



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

AGENDA

11:15 a.m. LUNCH

-
- *Administer Oath of Office to Reappointed Board Member John Dailey*
-

11:30 a.m. STUDY SESSION – Water Efficiency Update
(Customer Service & Water Efficiency Manager Julie Smitherman)

12:15 p.m. BOARD MEETING

1. Roll Call

2. Pledge of Allegiance

3. Elect Board Chair and Vice Chair for 2023

4. 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.

5. Approval or Correction of the Minutes of the Last Regular Meeting of January 18, 2023

6. Resolution No. 1858, A RESOLUTION Amending the Amount of Funds Authorized to Be Deposited into a Local Government Investment Pool Account Required by the Cooperative Improvement Agreement (CIA) Between the Medford Water Commission (Medford Water), the State of Oregon, Acting by and Through Its Department of Transportation (ODOT), and the City of Medford (City) For Water Improvements Within the Foothill Road Corridor Project

7. Resolution No. 1859, A RESOLUTION Incorporating All Previous Amendments and Adopting the Consolidated Personnel Rules and Policies (Personnel Manual) For Employees of the Board of Water Commissioners, Effective February 1, 2023

8. Leadership Team Reports

Leadership Team staff will be present and may provide information: Engineering Manager Brian Runyen, Water Meter & Controls Manager Ken Johnson, Water Maintenance Manager Lester McFall, Water Quality & Treatment Manager Ben Klayman, Finance Manager Anna Roeder, Information Technology Manager Kris Stitt, Human Resources Manager Tanya Haakinson, Customer Service & Water Efficiency Manager Julie Smitherman, and General Manager Brad Taylor.

9. Propositions and Remarks from the Commissioners

- 10. **Executive Session in Accordance with ORS 192.660(2)(e) – To conduct deliberations with persons designated by the governing body to negotiate real property transactions.**
- 11. **Adjourn**

DATES TO REMEMBER*						
DATE	DAY	TYPE OF MEETING	STUDY SESSION TIME & TOPIC	REGULAR MEETING	LOCATION	
02/15/23	Wed.	Board Meeting	Time TBD – Resiliency Backbone Discussion	12:15 p.m.	Prescott Room, Police Dept.	
<i>Monday, February 20, 2023 – Presidents’ Day – Offices closed</i>						
03/01/23	Wed.	Board Meeting	Time TBD – Capital Budget 2023-24	12:15 p.m.	Prescott Room, Police Dept.	
03/15/23	Wed.	Board Meeting	Time TBD – Capital Budget 2023-24	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_bvdDf01UT8KRXKsjeQNwaA
Meeting passcode: 191709



To join by phone, call:
(669) 900-6833
Meeting ID Number: 868 4461 2480 Meeting passcode: 191709



Memorandum

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

FROM: Brian Runyen, Engineering Manager

DATE: Wednesday, February 1, 2023

SUBJECT: Item 6 – Resolution 1858, Amending the amount of funds authorized to be deposited into a Local Government Investment Pool Account required by the Cooperative Improvement Agreement between Medford Water, ODOT, and the City of Medford for Water Improvements within the Foothill Road Corridor Project

OBJECTIVE: Board Approval

Issue

As authorized by Resolution 1834, Medford Water entered into a Cooperative Improvement Agreement (CIA) with ODOT and the City of Medford for construction of water improvements within the Foothill Road Corridor Project. Medford Water deposited project funds into a Local Government Investment Pool Account (LGIP) based on pre-bid construction cost estimates. ODOT has since accepted bids for the project. The post-bid estimated project costs, for which ODOT requires additional funds be deposited into the LGIP, exceed what was authorized by the Board in Resolution 1834 (attached).

Discussion

At the time Resolution 1834 was approved, Medford Water estimated the construction cost of water improvements to be included in the work bid by ODOT covered by the CIA to be approximately \$4,500,000. Reso 1834 authorized up to 25% more (for a total of \$5.625M) of this amount to be deposited into the LGIP to cover ODOT project costs.

After approval of Reso 1834 and prior to bidding of the project by ODOT, additional project components were determined to need to be included within the ODOT contract. Subsequently, Medford Water deposited \$5,423,313.71 into the LGIP account based on this pre-bid cost estimate. This amount remained within what was authorized by Reso 1834. Note that these additional costs were already accounted for in the total project budget but were not originally to be included by Medford Water within the ODOT contract.

