



This meeting will be held in person, but you may attend virtually; see the instructions on page 2.

AGENDA

11:00 a.m. LUNCH

11:15 a.m. STUDY SESSION – Overview of SDCs and Revenue Requirements (Finance Manager Beau Belikoff and Shawn Koorn HDR Inc.) and Annual Budget vs Biennial Budget (Finance Manager Beau Belikoff)

12:15 p.m. BOARD MEETING

1. Roll Call

2. Pledge of Allegiance

3. Comments from the Audience

Comments will be limited to 4 minutes per individual, group, or organization; please state your name and organization (if applicable) when prompted.

4. Approval or Correction of the Minutes of the Last Regular Meeting of September 16, 2026

5. Wholesale Water Service Agreement Extensions for Partner Cities

6. Resolution No. 2044, A RESOLUTION, Awarding and Authorizing the General Manager to Execute a Contract in the Amount of \$231,762.00 with Pilot Rock Excavation, Inc for the Construction of East Main Street Water Main Repair Project

7. Resolution No. 2045, A RESOLUTION Authorizing the General Manager to Accept Grant Funds Exceeding \$150,000.00 from the Oregon Health Authority and to sign a contract with Business Oregon, which will Administer the Grant Funds

8. Leadership Team Reports

Leadership Team staff will be present and may provide information: Engineering Manager Brian Runyen, Water Operations Manager Dan Perkins, Finance Manager Beau Belikoff, Information Technology Manager Kris Stitt, Human Resources Manager Tanya Haakinson, Water Resources & Customer Service Manager Julie Smitherman, and General Manager Brad Taylor.

9. Propositions and Remarks from the Commissioners

10. Adjourn

DATES TO REMEMBER*					
DATE	DAY	TYPE OF MEETING	STUDY SESSION TIME & TOPIC	REGULAR MEETING	LOCATION
10/21/26	Wed	Board Meeting	Jackson County Bulk Water Sales Update and Update on Bulk Water Filling Station	12:15 p.m.	Prescott Room, Police Dept
11/4/26	Wed	Board Meeting	COSA	12:15 p.m.	Lausmann Annex, Room 151
11/18/26	Wed.	Board Meeting	COSA	12:15 p.m.	Lausmann Annex, Room 151
12/2/26	Wed	Board Meeting	TBD	12:15 p.m.	Prescott Room, Police Dept
12/16/26	Wed	Board Meeting	Annual Audit	12:15 p.m.	Prescott Room, Police Dept

*Meeting dates, times, and locations are subject to change.

INSTRUCTIONS FOR ATTENDING THIS MEETING VIRTUALLY



To join by computer, click the following link:

https://us02web.zoom.us/webinar/register/WN_npBw8JJuQMgijbUbNri2pg

Meeting passcode: 235174



To join by phone, call:

(669) 900-6833

Meeting ID Number: 845 8481 0392

Meeting passcode: 235174



Memorandum

TO: Commissioners Jason Anderson, David Wright, John Dailey, Bob Mylenek, and Brian Sjothun

FROM: Brad Taylor, General Manager

DATE: Wednesday, October 7, 2026

SUBJECT: Item 5 – Wholesale Water Agreement Extensions with Ashland, Central Point, Eagle Point, Jacksonville, Phoenix, and Talent (Partner Cities)

OBJECTIVE: Board Motion acknowledging receipt of Wholesale Water Agreement Extensions from Partner Cities

Issue

Medford Water's wholesale water agreements with Ashland, Central Point, Eagle Point, Jacksonville, Phoenix, and Talent (Partner Cities) expired October 1 of this year.

Discussion

In 2016, 5-year agreements were entered into with Partner Cities (Resolution 1614-Jacksonville, Talent, and Eagle Point, Resolution 1617-Central Point and Phoenix, and Resolution 1620-Ashland). By agreement these can be extended (at the request of the Partner Cities individually) for three additional five-year periods running through October of 2026, 2031, and 2036). Wholesale water agreements were extended with the Partner Cities in 2021 for an additional 5 years. Extensions shall be subject to the same terms and conditions as the original agreement.

The agreements are similar for each Partner City, differing in the scope of surplus water supply and service, million gallons per day limitations, and water rights/demand figures. Each of these extension agreements are attached with signatures from the respective Partner City. An example Partner City agreement from Central Point is also included as Exhibit A for reference.

Financial Impact

n/a

Requested Board Action

Staff is requesting a motion from the Board acknowledging receipt of extension requests from Ashland, Central Point, Eagle Point, Jacksonville, Phoenix, and Talent (Partner Cities) and for the General Manager to inform the Board of any needed changes in demand requirements under the agreements for the term of the agreement.



