



AGENDA - WATER COMMISSION BOARD MEETING

Wednesday – September 16, 2009 – 12:30 pm

City of Medford Service Center, 820 N. Columbus Ave., Medford, Oregon

PHONE: 774-2440 ♦ FAX: 774-2555 ♦ EMAIL: wtrcom@ci.medford.or.us ♦ WEB: www.medfordwater.org

The meeting location will be accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting by calling 774-2000 or 774-2569 (TTY).

11:30 a.m. LUNCH

11:45 a.m. STUDY SESSION – System Wide SDC (Board & Staff)

12:30 p.m. BOARD MEETING

1. Roll Call
2. Approval or Correction of the Minutes of the Last Regular Meeting of September 2, 2009
3. Comments from Audience
4. Written Communications
 - 4.1 Quarterly Letter to Mayor and City Council
5. Resolutions
 - 5.1 No. 1370, A RESOLUTION Authorizing the Chair and City Recorder Acting for the City of Medford By and Through its Board of Water Commissioners to Execute an Access Easement and Landscape Maintenance Agreement to Rogue Valley Manor, an Oregon Nonprofit Corporation, that Certain Real Property Situated in Jackson County, Oregon, Described as Document No. 452836, Volume 460, Page 373 of the Official Records of Jackson County, Oregon, Also Known as the Barneburg Reservoir Site
 - 5.2 No. 1371, A RESOLUTION Authorizing the Chair and Recorder to Execute a Lease with Willie Boats for Premises Described as Approximately 10,000 Square Feet of Property Fronting Crater Lake Highway and Further Described as Tax Lot 3267 of Section 361W31
 - 5.3 No. 1372, A RESOLUTION Awarding and Authorizing the Manager to Execute a Contract in the Amount of \$197,094.00, to Ward-Henshaw Construction, Inc., for the Bullis Reservoir Retrofit Project
 - 5.4 No. 1373, A RESOLUTION Awarding and Authorizing the Manager to Execute a Contract with Bend Mailing Services, LLC, for Design, Printing and Mailing Services for the Medford Utility Bill
6. Authorization of Vouchers
7. Engineer's Report
8. Water Quality Report
9. Finance Report

10. Manager/Other Staff Reports

10.1 City of Medford Landscape Code Review Committee

11. Propositions and Remarks from the Commissioners

12. Adjourn

DATES TO REMEMBER						
DATE	DAY	TYPE OF MEETING	STUDY SESSION TIME & TOPIC	REGULAR MEETING	LOCATION	
10/7/09	Wed	Board Meeting	11:45am – Conservation Rates	12:30pm	R. A. Duff Water Treatment Plant	
10/21/09	Wed	Board Meeting	11:45am – Conservation Rates	12:30pm	Lausmann Annex, RM 151/157	
11/4/09	Wed	Board Meeting	11:45am – BBS & Willow Lake	12:30pm	Lausmann Annex, RM 151/157	
11/18/09	Wed	Board Meeting	11:45am – Annual Audit Presentation	12:30pm	Lausmann Annex, RM 151/157	
<i>Thursday and Friday, November 26 & 27, 2009 – Thanksgiving Holidays</i>						
12/2/09	Wed	Board Meeting	11:45am – Construction Mgmt & Inspection	12:30pm	Lausmann Annex, RM 151/157	
<i>Friday, December 11, 2009 – Holiday Party – Rogue Regency</i>						
12/16/09	Wed	Board Meeting	11:45am – Field Services	12:30pm	Lausmann Annex, RM 151/157	
1/6/10	Wed	Board Meeting	11:45am – Safety Committee	12:30pm	Lausmann Annex, RM 151/157	
<i>Monday, January 18, 2009 – Martin Luther King Jr Holiday</i>						
1/20/10	Wed	Board Meeting	11:45am – Operations Report	12:30pm	Lausmann Annex, RM 151/157	
2/3/10	Wed	Board Meeting	11:45am – Cross Connection Control Progs	12:30pm	Lausmann Annex, RM 151/157	
2/10/10	Wed	Special Mtg	11:00am – Board Goals Session		Lausmann Annex, RM 151/157	
<i>Monday, February 15, 2009 – Presidents' Day</i>						
2/17/10	Wed	Board Meeting	11:45am – Duff WTP Production Report	12:30pm	Lausmann Annex, RM 151/157	

4.1 Quarterly Letter to Mayor and City Council

The fourth quarter letter and financial reports are attached; if board members agree to its content, the Chair will sign and staff will forward the letter and relevant attachments to the Mayor and council members.

5.1 Resolution No. 1370, A RESOLUTION Authorizing the Chair and City Recorder Acting for the City of Medford By and Through its Board of Water Commissioners to Execute an Access Easement and Landscape Maintenance Agreement to Rogue Valley Manor, an Oregon Nonprofit Corporation, that Certain Real Property Situated in Jackson County, Oregon, Described as Document No. 452836, Volume 460, Page 373 of the Official Records of Jackson County, Oregon, Also Known as the Barneburg Reservoir Site

The Rogue Valley Manor has petitioned the Water Commission to allow encroachments of proposed improvements into the Barneburg Reservoir Site. The proposed improvements/encroachments are for a retaining wall, irrigation and landscaping. These improvements will serve the new Manor Health Care Center expansion. The proposed improvements will not adversely effect the operation or maintenance of the Barneburg Reservoir. The Rogue Valley Manor has provided the necessary documents for approval and signature by the Board. Staff recommends approval of the Access Easement and Landscape Maintenance Agreement. A copy of the agreement (which will need the Chair signature and Recorder's signature and seal) and the resolution are attached.

