



BOARD OF WATER COMMISSIONERS MEETING MINUTES

Wednesday, June 15, 2022

Medford City Hall Council Chambers

411 W. 8th Street – Rm 300, 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 City Hall Council Chambers with the following commissioners, staff, and guests present:

Chair Bob Strosser; Commissioners Jason Anderson, Daniel Bunn*, John Dailey, and Michael Smith. (*Left as noted.)

General Manager Brad Taylor, Executive Administrative Coordinator Yvette Finstad, HR Director Tanya Haakinson, Water Meter & Controls Manager Ken Johnson, Water Maintenance Manager Lester McFall, Engineering Manager Brian Runyen, Information Technology Manager Kris Stitt, Water Quality & Treatment Manager Ben Klayman, Interim Finance Manager Anna Roeder, Customer Service & Water Efficiency Manager Julie Smitherman

Guest(s): Attorney Mark Bartholomew**, Medford Council Liaison Tim D'Alessandro, City of Central Point Councilor Tanea West Browning**, Robert Annear** (**Via Zoom)

3. Comments from the Audience

None.

4. Public Hearings

- 4.1 Consider Resolution No. 1816, A RESOLUTION Adopting the Budget for the Medford Water Commission of the City of Medford, by and through its Board of Water Commissioners, for Fiscal Year 2022-23 Commencing July 1, 2022, and Making Appropriations Thereunder

Public hearing was opened; no one spoke on this issue. Public hearing was closed.

Motion: Approve Resolution 1816.

Moved by: Mr. Dailey Seconded by: Mr. Bunn

Commissioner Smith thanked staff for separating out the budget itself and CIP detail pages.

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

Motion carried and so ordered.

5. Consent Calendar

- 5.1 Resolution 1817, A RESOLUTION Authorizing the General Manager to Execute on Behalf of the Board of Water Commissioners, a Payment to CityCounty Insurance Services in the Amount of \$208,641.67 for Medford Water Commission's General Liability, Automotive, and Property Damage Insurance Premium for Fiscal Year 2022-2023

- 5.2 Approval or Correction of the Minutes of the Last Regular Meeting of June 1, 2022

Motion: Approve the Consent Calendar.

Moved by: Mr. Dailey Seconded by: Mr. Smith

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

Motion carried and so ordered.

Taylor noted that staff appreciates the help of the Board to save over \$56k on the policy from the initial quote before adjusting deductibles.

6. Resolution 1818, A RESOLUTION Awarding and Authorizing the General Manager to Execute a Contract in the Amount of \$167,500 with Slayden Constructors, Inc. for Duff WTP Filter/Reservoir/Pumping Expansion CM/GC Pre-Construction Services

This contract will provide Construction Manager/General Contractor (CM/GC) Pre-Construction Services for the Filters, Reservoir, and Pump Station Duff 65MGD Expansion project at the plant. Three GMP packages are anticipated: August 2022 - Early Earthwork & Equipment, October 2022 - Filters Building, and Mar 2023 - Reservoir & FWPS. NTE \$167,500; Package 1 - \$25,000, Package 2 - \$67,500, and Package 3 - \$75,000. Two proposals were received: McClure and Sons, Inc., and Slayden Constructors, Inc. The selection team determined that Slayden was the highest ranked proposer. A protest of award from the second-ranked proposer was received June 7, stating that Medford Water “failed to conduct evaluation of proposals in accordance with the criteria or processes described in the solicitation material.” They also submitted public records requests on June 8 (for Slayden’s proposal; provided June 9) and June 10 (for the evaluation of proposals, scoring sheets, and final tallies; provided June 10). Evaluation criteria and processes were reviewed by the selection team, General Manager, Purchasing Agent, and legal counsel, determining that the evaluation process was followed as described in the Request for Proposals, and there were no discrepancies in scoring. A response was sent June 9 by the General Manager (per our Contracting & Purchasing Regulations), and the protest was formally withdrawn June 14. Staff recommends approval of Resolution 1818.

Commissioner Dailey inquired about the areas where Slayden outscored McClure; Runyen replied that Slayden has a much deeper set of experience with CM/GC. McClure is a longtime partner and working two other projects with us currently, but their CM/GC experience is nowhere near that of Slayden.

Motion: Approve Resolution 1818.

Moved by: Mr. Bunn Seconded by: Mr. Dailey

Roll Call: Commissioners Anderson, Bunn, Dailey, Smith, and Strosser voting yes.
Motion carried and so ordered.

