



BOARD OF WATER COMMISSIONERS MEETING MINUTES

Wednesday, December 6, 2023

Medford Police Department Prescott Room
219 S. Ivy Street, Medford, Oregon 97501

The regular meeting of the Medford Water Commission was called to order at 12:15 p.m. on the above date at Medford Police Department's Prescott Room, with the following commissioners, staff, and guests present:

Chair Michael Smith; Commissioners Jason Anderson, John Dailey, Bob Strosser and David Wright.

General Manager Brad Taylor, Executive Administrative Assistant Amber Furu, Finance Manger Beau Belikoff, HR Manager Tanya Haakinson, Engineering Manager Brian Runyen, Information Technology Manager Kris Stitt, Water Operations Manager Dan Perkins, Senior Capital & Special Project Manager Andy Huffman, Water Resources & Customer Service Manager Julie Smitherman, Senior Accountant Jamie Looch

Guest(s): Attorney Mark Bartholomew, Ed Olson, Central Point City Manager Chris Clayton, City of Central Point Council Liaison Tanea Browning*, Erik Brahmer*, Curtis Fenner*, (*Via Zoom)

3. **Comments from the Audience**

Central Point Council Liaison Tanea Browning thanked Medford Water as this was her last meeting as City of Central Point's Council Liaison.

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

Finance Manager Belikoff presented information on the rate study and proposed modifications, which are based on the cost-of-service results (the average difference between retail customers, districts, and Partner Cities is 8%). The current customer classes will be maintained, and the rate structure was adjusted based on the cost-of-service results; specific rate components are updated based on actual costs.

Public hearing was opened; no one spoke. The public hearing was closed.

Motion: Approve Resolution 1912.

Moved by: Mr. Dailey Seconded by: Mr. Wright

Roll Call: Commissioners Anderson, Dailey, Smith, Strosser, and Wright voting yes.

Motion carried and so ordered.

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, A RESOLUTION Authorizing the General Manager to Execute an additional Payment to CIS for Property Liability Insurance for Fiscal Year 2023-2024

Motion: Approve the Consent Calendar.

Moved by: Mr. Dailey Seconded by: Mr. Anderson

Roll Call: Commissioners Anderson, Dailey, Smith, Strosser, and Wright voting yes.

Motion carried and so ordered.

6. Items Removed from Consent Calendar

None.

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

The property located off Owens Drive is proposed to support our River Zone Reservoir; this specific area is where the proposed reservoir needs to sit based on the hydraulics of the reservoir and any possible sharing constraints with the pressure zone that the reservoir serves. Medford Water Attorney Mark Bartholomew explained that once we have adopted a Public Need it will allow us to enter onto the property and perform the normal due diligence that would be done when acquiring property and to conduct a survey to obtain a precise metes and bounds description of the property for both the ownership acquisition and easement area that is needed.

Commissioner Dailey and Taylor discussed why the pump station is located on a separate property located adjacent to the proposed reservoir site and not located together. Taylor explained this is because of the hydraulics, it has to be set lower than the reservoir in order to have suction pressure to feed the pumps that come from the reservoir. It is possible for it to be located on the same site but because of the topography the pump station would have to be in a hole approximately 30 to 45 feet deep; it would not be very economical to do it this way. Commissioner Wright inquired what are the next steps once Public Need is declared. We will continue to negotiate the location of the reservoir and come to an amicable agreement responded Bartholomew.

Motion: Approve Resolution 1914.

Moved by: Mr. Dailey

Seconded by: Mr. Strosser

Roll Call: Commissioners Dailey, Smith, Strosser, and Wright voting yes;

Commissioner Anderson abstained.

Motion carried and so ordered.

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

In November 2022, Medford Water advertised an RFP seeking proposals to deliver Consulting Engineering & Architectural Services for this project. Soderstrom Architects, Ltd. was selected 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. 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. Task Order 3 work is included in the current 1-year CIP budget and project costs are included in the 1 year and the 10 year CIP plan FY23/24 thru FY25/26. The property is scheduled to close the week of January 16, 2024. We plan to do soil removal in the spring of 2024. The cost is projected at \$4.7 million for the entire 10 Acre site including streets and infrastructure installed.

Commissioner Dailey clarified that the end of this task order is construction documents and then we will bid the construction documents for the building. Taylor confirmed the contract will include elements of construction administration.

Motion: Approve Resolution 1915.

Moved by: Mr. Dailey

Seconded by: Mr. Anderson

Roll Call: Commissioners Anderson, Dailey, Smith, Strosser, and Wright voting yes.

Motion carried and so ordered.

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)

The Duff WTP 65MGD Expansion (Filters/Reservoir/Pumping) construction contract with Slayden Constructors, Inc. anticipated final contracting element is in the form of a Guaranteed Maximum Price (GMP). The Board approved Resolution 1818 on June 15, 2022, to begin CM/GC Pre-Construction Contract with Slayden. The Board approved Resolution 1843 on November 2, 2022, authorizing the construction work covered in EWA #1. The Board approved Resolution 1854 on January 4, 2023, authorizing the construction work covered in EWA #2. 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. The Board approved Resolution 1886 on June 21, 2023, authorizing the construction work covered in EWA #4. 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 are not limited to: All site exterior improvements, balance of structural concrete, structural and miscellaneous metals, civil & yard pipe, process mechanical piping, installation of process equipment, HVAC, building trades, electrical and instrumentation & control, and other miscellaneous elements. The GMP and total contract amounts are in line with what was estimated at the time of approval of EWA #4; this is the final anticipated contracting action to complete construction on the project.

