Assurance
Qty 30	Windows Remote Desktop Services – Subscription

We also have a few miscellaneous subscription licenses for Microsoft Project, Visio, Visual Studio, and Power Apps.

### **Financial Impact**

Medford Water works with Software House International (SHI) to purchase and manage our software with Microsoft. The pricing provided by SHI is based on a cooperative purchasing agreement provided by National Association of State Procurement Officials (NASPO) pricing.

The quote provided by SHI is based on our current software licensing needs and would be billed annually in the amount of \$87,015.02 per year for a total of \$261,045.06 over the 3-year term.

We have a few additional items that we may need to be added to the contract during the next few years. We are looking at rolling our Defender for Internet of Things (IOT) with the SCADA upgrade to monitor OT network devices and implementing Microsoft Sentinel for security logging. These services are partially billed on a consumption basis, and we do not yet have accurate numbers for these services.

We may also need to add a few additional Microsoft 365 licenses as new people are added to the system. (On top of full-time employees Interns and temporary employees also require a Microsoft 365 license.)

Medford Water will also need to purchase additional server licenses when we add a redundant server system for the distribution SCADA upgrade as well as for a planned server upgrade at Duff over the next few years. These licenses will likely be added to this agreement however the initial purchasing price typically includes the cost of the services for the remainder of the contract and would not increase the price of this agreement during this term.

Because of this Medford Water is recommending an additional 20% contingency to cover any additional licenses needed over the next 3 years.

### **Requested Board Action**

Staff recommends approval of Resolution 1919 to enter into a new Volume Licensing agreement with Microsoft through Software House International to provide software and services over the next 3 year totaling \$261,045.06. Additionally, we would request a 20% contingency to cover additional software if needed during the term of the agreement.

**RESOLUTION NO. 1919**

A RESOLUTION Awarding and Authorizing the General Manager to execute a Volume Licensing agreement with Microsoft through Software House International for subscription software and services for a 3-year term, Not to Exceed \$261,045.06

WHEREAS, Medford Water utilizes software and services provided by Microsoft provided by said volume licensing agreement for much of its day to day operations; and

WHEREAS, this software includes subscription services such as Microsoft 365 as well as Software Assurance which provides updates to non-subscription software; and

WHEREAS, Microsoft requires Medford Water to enter into a 3-year Volume Licensing agreement to utilizes these services; and

WHEREAS, the current Volume Licensing agreement in place with Microsoft expires on January 31<sup>st</sup>, 2024; and

WHEREAS, Medford Water works with Software House International to provide pricing based on National Association of State Procurement Officials (NASPO) cooperative pricing agreements; and

WHEREAS; the expected costs to Medford Water are anticipated to be \$87,015.02 per year for a total of \$261,045.06 over the 3-year term; and

WHEREAS, the value of the agreement, not-to-exceed \$261,045.06 with Microsoft for subscription software and services, 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 the agreement in an amount not-to-exceed \$261,045.06 for subscription software and services purchased through Software House International, is hereby awarded.

SECTION 2. That the General Manager is hereby authorized and directed to execute said contract, payments for said contract up to \$261,045.06, and any contract amendments not exceeding the 20% of the agreement amount, on behalf of the Board of Water Commissioners, which contract is on file in the Office of Medford Water 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 Medford Water Contracting & Purchasing Regulations.

PASSED at a regular meeting of the Board of Water Commissioners and signed by me in authentication thereof this 3<sup>rd</sup> day of January 2024.

ATTEST: \_\_\_\_\_

Amber Furu, Asst. Clerk of the Commission

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Michael Smith, Chair