5.2 Resolution No. 1371, A RESOLUTION Authorizing the Chair and Recorder to Execute a Lease with Willie Boats for Premises Described as Approximately 10,000 Square Feet of

Property Fronting Crater Lake Highway and Further Described as Tax Lot 3267 of Section 361W31

The 5-year agreement between the Commission and Willie Boats is set to expire this month; Willie Boats has leased the property since 1989 for use as a parking lot. The original owner Willie Illingworth died in 2007. Staff recommends renewing the lease for another five years at the same monthly rent of \$150, with all other terms to remain as before. The property was originally purchased for use as a future pump station site, which may be needed in 5-10 years. The Commission pays the property taxes. Staff recommends approval. Copies of the lease agreement and resolution are attached for Board consideration; the agreement will need the Chair's signature and the Recorder's signature and seal.

5.3 Resolution No. 1372, A RESOLUTION Awarding and Authorizing the Manager to Execute a Contract in the Amount of \$197,094.00, to Ward-Henshaw Construction, Inc., for the Bullis Reservoir Retrofit Project

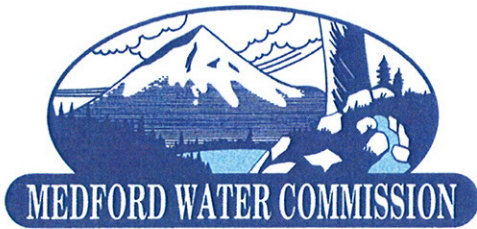
Only one bid was received for this project, from a contractor who has built several of the Commission's reservoirs, Ward-Henshaw Construction, Inc. Staff recommends approval; a copy of the resolution is attached.

5.4 Resolution No. 1373, A RESOLUTION Awarding and Authorizing the Manager to Execute a Contract with Bend Mailing Services, LLC, for Design, Printing and Mailing Services for the Medford Utility Bill

As discussed at the September 2 board meeting, eight proposals (4 instate/4 out-of-state) were received and evaluated by a staff committee. Bend Mailing Services provided the most professional and comprehensive proposal. Their references were also excellent and their costs, while not the lowest, seemed reasonable for the services offered and were lower than current costs with the local vendor. The Notice of Intent to Award was issued on September 3, 2009; the protest period expires September 15. Staff recommends award to Bend Mailing Services; a copy of the staff recommendation is attached; board members are encouraged to contact staff prior to the meeting if they have questions about the RFP or need more information. A copy of the resolution is also attached.

10.1 City of Medford Landscape Code Review Committee

The city requested that Public Information Coordinator Laura Hodnett make a presentation to the city council regarding water conservation at their city council meeting held September 3rd. Laura presented the issue and how it relates to current landscaping codes and practices in the city. By motion, the council unanimously directed the City Manager to form a committee to review the city landscape code with the thought of making water conservation type changes during the current downturn in construction activities. Commission representation on the committee should be Laura and at least one board member; staff would recommend Commissioner Leigh Johnson.



ITEM NO. 4.1(a)

200 South Ivy Street - Room 177 Medford, Oregon 97501
Customer Service (541) 774-2430 • Administration (541) 774-2440
Fax (541) 774-2555 • wtrcom@ci.medford.or.us
www.medfordwater.org

September 16, 2009

Mayor and Council
City of Medford, Oregon
411 West 8th St.
Medford, Oregon 97501

Honorable Mayor and Council Members:

Attached is the Commission's quarterly report listing financial and statistical information for the fourth quarter of the 2008-09 Fiscal Year. Water consumption increased by approximately 3.0 percent as compared to the fourth quarter of last year. Sanitary sewer gallonage decreased by 0.7 percent for the same period. There was an increase of 82 customers inside the city and an increase of 230 for the entire system from a year ago. Copies of our precipitation and spring flow graphs and charts are attached for your review.

The project to upgrade the Rogue River intake structure with a new fish screen is now in progress, with the on-shore work nearing completion. The in-water work will begin next June with completion projected around September 2010. Other fiscal year projects include the Ross Lane mainline replacement, the Bullis Reservoir interior roof retrofit, pressure control stations design and upgrade, design of the Robert A. Duff Water Treatment Plant control building remodel, completion of the service center remodel and service bay addition, and replacement of a high service pump at the plant. The private development side of water-related work is still slow with the economic downturn.

If the Mayor or Council members have any questions, feel free to contact the Commission's office at any time or Bob Strosser, Council Liaison to the Commission.

