



BOARD OF WATER COMMISSIONERS

MEETING MINUTES

Wednesday, June 18, 2025

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 the Medford Police Department's Prescott Room, with the following commissioners, staff, and guests present:

Chair David Wright; Commissioners Jason Anderson, John Dailey, Bob Mylenek, and Bob Strosser

General Manager Brad Taylor, Executive Administrative Assistant Amber Furu, HR Manager Tanya Haakinson, Engineering Manager Brian Runyen, Information Technology Manager Kris Stitt, Water Operations Manager Dan Perkins, Capital & Special Projects Coordinator Andy Huffman, Water Resources & Customer Service Manager Julie Smitherman, Purchasing & Contract Administrator Mark Depner, Senior Accountant Jamie Look

Guest(s): MW Attorney Mark Bartholomew, Phyllis Douglas with St. Vincent de Paul, Austin Hartrampf of Glaziers Architectural Metal & and Glass Workers Local 740, Randy Mulch with The Salvation Army, Reyna Guzman with ACCESS, Medford City Council Liaison Alternate Garrett West*, Rob Annear* (*Via Zoom)

3. Comments from the Audience

- Ms. Phyllis Douglas, representing St. Vincent de Paul, addressed the Board to express appreciation for the longstanding partnership with Medford Water, which has provided over a decade of assistance. She emphasized the increasing need for water utility assistance in the community, attributing to the rise in demand to escalating rent costs and stagnant wages. Ms. Douglas noted that the bills their organization is helping to pay are higher than in previous years and requested Medford Water's continued support.
- Mr. Austin Hartrampf, representing Glaziers Architectural Metal & and Glass Workers Local 740, addressed the Board to follow up on a matter he brought to the Board on May 7, 2025, regarding the Medford Water Operations Center. Mr. Hartrampf requested an update from staff and noted that a response outside of the formal meeting would be acceptable. Commissioner Wright acknowledged that the matter does lie with the general contractor and offered to follow up with him directly after the meeting.
- Mr. Randy Mulch, representing The Salvation Army, addressed the Board to offer thanks for Medford Water's ongoing support in providing grant funding to assist low-income households. He underscored the importance of access to safe and secure water and reported that both the original grant and supplemental funds have been fully expended. Mr. Mulch stated that The Salvation Army is seeking continued funding to meet ongoing community needs.
- Ms. Reyna Guzman, representing ACCESS, expressed gratitude for past funding support from Medford Water. She reported that both the initial and extension grants were fully used and had a significant impact on their clients. Ms. Guzman conveyed that clients continue to request assistance and that ACCESS is hopeful for future funding opportunities. She stated her intent to remain involved and attend future meetings.

4. Written Communication

4.1 Letters from ACCESS, St. Vincent de Paul and The Salvation Army

Water Resources and Customer Service Manager Julie Smitherman presented the annual grant funding requests from ACCESS, The Salvation Army, and St. Vincent de Paul. Medford Water began offering grant support in 2003, starting with \$2,000 annually and increasing to \$15,000 by 2015. Agencies are responsible for screening applicants and distributing funds based on income and household size. Each customer is eligible for assistance once per year. If one agency exhausts its allocation, customers are referred to another with available funds.

For FY 2024–2025, the agencies collectively assisted 112 households, potentially benefiting an estimated 450 individuals. Average assistance ranged from \$100 to \$150. All agencies have now exhausted their funds and submitted new requests for the upcoming fiscal year:

- ACCESS – \$6,000
- Salvation Army – \$7,500
- St. Vincent de Paul – \$5,000

Total requested: \$18,500

Smitherman noted that although the annual grant funding cap has been \$15,000, the proposed FY 2025–2026 budget includes a \$20,000 allocation in recognition of increased community need.