July 27, 2026

City of Ashland
Attn: Sabrina Cotta, City Manager
20 E. Main Street
Ashland, OR 97520

RE: Letter of Agreement to Extend "Wholesale Water Service Agreement"

Dear Ms. Cotta:

The current "Wholesale Water Service Agreement" between Medford Water Commission and the City of Ashland expires on October 1, 2026. If you would like to extend the Agreement another five years at current terms and conditions, please indicate your agreement by signing and dating below.

A copy of the existing 2016 "Wholesale Water Service Agreement" with the City of Ashland is attached for your reference.

The extended Agreement would expire on October 1, 2031. If you have any questions or concerns, please contact me at (541) 774-2443.

Sincerely,

Brad Taylor
General Manager

Sabrina Cotta, City of Ashland

7/1/2026
Date



July 27, 2026

City of Central Point
Attn: Tanea Browning, Mayor
140 S. Third St.
Central Point, OR 97502

RE: Letter of Agreement to Extend "Wholesale Water Service Agreement"

Dear Mayor Browning:

The current "Wholesale Water Service Agreement" between Medford Water Commission and the City of Central Point expires on October 1, 2026. If you would like to extend the Agreement another five years at current terms and conditions, please indicate your agreement by signing and dating below.

A copy of the existing "Wholesale Water Service Agreement" with the City of Central Point is attached for your reference.

The extended Agreement would expire on October 1, 2031. If you have any questions or concerns, please contact me at (541) 774-2443.

Sincerely,

A handwritten signature in blue ink, appearing to read "BT", is written over a horizontal line.

Brad Taylor
General Manager

Signed by:

Tanea Browning

C41C0CAA1698410...

Tanea Browning, City of Central Point

9/25/2026

Date



July 27, 2026

City of Eagle Point
Attn: Kathy Sell, Mayor
P.O. Box 779
Eagle Point, OR 97524

RE: Letter of Agreement to Extend "Wholesale Water Service Agreement"

Dear Mayor Sell:

The current "Wholesale Water Service Agreement" between Medford Water Commission and the City of Eagle Point expires on October 1, 2026. If you would like to extend the Agreement another five years at current terms and conditions, please indicate your agreement by signing and dating below.

A copy of the existing "Wholesale Water Service Agreement" with the City of Eagle Point is attached for your reference.

The extended Agreement would expire on October 1, 2031. If you have any questions or concerns, please contact me at (541) 774-2443.

Sincerely,

Brad Taylor
General Manager

Kathy Sell, City of Eagle Point

9/23/26
Date



July 27, 2026

City of Jacksonville
Attn: Donna Bowen, Mayor
P.O. Box 7
Jacksonville, OR 97530

RE: Letter of Agreement to Extend "Wholesale Water Service Agreement"

Dear Mayor Bowen:

The current "Wholesale Water Service Agreement" between Medford Water Commission and the City of Jacksonville expires on October 1, 2026. If you would like to extend the Agreement another five years at current terms and conditions, please indicate your agreement by signing and dating below.

A copy of the existing "Wholesale Water Service Agreement" with the City of Jacksonville is attached for your reference.

The extended Agreement would expire on October 1, 2031. If you have any questions or concerns, please contact me at (541) 774-2443.

Sincerely,

Brad Taylor
General Manager

Donna Bowen, City of Jacksonville

9-1-2026

Date



July 27, 2026

City of Phoenix
Attn: Al Muelfoefer, Mayor
P.O. Box 330
Phoenix, OR 97535

RE: Letter of Agreement to Extend "Wholesale Water Service Agreement"

Dear Mayor Muelhoefer:

The current "Wholesale Water Service Agreement" between Medford Water Commission and the City of Phoenix expires on October 1, 2026. If you would like to extend the Agreement another five years at current terms and conditions, please indicate your agreement by signing and dating below.

A copy of the existing "Wholesale Water Service Agreement" and the "Amendment to Wholesale Agreement" with the City of Phoenix is attached for your reference.

The extended Agreement would expire on October 1, 2031. If you have any questions or concerns, please contact me at (541) 774-2443.

Sincerely,

Brad Taylor
General Manager

Al Muelfoefer, City of Phoenix

9/21/26

Date



July 20, 2026

City of Talent
Attn: Darby Ayers-Flood, Mayor
P.O. Box 445
Talent, OR 97540

RE: Letter of Agreement to Extend "Wholesale Water Service Agreement"

Dear Mayor Ayers-Flood:

The current "Wholesale Water Service Agreement" between Medford Water Commission and the City of Talent expires on October 1, 2026. If you would like to extend the Agreement another five years at current terms and conditions, please indicate your agreement by signing and dating below.