Sincerely,

Cathie Davis, Chair
Board of Water Commissioners

Attachments



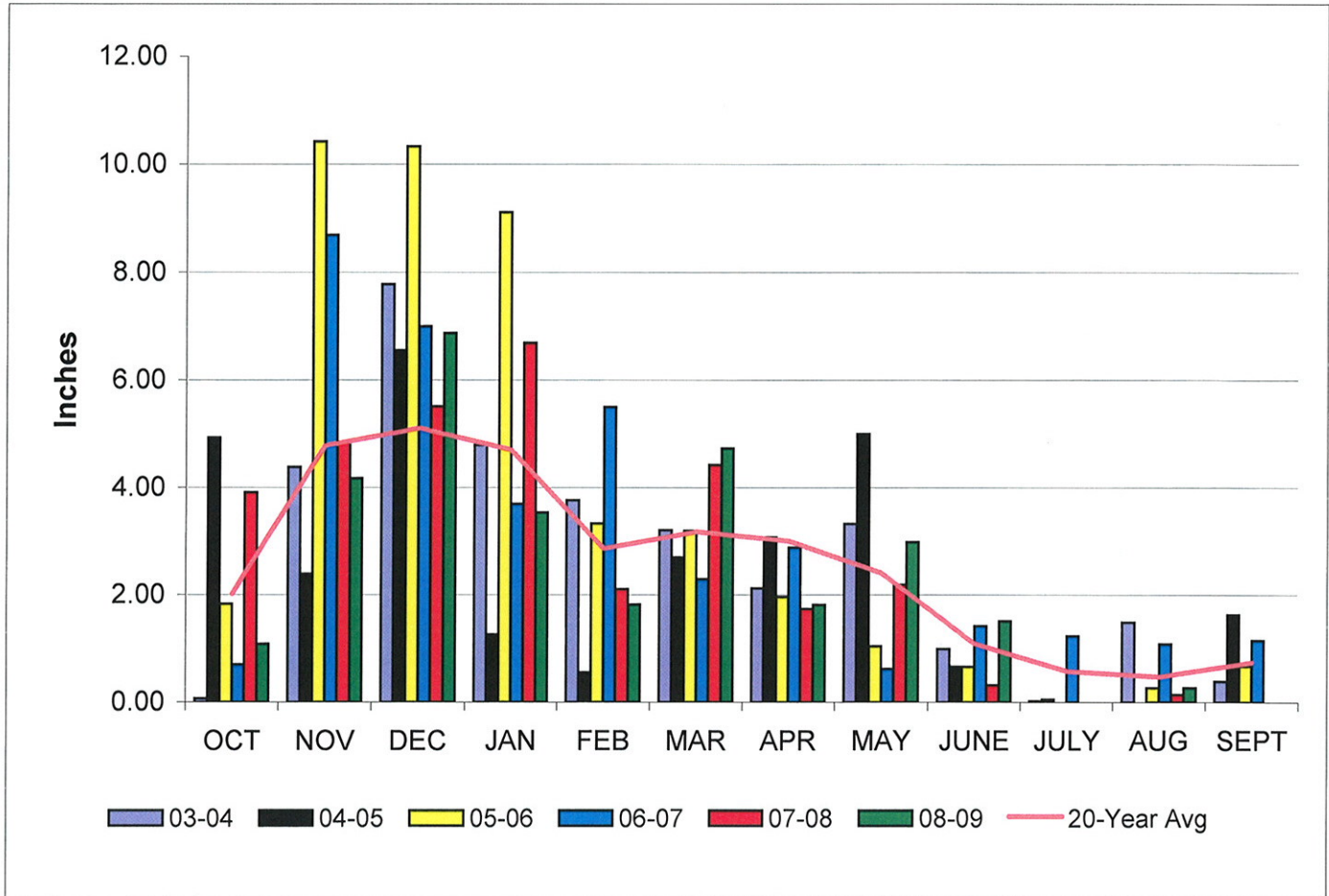
CITY OF MEDFORD, OREGON
 BOARD OF WATER COMMISSIONERS
 FISCAL YEAR 2008-09 - FOURTH QUARTER
 CONSUMPTION - THOUSANDS OF GALLONS

ITEM NO. 4.1 (b)

	2008-09 4TH QTR	2007-08 4TH QTR	INC./DEC. %	
WATER				
INSIDE SINGLE-FAMILY RESIDENTIAL	657,365	639,268	2.83%	I
INSIDE MULTIPLE-FAMILY RESIDENTIAL	203,253	204,867	-0.79%	D
INSIDE COMMERCIAL	265,581	264,961	0.23%	I
INSIDE INDUSTRIAL	45,479	36,582	24.32%	I
SALES TO CITY OF MEDFORD	40,690	32,621	24.74%	I
OUTSIDE SINGLE-FAMILY RESIDENTIAL	74,001	69,408	6.62%	I
OUTSIDE MULTIPLE-FAMILY RESIDENTIAL	27,264	26,957	1.14%	I
OUTSIDE COMMERCIAL	53,324	55,889	-4.59%	D
OUTSIDE INDUSTRIAL	104,769	120,232	-12.86%	D
SALES TO OTHER UTILITIES	653,135	610,893	6.91%	I
TOTAL WATER SALES	2,124,861	2,061,678	3.06%	I
SEWER				
INSIDE SINGLE-FAMILY RESIDENTIAL	258,817	260,742	-0.74%	D
INSIDE MULTIPLE-FAMILY RESIDENTIAL	140,897	140,898	0.00%	D
INSIDE COMMERCIAL	125,463	129,230	-2.91%	D
INSIDE INDUSTRIAL	32,689	28,995	12.74%	I
SCHOOLS	4,569	7,710	-40.74%	D
HOSPITALS	24,522	23,270	5.38%	I
CHURCHES	2,104	2,001	5.15%	I
MOBILE HOMES	7,632	8,064	-5.36%	D
TOTAL SEWER SALES	596,693	600,910	-0.70%	D
WATER SERVICES TO JUNE 30, 2009				
	WATER SERVICES	WATER SERVICES	CHANGE IN	
	JUNE 2009	JUNE 2008	WATER SCVS	
INSIDE CITY				
RESIDENTIAL - SINGLE-FAMILY	19,749	19,711	38	I
RESIDENTIAL - MULTIPLE-FAMILY	2,242	2,248	(6)	D
COMMERCIAL	2,360	2,333	27	I
INDUSTRIAL	42	50	(8)	D
FIRE SERVICES	357	337	20	I
MUNICIPAL	103	92	11	I
SUBTOTAL - INSIDE CITY	24,853	24,771	82	I
OUTSIDE CITY				
RESIDENTIAL - SINGLE-FAMILY	2,183	1,966	217	I
RESIDENTIAL - MULTIPLE FAMILY	44	33	11	I
COMMERCIAL	183	192	(9)	D
INDUSTRIAL	74	76	(2)	D
UTILITIES	8	9	(1)	D
FIRE SERVICES	63	62	1	I
SUBTOTAL - OUTSIDE CITY	2,555	2,338	217	I
WATER DISTRICTS				
CHARLOTTE ANN	236	239	(3)	D
KINGS HIGHWAY	0	143	(143)	D
JACKSONVILLE HIGHWAY	354	361	(7)	D
ELK CITY	115	114	1	I
SUBTOTAL - WATER DISTRICTS	705	857	(152)	D
TOTAL INSIDE/OUTSIDE/WATER DISTRICTS	28,113	27,966	147	I
CUSTOMERS IN SELF-OPERATING AREAS	13,515	13,432	83	I
GRAND TOTAL - NUMBER OF WATER SERVICES	41,628	41,398	230	I

**2008-2009 WATER YEAR
PRECIPITATION RECORD AT BIG BUTTE SPRINGS
(OCTOBER 2008 THRU SEPTEMBER 2009)**

ITEM NO. 4.1(c)



