

**EUGENE WATER & ELECTRIC BOARD  
EXECUTIVE SESSION  
EWEB BOARD ROOM  
500 EAST 4TH AVENUE  
APRIL 2, 2019  
4:45 P.M.**

**Commissioners Present:** Sonya Carlson, President; Steve Mital, Vice President; Dick Helgeson, Mindy Schlossberg and John Brown Commissioners.

**Others present:** Frank Lawson, General Manager; Mike McCann, Generation Manager; Lisa McLaughlin, Environmental Supervisor; Sue Fahey, Assistant General Manager/Chief Financial Officer; Lena Kostopulos, Chief Human Resources Officer; Matt Barton, Chief Information Officer, Susan Ackerman, Chief Energy Officer; and Anne Kah, Executive Assistant

**EXECUTIVE SESSION:**

The Executive Session was called to order at 4:45 p.m.

**Pursuant to ORS 192.660(2)(e)**

The EWEB Board of Commissioners met in Executive Session to conduct deliberations with persons designated by the governing body to negotiate real property transactions.

President Carlson adjourned the Executive Session meeting at 5:18 p.m.

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Assistant Secretary

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President

**EUGENE WATER & ELECTRIC BOARD  
REGULAR SESSION  
EWEB BOARD ROOM  
500 EAST 4TH AVENUE  
April 2, 2019  
5:30 P.M.**

*Commissioners may pose questions to staff prior to the scheduled board meeting. To view Commissioners' pre-meeting questions and staff responses, visit <http://www.eweb.org/about-us/board-of-commissioners/2019-board-agendas-and-minutes>.*

**Commissioners Present:** Sonya Carlson, President; Steve Mital, Vice President; John Brown, Dick Helgeson, Mindy Schlossberg, Commissioners

**Others Present:** Frank Lawson, General Manager; Matt Barton, Chief Information Officer; Sue Fahey, Assistant General Manager & Chief Financial Officer; Deborah Hart, Financial Services Manager; Joe Harwood, Communications Specialist; Anne Kah, Executive Assistant; Leslie Kidd, Interim General Accounting & Treasury Supervisor; Lena Kostopulos, Chief Human Resources Officer; John LaTourette, Line Supervisor; Jeanine Parisi, Customer Relationship Manager; Rod Price, Chief Electric Engineering & Operations Officer; José Wren, Customer Service Lead; Brad Jones and Keith Simovic of Moss Adams

President Carlson called the Regular Session to order at 5:30 p.m.

**Agenda Check**

There were no changes or additions to the agenda.

**Items from Board Members and General Manager**

- Commissioner Schlossberg announced she had attended the March 2019 meeting of the McKenzie Clearwater Coalition. She offered the main theme of that meeting was EWEB's upriver storm response. Commissioner Schlossberg let everyone at that meeting know EWEB was holding its upriver meeting early in the year (April 2019). She also said that she had met with Eugene Mayor Lucy Vinis, and Eugene City Councilor Claire Syrett on two separate occasions to discuss salient local climate change issues.
- Commissioner Helgeson reported that last month, he had attended a Northwest Public Power Association (NWPPA) meeting in Portland. He said that organization had a new manager, who would assume their role on May 1, 2019. Commissioner Helgeson said one of the salient topics at the last NWPPA meeting was a review of legislative activities, especially surrounding the Federal Energy Regulatory Commission (FERC), and the Federal Communications Commission (FCC) as those bodies acted on telecommunication equipment being built on utility infrastructure

- President Carlson announced she had attended the Legislative Day in Salem. She also announced she had met with Tyler Nice and a citizen concerned with resiliency, and they discussed having more metrics for tracking the utility's progress.
- Commissioner Brown said the first quarterly meeting of OPEB was held recently, although he was out of town and unable to attend. He offered that although he was technically a non-voting member of that body, he would have several questions regarding earning capacity. Commissioner Brown said he had seen on the news that Lane Electric was advertising for career opportunities, and he assumed EWEB also had similar career opportunities.
- Mr. Lawson said that he would be traveling to D.C. to discuss the FCC issues mentioned by Commissioner Helgeson with delegates in the Capitol.

### **Public Input**

**Sonny Gabbard** of Vida said that he was a new EWEB customer since June, 2018. He expressed frustration at the requirement he pay a \$320 fee to EWEB in lieu of using his Social Security number as identification. Mr. Gabbard also said it would be a good idea for the utility to offer incentives to customers who remove their trees that are growing under power lines.

**Ken Gripp** of Walterville, asked the Board, and the utility at large, why his energy bill was exactly the same, even though Walterville was without power for eight days.

**Katie Glenn** of the upriver community listed all the recent power outages her community had experienced. She was frustrated that despite all the outages, her power bill was still the same. Ms. Glenn was perturbed that, although the area in which she resides provides all of EWEB water, they seem to be low-priority when it comes to power restoration.

**Norm Carter** of the upriver community provided testimony about a number of issues he has had with EWEB over the years. He said he was tired of paying taxes for an EWEB drain field on his property.

**Tim Laue** of Blue River thanked EWEB for their attention to the McKenzie River Valley over the years. He asked EWEB for help to fund the survival of the Leaburg Fish Hatchery. He offered that area's main source of revenue was tourism, and if the Fish Hatchery were to cease to exist, it would have a devastating impact on the McKenzie River Valley.

**Victor Odlivak** of Eugene read the highlights of two letters—one from a Eugene resident, and one from a resident of Kentucky—about the dangers of 5G. He said that 3% of Eugene's population would be adversely affected by smart meter technology. He gave copies of the two letters from which he read excerpts to the Board.

**Scott Rohter** of Eugene thanked EWEB for the snowstorm cleanup and subsequent power restoration. He said that although EWEB's electricity delivery was safe, it was not reliable because the utility refused to stop merely pruning trees affecting their infrastructure, in favor of cutting the trees down altogether.

President Carlson offered that EWEB was not in the business of installing telecommunications infrastructure, instead, the utility rented space on existing utility infrastructure to telecommunications companies for their infrastructure, as long as certain criteria is met, including worker safety and proper permitting. She said the reason many upriver energy bills were the same despite many days of outages, was because when meter readers cannot get to a meter on a property, that property's energy bill was estimated. Finally, President Carlson encouraged attendance at EWEB's upriver meeting, being held later in the month.

Commissioner Brown thanked Mr. Gabbard for becoming a new EWEB ratepayer. He assured him someone from the Utility would contact him about his concerns. Commissioner Brown expressed frustration at the demise of the Leaburg Fish Hatchery; he said he hoped someone would address this salient upriver issue.