A copy of the existing "Wholesale Water Service Agreement" with the City of Talent is attached for your reference.

The extended Agreement would expire on October 1, 2031. If you have any questions or concerns, please contact me at (541) 774-2443.

Sincerely,

Brad Taylor
General Manager

Darby Ayers-Flood, City of Talent

9/4/26
Date

WHOLESALE WATER SERVICE AGREEMENT

THIS WATER SERVICE AGREEMENT (Agreement), made and entered in duplicate to commence on the first day of October, **2016**, between the City of Central Point, a municipal corporation of the State of Oregon, acting as purchaser (Central Point), and the City of Medford, a municipal corporation of the State of Oregon, acting by and through its Board of Water Commissioners, acting as vendor (MWC), together referred to as the Parties.

RECITALS:

- 1) MWC is an entity established under the Home Rule Charter (Charter) adopted by the citizens of the City of Medford, comprised of five citizens appointed by the Mayor and confirmed by the City Council, to manage the Water Fund for the purpose of supplying inhabitants of the City of Medford with water; and
- 2) Under Section 19 of the Charter, the MWC is authorized to sell water and/or supply facilities outside the legal boundaries of the City of Medford, only if said water and/or supply facilities are surplus to the needs of the inhabitants of the City of Medford, and meet certain conditions of MWC Resolution No. 1058; and
- 3) Under the Charter, the MWC is authorized to set rates for City of Medford inhabitants, and to make all necessary rules and regulations for the sale, disposition and use of water and water service from the City of Medford water system, and the MWC has adopted such rules and regulations; and
- 4) Per the MWC's projections, reports and plans, the MWC finds it has surplus water and supply facilities capacity available in its system to serve Central Point; and
- 5) Central Point desires to purchase surplus treated and transported water from MWC from October through April, and purchase surplus supply facilities treatment and transport services for Central Point's own water appropriated under Central Point's own state-issued water rights from May through September;

NOW, THEREFORE, for and in consideration of the foregoing and of the mutual promises herein, the Parties mutually agree as follows:

AGREEMENT:

ARTICLE 1. SCOPE OF SURPLUS WATER SUPPLY AND SERVICE

Subject to Article 3 of this Agreement, MWC agrees to supply surplus water up to a combined (from all connections) maximum of **1833** gallons per minute (GPM) for the months of October through April, and surplus facilities capacity to treat and transport water up to a combined (from all connections) maximum of **4958** GPM for the months of May through September. Central Point agrees to provide sufficient water storage as part of its water system to assure that the maximum rate of withdrawal in GPM by Central Point is not exceeded with the following exceptions.

During the 5 year term of this agreement the following conditions will be complied with: The above flow rates will not be exceeded between the hours of 5 am and 11 am. During all other hours the maximum flow rate will not exceed 5700 gallons per minute (GPM) in the summer and 3255 gallons per minute (GPM) in the winter. Notwithstanding the foregoing, in the event this agreement is renewed in October 2021, the maximum flow rates specified in this article may be recalculated by MWC based on future total source supply and future 2020 maximum month demand percentages, and such flow rates will be required over an entire 24 hour period.

Upon written request by Central Point, this Agreement may be amended to provide supplemental supply and service to Central Point if MWC determines that it has surplus capacity for Central Point's use, and Central Point agrees to reimburse MWC the reasonable cost of providing such supplemental supply and service.

ARTICLE 2. CENTRAL POINT DISTRIBUTION SYSTEM EMERGENCY

Upon notice to MWC by Central Point of a distribution system emergency, MWC will use its best efforts to provide supplemental water supply or services during the emergency.

For purpose of this agreement, "distribution system emergency" means: Any human or natural caused event that disables or impairs the distribution system such that its use constitutes an immediate threat to human life or health.

ARTICLE 3. MWC CONNECTIONS

MWC owns and is responsible for the construction, extension, maintenance, and operation of the MWC system up to the point of and including the master Central Point meter(s). Central Point shall pay all costs of connections to the MWC system including initial metering, initial and ongoing backflow protection, and annual testing of the backflow device, all in accordance with MWC standards. MWC shall monthly read and annually test the master meter(s) and provide readings and test results to Central Point.