	99-00	00-01	01-02	02-03	03-04	04-05	05-06	06-07	07-08	08-09	20-Year Avg
OCT	2.26	2.67	1.13	0.30	0.07	4.93	1.83	0.70	3.91	1.08	2.01
NOV	2.97	2.48	4.81	3.88	4.38	2.39	10.42	8.69	4.85	4.17	4.77
DEC	2.87	1.59	7.39	5.10	7.78	6.55	10.33	7.00	5.51	6.87	5.10
JAN	7.61	1.81	3.36	3.80	4.79	1.26	9.11	3.69	6.69	3.53	4.70
FEB	3.31	2.03	2.27	2.23	3.76	0.55	3.33	5.50	2.10	1.82	2.86
MAR	3.31	1.81	2.21	4.32	3.20	2.70	3.19	2.29	4.42	4.73	3.17
APR	4.37	2.79	3.34	4.20	2.12	3.07	1.96	2.88	1.74	1.81	3.00
MAY	1.26	1.86	1.13	1.86	3.32	5.00	1.04	0.62	2.19	2.98	2.40
JUNE	0.05	1.16	0.10	0.00	0.99	0.66	0.66	1.42	0.32	1.51	1.09
JULY	1.24	0.35	0.05	0.51	0.02	0.05	0.00	1.23	0.00	0.00	0.57
AUG	0.00	0.05	0.00	0.00	1.49	0.00	0.27	1.08	0.14	0.27	0.47
SEPT	0.83	0.29	0.24	1.58	0.39	1.63	0.67	1.15	0.00	0.00	0.74
Totals	30.08	18.89	26.03	27.78	32.31	28.79	42.81	36.25	31.87	28.77	30.90

RESOLUTION NO. 1370

A RESOLUTION Authorizing the Chair and City Recorder Acting for the City of Medford By and Through its Board of Water Commissioners to Execute an Access Easement and Landscape Maintenance Agreement to Rogue Valley Manor, an Oregon Nonprofit Corporation, that Certain Real Property Situated in Jackson County, Oregon, Described as Document No. 452836, Volume 460, Page 373 of the Official Records of Jackson County, Oregon, Also Known as the Barneburg Reservoir Site

WHEREAS, the Rogue Valley Manor has granted the Board of Water Commissioners a non exclusive easement for vehicular ingress and egress to the Barneburg Reservoir site; and

WHEREAS, the Rogue Valley Manor has petitioned the Board of Water Commissioners for a Landscape Maintenance Agreement for a retaining wall, irrigation and landscaping, across the Barneburg Reservoir site; and

WHEREAS, the proposed improvements for a retaining wall, irrigation and landscaping encroach into the Barneburg Reservoir site; and

WHEREAS, The Medford Water Commission must be released from any damages occurring to those improvement resulting from maintenance activities of the water facilities at the Barneburg Reservoir site; and

WHEREAS, The Medford Water Commission must grant permission to the Rogue Valley Manor to encroach into the Barneburg Reservoir site;

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

That the Chair and City Recorder are hereby authorized to sign the Access Easement and Landscape Maintenance Agreement in favor Rogue Valley Manor, on behalf of the City of Medford by and through its Board of Water Commissioners as set forth in the Access Easement and Landscape Maintenance Agreement, copy attached as Exhibit A and by reference made a part hereof, is hereby approved.

PASSED at a regular meeting of the Board of Water Commissioners of the City of Medford, Oregon, and signed by me in authentication thereof this 16th day of September 2009.

ATTEST: _____
Karen Spoons, Deputy City Recorder

Cathie Davis, Chair

THIS SPACE RESERVED FOR
RECORDER'S USE

After Recording Return to:
Rogue Valley Manor
Attn: Cindi Hickey
1200 Mira Mar Avenue
Medford, OR 97504

ACCESS EASEMENT
AND
LANDSCAPE MAINTENANCE AGREEMENT

Access Easement:

The undersigned ROGUE VALLEY MANOR, an Oregon non-profit corporation ("Grantor"), hereby grants to the CITY OF MEDFORD, a municipal corporation, by and through its Board of Water Commissioners ("Grantee) a 20 foot wide perpetual nonexclusive easement for vehicular ingress and egress as described in Exhibit "A" and delineated in Exhibit "B", (collectively the "Easement Area") attached hereto and made a part hereof.

Said easement is appurtenant to and for the purpose of providing access to the City of Medford property identified as Tax Lot 300 of Jackson County Assessor's Map 371W32D being more particular described in Exhibit "C" (Grantee's Property) attached hereto and made a part hereof.

Grantor reserves the right to use and possess such land within the Easement Area and shall not interfere with Grantee's use thereof for the purposes set forth herein, but Grantor shall not cause any buildings or permanent structures to be constructed over any part of the Easement Area without Grantee's consent. Vehicular parking by the Grantee is not included as a permitted use of the Easement Area.

Grantee shall defend, indemnify and hold Grantor harmless (along with Grantor's officers, directors, employees, agents and successors) from and against any and all claims, actions, costs, losses and damages, including without limitation Grantor's reasonable attorney's fees and costs, based upon or arising out of damages or injuries to persons or property, or any financial loss, caused by Grantee's use or occupation of the Easement Area except to any claims arising from the gross negligence or willful misconduct of Grantor or Grantor's officials, directors, employees, agents or successors.

ITEM NO. 5.1(c)


Landscape Maintenance:

The Grantor shall install a retaining wall, irrigation and landscaping along the Northeasterly property line of the Grantee's Property which abuts Sky Line Drive. Grantor shall agree no tress shall be planted over existing water mains, drain lines or driveway. All costs of maintaining the retaining wall, landscaping and irrigation shall be the burden of the Grantor.