7. Leadership Team Reports

- Engineering Manager Brian Runyen
 - ODOT Project: OR99 Glenwood to Coleman Creek (CAWD) – Conflict Letter to CAWD received May 23, 2022 (ODOT bids to be received November 23, 2023). Facilities in conflict to be relocated/adjusted before construction begins; conflicting facilities are located on both public ROW and private property. ODOT to reimburse cost of relocating facilities with compensable property rights. Potential conflict list and Design Acceptance Plans have been provided: project length is approximately 0.8 miles, with an initial list of 118 locations. Major conflicts with proposed storm drains and existing CAWD water lines. Based on current storm drain design, there is a potential need for total replacement of water mains on both sides of highway for estimated 3,400 LF of project. Would possibly result in a new single water main down the middle of the highway. It also may necessitate replacement and relocation of most water services, fire services, and hydrants. The rough order of magnitude of potential replacement costs: Construction - \$3M to \$5M, Engineering, surveying, potholing, overhead & management - \$450K to \$750K; 20%-40% may possibly be reimbursable by ODOT (portions of facilities outside of the existing ROW and likely currently inside easements). Staff met with the ODOT Utility

Specialist and Ken Johnson reported to the CAWD board on June 9. We will support CAWD in communication with ODOT and decision making, provide feedback to ODOT on potential costs, pursue possibility of ODOT design changes to reduce utility conflicts, refine possible costs, and select a consultant for engineering design. Staff will keep the Board up to date as it progresses.

Commissioner Bunn inquired if these are the same lines that are used for TAP; Runyen replied that these are separate from TAP, which is more in the middle of the road, and we will not directly receive information on any ODOT project conflicts with TAP. These costs are the result of the water coming from our system in the way that it does. Commissioners and staff discussed the funding opportunities that may be available to the district to support the project, such as legislative dollars, and the other options they have. They can become part of our system and continue to be served by the pump station, or become part of the City of Phoenix's system. Commissioner Dailey expressed concern that any future work be done to our standards in case we take the district on in the future. The mains are a variety of diameters (6, 8, 10, and 12) from the 40s and 50s. Commissioner Smith inquired about utility responsibility in the ROW; utilities are responsible for all work in the ROW, ODOT will reimburse outside the ROW. If the district disbands, they will initially revert back to the County before becoming part of either system.

*Commissioner Bunn left at 12:44.

- Kris Stitt, IT Manager
 - Multi-Factor Authentication Rollout – MFA is a requirement of our cyber liability coverage, and part of best practices. Without MFA, if someone knows your password, they can login from anywhere without any verification. With MFA, even if someone knows your password, they would likely be stopped by the authenticator app. As of today, we have enrolled 61 staff members in MFA; our goal is to have the remaining 7 enrolled by July 1. Anyone accessing our network remotely has been required to utilize MFA for the past several months. Stitt thanked the IT Team and all staff for making this all happen. Board members will need to enroll as well; they can bring their iPads to the July 6 meeting. Stitt welcomed any feedback about the devices and the process.

Commissioner Smith and Stitt discussed other security practices, such as a screen timeout, and restrict the installation of apps/software. This rollout of MFA will not impact our customers. Commissioner Smith and Stitt talked about implementation of Software Defined Wide Area Network (SD-WAN), an automated approach to managing network connectivity. It utilizes two different internet providers, so that if there is a failure, the other comes in seamlessly. At the Annex we have connections through Hunter Communications, and Charter Spectrum. At Duff, additional fiber connectivity was just completed via Charter; it will be activated after the operating season and then Hunter will be used for redundancy. At the next meeting, Stitt will talk about what will be happening at Duff in more detail.

- HR Manager Tanya Haakinson
 - Annual HRA/VEBA Vote – As part of our HRA/VEBA benefit, employees are able to vote to cash out remaining vacation balance to their HRA/VEBA account, upon retirement. It applies to retiring employees for the upcoming fiscal year; voting takes place annually in June. Employees aged 55 or older are grouped together as Tier I/Tier II, OPSRP, and Union, and vote within their group. There are benefits with each option: if they vote to cash out to HRA/VEBA, they can use the additional funds for future healthcare needs. If they vote not to, the funds are paid out on the final paycheck, increasing that year's wage, which positively impacts their PERS calculations for the retiring employee.
 - Recruitment update – Utility Person IV Lead, closes later today; IT Business

Administrator, continuing to interview; Senior Accountant, 1st review will take place 6/24/2022; Project Manager (refill), a job offer has been made.

- Annual Company Picnic photos were shared; there were games and a BBQ contest. Haakinson thanked commissioners that were able to attend. In the future, these will be held the first Saturday in June, and the first Friday in December will be the holiday party.
- General Manager Brad Taylor
 - Colleague and friend Joe Watson passed away on Thursday, June 9. Joe worked for Medford Water for over 34 years before retiring in April of this year and was an important and valued part of our team. He guided many staff members over the years, imparting his knowledge and the significance of his role in serving not only the customers, but his coworkers, and our entire community. A celebration of his life will take place July 9; his family requests those who wish to express sympathy to consider either flowers or memorial contributions to St. Jude Children's hospital. The organization is contemplating what else we can do to memorialize his contribution.

8. Propositions and Remarks from the Commissioners

Commissioner Smith remarked that energy costs have a large impact on operating costs, and asked staff if they had looked at any inertia projects to capture energy coming down the hill in the pipelines. Taylor noted that the Engineering group has just completed an application to add turbines at several control stations, and have identified a number of opportunities based on a report prepared by the Energy Trust of Oregon. It is a great opportunity for renewable power; staff will report back on future steps.

9. Adjourn

There being no further business, this Commission meeting adjourned at 1:06 p.m. The proceedings of the Medford Water Commission meeting were recorded and are on file along with the complete agenda of this meeting.

Yvette Finstad
Assistant Clerk of the Commission