Central Point's water supply is provided by the following master meter(s) with backflow connections to MWC:

- 10" Turbine Meter on Beall Lane, Central Point, Oregon
- 10" Turbine Meter on Hopkins Road, Central Point, Oregon
- 10" Compact Fireline Meter on Vilas Road, Central Point, Oregon

Temporary emergency connections to MWC with prior approval can be provided at the following location(s):

N/A

The following special conditions concerning connections to MWC apply:

- MWC agrees Central Point may serve the Seven Oaks Interchange "Area of Mutual Planning Concern".

ARTICLE 4. MWC REGULATIONS

Water service under this Agreement shall be in accordance with Section 30 SURPLUS WATER and Section 31 PROVISIONS RELATING TO UTILITY AND MUNICIPAL CUSTOMERS of the MWC Regulations Governing Water Service (Regulations), as now in effect or as may be amended. If there is any inconsistency between this Agreement and the Regulations, the Regulations control. Notwithstanding the foregoing, nothing herein is intended to relieve MWC of its obligation to supply surplus water in accordance with the terms of this Agreement, except as dictated by Federal/State regulations outside the control of MWC. The Parties acknowledge that implementation of this Agreement and the Regulations are subject to federal or state directives.

MWC shall promptly provide Central Point a copy of any amendments to the Regulations.

ARTICLE 5. URBANIZATION POLICY

Central Point agrees to provide water and services to customers within Central Point city limits, or as otherwise approved by MWC in MWC Resolution No. 1058, as may be amended. Central Point may provide water and services outside of city limits, but within its urban growth boundary, provided that the property requesting service has signed an irrevocable consent to annex to Central Point, or as otherwise approved in writing by MWC. The current general water service map covering city limits and urban growth boundaries for Central Point is

attached to this Agreement as Exhibit A. Central Point shall promptly notify MWC and provide a revised map as city limits and urban growth boundaries are modified.

ARTICLE 6. MEETING FUTURE WATER DEMANDS

Water and water services provided by MWC under this Agreement are pursuant to water rights held by the MWC and Central Point. Nothing in this Agreement shall be construed to confer upon either party a legal or beneficial interest in each other's water rights, or to prevent either party from seeking additions or alterations to their water rights as deemed necessary.

Central Point shall acquire and maintain such water rights as needed to meet the demand within its service area during the months of May through September. Central Point may use the MWC intake facility, located at the intersection of Table Rock Road and the Rogue River in White City, as the designated point of diversion for Central Point water rights. MWC shall cooperate in the perfection of any Central Point water rights. Central Point currently holds water rights with a diversion point on the Rogue River at the MWC Intake Facility site at the rate of 4.176 cubic feet per second and/or volume of 1113.6 acre feet. Delivery of such Central Point water through MWC facilities shall be subject to the same terms and conditions as delivery of surplus MWC water. MWC shall measure and record at its Robert A. Duff Water Treatment Plant the amount of water withdrawn from the Rogue River by MWC and its municipal water service customers under each of their respective water rights. In its monthly water service invoice, MWC shall provide water use data for Central Point. Central Point shall provide MWC updated demand projections.

ARTICLE 7. SYSTEM DEVELOPMENT CHARGES

Pursuant to Resolution No. 774, MWC has established Water System Development Charges (SDCs) and supporting methodology to finance future MWC transmission and treatment facilities expansions. SDCs apply to all new customers, including customers of municipal wholesale customers served by MWC. Central Point shall collect SDCs set by MWC from new Central Point customers. MWC reviews the SDCs annually and reserves the right, in its sole discretion, to modify or replace the SDCs with a different financing mechanism for system improvements.

All SDCs collected by Central Point will be held in a separate account and forwarded to MWC along with an accounting of the number and sizes of the services installed. Central Point shall provide MWC with a copy of the section within the annual Central Point audit that shows accounting of MWC SDCs collected during the audited year. MWC shall, in turn, provide Central Point an annual accounting of all SDCs collected.

MWC utilizes a utility basis for determining the water usage rate it charges Central Point. Under this rate analysis, Central Point is required to pay a return on investment for its share of the facilities paid for by MWC. Facilities funded by SDCs shall not be included in the return on investment portion of the rate analysis.

MWC shall render technical assistance to Central Point in determining SDCs. MWC shall defend Central Point against any legal action or appeals which may arise over the development, methodology, or implementation of the SDCs. Central Point shall cooperate and support MWC in the defense, but shall not be obligated to incur any monetary obligation in such defense.