Grantor shall defend, indemnify and hold Grantee harmless (along with Grantee's elected and appointed officials, officers, directors, employees, agents and successors) from and against any and all claims, actions, costs, losses and damages, including without limitation Grantee's reasonable attorney's fees and costs, based upon or arising out of damages or injuries to persons or property, or any financial loss, caused by Grantor's use or occupation of the Grantee's Property except to any claims arising from the gross negligence or willful misconduct of Grantee or Grantee's elected or appointed officials, officers, directors, employees, agents or successors.

DATED this 28th day of August, 2009.

GRANTOR:
ROGUE VALLEY MANOR,
An Oregon non-profit corporation

By: 
Kevin McLoughlin
Executive Administrator

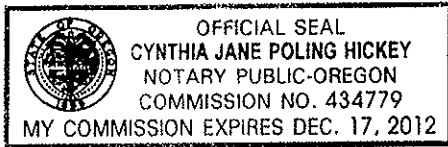
GRANTEE:
THE CITY OF MEDFORD
A Municipal Corporation, by and through its Board of Water Commissioners

By _____

STATE OF OREGON)
) ss.
COUNTY OF JACKSON)

On this 28th day of August, 2009, personally appeared before me the above named KEVIN MCLOUGHLIN, as EXECUTIVE ADMINISTRATOR of ROGUE VALLEY MANOR, and acknowledged the foregoing instrument to be his/her/their voluntary act and deed and with the proper authority for the purpose therein stated.

WITNESS My hand and official seal.



Cynthia Hickey
Notary Public for Oregon
My Commission expires: 12/17/2012

STATE OF OREGON)
) ss.
COUNTY OF JACKSON)

On this _____ day of _____, 20____, personally appeared before me the above named _____, as _____ of CITY OF MEDFORD WATER COMMISSION, and acknowledged the foregoing instrument to be his/her/their voluntary act and deed and with the proper authority for the purpose therein stated.

WITNESS My hand and official seal.

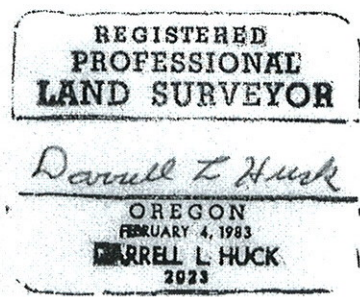
Notary Public for Oregon
My Commission expires: _____

ITEM NO. 5.1(e)

EXHIBIT A
"Easement Area"

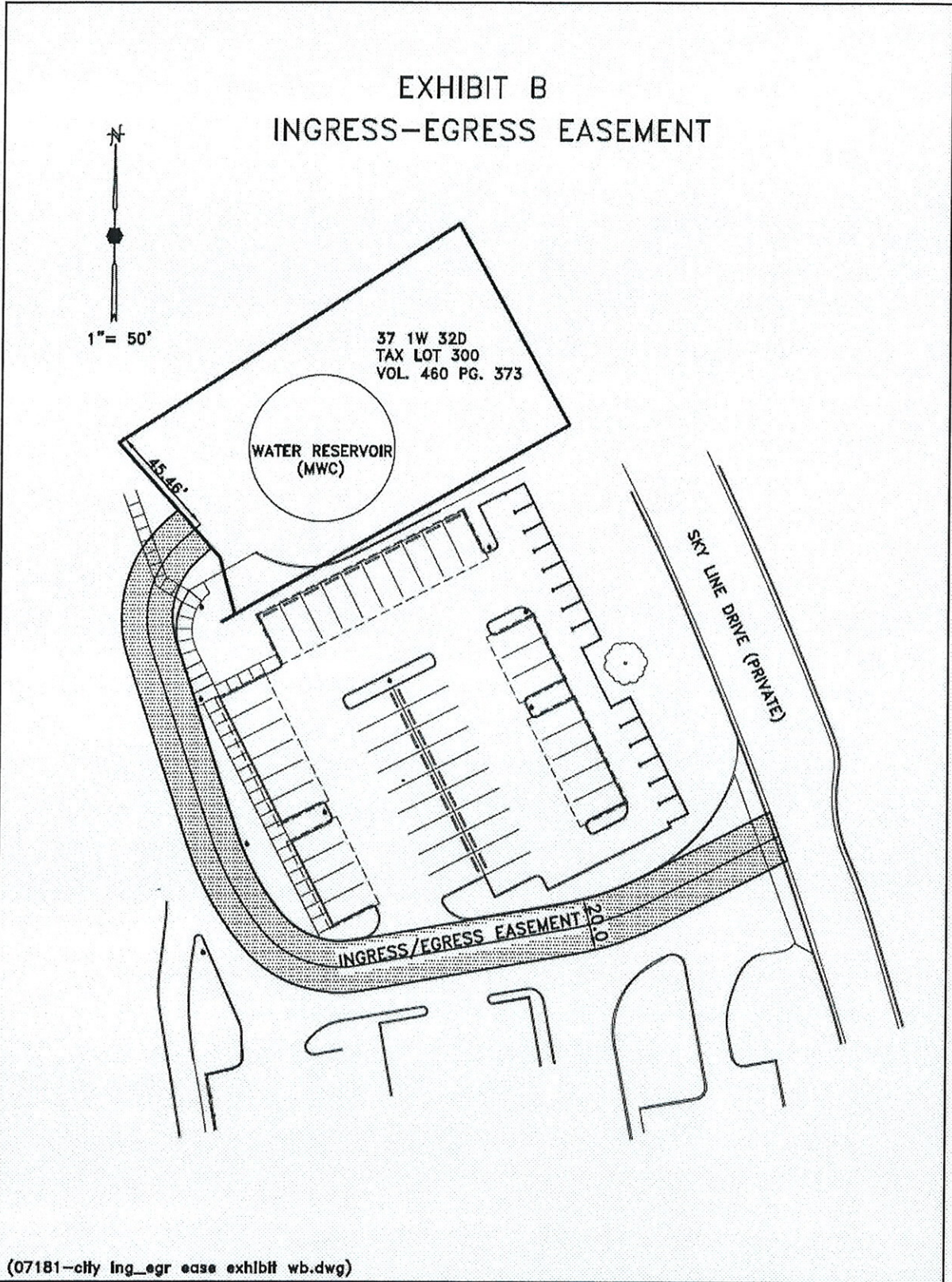
A strip of land, 20.00 feet in width, for vehicular ingress and egress easement purposes, lying 10.00 feet on each side of the following described centerline:

Commencing at the Northwest corner of that tract of land described in Volume 460, Page 370 of the Deed Records of Jackson County, Oregon; thence along the westerly line of said tract, South 41°44'30" East 45.46 feet to the TRUE POINT OF BEGINNING; thence leaving said westerly line, South 48°03'33" West 7.33 feet; thence along the arc of a 40.00 foot radius curve to the left (the long chord to which bears South 14°57'21" West 43.69 feet) a distance of 46.22 feet; thence South 18°08'51" East 77.28 feet; thence along the arc of a 110.00 foot radius curve to the left (the long chord to which bears South 28°59'03" East 41.36 feet) a distance of 41.61 feet; thence along the arc of a 40.00 foot radius curve to the left (the long chord to which bears South 69°52'28" East 40.06 feet) a distance of 41.96 feet; thence North 80°04'18" East 85.55 feet; thence along the arc of a 110.00 foot radius curve to the left (the long chord to which bears North 71°32'41" East 32.62 feet) a distance of 32.74 feet; thence North 63°01'04" East 57.76 feet to the point of terminus.



Darrell L. Huck
L.S. 2023 – Oregon
Expires 6/30/2011
Hoffbuhr & Associates, Inc.

EXHIBIT B INGRESS-EGRESS EASEMENT



ITEM NO. 5.1(g)

EXHIBIT C
"Grantee Property"

Commencing at the most easterly southeast corner of Donation Land Claim No. 51 in Township 37 South, Range 1 West of the Willamette Meridian in Jackson County, Oregon, thence South 1908.92 feet and West 599.92 feet to a $\frac{3}{4}$ " iron pin located at the most southerly corner of property described in Volume 448 page 186 of the Deed Records of Jackson County, Oregon, for the true point of beginning; thence North $57^{\circ}26'30''$ East along the southeasterly boundary of said property 159.42 feet to a $\frac{3}{4}$ " iron pin; thence 90.00 feet along the arc of a curve right (which arc has a radius of 1402.40 feet and a long chord of South $29^{\circ}23'35''$ East 89.98 feet) to a $\frac{3}{4}$ " iron pin; thence South $60^{\circ}31'30''$ West 151.37 feet to a $\frac{3}{4}$ " iron pin; thence North $16^{\circ}35'$ West 23.00 feet to a $\frac{3}{4}$ " iron pin; thence North $41^{\circ}44'30''$ West 60.37 feet to the true point of beginning.

Map 371W32D, Tax Lot 300

RESOLUTION NO. 1371

A RESOLUTION Authorizing the Chair and Recorder to Execute a Lease with Willie Boats for Premises Described as Approximately 10,000 Square Feet of Property Fronting Crater Lake Highway and Further Described as Tax Lot 3267 of Section 361W31

WHEREAS, the Commission has leased the above described property to Willie Boats since October of 1989; and

WHEREAS, the Board of Water Commissioners considered the terms of the Lease at their Board Meeting held on Wednesday, September 16, 2009; and

WHEREAS, the Board elected to maintain the monthly rent at \$150.00 per month; and

WHEREAS, the Board determined all other terms of the Lease would also remain as previously stated;

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

That the Chair and Recorder are hereby authorized to execute on behalf of the Medford Water Commission a Lease with Willie Boats for the property fronting on Crater Lake Highway and described as Tax Lot 3267 of Section 361W31, as set forth in Exhibit A, a copy of which is on file in the Water Commission office 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 16th day of September 2009.

ATTEST: _____
Karen Spoons, Deputy City Recorder

Cathie Davis, Chair

LEASE AGREEMENT

IN CONSIDERATION of the rent to be paid as herein agreed, Medford Water Commission, hereinafter called "COMMISSION," leases to WILLIE BOATS, hereinafter called "TENANT," those premises described below:

Approximately 10,000 square feet of property described as Tax Lot 3267 of Section 36-1W-31, fronting Crater Lake Highway, described further on the attached Exhibit A.

TERMS

The term of this lease agreement will be for a period of five (5) years, beginning on the 1st day of October 2009, and ending on the 30th day of September 2014.

1. For the period October 1, 2009 to September 30, 2014, Tenant shall pay Commission, as rent for the premises, the sum of ONE HUNDRED, FIFTY AND 00/100 DOLLARS (\$150.00) per month. Said rent shall be paid in advance by the first day of each month without invoicing.

2. Medford Water Commission will be responsible for payment of property taxes.

3. Tenant shall keep and maintain the premises at all times in presentable condition, shall not permit any accumulation of inoperable automobiles, parts, garbage, rubbish or filth thereon except in lawful containers, shall not erect structures and shall return the premises to the Commission at the termination hereof in a good and clean condition. Tenant shall not store or generate hazardous waste material on the site as defined by local, state and federal laws and regulations. Any spills of gasoline, oils, or other hazardous material must be removed from the site immediately, and disposed of pursuant to all applicable laws and regulations. All improvements to the property shall be done by the tenant and shall thereafter become the property of the Commission.

4. Tenant shall use said premises for storage and overflow parking only. The Tenant shall not cause or permit the premises to be used for any unlawful purpose or in violation of the zoning ordinance or other laws and regulations of the City, County, or State. Tenant shall secure all permits necessary to make any improvement(s) on the site.

