



BOARD OF WATER COMMISSIONERS MEETING MINUTES

Wednesday, May 20, 2026

Lausmann Annex - Room 151
200 S. Ivy Street, Medford, Oregon 97501

The regular meeting of the Medford Water Commission was called to order at 12:16 p.m. on the above date at the Lausmann Annex Room 151, with the following commissioners, staff, and guests present:

Chair Jason Anderson; Commissioners John Dailey, Bob Mylenek, Brian Sjothun, and David Wright
General Manager Brad Taylor, Executive Administrative Assistant Amber Furu, Finance Manager Beau Belikoff, HR Manager Tanya Haakinson, Engineering Manager Brian Runyen, Information Technology Manager Kris Stitt, Water Operations Manager Dan Perkins, Water Resources & Customer Service Manager Julie Smitherman

Guest(s): Attorney Mark Bartholomew, Eagle Point Councilor Lena Beach, City of Central Point City Manager Chris Clayton*, Rob Annear* (*Via Zoom)

3. Comments from the Audience

None.

4. Consent Calendar

4.1 Approval or Correction of the Minutes of the Last Regular Meeting of May 6, 2026

4.2 Quarterly Letter to Mayor and Council

Motion: Approve the Consent Calendar.

Moved by: Mr. Dailey

Seconded by: Mr. Wright

Roll Call: Commissioners Anderson, Dailey, Mylenek, Sjothun, and Wright voting yes.

Motion carried and so ordered.

5. Items Removed from Consent Calendar

None.

6. Resolution No. 2022, A RESOLUTION Awarding and Authorizing the General Manager to Execute a One-Year Contract with Two Annual Options to Renew in the Amount Not-to-Exceed \$205,000.00 with Baker Tilly for Auditing Services

Our current auditing service contract has expired, and a new contract is required. Medford Water conducted a competitive solicitation consistent with procurement policies; five firms were invited and two submitted proposals. The evaluation team, including one board member, scored submissions using the published criteria. Baker Tilly was selected based on qualifications and experience with governmental and utility-sector audits. The proposed contract is a one-year agreement with two annual renewal options, not-to-exceed \$205,000, inclusive of estimated CPI adjustments. Annual audit costs are incorporated into the FY 26/27 proposed budget, with future-year estimates included through the standard budget process.

Commissioner Mylenek asked whether the proposed contract cost differed from the prior year, and Belikoff noted that the first-year cost is comparable. Commissioner Wright questioned whether Baker Tilly would provide local, in-person availability; it was confirmed that local support would be available. Additional questions addressed whether WIFIA or BRIC funding would require expanded audit work, which Belikoff confirmed would depend on federal thresholds.

Motion: Approve Resolution 2022.

Moved by: Mr. Wright

Seconded by: Mr. Dailey

Roll Call: Commissioners Anderson, Dailey, Mylenek, Sjothun, and Wright voting yes.

Motion carried and so ordered

7. Resolution No. 2023, A RESOLUTION, Awarding and Authorizing the General Manager to Execute a Construction Contract in the Amount of \$31,025,750.00 with Slayden Constructors for the Capital Hill 12 Million Gallon Reservoir Construction Project

The existing Capital Hill reservoirs, originally constructed in 1908, 1927, and 1945, provide 12 million gallons of storage and serve a critical function in the water distribution system. Studies in 1996 and 2000 identified seismic deficiencies, and subsequent planning efforts in 2017, 2019, and 2022 evaluated replacement options as part of our Rogue Valley Water Supply Resilience Program. The project was designed under a multi-phase contract with RH2 Engineering and includes substantial on-site and off-site water main work to support operational flexibility. Construction was advertised on March 26 and required contractor prequalification. Five firms were prequalified and submitted bids; Slayden Constructors was the lowest responsive bidder at \$31,025,750. Total project costs, including engineering and internal expenses, are estimated at \$34.4 million. The project is partially funded through the WIFIA loan program. Construction is anticipated to be completed by June 2028.

Commissioners inquired about cost escalation compared to prior planning estimates, it was explained that reservoir construction costs have increased at rates higher than general construction cost trends. Commissioners also reviewed project funding sources and timing, including the treatment of potential BRIC grant funds within the CIP. Additional questions addressed schedule expectations, site preparation, and sequencing of demolition and construction activities, which Runyen noted would begin with demolition of Reservoir #1 followed by phased excavation and construction.

Motion: Approve Resolution 2023.

Moved by: Mr. Mylenek

Seconded by: Mr. Dailey

Roll Call: Commissioners Anderson, Dailey, Mylenek, Sjothun, and Wright voting yes.

Motion carried and so ordered.

8. Resolution No. 2024, A RESOLUTION Awarding and Authorizing the General Manager to Execute a Contract Amendment in the Amount of \$763,065.00 with RH2 Engineering, Inc. for Engineering Services Related to Part E of the Distribution System Resilient Backbone Project

RH2 holds the contract for the Distribution System Resilient Backbone (DSRB) Project, which includes planning and design work for the Capital Hill Reservoir Replacement. Additional scope has been identified for construction-phase services, and RH2 provided a scope and fee for this work. Because the total amount of contract amendments exceeds the General Manager's signing authority, Board approval is required. Part E covers design and construction activities for the Capital Hill Reservoir Replacement. Design is complete, bid documents have been issued, and bids have been received. The requested amendment adds construction-phase services including bid support, pre-construction coordination and outreach, submittal and change-order review, construction inspection, punch list work, regulatory submittals, and record drawings. The amendment amount is \$763,065, bringing the total RH2 contract amount to \$2,890,215. Consultant design fees, including this amendment, remain below expected ranges relative to estimated construction cost.

Motion: Approve Resolution 2024.

Moved by: Mr. Dailey

Seconded by: Mr. Sjothun

Roll Call: Commissioners Anderson, Dailey, Mylenek, Sjothun, and Wright voting yes.

Motion carried and so ordered.

9. Leadership Team Reports

- Brad Taylor, General Manager
 - Upcoming Board Schedule – June 3 – Insurance Update and Rules and Regulations Update; June 17 – Demand/Population Forecasting; July 1 – Tour of Medford Water Operations Center- No formal meeting; July 15 – Financial Policy Review/Discussion

10. Propositions and Remarks from the Commissioners

Commissioner Mylenek commented on the recent Water Management & Conservation Plan and Water System Master Plan workshop he attended, noting it was very informative and expressed appreciation for staff's expertise and professionalism. Commissioners discussed the status of the BRIC grant, including whether the Board could assist with the process, the level of communication with federal offices, and how the timing of construction may affect eligibility. Staff noted that the BRIC application is already in FEMA's review queue, federal representatives are being kept informed, and while beginning construction could impact funding, there are pathways to request a variance if needed. Commissioners noted interest in a future briefing on the Capital Hill project schedule and construction phases. Staff confirmed an update will be provided.

11. Adjourn

There being no further business, this meeting adjourned at 12:57 p.m. The proceedings were recorded and are on file along with the complete agenda of this meeting and all presentations from this meeting.



Amber Furu
Assistant Clerk of the Commission