Commissioner Helgeson said EWEB was limited in what it could do with trees that were not in the right-of-way, or any EWEB easement. He said he would like some background information from staff on the issues effecting the Leaburg Fish Hatchery.

Vice President Mital said he would like to follow up on the Social Security number issue raised by Mr. Gabbard in his testimony.

Mr. Lawson offered the EWEB Board could direct staff to be more aggressive with tree trimming than what is set out by Federal mandate.

## **Approval of Consent Calendar**

### **MINUTES**

1. a. March 5, 2019 Executive Session #1
- b. March 5, 2019 Executive Session #2
- c. March 5, 2019 Regular Session

### **CONTRACTS**

2. **CH2M Hill Engineers, Inc. dba Jacobs** – for engineering, design, and related services for the Carmen-Smith Fish Passage Facilities. \$10,000,000.
3. **H&J Construction, Inc.** – to perform the Willamette Street Water Main Replacement. \$900,000.
4. **Michels Corporation** – for the construction of Holden Creek Substation Transformer Addition. \$215,000.

5. **Pacific Excavation, Inc.** – for construction services at EWEB’s Carmen-Smith Hydro Project. \$238,000.
6. **Wildish Construction, Co.** – to perform the Villard Street Water Main Replacement. \$180,000.

#### **INTERGOVERNMENTAL AGREEMENT**

7. **Bonneville Power Administration (BPA)** – for Transmission Operator (TOP) Services. \$1,900,000 (over five years).

#### **RESOLUTION**

8. **Resolution No. 1910**, Appointment of Board Liaison to City of Eugene for climate related matters.

***Commissioner Brown moved to approve the Consent Calendar without Item 7. The motion passed unanimously 5:0.***

#### **Items Removed From Consent Calendar**

Vice President Mital pulled Item 7, Bonneville Power Administration (BPA) for Transmission Operator Services, from the Consent Calendar. He said he did not feel like he had enough information to determine whether or not EWEB was on a path to the efficiencies he was looking for.

Mr. Price responded that the contract in question was requirement-driven and part of the Utility’s North American Electric Reliability Corporation (NERC) regulatory requirements. He said the designation of Transmission Operator (TOP) regulates how a utility’s systems operate, and ensures they are consistent in viable control of their systems, and analysis of said systems. Mr. Price said that EWEB’s systems were configured in such a way, that they were considered a Transmission Operator. He also pointed out that currently, EWEB does not have a staff that is dedicated to NERC compliance. There are approximately 30 things that EWEB is registered to be compliant with and about 20 people in the Electric Division are responsible for various aspects of those registrations. Those staff spend around 10-15% of their time, per year, doing that work.

Mr. Barton said the EWEB IT Department spent between five and seven FTE on just the compliance part of the NERC requirement.

Mr. Price said EWEB was contracting with BPA to handle the registration work.

Vice President Mital wondered about options to manage compliance issues.

Mr. Lawson stated that EWEB was in a position size-wise, which NERC classifies as a Transmission Operator. He also offered that since EWEB did not just feed load, but there were actual electrons passing through their system, NERC gave the utility the Transmission Operator designation.

President Carlson asked if the compliance aspect of TOP were handed off to BPA, and BPA somehow lapsed in their reporting, would it fall back on EWEB.

Mr. Price said BPA had a staff of 12 people dedicated to TOP services, and they were bound to compliance. He added that if there were any compliance violations, EWEB would be accountable.

President Carlson asked if there were any clauses in the contract which would hold BPA responsible.

Mr. Price said yes. He also said if there was a compliance failure that was BPA's fault, they would take responsibility for it.

President Carlson asked if this switch in any way put EWEB in a worse negotiating position.

Mr. Price answered no.

***Vice President Mital moved to approve Consent Calendar Item 7. The motion passed unanimously 5:0.***

#### **2018 Year-End Audited Financial Statements and Management Letter**

Ms. Fahey, Ms. Hart, Ms. Kidd, and Mr. Jones and Mr. Simovic of Moss Adams offered the Board a report and Power Point presentation on 2018 year-end financial statements.

Commissioner Brown pointed out the single deviation from the threshold on the Water side of the Utility occurring due to the Capital Water Improvement Plan (CWIP) not closing a work order soon enough, and he wondered what that threshold was.

Mr. Jones responded there was typically a 60-day window between the finalization of a work order and that work order's accounting, and to Commissioner Brown's question, there was a work order with a recorded completion date of August 2018, that was still open as of December 31, 2018.

Commissioner Schlossberg wondered about the risks from last year highlighted in the full audit.

Mr. Simovic offered that at the beginning of the audit, Moss Adams gives an initial presentation to the Board to highlight critical areas in the full audit process, and how they plan to address them. He clarified those initial critical areas were not communicated by letter, but they were included in the initial presentation exclusively.

President Carlson asked if the previous year's recommendations were reviewed in this year's audit.

Mr. Simovic said that was correct.

Commissioner Helgeson asked what steps the Utility could take to ensure it continues to operate smoothly and efficiently from a financial standpoint.

Mr. Simovic asserted that over time, EWEB has continued to constantly improve financial practice-wise. He added EWEB had moved up the continuum and if the Utility kept the strong controls it had developed in place, and continued to follow (and set) financial best practices, EWEB would continue to excel.

President Carlson wondered why management passed on making the adjustment.

Ms. Fahey replied the only thing that would have an effect on EWEB's financial income statements was a little bit of depreciation that would have happened between September and December of 2018 on the \$223,000 water item.

### **Break**

President Carlson called for a break at 6:53 p.m. The meeting resumed at 7:05 p.m.

### **Snow Storm Response & Restoration**

Mr. Price, Mr. LaTourette, Mr. Harwood, and Mr. Wren offered the Board a report and PowerPoint presentation on snow storm response and restoration.

Commissioner Schlossberg thanked staff for their hard work and dedication to get power restored after the February 2019 snow storm. She wondered—with system-wide AMI rollout—how much further along would the Utility be if this type of storm were to happen again next year.

Mr. LaTourette said there would need to be more advanced meters installed in EWEB's power territory in order for them to relay helpful data to the utility in the event of storm outages.

Commissioner Schlossberg wondered if EWEB employed prerecorded outage messages during storm outages.

Mr. Harwood offered that once a ratepayer reports an outage, they can opt in to status update callbacks or text messages. He also said that EWEB compensated by pushing out information on digital channels.