Prior to ODOT bidding the project, Medford Water included a \$1,000,000 construction and bidding contingency within our overall project budgeting. This contingency was accounted for outside of the original estimate of costs included in the ODOT contract. This was done recognizing the current volatility in the bidding climate and allowed us to keep these funds unencumbered by the LGIP account should the ODOT bids end up lower than expected.

Subsequently on November 17, 2022, ODOT accepted bids for construction of the project. Based on the accepted bid, the updated water improvements project cost is \$6,444,842.41. ODOT has requested an additional \$1,021,528.70 be deposited into the LGIP account to bring the total deposits equal to the current estimate. Amendment of the amount originally authorized in Resolution 1834 is required so that these additional funds can be allocated within the ODOT project and transferred to the LGIP account.

In the Leadership Team Report at the December 7, 2022 board meeting, Medford Water staff updated the Board regarding the preceding information and presented the full project accounting (within and outside of the ODOT contract). The summary table included in that report is included below and shows how the construction and bidding contingency have been incorporated into the ODOT contract amount after the project was bid.

	AUG 2022 ESTIMATE (CIA)		DEC 2022 UPDATE (POST-BID)	
TOTAL DESIGN EST (CONSULTANTS & MWC)	\$	500,000	\$	500,000
Construction: MWC Forces Before & During Construction	\$	230,000	\$	230,000
		\$ (115,000) COM		\$ (115,000) COM
Construction: Costs Administered Under ODOT Contract	\$	4,600,000	\$	6,400,000
		\$ (585,000) COM		\$ (1,000,000) COM
Construction: Pre-purchase of Phase 1 Water Pipe, etc	\$	500,000	\$	257,000
Construction: Reimbursement to COM for COM bid items	\$	150,000		incl in costs above
Construction: Est Inspection, Admin & Consultants	\$	110,000	\$	110,000
TOTAL CONSTRUCTION	\$	5,590,000	\$	7,000,000
CONSTRUCTION & BIDDING CONTINGENCY (20%)	\$	1,000,000		incl in costs above
CURRENT EST PROJECT SUBTOTAL	\$	7,090,000	\$	7,500,000
City of Medford Reimbursement (with contingency)	\$	(800,000)	\$	(1,100,000)
CURRENT EST PROJECT TOTAL (WITH CONTINGENCY)	\$	6,290,000	\$	6,400,000

Financial Impact

No changes to the overall project budget total presented in December occur from this Resolution. This Resolution allows portions of the budget, including construction and bidding contingency, be reallocated into the portion of costs being administered under the ODOT contract.

Funds within the LGIP account will be drawn upon as construction progresses. It is expected that funds will begin to be withdrawn in the 3rd/4th Quarter of the current fiscal year and will continue thru FY23-24 and FY24-25, and possibly beyond, depending on the progression of the ODOT project.

Requested Board Action

Staff recommends approval of Resolution 1858, amending the amount of funds authorized to be deposited into a Local Government Investment Pool Account required by the Cooperative Improvement Agreement between Medford Water, ODOT, and the City of Medford for Water Improvements within the Foothill Road Corridor Project.

RESOLUTION NO. 1858

A RESOLUTION Amending the Amount of Funds Authorized to Be Deposited Into a Local Government Investment Pool Account Required by the Cooperative Improvement Agreement (CIA) Between the Medford Water Commission (Medford Water), the State of Oregon, Acting by and Through Its Department of Transportation (ODOT), and the City of Medford (City) For Water Improvements Within the Foothill Road Corridor Project

WHEREAS, Resolution 1834, passed by the Board of Water Commissioners on August 17, 2022, authorized execution of the Foothill Road CIA, which was subsequently executed by all parties in October 2022; and

WHEREAS, Resolution 1834 authorized depositing funds into an LGIP account based on the early pre-bid construction cost of water improvements of \$4,500,000 or an additional 25%; and

WHEREAS, Medford Water made an advance deposit in the amount of \$5,423,313.71 into the LGIP account based on the updated pre-bid construction costs; and

WHEREAS, ODOT has since accepted bids for construction of the project resulting in an updated estimated share of water improvements project costs of \$6,444,842.41; and

WHEREAS, the updated post-bid share of project costs is in line with total project cost estimates including bidding contingency which have previously been presented to the Board of Water Commissioners;

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

SECTION 1. Resolution 1834 is hereby amended to authorize the General Manager to deposit funds into the Local Government Investment Pool Account required by the CIA, currently estimated at \$5,423,313.71, as amended not exceeding the General Manager's purchasing authority or an additional 25 percent of the estimated project costs, on behalf of the Board of Water Commissioners. This authorization exceeds the authority of the General Manager as defined in Section 1.02 of Medford Water's Contracting & Purchasing Regulations.