Motion: Approve Resolution 1916.

Moved by: Mr. Dailey

Seconded by: Mr. Wright

Commissioner Dailey asked if these are traditional or high flow filters. They are high-rate filters confirmed Huffman.

Roll Call: Commissioners Anderson, Dailey, Smith, Strosser, and Wright voting yes.

Motion carried and so ordered.

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.

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 our project manager. 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: Differing subsurface conditions (excessive rock excavation), challenges with construction due to the condition of the existing asphalt and concrete street pavement, and conflicts with underground utilities and structures. While unanticipated, these items were necessary for successful completion of the project.

Commissioner Dailey asked if the origin of these changes were because we did not specify the project correctly or was it due to the methods used by the contractor. Runyen answered it is a combination of both; there is a line when getting into the means and methods of a contractor. We have learned from these challenges and have made changes to future projects.

Motion: Approve Resolution 1917.

Moved by: Mr. Dailey

Seconded by: Mr. Wright

Roll Call: Commissioners Anderson, Dailey, Smith, Strosser, and Wright voting yes.

Motion carried and so ordered.

11. Leadership Team Reports

- Brian Runyen, Engineering Manager
 - Southwest Water Infrastructure Improvements – City of Medford received a 2.7 million ARPA Grant to support the development of two projects in Southwest Medford and to specifically fund water main extensions. An IGA between MW and COM was approved by the Board on June 7, 2023, with resolution 1881.
 - Orchard Home Waterline Extension Project – This project is to support the Housing Authority of Jackson County. The water main extension is approximately 1,082 LF of 12" water main to support the future right-of-way and development, along and around Westwood Drive, Fallen Leaf Ave. and Orchard Home Drive. Although there were challenges, together with the COM we have accomplished assisting with and delivering the HAJC Orchard Meadows project along with new water service connections for Medford residents and a continued catalyst for proposed redevelopment of this area.
 - South Stage Project – This project is in support of the MDA Development South Stage Park Subdivision. The developer designed a 12" SW Pressure Zone water main extension that will support the rezoning of the existing water customers from the Gravity Zone and will help to improve their water pressure. MW will continue to be a catalyst for the development of this area. MW has contributed approximately \$26K in additional surveying and design to extend further than the developers needed in order to finish Medford Water's needs of rezoning. We are currently at 90% of design for the project.
- Julie Smitherman Water Resources & Customer Service Manager
 - Watershed update – We are at 96% of normal precipitation with slightly warmer than average temperatures for October. Springflows are still higher than previous years. Willow lake is 45% full and is trending on track. Rogue River Stream flows are at 2,540 cfs, which is 132% of normal. Lost Creek is 37% full. Climate predictions for December are showing above normal temperatures and above normal precipitation.
 - Watershed and Forest Management – Our Forest Management Plan adopted in 2020, calls for forest treatments each year to maintain our 3,700 acres of forested land in the Big Butte Springs Watershed. Treatments include non-commercial and commercial thinning to meet our goals. Three areas (stands) have been identified for commercial treatment. The project scope included: thinning the dense forested stands for fire risk reduction and forest health, thinning units near Big Butte Springs to protect the infrastructure and a commercial harvest to sell the logs for revenue. Commercial thinning and the harvesting of Doug Fir, White Fir, Pine, and Cedar took place from August 15 - September 30. The receipts from the mills totaled \$569,000, expenses from harvesting totaled \$480,000 and the total net revenue was \$89,000; the final cost and net revenue will be decided after pile burning. Next steps are to continue to monitor post treatments, and to treat all 3,500 acres of forest once every 15 years. Medford Water will treat approximately 200 acres (6%) a year as 100 acres of commercial and 100 acres of non-commercial. Next harvest we intend to find logs that we could use in our new building (tables, walls, art pieces, etc.).

Commissioner Strosser inquired how many trees should a healthy acre have on it; 60 to 80 trees confirmed Smitherman.

- Brad Taylor, General Manager
 - American Society of Safety Professionals – Tanya Haakinson was awarded the 2023 Safety Professional of the Year. Leading by example, Tanya prioritizes communication, education, and employee involvement to ensure everyone's well-being each day. Medford Water and the Safety Committee recognizes her outstanding commitment to making the workplace safe every day.
 - Upcoming Board Schedule – December 20 - Annual Audit; January 3 – No Study Session

12. Propositions and Remarks from the Commissioners

None.

13. Adjourn

There being no further business, this meeting adjourned at 2:17 p.m. The proceedings were recorded and are on file along with the complete agenda of this meeting.



Amber Furu
Assistant Clerk of the Commission