Commissioner Mylenek inquired about the process for monitoring agency funds and whether agencies receive the full allocation upfront. Smitherman responded that agencies are provided with the full amount at the outset. They notify staff directly when their funds are depleted, at which point customers are referred to other agencies with remaining funds. Commissioner Anderson suggested approving the full requested amounts (\$18,500) and recommended revisiting during the next budget cycle.

Motion: Approve the Written Communication.

Moved by: Mr. Anderson

Seconded by: Mr. Strosser

Roll Call: Commissioner Anderson, Dailey, Mylenek, 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 June 4, 2025
- 5.2 Resolution No. 1984, A RESOLUTION Adopting the Proposed Modifications to the “Regulations Governing Water Service” Document, Effective July 1, 2025
- 5.3 Resolution No. 1985, A RESOLUTION Authorizing the General Manager of Medford Water to Execute on Behalf of the Board of Water Commissioners, a Payment to City County Insurance Services in the Amount of \$302,329.19 for Medford Water 's General Liability, Automotive, and Property Damage Insurance Premium for Fiscal Year 2025-2026
- 5.4 Resolution No. 1986, A RESOLUTION Authorizing the Chair of the City of Medford, By and Through its Board of Water Commissioners to Execute a Quitclaim Deed Releasing All Right and Title to, and Interest in, a Portion of the Easement Originally Recorded as Document No. 2017-000579 on December 6, 2017
- 5.5 Resolution No. 1987, A RESOLUTION Authorizing the General Manager to Execute an Agreement between the Board of Water Commissioners and the Laborers' International Union of North America, Local #737
- 5.6 Authorize the General Manager to Sign an Intergovernmental Agreement with the City of Ashland to Provide Assistance for Water Conservation Services

Motion: Approve the Consent Calendar.

Moved by: Mr. Anderson

Seconded by: Mr. Strosser

Roll Call: Commissioner Anderson, Dailey, Mylenek, Strosser, and Wright voting yes.

Motion carried and so ordered.

6. Items Removed from Consent Calendar
None.

7. Resolution No. 1988, A RESOLUTION Adopting, and Authorizing the General Manager to Execute the Comprehensive Financial Management Policy for the Board of Water Commissioners

The Comprehensive Financial Management Policy (CFMP) consolidates all financial policies of MW into a single document and is approved annually by the Board of Water Commissioners. MW management has reviewed and updated the CFMP with the following changes:

- I. FINANCIAL PLANNING POLICIES – Rate Stabilization Fund Target balance now references a range AND the initial funding date was removed
- II. OPERATING POLICIES – Updated to include Write-off Uncollectible Accounts
- III. FINANCIAL RATIOS AND KEY INDICATORS –Target balances now reference a range for the Water Fund and the Construction and Infrastructure Replacement Fund

These changes improve clarity and allow for more flexibility in long-term financial planning. The shift to ranges reflects board feedback and aims to better support rate stability and practical reserve management.

Commissioner Dailey emphasized the importance of clarity around when rate stabilization funds should be used. He recommended adding language to describe triggers for using or replenishing those funds, such as avoiding sharp rate swings. Commissioner Strosser noted the importance of maintaining adequate reserves to avoid deferring necessary system upgrades and infrastructure improvements.

Motion: Approve Resolution 1988.

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

Roll Call: Commissioner Anderson, Dailey, Mylenek, Strosser, and Wright voting yes.

Motion carried and so ordered.

8. Resolution No. 1989, A RESOLUTION, Awarding and Authorizing the General Manager to Execute a Contract in the Amount of \$3,283,059.00 with Emery & Sons Construction Group, LLC for the Construction of Barnett Pump Station

Capital & Special Projects Coordinator Andy Huffman is requesting Board approval to award a construction contract to Emery & Sons Construction Group, LLC, in the amount of \$3,283,059 for the Barnett Pump Station project, which will serve Zone 2 and support southeast Medford development. The project adds capacity and redundancy to the water system. Three bids were received, with Emery & Sons submitting the lowest. Huffman confirmed the bid was reviewed and found responsive; he noted that most work will be self-performed with only one subcontractor listed for the electrical. An easement for the site was secured through the developer, and the station will connect to a new 16-inch line on Lone Oak Drive.