Commissioner Schlossberg wondered if other utilities were working on resiliency, and also if EWEB was working with other utility providers on shared resiliency.

Mr. Price replied there was resiliency work between agencies and entities in the area.

Commissioner Brown thanked staff for their work on the restoration. He said that EWEB experienced roughly the same number of outages as the previous Valley ice storm, but had half as many line crews in the field; he wondered why that was.

Mr. Price responded there were more crews available during the aforementioned ice storm due to the localized nature of the event. He added that if there had been more crews out during the snow storm of 2019, some of them would have been sitting idle due to EWEB's process for sending crews on specific work calls.

Vice President Mital observed that although there seemed to be plenty of public sympathy for the linemen out working in the adverse weather, the staff working the phone lines during storm events do not seem to garner the same types of feelings from ratepayers as do the line crews.

Mr. Wren appreciated Vice President Mital's recognition of that discrepancy. He said that he had experienced deep appreciation from ratepayers for EWEB staff working phone lines through storm events.

Commissioner Helgeson offered he was out of power for five days during the snow storm, and that he really did not get a lot of useful information from the outage map.

Mr. Price said the outage map used for this storm event was a new version, and EWEB staff would take what they had learned about it during the 2019 snow storm to improve upon it.

President Carlson opined it would be a good idea to proactively move critical staff closer to the storm response before a weather event, instead of trying to get them closer after the foul weather had set in. She added that she was happy with the outage map, but, like Vice President Mital pointed out earlier, she also thought it would be a good idea for that map to also display restorations as they occurred. Finally, President Carlson wondered if text messages to the Utility decreased in this last storm event due to the outage map.

Mr. Harwood said the number of texts and the number of phone calls to EWEB during storm restoration efforts were down. He said he thought it was because more ratepayers were looking at the outage map.

President Carlson wondered if a post-storm ratepayer survey would be a good idea.

Mr. Price said he believed it would be a good idea.

### **Annual Compensation Review for General Manager**

President Carlson offered that in preparation for this agenda item, she had asked the question: What was the Exceptional rate of compensation for a member of the organization's staff who performed their duties with excellence?



Ms. Kostopulos answered that when someone's performance was considered overall "fully skilled," they would generally be compensated between 95-105% of market midpoint, although those are not discrete bookends. The exceptional rating would be above roughly 105% of range midpoint. She went on to point out that there is no range midpoint for the General Manager's salary, there is only the mean.

Commissioner Helgeson asked if EWEB was consistently in the practice of removing the high and low salary ranges (from comparators) when reporting salaries.

Ms. Kostopulos replied the practice had been to report without the high and the low consistently, but the Board has used the full comparator group in the past.

Commissioner Helgeson referenced a mention of the NWPPA's new survey, and wondered if that meant EWEB might be migrating off of the Milliman in future years.

Ms. Kostopulos said it did seem that way. NWPPA members wanted more detail than what has been included in the Milliman report. As such, NWPPA has commissioned a survey specific to General Manager compensation practices. The new survey is constructed more appropriately for executive level salary and will contain greater detail. The Milliman survey is very general; even though there is a line item called additional compensation, it is impossible to tell if the additional compensation figure is included in the total compensation reported. Therefore, the NWPPA survey could reveal that the additional compensation is really over and above the reported base rate from Milliman that has been used.

Vice President Mital referred to the backgrounder from which he concluded that a 4.6% salary increase would keep the General Manager's salary at approximately the middle of the pack, with an eleven month lag. Based on the results of the performance review, he suggested the General Manager's salary be increased by 5%, which is slightly above that.

Commissioner Helgeson asked that a subcommittee of the Board monitor the results of the NWPPA survey and engage with staff to understand the comparators moving forward and then make a recommendation to the full Board around how to manage that.

Ms. Kostopulos indicated that staff will be able to provide a comparison of the Milliman and NWPPA surveys later this year and provide the information to the Board. This will give the Board time to contemplate if there is anything they want to address.

***Vice President Mital moved to increase the General Manager's salary by 5%. The motion passed unanimously 5:0.***

### **Correspondence and Board Agendas**

Mr. Lawson offered the Board a report on Correspondence and Board Agendas.

Vice President Mital asked if there existed cross-subsidies that favored the Downtown Network. He expressed concern about getting further into that cross-subsidy.

Mr. Lawson said the downtown customers do pay the same rate, but it's more expensive to hook up to the Downtown Network from an infrastructure standpoint.

Ms. Parisi offered they were trying to level the playing field as per customer hookup cost to the Downtown Network.

Commissioner Brown asked, since the University of Oregon was effectively paying less for power (due to some self-generation), did that not equal UO's power being subsidized by the EWEB ratepayers.

Mr. Lawson replied that was incorrect. He said UO's rate was based on cost recovery for the additional revenue.

Vice President Mital wondered if EWEB would be better served spreading available monies from the Business Growth and Retention program to improve the utility's response rate for everyone, instead of what seems like just a select few.

Mr. Lawson said a more relevant comparison was electrification and incentives. He pointed out the fundamental difference between process-based discussions, and incentive-based discussions.

### **Board Wrap Up**

None.

### **Adjourn**

President Carlson adjourned the meeting at 8:34 p.m.

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Assistant Secretary

President

## **EWEB Board Consent Calendar Request**

*For Contract Awards, Renewals, and Increases*

The Board is being asked to approve a Contract with **Historical Research Associates** for cultural resource studies and technical support for Carmen-Smith.

Board Meeting Date: 5/7/2019

Project Name/Contract #: Cultural Resource Studies and Technical Support for Carmen-Smith/011-2019

Primary Contact: Susan Ackerman Ext.7185

### **Contract Amount:**

Original Contract Amount: \$250,000

Additional \$ Previously Approved: \$0

Invoices over last approval: \$0

Percentage over last approval: 0%

Amount this Request: \$250,000

**Resulting Cumulative Total:** \$250,000

### **Contracting Method:**

Method of Solicitation: Request for Proposals

If applicable, basis for exemption:

Term of Agreement: Five years

Option to Renew? No

Approval for purchases "as needed" for the life of the Contract Yes  No

Proposals/Bids Received (Range): 5 - Range not applicable (QBS process)

Selection Basis: Awarded based on evaluation criteria defined in the RFP

Narrative:

#### Operational Requirement and Alignment with Strategic Plan

Managing EWEB-owned and managed properties associated with the Carmen Smith Hydroelectric Project in compliance with FERC License requirements directly aligns with the Strategic Plan initiatives related to cost improvement and safe and reliable delivery of services.