5. Tenant agrees to indemnify and hold Commission harmless from and against all liability for deaths of or injuries to persons or damage to property caused by Tenant's use or occupancy of or operations on the premises provided, however, that Tenant shall not be liable for any death, injury, or damage occasioned by the negligence of Commission, its agents or employees. Tenant shall deposit with the Water Commission at the time of execution of this lease proof of liability and property damage insurance naming the City of Medford and the Medford Water Commission as additional insured with coverage for bodily injury liability of not less than \$100,000 for the death or injury of any one person; \$300,000 for the death or injury of more than one person in any accident; and property damage coverage of not less than \$100,000 for any one accident and in the aggregate. Tenant shall give Commission prompt and timely notice of any claim made or suit instituted which in any way, directly or indirectly, contingently or otherwise, affects or might affect Commission, and Commission shall have the right to compromise and defend the same to the extent of its own interest.

6. Tenant and/or Commission shall have the right to terminate this agreement by giving sixty (60) days advance written notice of intent to terminate. This notice shall specify the date on which termination will become effective, and this agreement shall terminate on the date so specified without any other act.

7. Any notice required or permitted under this agreement shall be given when actually delivered or forty-eight (48) hours after deposited in the United States mail as certified mail addressed to the address set forth below, or to such other address as may be specified from time to time by either of the parties:

COMMISSION: Larry F. Rains, P.E., Manager
Medford Water Commission
200 S. Ivy St. - Room 177
Medford, Oregon 97501
(541) 774-2440

TENANT: Jim Bittle, President
Willie Boats
1440 Justice Road
Central Point, Oregon 97502
(541) 779-4141

8. Commission shall have the right at any reasonable time to enter the premises and inspect the same for damages and for tenant's compliance with his obligations hereunder.

9. Commission shall have no obligation to repair or maintain the premises rented to Tenant.

10. If Tenant breaches any obligation herein set forth, the Commission has the right to take immediate possession of the premises and terminate this tenancy.

11. If either party commences any legal action, suit or proceeding against the other to enforce the terms of this contract, the parties agree that the prevailing party may be awarded reasonable attorney's fees and costs incurred in any such action, suit or proceeding or in any appeal therefrom.

Signed this _____ day of _____, 2009.

TENANT:

WILLIE BOATS

BY: _____
Jim Bittle, President

COMMISSION:

BOARD OF WATER COMMISSIONERS
OF THE CITY OF MEDFORD, OREGON

BY: _____
Cathie Davis, Chair

BY: _____
Karen Spoonts, Deputy City Recorder

Map Maker Application

Front Counter Legend

- Tax Lot Outlines
- Tax Lot Numbers
- Countywide Color
- Aerial Photos 2005

ITEM NO. 5.2(d)

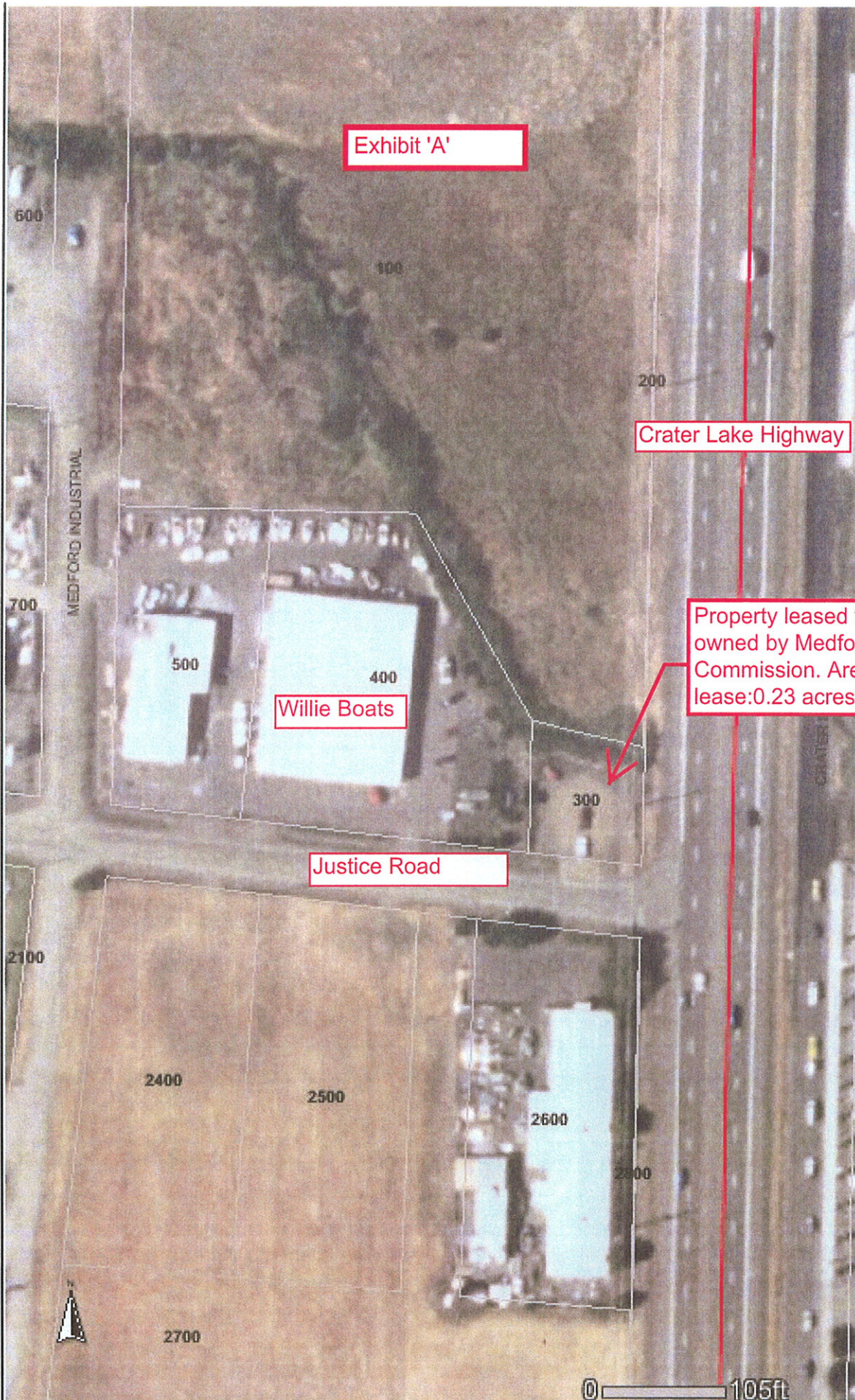


Exhibit 'A'

Crater Lake Highway

Willie Boats

Property leased to Willie Boats, owned by Medford Water Commission. Area of lease: 0.23 acres.