Commissioner Mylenek inquired about the contractor's reliability and the bid's competitiveness. Huffman confirmed positive references and contractor qualifications. Commissioner Wright asked for clarification on the oversizing of the water line—from 12 inches to 16 inches—and whether the Commission covers the cost difference. Huffman confirmed that per Commission regulations, the developer is required to install a 12-inch line, and Medford Water will pay to upsize it to 16 inches.

Motion: Approve Resolution 1989.

Moved by: Mr. Dailey Seconded by: Mr. Strosser

Roll Call: Commissioner Anderson, Dailey, Mylenek, Strosser, and Wright voting yes.

Motion carried and so ordered.

9. Resolution No. 1990, A RESOLUTION Authorizing the General Manager to Execute a Contract Amendment with West Yost Associates in the Amount of \$231,476.00 for the Consulting Services for the Design of Zone 2 Pumping at Barnett Reservoir Contract

Capital & Special Projects Coordinator Andy Huffman for the Board to approve a contract amendment with West Yost Associates to provide construction support services for the Barnett Pump Station project. The amendment covers submittal review, response to RFIs, periodic mandated inspections, and support during commissioning and project closeout. The amendment adds \$231,476 to the existing contract, bringing the total for design and construction services to \$642,348, and the full contract value to \$1,067,048. Initial scope included planning and detailed design for southeast Medford's water infrastructure, and this amendment ensures continuity through the construction phase.

Motion: Approve Resolution 1990.

Moved by: Mr. Dailey Seconded by: Mr. Strosser

Roll Call: Commissioner Anderson, Dailey, Mylenek, Strosser, and Wright voting yes.

Motion carried and so ordered.

10. Resolution No. 1991, A RESOLUTION Awarding and Authorizing the General Manager to Execute a Small Utility Enterprise Agreement (SUEA) with ESRI for Geographic Information Systems (GIS) Software and Services for a 3-year, Not to Exceed Amount of \$109,560.00

IT Manager Kris Stitt presented a resolution to approve a three-year renewal of the ESRI Enterprise License Agreement for geographic information system (GIS) software and services. The agreement provides unlimited access to ESRI's software suite for internal users, along with technical support, training, and licensing flexibility. The total cost of the three-year contract is \$150,000 (\$50,000 per year), which was included in the approved IT budget. ESRI is an essential tool across departments, particularly for asset management, field operations, engineering, and customer service.

Commissioner Dailey asked where the data is stored and whether the system has ever been hacked. Stitt responded that the data is hosted in the cloud through ESRI's environment, which is considered secure. He stated that to his knowledge, ESRI has not experienced any breaches and that their cloud-hosted platform is compliant with industry security standards.

Motion: Approve Resolution 1991.

Moved by: Mr. Dailey Seconded by: Mr. Strosser

Roll Call: Commissioner Anderson, Dailey, Mylenek, Strosser, and Wright voting yes.

Motion carried and so ordered.

11. Workers' Compensation Renewal

Medford Water renews its Workers' Compensation insurance annually through Marsh McLennan Agency, with SAIF as the provider. For the 2025-2026 coverage year, the quoted premium is \$53,939.62, including a prepayment discount. The experience modification factor will increase from 0.66 to 0.85 due to higher payroll and claims. Medford Water remains eligible for potential dividends from SAIF, with the 2024 dividend totaling \$3,534. Medford Water participates in SAIF's non-disabling claim reimbursement program, receiving \$3,052.52 in 2024. The renewal premium fits within the current budget, with no assumptions made for future dividends.

Commissioner Mylenek inquired about the number of employees covered under the policy. Haakinson responded that 72 employees are currently covered. Commissioner Mylenek also asked whether SAIF offers safety training. It was confirmed that SAIF provides a wide range of training and consultation services, and Medford Water maintains an active Safety Committee and daily safety practices, particularly at the Service Center. Further questions included the premium amount for fiscal year 2024–2025, which was reported as \$39,088.11, and whether the experience modification rate had ever exceeded 1.0.