#### Contracted Goods or Services

This firm will provide technical consulting services that support protection of cultural resources as required in the Carmen-Smith Historic Properties Management Plan (HPMP), Manual for Built Resources, and FERC license for the Project, including performing cultural surveys and site monitoring, developing technical studies and reports, and providing recommendations related to cultural resource protection.

#### Prior Contract Activities

\$58,680 Contract for Historic and Cultural Services for Leaburg/Waltermville Project (Performed satisfactorily)

#### Purchasing Process

EWEB issued RFP 011-2019 in February 2019. The RFP responses were opened in March and reviewed by staff. Bidders were required to demonstrate relevant experience in cultural resource services, archaeological field investigations and history preservation. Five (5) responses were received and evaluated by staff. Responses were received from the firms shown below. **Historical Research Associates** was determined to be the most qualified and responsive bid.

Bidder/Proposer Information

AECOM  
Archaeological Investigations Northwest, Inc.  
Heritage Research Associates, Inc  
Historical Research Associates, Inc.  
Logan Simpson

Bidder/Proposer Location

Portland, OR  
Portland, OR  
Eugene, OR  
Eugene, OR  
Eugene, OR

Competitive Fair Price (If less than 3 responses received)

N/A

**ACTION REQUESTED:**

Management requests the Board approve a Contract with Historical Research Associates for Cultural Resource Studies and Technical Support for Carmen-Smith. Approximately \$170,000 was planned for these goods or services in the Carmen Smith License Deployment 2019 budget of \$15 Million. Variances will be managed within the budget process and Board policy.

## **EWEB Board Consent Calendar Request**

*For Task Order Approval*

The Board is being asked to approve engineering services Task Orders U-1 for the Carmen-Smith Upstream Fish Passage Facilities at Trail Bridge Powerhouse and D-1 for the Carmen-Smith Downstream Fish Passage Facilities at the Trail Bridge Spillway with Jacobs.

Board Meeting Date: 5/7/2019

Project Name/Contract: Task Order U-1 and Task Order D-1, Carmen-Smith Fish Passage Facilities/ #080-2018

Primary Contact: Susan Ackerman Ext. 7185

### **Contract Amount:**

Original Contract Amount: \$10,000,000

Task Orders Previously Approved: \$0

Task Order Amount this Request:

U-1 Upstream Fish Passage Facilities: \$51,307

D-1 Downstream Fish Passage Facilities: \$278,778

Invoices over last approval: \$0

Percentage over last approval: 0%

**Resulting Cumulative Task Order Total: \$330,085**

### **Contracting Method:**

The Board approved the Master Services Agreement (080-2018) for the Carmen-Smith Fish Passage Facilities with Jacobs on April 02, 2019. At that time, Management indicated that individually negotiated Task Orders would be separately approved by the Board. Management proposes that only Task Orders above \$150,000 will come to the Board for approval in the future. Task Order U1 has been included in these materials to provide a more complete set of information on the initial set of engineering work being requested for approval.

### Operational Requirement and Alignment with Strategic Plan

Both Task Orders, and the associated Master Services Agreement are in preparation for the new operating license for the Carmen-Smith Project, and are based on the *Settlement Agreement* that was executed in November 2016. The Settlement Agreement requires EWEB to submit separate plans and schedules for upstream fish passage and downstream fish passage within six months of license issuance. The new license remains in final review by FERC, and has yet to be issued.

### Contracted Goods or Services

Task Order U-1: This Task Order completes the evaluation and selection of a final Attraction Water Supply alternative for upstream fish passage facilities at Trail Bridge Powerhouse. Completion of Task Order U-1 will establish the basis of final design services to be performed under subsequent Task Orders.

Task Order D-1: This Task Order performs evaluations and selection of a final alternative for gate and spillway modifications at Trail Bridge Powerhouse. Completion of Task Order D-1 will establish the basis of final design services to be performed under subsequent Task Orders.

Billing rates match the rates negotiated as part of the Master Agreement and acceptable insurance certificates have been received.

### Purchasing Process

In December 2018, in accordance with Oregon public procurement rules, EWEB initiated a Request for Proposals (RFP) using the Qualifications Based Selection (QBS) process for engineering services for upstream and downstream fish passage. The QBS process culminated with selection of Jacobs as the most qualified consultant.

Individual Task Orders awarded under this contract will be presented to the Board for approval.

**ACTION REQUESTED:**

Management requests the Board approve the proposed threshold of \$150,000 for approval of Task Orders and for the Board to approve Task Order U-1 and D-1. Approximately \$895,000 was planned for these goods or services in the Carmen-Smith License Deployment Department in the Energy Division 2019 budget of \$15 million. Variances will be managed within the budget process and Board policy.

## **EWEB Board Consent Calendar Request**

*For Contract Awards, Renewals, and Increases*

The Board is being asked to approve a contract with Northbank Civil and Marine, Inc. of Vancouver, WA for construction services at the Carmen-Smith Project.

Board Meeting Date: 5/7/2019

Project Name/Contract #: 015-2019 Smith Intake Gate & Hoist Refurbishment

Primary Contact: Susan Ackerman Ext. 7185

### **Contract Amount:**

Original Contract Amount: \$435,460

Additional \$ Previously Approved: \$0

Invoices over last approval: \$0

Percentage over last approval: 0%

Amount this Request: \$435,460

**Resulting Cumulative Total: \$435,460**

### **Contracting Method:**

Method of Solicitation: Formal Invitation to Bid

If applicable, basis for exemption: N/A

Term of Agreement: One Time Purchase (Construction and Installation Services)

Option to Renew? No

Approval for purchases "as needed" for the life of the Contract Yes  No

Proposals/Bids Received (Range): 2 - \$397,700 and \$546,064

Selection Basis: Lowest Responsible and Responsive Bidder

### **Narrative:**

#### Operational Requirement and Alignment with Strategic Plan

The Smith Intake gate and hoist system was installed in 1963 and functions as an isolation and emergency closure device for the Smith Power Tunnel and Carmen Penstock. Inspections have indicated that equipment has degraded from exposure to extreme weather and must be replaced or overhauled in order to operate reliably for another 40 years. Optional Bid Item 101 has been selected as the price is considered acceptable for the design and replacement of a fan brake which is a critical piece of equipment in the event of a brake failure. Additional Optional Bid Items will be considered based on further investigation during hoist disassembly. The designs, labor, parts, and materials to be procured with this contract are necessary for continued reliable protection and servicing of the Carmen-Smith tunnel and penstock.