Upon termination of this Agreement, the following refund policy shall apply:

- (a) MWC shall return to Central Point its prorated share of the unexpended balance of the SDCs fund. This prorated share shall be based upon the actual unexpended SDCs collected by Central Point for the specific facilities funded by the SDCs, plus the interest earned.
- (b) MWC shall return to Central Point a prorated share of the depreciated plant value of the specific MWC facilities funded by the SDCs and already installed. The prorated share shall be a percentage based upon the total amount of SDCs paid by Central Point divided by the total SDCs collected and used to fund the facility, not including interest earned during the years in which the SDCs were collected.
- (c) In order to avoid a financial hardship, MWC shall develop a reasonable schedule of up to five (5) years for repayment of the depreciated value of the specific MWC facilities funded by the SDCs.
- (d) At the request of Central Point, the MWC shall provide an accounting of the refunds made pursuant to this section.

ARTICLE 8. PAYMENTS TO MWC

Central Point shall pay monthly for all water and services provided by MWC at MWC's scheduled wholesale rates then in place. Payment shall be made within ten (10) days after the meeting of the Central Point's Council following receipt by Central Point of a statement of charges from MWC.

MWC reserves the right, in its sole discretion, to change (with prior written notification of a rate study review) said rate at any time upon sixty (60) days written notice to Central Point, following rate procedures and protocols in the MWC Regulations.

ARTICLE 9. TERM OF AGREEMENT

This term of this Agreement shall be five (5) years from its commencement. Central Point may, at its option, extend the term for three additional five-year periods, which periods would run through October of **2026, 2031, and 2036** respectively. Extensions shall be subject to the same terms and conditions as this Agreement. Written notice of the election to exercise a five-year extension of this Agreement must be given to MWC not later than January 1st of the year in which the Agreement would otherwise expire. If Central Point fails to provide MWC such notice, this Agreement shall be deemed canceled at the end of the term then in effect. MWC shall continue service for a reasonable period, determined in MWC's sole discretion, to allow Central Point to secure other sources of water. Provided, however, Section 19 of the Charter of the City of Medford limits the term of water service contracts to 20 years and, therefore, the obligations of MWC under this Agreement, including renewal periods, shall not exceed that period of time.

ARTICLE 10. ASSIGNMENTS

Central Point shall make no assignment of this Agreement without written permission from MWC. Any approved assignee or successor shall agree to be bound by the terms and conditions of this Agreement.

ARTICLE 11. WATER CURTAILMENT PLAN

During periods of drought or emergency, Central Point shall be subject to the MWC Water Curtailment Plan, per MWC Resolution No. 1345, unless Central Point has in effect a state-approved and adopted Water Curtailment Plan at least as stringent as that of MWC. In the event of a conflict between the Central Point plan and the MWC plan, the MWC plan shall control. The MWC shall give Central Point as much advance warning as possible prior to curtailment of water supplies. The level of curtailment shall be determined by MWC based on the severity of the anticipated shortage. Central Point shall be responsible for enforcing the MWC curtailment plan or the above mentioned Central Point plan in its service area.

MWC will require and apply emergency curtailment of water use in an equitable, fair, and consistent manner consistent with Resolution 1345. Continued service during periods of emergency shall neither be construed as a waiver nor limitation of any kind on any water rights held by MWC, or a waiver or curtailment of any water rights held by Central Point, nor as affecting any other terms in this Agreement.

ARTICLE 12. ANNUAL WATER QUALITY REPORTING

MWC will gather annual water quality data and prepare informational reports as required under state Consumer Confidence Reporting (CCR) rules. These CCR reports will include water

quality information for MWC and all participating municipal water customers. Annual costs involved will be proportionally shared among participating municipal water customers and billed separately to each.

Statistical data necessary to create the CCR report for the prior year must be provided by Central Point to MWC no later than April 1st of each year. If bulk mailing is the primary distribution method utilized, Central Point shall also provide MWC with postal routes covering their respective service areas by April 1st of the delivery year. MWC reserves the right to utilize other approved delivery methods (e.g.; electronic), which may impact responsibilities for Central Point.

In the event that Central Point receives water into its system that is supplied by an entity other than MWC, the composite MWC report for that year will not include data for Central Point. Central Point shall be responsible for preparation of its own annual CCR, and MWC will provide MWC data by April 1st of the delivery year.

MWC maintains water quality test points throughout the MWC system and one specifically at the master meter location(s) of Central Point. These test points are used to collect water samples for meeting required state water quality parameters on a weekly, monthly, and annual basis. All information collected is of public record and is accessible through state or MWC databases. Responsibility for water quality is transferred to Central Point at the point of the master meter location(s), except where water quality problems are attributable to MWC.