PASSED at a regular meeting of the Board of Water Commissioners and signed by me in authentication thereof this 1st day of February 2023.

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

Bob Strosser, Chair

RESOLUTION NO. 1834

A RESOLUTION of the City of Medford, Oregon, by and through Its Board of Water Commissioners, Authorizing the General Manager to Execute a Cooperative Improvement (Utility) Agreement (CIA) Between the Medford Water Commission (Medford Water), the State of Oregon, Acting by and through Its Department of Transportation (ODOT), and the City of Medford (City) For Water Improvements within the Foothill Road Corridor Project, and Authorizing the General Manager to Open a Local Government Investment Pool Account and to Deposit Funds Required by the CIA, Currently Estimated at \$4,500,000 into the Account

WHEREAS, the City is completing roadway, pedestrian and bicycle path improvements to Foothill Road through an ODOT managed construction contract; and

WHEREAS, Medford Water has planned water improvements designed and ready to be constructed within the project area; and

WHEREAS, it is a benefit to both Medford Water and the City to construct their facilities concurrently; and

WHEREAS, the water construction items to be bid and paid for under the ODOT managed construction contract will be financed at a current pre-bid estimated cost of \$4,500,000 in Medford Water funds, which is subject to change; and

WHEREAS, adjustments of some existing water facilities are necessary to construct the City's project, for which a pro-rata share of costs, currently estimated at between \$585,000 and \$700,000, which is subject to change, will be reimbursed to Medford Water by the City; and

WHEREAS, ODOT will bid and manage construction of the project; and

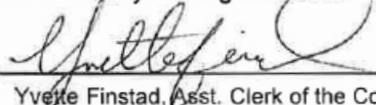
WHEREAS, ODOT requires execution of a Cooperative Improvement (Utility) Agreement (CIA) between ODOT and Medford Water to include Medford Water's water improvements and adjustments within the project;

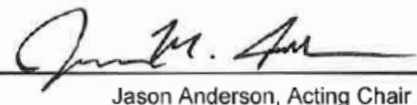
NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF WATER COMMISSIONERS OF THE CITY OF MEDFORD, OREGON, AS FOLLOWS, THAT:

SECTION 1. The General Manager is hereby authorized to execute a Cooperative Improvement (Utility) Agreement (CIA) between Medford Water, ODOT and the City for water improvements within the Foothill Road Corridor project, as well as any amendments not exceeding the General Manager's purchasing authority or an additional 25 percent of the estimated cost in the CIA, on behalf of the Board of Water Commissioners, and said CIA and any amendments shall be on file in the Office of Medford Water and by reference made a part hereof. This authorization exceeds the authority of the General Manager as defined in Section 1.02 of the Medford Water's Contracting & Purchasing Regulations.

SECTION 2. The General Manager is hereby authorized to open a Local Government Investment Pool Account and to deposit funds required by the CIA, currently estimated at \$4,500,000, into the account, as amended not exceeding the General Manager's purchasing authority or an additional 25 percent of the estimated cost in the CIA, on behalf of the Board of Water Commissioners.

PASSED by the Board of Water Commissioners and signed by me in authentication of its passage this 17th day of August 2022.

ATTEST: 
Yvette Finstad, Asst. Clerk of the Commission


Jason Anderson, Acting Chair



Memorandum

TO: Commissioners Bob Strosser, Michael Smith, John Dailey, Jason Anderson, and David Wright
FROM: Tanya Haakinson, HR Manager
DATE: Wednesday, February 1, 2023
SUBJECT: Item 7 – Resolution 1859, Adopting 2023 Personnel Manual (Section 4) Update
OBJECTIVE: Board Approval

Issue

Incorporating updated Section 4 – Benefits in the Personnel Manual.

Discussion

Personnel Manual update for Section 4 which includes update of Sick Leave Policy to incorporating Paid Leave Oregon. A copy of the document will be made available before the meeting.

Financial Impact

Oregon requires all employers to adopt the Paid Leave Oregon program in 2023. The financial impact of additional sick leave provided to all employees, mandated by Oregon. The 2023 rate an employer will pay, at most, is 40% of 1% of the employee's salary.

Requested Board Action

Staff recommends approval of Resolution 1859, approving updates to the Personnel Manual, Section 4-Benefits, thus meeting the state's requirements for the Paid Leave Oregon plan. Having this policy listed in the Personnel Manual will help employees/management understand the PLO program.