#### Contracted Goods or Services

Overall project objectives are to remove machinery and equipment, refurbishment, purchase new equipment, painting, installing, and testing.

#### Prior Contract Activities

None

#### Purchasing Process

Staff issued a formal Invitation to Bid on March 11, 2019. The bid was posted on the bid site for the state of Oregon (ORPIN), as well as advertised in the Portland Daily Journal of Commerce. Four (4) companies attended the mandatory pre-bid meeting. There were a good deal of questions from perspective contractors that were responded to via the addenda process.

Two bids were received from Northbank Civil and Marine of Vancouver, WA and Knight Construction of Deer Park, WA. Northbank Civil and Marine submitted the lowest bid and was found to be Responsive and Responsible. If approved, Northbank Civil and Marine will provide construction services, as specified in the solicitation documents.

Competitive Fair Price (If less than 3 responses received)

A third construction company, Alltech Engineering of Mendota Heights, Minnesota, had intended to submit a bid, but realized that they would not be able to acquire an Oregon CCB license in time to submit.

**ACTION REQUESTED:**

Management requests the Board approve a contract with Northbank Civil and Marine of Vancouver, WA for construction services. Funds for the purchase were budgeted for in 2019 and are expected to be budgeted in 2020 for a total of \$450,000. The total Carmen-Smith Relicensing Type 3 budget for 2019 is \$14.98 million.



## **EWEB Board Consent Calendar Request**

*For Contract Awards, Renewals, and Increases*

The Board is being asked to approve a Price Agreement with Oldcastle for the purchase of precast concrete vault products.

Board Meeting Date: 5/7/2019

Project Name/Contract #: Precast Vaults, Lids, and Risers / ITB 027-2019

Primary Contact: Rod Price Ext. 7122

### **Contract Amount:**

Original Contract Amount: \$500,000 over five years

Additional \$ Previously Approved: \$0

Invoices over last approval: \$0

Percentage over last approval: 0%

Amount this Request: \$500,000 over five years

**Resulting Cumulative Total:** \$500,000 over five years

### **Contracting Method:**

Method of Solicitation: Formal Invitation to Bid

If applicable, basis for exemption: n/a

Term of Agreement: 5 Years

Option to Renew? Yes

Approval for purchases "as needed" for the life of the Contract Yes  No

Proposals/Bids Received (Range): 1 bid received: \$488,398.00 over five years

Selection Basis: Lowest responsive and responsible bidder

Narrative:

### Operational Requirement and Alignment with Strategic Plan

Precast concrete vaults, lids, and riser sections are installed outdoors in the ground for EWEB electric and water conductor and equipment.

### Contracted Goods or Services

Various sized vaults, lids, and risers to house both electric and water equipment.

### Prior Contract Activities

The previous (current) contract for precast concrete vault products with Oldcastle was approved in 2014. The Contractor has been responsive to all needs and no performance concerns were recorded.

### Purchasing Process

A formal Invitation to Bid was posted to ORPIN in April 2019. This solicitation was posted for 14 days and was viewed by 13 companies. No protests were received though only a single bid was delivered. Oldcastle provided the only bid and is the incumbent provider.

### Bidder/Proposer Information

Oldcastle

### Bidder/Proposer Location

Wilsonville, OR

### Competitive Fair Price (If less than 3 responses received)

Staff compared the unit pricing provided by Oldcastle for the top two most high-use items in the contract and found that Oldcastle's pricing was up to 40-50% less than other vendor pricing. Barriers to receiving competitive pricing from alternative bidders include engineering design, production of forms that meet EWEB specifications, and shipping costs.

**ACTION REQUESTED:**

Management requests the Board approve a Price Agreement with Oldcastle for precast concrete vaults, lids, and risers. Approximately \$100,000 annually was planned for these goods or services in the in the Electric Division 2019 type 1 and 2 budget of \$22.04 million. Variances will be managed within the budget process and Board policy.

## **EWEB Board Consent Calendar Request**

*For Contract Awards, Renewals, and Increases*

The Board is being asked to approve additional funds for engineering services provided by **Schnabel Engineering**.

Board Meeting Date: May 7, 2019

Project Name/Contract#: Safety Inspection Report for Carmen-Smith

Primary Contact: Susan Ackerman Ext. 7185

### **Contract Amount:**

Original Contract Amount: \$ 155,000

Additional \$ Previously Approved: \$ 0

Invoices over last approval: \$ 0

Percentage over last approval: 25.8 %

Amount this Request: \$ 40,000

**Resulting Cumulative Total:** \$ 195,000

### **Contracting Method:**

Method of Solicitation: Informal Request for Proposal

If applicable, basis for exemption: N/A

Term of Agreement: 3/19/2018 – 12/31/2019

Option to Renew? No

Approval for purchases "as needed" for the life of the contract No

Proposals/Bids Received (Range): N/A

Selection Basis: N/A

### **Narrative:**

#### Operational Requirement and Alignment with Strategic Plan

The Board is being asked to approve an amendment to a current contract with **Schnabel Engineering** of Seattle, Washington for the purchase of Engineering Services. EWEB hired Schnabel Engineering in early 2018 to perform the 11<sup>th</sup> Independent Consultant Dam Safety Inspection Report for the Carmen-Smith Project. EWEB is required by the FERC to hire an Independent Consultant (IC) to complete a full dam safety review on a five (5) year interval. Schnabel's work under the original scope of work, which is nearing completion, showed that the existing stability analyses for the Smith Dam and Trail Bridge Dam do not meet current standards of practice and need to be updated immediately to remain acceptable to the FERC. Schnabel's recent review of the Smith and Trail Bridge facilities has them poised to perform the necessary analysis update in a time efficient and cost effective manner.

#### Contracted Goods or Services

Under the scope of this amendment, Schnabel will re-analyze the spillway structures in accordance with current FERC guidelines. Their analysis will include spillway stability during normal operations, Probable Maximum Flood conditions, intermediate flood conditions, and post-earthquake conditions.

#### Purchasing Process

In November, 2017 staff issued an informal Request for Proposals (RFP). Three companies reviewed the solicitation. EWEB received two proposals from Schnabel Engineering of Seattle, Washington and Gannett Fleming of Phoenix, Arizona. (Findlay Engineering did not submit a proposal, due to downsizing workload). The responses were evaluated based on the evaluation criteria stated in the RFP.

Staff negotiated the contract amendment scope and fee with Schnabel Engineering. The scope and fee was competitive with staff experience for obtaining updated stability analyses at other EWEB hydro facilities.