ARTICLE 13. MUTUAL INDEMNITY

To the extent allowed by law, Central Point and MWC shall each defend, indemnify and hold the other, and their officers, employees, and agents harmless from any and all claims, suits, actions, or losses arising solely out of the acts and omissions of the Party's own officers, employees, or agents while acting under this agreement.

ARTICLE 14. PARTIAL INVALIDITY

If any term, covenant, condition, or provision of this Agreement is found by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in force and effect, and shall in no way be affected, impaired, or invalidated thereby.

ARTICLE 15. INTEGRATION

This Agreement represents the entire understanding of MWC and Central Point as to those matters contained herein. No prior oral or written understanding shall be of any force or effect

with respect to those matters covered herein. This Agreement may not be modified or altered except in writing signed by both parties.

ARTICLE 16. DEFAULT

For purposes of this Agreement “default” means failure to comply with any of the terms of this Agreement. If either party determines that a default has occurred, it shall provide the other party written notice of the default, which such party shall have thirty days in which (a) to cure the default, (b) show that the default is of such a nature that it cannot be reasonably cured within thirty days, or (c) show that no default occurred.

MWC and Central Point will work in good faith to amicably resolve the default. If after thirty days of the notice of default, MWC determines, in its sole discretion, that Central Point is unable or unwilling to cure the default within a reasonable time, MWC may impose escalating penalties as follows: (a) ten percent surcharge for a period of thirty days; (b) twenty percent surcharge for the next thirty days; and (c) termination of this Agreement. Such penalties are in addition to any other remedies at law or equity that may be available to MWC. Failure to issue notice of default or to enforce its remedies under this Article 16 shall not preclude MWC from taking such action for future defaults.

If after thirty days, Central Point determines, in its sole discretion, that MWC is unable or unwilling to cure the default within a reasonable time, Central Point may terminate this Agreement and pursue any other remedies at law or in equity that may be available to Central Point.

ARTICLE 17. FORCE MAJEURE

Neither party hereto shall be liable for delays in performance under this Agreement by reason of fires, floods, earthquakes, acts of God, wars, strikes, embargoes, necessary plant repairs or replacement of equipment, of any other cause whatsoever beyond the control of such party, whether similar or dissimilar to the causes herein enumerated. This clause does not include causes related to water supply and demand planning or failure to engage in such planning.

ARTICLE 18. DISPUTE RESOLUTION

If a dispute arises out of or relates to this contract, and if the dispute cannot be settled through negotiation, the parties agree first to try to settle the dispute by non-binding mediation before

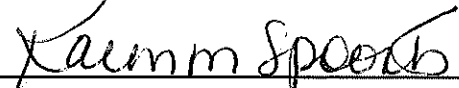
resorting to litigation or other process. The parties agree to share equally the costs of mediation.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their proper officers on the dates noted below.

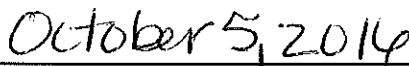
THE CITY OF MEDFORD
BY AND THROUGH ITS
BOARD OF WATER COMMISSIONERS



Leigh Johnson, Chair



Karen Spoonts, City Recorder



Date

THE CITY OF CENTRAL POINT



Mayor



City Recorder



Date



Memorandum

TO: Commissioners Jason Anderson, David Wright, John Dailey, Bob Mylenek, and Brian Sjothun

FROM: Brian Runyen, PE, Engineering Manager
Matthew Scott, PE, Staff Engineer

DATE: Wednesday, October 7, 2026

SUBJECT: Item 6.0 – Resolution 2044, Authorizing the General Manager to Execute a Construction Contract with Pilot Rock Excavation, Inc for the E Main Street Water Main Repair

OBJECTIVE: Board Approval

Issue

Staff seeks Board approval to award a contract to Pilot Rock Excavation for the construction of a new 12" water line to replace a leaking 12" 1909-era water main in East Main Street from approximately Eastwood Dr to S Keene Way Dr.

Discussion

An existing water main that runs in East Main Street was discovered to be leaking at a location between Eastwood Dr and S Keene Way Dr where the water main passes thru a small city parklet in the E Main St right-of-way. The water main is a 12" cast iron main built in 1909. Repairing the damaged section was determined to be impractical due to the presence of a mature sequoia tree situated directly above the main. Medford Water staff developed an in-house design for a new 12" water main approximately 400 feet in length to bypass and replace the section of leaking water line. This alignment both preserves the sequoia tree and relocates all the water main currently within the city parklet to within the E Main St roadway.