Haakinson confirmed that while it has approached that level in the past, reaching as high as 0.89, it has remained below 1.0 in recent years due to the organization's strong safety culture. Commissioner Mylenek also commented positively on the low number of claims filed in 2024—three in total—with two considered minor. This reflects the effectiveness of Medford Water's ongoing commitment to workplace safety.

12. Leadership Team Reports

- Kris Stitt, IT Manager
 - Phone System Update - Following the May 21st board update on the new phone system migration, staff has implemented a new feature based on Commissioner feedback. As of May 28th, customers now have the option to leave a message requesting a callback while in the Customer Service queue. These messages are actively monitored by staff via a shared mailbox to ensure timely responses.
- Julie Smitherman, Water Resources and Customer Service Manager
 - Customer Service and Billing Update - Following the May 21st Billing and Mailing Update discussion, Medford Water will continue the householding practice for larger customers with multiple accounts at one address, as sending individual envelopes (up to 60) is not feasible. Efforts are ongoing with the Post Office and InfoSend to address mailing delays. We continue to encourage larger customers to sign up for paperless billing, though some complications remain for these accounts due to the need to download multiple emails. Solutions are being explored to simplify paperless billing for large accounts. Since starting a paperless incentive program, registrations have increased by over 1,200 accounts, with autopay up by 717 and total registered users now at 11,142; paperless users have grown to 5,667. Priority mail was considered for large accounts, however, the flat fee of \$8.40 per envelope is only cost-effective for very large batches (60+ bills). The team is evaluating options to use priority mail selectively for some large accounts to improve delivery speed.
- Brian Runyen, Engineering Manager

An update was provided on a coordinated effort with Pacific Power regarding the purchase of a permanent easement across the southern portion of the Robert A. Duff Water Treatment Plant for a new 230 kV transmission line. The 62.5-foot-wide easement covers approximately 2.4 acres and will not interfere with current or future operations, including communications or SCADA equipment. Pacific Power offered \$12,502 per acre to both Medford Water and the City of Medford. In response, the two agencies collaborated to submit a joint counteroffer of \$33,750 per acre, based on comparable property values and standard easement valuation methods. The counteroffer was accepted, resulting in total compensation of approximately \$81,000. Legal review is complete, and final documents are in process. Runyen described the outcome as a win-win and noted that coordination with City staff helped streamline the process.

Commissioner Dailey asked whether the transmission line would provide a redundant power feed to the Duff WTP. Runyen responded that while the project does not offer a direct redundant feed, it is part of Pacific Power's broader plan to improve grid reliability in the region. He added that Duff is currently served by the Antelope Road substation and that Pacific Power is aware of Medford Water's interest in securing a future dedicated feed.
- Brad Taylor, General Manager
 - Upcoming Board Schedule - July 2, No Meeting; July 16, S. Stage Project – Bullis WQ Operations.
 - Taylor reported on his recent meeting with the City Manager, noting that discussions are underway to schedule another joint meeting between Medford Water and the City Council. The Board will be kept informed of progress. Also discussed was the recent Duff WTP and BBS Springs tour Taylor gave the City Manager and Assistant City Manager. As some City Council members have not yet participated in a tour, Medford Water has offered to host an additional visit to help increase their understanding of our operations.

13. Propositions and Remarks from the Commissioners

Commissioner Wright commented that he and Vice Chair Commissioner Anderson are scheduled to have lunch next week with the Mayor and City Council Liaisons.

14. Adjourn

There being no further business, this meeting adjourned at 1:28 p.m. The proceedings were recorded and are on file along with the complete agenda of this meeting.

A handwritten signature in cursive script, appearing to read "Amber Furu".

Amber Furu
Assistant Clerk of the Commission