**ACTION REQUESTED:**

Management requests the Board approve a contract amendment with **Schnabel Engineering** for \$40,000 Funds for these additional consulting engineering services were budgeted for the 2019 O&M Budget. The total Generation Engineering Department O&M budget for 2019 is \$1.6 million.

## **EWEB Board Consent Calendar Request**

*For Contract Awards, Renewals, and Increases*

The Board is being asked to approve a Price Agreement with Shakespeare Composites for the purchase of non-conductive substation fencing.

Board Meeting Date: 5/7/2019

Project Name/Contract #: Non-Conductive Substation Fencing / ITB 023-2019

Primary Contact: Rod Price Ext. 7122

### **Contract Amount:**

Original Contract Amount: \$900,000 over five years

Additional \$ Previously Approved: \$0

Invoices over last approval: \$0

Percentage over last approval: 0%

Amount this Request: \$900,000 over five years

**Resulting Cumulative Total:** \$900,000 over five years

### **Contracting Method:**

Method of Solicitation: Formal Invitation to Bid

If applicable, basis for exemption: n/a

Term of Agreement: 5 Years

Option to Renew? Yes

Approval for purchases "as needed" for the life of the Contract Yes  No

Proposals/Bids Received (Range): 1 bid received: \$20.75/sq ft fencing panels, \$45/sq ft gates (\$900,000 over 5 yrs)

Selection Basis: Lowest responsive and responsible bidder

Narrative:

#### Operational Requirement and Alignment with Strategic Plan

EWEB requires substation fencing to provide security and a safe perimeter. Many of EWEB's substations have fencing that was installed at the initial construction of the station, and are of chain link with expanded metal composition. Several of these fences are currently failing and in need of replacement. To maintain safety to staff and public, and maintain reliability of the electric system, it is required failing fences be replaced. EWEB endeavors to install a non-conductive fencing solution to increase the measure of safety and security, and one that also offers sound attenuation as well as aesthetic qualities (i.e. visual barrier) in heavily populated locations. Non-conductive fencing also allows for installation of the fence outside of the existing fence by non-electrically qualified workers, and no grounding, which removes the requirement for EWEB crews to perform a safety watch during installation, reducing overall costs to the project and freeing up internal resources.

#### Contracted Goods or Services

Non-conductive, solid fiberglass fencing panels, posts, and gates to replace fencing at 5 substations, expected replacement is one substation per year for 5 years.

#### Prior Contract Activities

The previous contracts for substation fencing have varied across fencing types (i.e. concrete, metal chain link). This is the first time EWEB has contracted with Shakespeare Composites.

#### Purchasing Process

A formal Invitation to Bid was posted to ORPIN in April 2019. This solicitation was posted for 14 days and was viewed by 30 companies. No protests were received though only a single bid was submitted.

Bidder/Proposer Information  
Shakespeare

Bidder/Proposer Location  
Newberry, SC

Competitive Fair Price (If less than 3 responses received)

Staff completed a Request for Information in December of 2018 to survey the market for non-conductive fencing that met the safety, security, and sound attenuation qualities requested. Staff found that while other companies provide non-conductive fencing options, only Shakespeare offered the sound attenuation qualities through solid plank fencing that also offered a visual barrier. Preliminary prices for other non-conductive fencing that did not provide sound attenuation, or a visual barrier ranged from \$11.24 - \$53.88/square foot. Staff also completed a utility peer survey of 17 companies to determine experience with the fencing and if any other companies exist that meet the project requirements. Results also showed that availability is limited. Through the RFI verification of material costs, it was concluded that the non-conductive fencing option is of competitive cost to other fencing solutions, and has additional benefits, as well as more streamlined installation procedures, allowing for efficient use of internal and external resources.

**ACTION REQUESTED:**

Management requests the Board approve a Price Agreement with Shakespeare Composites for the purchase of non-conductive substation fencing. Approximately \$180,000 annually was planned for these goods or services in the Electric Division 2019 type 1 and 2 budget of \$22.04 million. Variances will be managed within the budget process and Board policy.



# MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

*Rely on us.*

TO: Commissioners Carlson, Mital, Helgeson, Schlossberg and Brown  
FROM: Frank Lawson, General Manager; Anne Kah, Executive Assistant  
DATE: April 25, 2019  
SUBJECT: Update to Board Policy Manual / BL1 Board-Staff Linkage  
OBJECTIVE: Board Action

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## **Issue**

Board Policy BL1 provides that the Board may work directly with specified staff, for certain purposes, without going through or without consultation with the General Manager. One of these specified position titles no longer exists in EWEB's organizational structure.

## **Background**

Prior to 2015, Board Policy BL1 did not contain a provision for Commissioners to work directly with staff. In January 2015, the Board approved changes to the policy which provide a direct line of communication with the Manager of Human Resources (or successor position/title), Manager of Financial Services (CFO) (or successor position/title), and the Enterprise Risk and Internal Controls Manager for stated purposes.

## **Discussion**

According to the approved policy, the Enterprise Risk and Internal Controls Manager may directly work with the Board, without consultation with the General Manager, on any material matter where they reasonably believed that actions or decisions of the General Manager are inconsistent with EWEB's long-term interests.

The position of "Enterprise Risk and Internal Controls Manager" has been vacated as of December 2015, and since that time their duties have been performed by members of the Enterprise Risk Management Team under the guidance of the Chief Financial Officer. As such, the language approved by the Board in 2015 no longer provides a clear indication of which individual(s) should fill this provision of the policy. Management recommends naming the CFO (or successor position/title), as the designated individual. The proposed amendment is highlighted in the attached Board Policy.

Through this policy review, it has come to our attention that the exact Board-approved language is not reflected in the currently published Board Policies. It appears that through an administrative error, a draft version of the language was mistakenly applied to the Board Policy Manual. The differences do not materially change the intent or effectiveness of the policies. The identified discrepancies are

shown in red text on the attached document. Staff will make these corrections following the May 7 Board Meeting.

**Recommendation/Requested Board Action**

Approval of Resolution No. 1911, updating Board Policy Manual.

Attachment A – Proposed policy amendment

Attachment B – Corrections to align Board Policy with language approved January 6, 2015





Board - Staff Linkage Policies (BL Policies)

BL1                                      Global Board – General Manager Linkage  
Effective Date                      October 4, 2016; **Proposed Update May 7, 2019**

Except as provided in Section 2 below, the Board’s sole official connection to EWEB’s staff will be through the General Manager.