An Invitation to Bid was issued by Medford Water on September 1, 2026. Bids were received on September 23rd, 2026. Three responsive bids were obtained. A fourth bid was received from Visar Construction for \$253,458 (corrected to \$255,123 because of a calculation error on the bid form) but was considered nonresponsive as it was missing required signed forms.

The bid summary is as follows:

1. Pilot Rock Excavation - \$231,762
2. Knife River Materials - \$279,999
3. C&C Constructors - \$307,895
4. *(nonresponsive bid) Visar Construction - \$255,123*

The bid by Pilot Rock Excavation was determined to be the lowest responsive bid. A Notice of Intent to Award was issued to Pilot Rock Excavation, Inc on September 24, 2026.

Staff anticipate a Notice of Award to be issued upon Board approval, followed by Notice to Proceed once contracts are signed. Project substantial completion is scheduled for November 20, 2026, with final completion by December 4, 2026.

Financial Impact

Anticipated total project costs for this fiscal year (including this construction contract, Medford Water staff time and Medford crew time to make live connections to the existing mains and services) is approximately \$295,600.

Because this leak was unexpected and requires full pipeline replacement rather than repair, the project was not included in the current fiscal year's Capital Improvement Program (CIP) budget.

Costs will be accommodated within the overall CIP budget through expenditure variances from other CIP projects. Approximately \$270,000 in available variance has been identified from the Big Butte Springs Little Butte Creek Blowoff Valve Replacement Project, which was budgeted for construction this fiscal year but will now begin next fiscal year. The remaining \$25,000 will be managed through variances among other CIP projects.

Requested Board Action

Staff recommends approval of this resolution, Authorizing the General Manager to Execute a Construction Contract with Pilot Rock Excavation, Inc for the E Main Street Water Main Repair project in the amount of \$231,762.

RESOLUTION NO. 2044

A RESOLUTION, Awarding and Authorizing the General Manager to Execute a Contract in the Amount of \$231,762.00 with Pilot Rock Excavation, Inc for the Construction of East Main Street Water Main Repair Project

WHEREAS, Medford Water solicited bids for the East Main Street Water Main Repair Construction Project through an Invitation to Bid process; and

WHEREAS, a review determined that the bid from Pilot Rock Excavation, Inc in the amount of \$231,762.00 was the lowest responsive bid; and

WHEREAS, a Notice of Intent to Award was issued to Pilot Rock Excavation, Inc on September 24, 2026; and

WHEREAS, Pilot Rock Excavation, Inc is qualified and agreeable to render the services specified in the aforesaid Invitation to Bid; and

WHEREAS, the amount of the contract exceeds the General Manager's authority;

NOW, THEREFORE, 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 \$231,762.00 for the East Main Street Water Main Repair Construction Project is hereby awarded to Pilot Rock Excavation, Inc.

SECTION 2. That the General Manager is hereby authorized and directed to execute said contract, payments for said contract up to \$231,762.00, and any contract amendments not exceeding 25 percent of the original contract amount, on behalf of the Board of Water Commissioners. This authorization exceeds the authority of the General Manager as defined in Section 1.02 of Medford Water's Contracting & Purchasing Regulations.

PASSED at a regular meeting of the Board of Water Commissioners and signed by me in authentication of its passage this 7th day of October 2026.

ATTEST: _____
Amber Furu, Asst. Clerk of the Commission Jason Anderson, Chair



Memorandum

TO: Commissioners Jason Anderson, David Wright, John Dailey, Bob Mylenek and Brian Sjohtun

FROM: Julie Smitherman, Water Resources and Customer Service Manager

DATE: Wednesday, October 7, 2026

SUBJECT: Item 7.0 – Resolution 2045, Authorizing the General Manager to sign a contract to accept grant funds from Business Oregon for source water protection activities.

OBJECTIVE: Board Approval

Issue

Medford Water applied for grant funding from the Oregon Health Authority (OHA) to support regional and collaborative source water protection efforts and was awarded grant funding in the amount of \$175,000 which will be administered by Business Oregon. Per Medford Water's purchasing requirements, accepting this grant funding exceeds the General Manager's authority of \$150,000.