Justice Road



JACKSON COUNTY Oregon

This map is based on a digital database compiled by Jackson County From a variety of sources. Jackson County cannot accept responsibility for errors, omissions, or positional accuracy. There are no warranties, expressed or implied.

0 105ft

ITEM NO. 5.3

RESOLUTION NO. 1372

A RESOLUTION Awarding and Authorizing the Manager to Execute a Contract in the Amount of \$197,094.00, to Ward-Henshaw Construction, Inc., for the Bullis Reservoir Retrofit Project

NOW 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 \$197,094.00 for the Bullis Reservoir Retrofit Project, CIP 50-08 (324), is hereby awarded to Ward-Henshaw Construction, Inc., of Canby, Oregon.

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

PASSED at a regular meeting of the Board of Water Commissioners of the City of Medford, Oregon, and signed by me in authentication thereof this 16th day of September 2009.

ATTEST: _____
Karen Spoons, Deputy City Recorder

Cathie Davis, Chair

RESOLUTION NO. 1373

A RESOLUTION Awarding and Authorizing the Manager to Execute a Contract with Bend Mailing Services, LLC, for Design, Printing and Mailing Services for the Medford Utility Bill

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

SECTION 1. That a contract for Design, Printing and Mailing Services for the Medford Utility Bill is hereby awarded to Bend Mailing Services, LLC.

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

SECTION 3. That said contract shall be in effect until September 15, 2011.

PASSED at a regular meeting of the Board of Water Commissioners of the City of Medford, Oregon, and signed by me in authentication thereof this 16th day of September 2009.

ATTEST: _____
Karen Spoons, Deputy City Recorder

Cathie Davis, Chair

Utility Bill Design, Printing & Mailing Services RFP Staff Recommendation

Background

The Medford Water Commission currently prints the utility bills and has them stuffed and mailed by Northwest Mailers. Over the past few years staff has been investigating the option of having the entire process outsourced to a single company.

The thought was that by outsourcing the printing we would be able to provide a full page bill that would contain more information at potentially lower costs. Graphs showing customer usage history as well as news and conservation tips could be included, which isn't possible with the current bill.

In July 2008 staff's initial findings were presented in a study session to the board; general consensus was to extend the agreement with Northwest Mailers for an additional year and then issue a RFP in 2009. The current contract with Northwest Mailers expired in August 2009.

The RFP process

The RFP closed on Aug 4, 2009. A total of eight proposals were received, which were reviewed by a four-member staff committee and discussed.

Each committee member independently picked Bend Mailing Services as the top choice based on the proposal alone (the cost estimates were opened after the proposal evaluations).

The top three choices were as follows:

- 1.) Bend Mailing Services
- 2.) Information Outsource
- 3.) Tie: Northwest Mailers, DivDat, Gold Forms

Bend Mailing Services

Bend Mailing Services was selected by staff because of their attention to detail and professionalism in their proposal, expertise, reputation, location (located in Bend, Oregon), range of services, technological capabilities, dedicated staffing, and their quick turnaround time.

Bend Mailing Services also included additional services in their costs that would have been charged as "extras" with the other vendors, such as the ability of staff to access PDF copies of all bills online so that they can be reprinted if needed.

They also offered in-house design services and competitive printing rates for bill stuffers such as the Commission's quarterly newsletter, *Waterlines*.

CS/IS Administrator Cheryl Casad contacted some of their current customers. Rogue Disposal & Recycling and Thompson Sanitary in Newport, Oregon, both use Bend Mailing Services to print and mail bills and have been very happy with their service.

The other vendors

Information Outsource was the second place choice; they also prepared a good proposal. They are located in Phoenix, Arizona and also had good references.

There was a tie for third place between Northwest Mailers, DivDat and Gold Forms. Of the three Northwest Mailers is the most local (located in Medford) and the company is the current mailing service. Northwest did not have the depth of experience that some of the others have; they appeared to be fairly new to the bill printing business. DivDat is one of the larger vendors that processes millions of pieces of mail each month, they are located in California. Gold Form is a Portland-based vendor who does have experience in this field as well.

Costs

We looked at two major costs that were submitted by each vendor: billing services and envelope supplies.

Billing services includes folding and inserting billing items, bar coding, printing, and processing. Envelope supplies include the costs for the invoice and return envelopes.

Vendor Name	Billing Monthly	Envelopes Monthly	Total Monthly
DivDat	\$1,803.00	\$782.15	\$2,585.15
Data Pros	\$1,830.00	\$858.34	\$2,688.34
Gold Forms	\$1,920.10	\$974.09	\$2,894.19
Arista	\$3,000.00	Included in Billing	\$3,000.00
Bend Mailing Services	\$2,308.00	\$707.30	\$3,015.30
Northwest Mailers	\$2,404.00	\$1,306.25	\$3,710.25
Information Outsource	\$3,180.00	\$875.00	\$4,055.00
Core Communications	\$6,895.00	\$1008.34	\$7,903.34

Current bill printing costs

Staff estimates current costs at \$4,262 per month to print and mail the bills. This includes the services provided by Northwest Mailers to stuff and send the utility bills, staff time, supplies, and printer maintenance.

Staff recommendation

Although they were not the lowest priced vendor staff feels that Bend Mailing Services would offer the best combination of services, capabilities and cost, which is in the best interests of the Water Commission. They seem to maintain good working relationships with their clients and, importantly, their technical staff are available and easily contacted should any problems arise.