1. Consistent with the Board Bylaws, the General Manager shall report to the Board as a whole and is responsible for implementing policies and direction established by the Board. The General Manager acts as chief executive officer of the operation of the organization and shall have all authority to: operate all utilities, hire, appoint, terminate or remove employees, reorganize and, as the General Manager deems necessary, disband and reorganize departments, act as contracting and purchasing agent for EWEB and award contracts for which there is an appropriation (except as otherwise provided in EWEB Purchasing Policies), prepare budgets, and enforce resolutions of the Board. The General Manager shall also be responsible for preparing reports requested by the Board, representing the utility to the public, other agencies and organizations, and performing such other duties as the Board directs. The General Manager may lawfully delegate any or all of the responsibilities within his/her authority.
2. The Board may officially work directly with the following EWEB staff without going through or without consultation with the General Manager for the purposes stated below. In the event that the EWEB staff listed below determines that it is necessary to bypass the General Manager, they will initiate contact with the Board President, who shall then determine the proper and necessary next steps, if any. As provided in Section 1 above, the General Manager shall have authority to terminate or remove employees or organize, disband or reorganize departments; however, in order to prevent a perception of possible retaliation, the General Manager shall obtain Board approval in advance for any action related to the positions listed in this Section 2.
  - o Chief Human Resources Officer (or successor position/title) for any of the following activities:
    - Annual performance review of the General Manager
    - Any matter related to discipline or termination of the General Manager
    - Any matter that the Chief Human Resources Officer reasonably believes is necessary to bring to the attention of the Board and that appropriately bypasses the General Manager
  - o Chief Financial Officer (or successor position/title) for any of the following activities:
    - The annual audit if the Chief Financial Officer reasonably believes that the General Manager is not taking appropriate steps to manage EWEB’s financial matters.
    - Any material financial **or other** matter where the Chief Financial Officer reasonably believes that the actions or decisions of the General Manager are inconsistent with



EWEB's long-term financial or business interests.

- ~~○—Enterprise Risk and Internal Controls Manager for any of the following activities:~~
  - ~~▪—Any material matter where the Enterprise Risk and Internal Controls Manager reasonably believes that the actions or decisions of the General Manager are inconsistent with EWEB's long-term interests.~~

**Source:** John Carver/EWEB Bylaws, Board Approved 05/17/05; Revised 01/06/15, Resolution No. 1503; Revised 10/04/16, Resolution No. 1627.



Board - Staff Linkage Policies (BL Policies)

**BL1**                                      **Global Board – General Manager Linkage**  
**Effective Date**                      **October 4, 2016**

Except as provided in Section 2 below, the Board’s sole official connection to EWEB’s staff will be through the General Manager.

1. Consistent with the Board Bylaws, the General Manager shall report to the Board as a whole and is responsible for implementing policies and direction established by the Board. The General Manager acts as chief executive officer of the operation of the organization and shall have all authority to: operate all utilities, hire, appoint, terminate or remove employees, ~~organize~~ reorganize and, as the General Manager deems necessary, disband and reorganize departments, act as contracting and purchasing agent for EWEB and award contracts for which there is an appropriation (except as otherwise provided in EWEB Purchasing Policies), prepare budgets, and enforce resolutions of the Board. The General Manager shall also be responsible for preparing reports requested by the Board, representing the utility to the public, other agencies and organizations, and performing such other duties as the Board directs. The General Manager may lawfully delegate any or all of the responsibilities within his/her authority.
  
2. The Board may officially work directly with the following EWEB staff without going through or without consultation with the General Manager for the purposes stated below. In the event, that the EWEB staff listed below ~~determine~~ determines that it is necessary to bypass the General Manager, they will initiate ~~the first point of~~ contact with the Board President, who shall then determine the proper and necessary next steps, if any. As provided in Section 1 above, the General Manager shall have authority to terminate or remove employees or organize, disband or reorganize departments; however, in order to prevent a perception of possible retaliation, the General Manager shall obtain Board approval in advance for any action related to the positions listed in this Section 2. below:
  - o Chief Human Resources Officer (or successor position/title) for any of the following activities:
    - Annual performance review of the General Manager
    - Any matter related to discipline or termination of the General Manager
    - ~~Any matter related to the General Manager’s Employment Agreement~~
    - Any matter that the Chief Human Resources Officer reasonably believes is necessary to bring to the attention of the Board and that appropriately bypasses the General Manager-
  
  - o Chief Financial Officer (or successor position/title) for any of the following activities:
    - The annual audit if the Chief Financial Officer reasonably believes that the General Manager is not taking appropriate steps to manage EWEB’s financial matters.



- Any material financial matter where the Chief Financial Officer reasonably believes that the actions or decisions of the General Manager are inconsistent with EWEB's long-term financial interests.
- Enterprise Risk and Internal Controls Manager ~~Internal Auditor (or successor position or title)~~ for any of the following ~~activity~~ activities:
  - Any material matter where the Enterprise Risk and Internal Controls Manager ~~Internal Auditor~~ reasonably believes that the actions or decisions of the General Manager are inconsistent with EWEB's ~~business~~ long-term interests.

**Source:** John Carver/EWEB Bylaws, Board Approved 05/17/05; Revised 01/06/15, Resolution No. 1503; Revised 10/04/16, Resolution No. 1627.



Board – Staff Policies (BL Policies)

BL2                      Unity of Control  
Effective Date        January 6, 2015

Only decisions of the Board acting as a body are binding on the General Manager.

Accordingly,

- Decisions or instructions of individual Board members, officers, or committees are not binding on the General Manager except in rare instances when the Board has specifically authorized such exercise of authority.
- In the case of Board members or committees requesting information or assistance without Board authorization, the General Manager shall respond to or support the request if it is reasonable and directly relates to EWEB's business and Board-approved policies and direction. However, the General Manager may refuse such requests that require, in the General Manager's opinion, a material amount of staff time or funds; are disruptive, unethical, or illegal; are in direct opposition to Board Policy or direction; or assume a level of responsibility beyond that created by statute or charter.

**Source:** John Carver, Compensation Committee, Board Approved 10/03/06; Revised 01/06/15, Resolution No. 1503.



Board – Staff Policies (BL Policies)

**BL3**                                      **Accountability of the General Manager**  
**Effective Date**                      **January 6, 2015**

Except as provided in BL1-Section 2 and below, the General Manager is the Board's only link to operational achievement and conduct, so that all authority and accountability of staff, as far as the Board is concerned, is the authority and accountability of the General Manager.