Discussion

This year, 2026, OHA added a pilot collaborative track to their Source Water Protection Grant Program to address the lack of capacity of small public water systems to implement source water protection measures and to strengthen regional source water protection collaboration. Medford Water will use these funds to support the implementation of source water protection efforts for small Public Water Systems (PWS) in the Rogue Basin while advancing our own source water protection priorities and strengthening and expanding the capabilities of the Rogue Drinking Water Partnership (RDWP). Key actions include outreach and engagement with both the public and small PWS operators, hazardous materials collection and disposal, spill response strategies, and the implementation of agriculture best management practices (BMPs) to improve water quality in Little Butte Creek; a tributary to the Rogue River. The work with small PWS and the RDWP will be accomplished through a contract with the Rogue River Watershed Council and the agricultural BMPs will be accomplished through our existing partnership and IGA with the Jackson Soil and Water Conservation District.

Financial Impact

All related expenses will be divided between this fiscal and next fiscal year's budget and charged under Source of Supply to project numbers SS-MW 27-111WM and SS-MW 28-111WM. Medford Water will be reimbursed for these costs approximately six weeks after submitting a reimbursement request to Business Oregon.

Requested Board Action

Staff recommends approval of Resolution 2045, authorizing the General Manager to accept grant funds exceeding \$150,000 from the Oregon Health Authority and to sign a contract with Business Oregon, who will administer the grant funds.



September 18, 2026

Medford Water Commission
Brad Taylor, General Manager
200 S. Ivy St. Room 177
Medford, OR 97501

RE: Award for Drinking Water Source Protection Fund, Rogue Drinking Water Partnership
Collaborative Source Water Protection, Project Number U27007, 9/14/2026

Dear Brad Taylor:

Congratulations on your successful application for the above-referenced project. Enclosed please find a summary showing the funding amount and special terms and conditions of the award. The financing contract will contain the full terms and conditions of your award and will be sent to you for proper signatures. **Contract documents need to be returned as soon as feasible, but no later than 60 days after the date of receipt from Business Oregon.** Please note that the legal obligations for funding and for reimbursement of project expenses are subject to execution of the contract.

The project must comply with all applicable state laws, regulations and procurement requirements. As a reminder, you must provide copies of all solicitations at least 10 days before advertising, and all draft contracts at least 10 days before signing.

We encourage you to offer appropriate media opportunities to help build public awareness of your project's purposes and benefits. Please notify us of any event celebrating your project. As always, we are available to answer questions that may arise during the implementation of your project. If you need assistance, please contact me at 503-798-6572 or by email at Andrea.Cole@biz.oregon.gov.

Sincerely,

Andrea Cole

Andrea Cole, Regional Project Manager
Business Oregon

c: Arlo Todd, Watershed Coordinator
Marta Tarantsey, Regional Development Officer
Adam DeSemple, OR Health Authority
Representative Kim Wallan
Senator Jeff Golden

RESOLUTION NO. 2045

A RESOLUTION Authorizing the General Manager to Accept Grant Funds Exceeding \$150,000.00 from the Oregon Health Authority and to Sign a Contract with Business Oregon, which will Administer the Grant Funds

WHEREAS, Medford Water applied for grant funding from the Oregon Health Authority to support regional and collaborative Source Water Protection efforts; and

WHEREAS, Medford Water was awarded grant funding in the amount of \$175,000.00 from the Oregon Health Authority; and

WHEREAS, Business Oregon serves as the administrative body for this grant program; and

WHEREAS, Medford Water will contract with the Rogue River Watershed Council to engage with small Public Water Systems in the region to help them identify and implement source water protection measures; and

WHEREAS, Medford Water will also contract with the Rogue River Watershed Council to convene, strengthen, and expand the capabilities of the Rogue Drinking Water Partnership and regional source water protection; and

WHEREAS, Medford Water will work with the Jackson Soil and Water Conservation District to implement agricultural best management practices to improve water quality in Little Butte Creek; a tributary to the Rogue River; and

WHEREAS, This grant funding fulfills Medford Water's goals outlined in the Source Water Protection Plan by supporting collaborative efforts to protect our watershed and source water, thereby safeguarding our high-quality drinking water;

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

SECTION 1. That Medford Water accepts grant funding from the Oregon Health Authority administered by Business Oregon.

SECTION 2. That the General Manager is hereby authorized and directed to execute the grant agreement up to \$175,000.00, and any contract amendments not exceeding the General Manager's purchasing authority on behalf of the Board of Water Commissioners. The agreements are on file in the Office of Medford Water Commission and by reference made a part hereof, is hereby approved. This authorization exceeds the authority of the General Manager as defined in Section 1.02 of the Contracting & Purchasing Regulations.

PASSED at a regular meeting of the Board of Water Commissioners and signed by me in authentication thereof this 7th day of October 2026.

ATTEST: _____

Amber Furu, Asst. Clerk of the Commission

Jason Anderson, Chair