Accordingly and except as provided in BL1-Section 2,

- Neither the Board, nor individual Commissioners will give instructions to persons who report directly or indirectly to the General Manager without the General Manager's permission.
- The Board will refrain from evaluating, either formally or informally, any staff other than the General Manager. The General Manager may, however, request developmental feedback for his/her direct reports from Commissioners as part of their performance reviews and developmental plans.
- In the event that the Board approves an action or direction under the circumstance contemplated in BL1-Section 2 that the General Manager expressly disagrees with, the General Manager shall not be accountable for those matters. The Board shall hold the person(s) making such recommendations accountable in the situation where authority/accountability have become subdivided.

**Source:** John Carver, Compensation Committee, Board Approved 10/03/06; Revised 01/06/15, Resolution No. 1503.



Board – Staff Policies (BL Policies)

**BL4**                                      **Delegation to the General Manager**  
**Effective Date**                      **January 6, 2015**

The Board will instruct the General Manager through written policies that define the results that the organization is to achieve, and which describe the delegation of authority to the General Manager.

Accordingly,

- The Board shall identify and define those results or conditions that are acceptable and not acceptable to the Board and communicate them in the form of establishing policy, and approval of Strategic Plans, Long-Term Financial Plans, Capital Improvement Plans, annual budgets and goals.
- The General Manager is authorized to establish all further practices and procedures, make all decisions, take all actions, and develop all activities.
- The General Manager must bring to the Board’s attention circumstances that affect the policies and goals established by the Board or materially impact the Board and may request the Board to take appropriate actions.
- The General Manager may lawfully delegate any or all of the responsibilities within his/her authority.

**Source:** EWEB By-laws/Patrick Lanning, Compensation Committee, Board Revised 10/03/06; RevisedApproved 01/06/15, Resolution No. 1503.



Board – Staff Policies (BL Policies)

**BL5** Evaluating the General Manager’s Performance  
**Effective Date** January 6, 2015

The General Manager's job performance shall be evaluated by comparing the organization’s operating results and the General Manager’s individual performance to the policies, direction and goals established by the Board.

Accordingly:

- The Board has responsibility for establishing its priorities for the coming year and providing that direction to the General Manager. The General Manager shall draft new goals that contain relative success measures. Draft goals ~~will be established annually~~ are for each year and represent the General Manager’s reasonable interpretation of achieving the priorities defined by the Board.
- The Board will use performance metrics adopted each year to determine the degree to which Board policies, direction and goals are being met.
- The Board shall evaluate the General Manager’s performance on an annual basis.
- The General Manager’s interim performance shall be monitored at a frequency and by a method chosen by the Board. Unless otherwise established by Board direction, the General Manager shall report quarterly results and annual results within a reasonable time after the close of each calendar quarter and year.

**Source:** Compensation Committee and Jean Meyers, Human Resources Manager, Developed 09/20/06; Revised 03/20/07; Board Approved 09/18/07; Revised 01/06/15, Resolution No. 1503.





Board – Staff Policies (BL Policies)

**BL6**                                      **Board – Staff Working Relationship**  
**Effective Date**                      **January 6, 2015**

Except as provided in BL1-Section 2, the Board’s direct link to the organization is through the General Manager. Nonetheless, the Board may have occasional contact and interaction with various staff members. The following policy governs the Board’s working relationship with staff other than the General Manager.

- Staff’s role with the Board is to consult, problem solve, and provide information and support.
- Commissioners may consult directly with staff or make direct requests for information. All such requests shall include the General Manager and Executive Assistant to the General Manager and Board. Commissioners may also channel requests through the General Manager or ask the General Manager for a referral to the appropriate staff member.
  - Staff is responsible for informing the General Manager of significant information requests from Commissioners. Staff is further responsible for informing the General Manager if a specific request becomes overly time consuming, or if cumulative requests from an individual Commissioner become overly time consuming.
  - If the Board, or an individual Commissioner, makes a request of staff that staff knows or believes will be overly time consuming, the General Manager is empowered to notify the Board or Commissioner and to review the priority of the request. The Executive Assistant and General Manager will track all requests and manage responses. Information that is of benefit to all Commissioners shall normally be shared and distributed to all Commissioners ~~as a normal protocol~~.
- Commissioners and staff will treat each other with courtesy, civility and respect despite differences of opinion. When communicating with or presenting information to the Board or individual Commissioners, staff is expected to remain objective and professional, despite differences of opinion.
- The President of the Board is the appropriate conduit for concerns raised by Commissioners regarding the Board/staff working relationship. The General Manager is the appropriate conduit for concerns raised by staff regarding the Board/staff working relationship. The President of the Board and the General Manager are collectively charged with resolution of these concerns raised by Commissioners or employees.
- New Commissioners are to be briefed on these procedures before taking their oath of office.

**Source:** Board Approved 07/06/04; Updated 05/17/05; Revised 01/06/15, Resolution No. 1503.



### Governance Process Policies (GP Policies)

GP4                      Agenda Planning  
Effective Date        December 2, 2015

**BACKGROUND:** The Board will follow an agenda that periodically:

- Focuses on policy review and
- Continually improves Board performance through Board education and enriched input and deliberation.

Accordingly, the following additional assumptions and procedures apply regarding agenda planning and Board background material preparation:

**Assumptions:**

- The Board owns its agendas.
- Board agendas will emphasize policy development, goal status and the future direction of the utility.
- The Board President and Vice President set the agendas with the General Manager (GM).
- The GM has the authority to schedule agenda items.
- Board priorities take precedence over individual Commissioner priorities.

**AGENDA FORMATION:**

- Regularly scheduled Board items established by charter, by-laws or Board policy (i.e. budget development, budget amendments, rate setting) can be both Board and staff driven.
- Informational or review items initiated by the Board (i.e. policy discussion, revisions or review) ~~may be requested by a majority of the Board.~~ Note: With the exception of the President and the General Manager, it takes a majority of Board members to place an item on the agenda.
- Informational, policy updates or review items (i.e. annual customer survey results, interim reports) that are staff driven.
- Consent calendar is a group of routine items that have either been discussed previously or do not need discussion before a vote of the Board. Board members can elect to remove an item for discussion by notifying the Board President prior to voting.
- Backgrounders are content based documents, prepared by staff, which support an agenda item in order to inform and educate the Board. Backgrounders are often in response to:
  - Board requests
  - Agenda items initiated by staff



- Agenda items that require interim or status reports
- Unusual items appearing on the consent calendar, i.e. large contract awards or budget amendments

**AGENDA FORMAT:** Generally, the agenda for Regular EWEB Board Meetings will include the following:

- Agenda Check
- Items from Commissioners ~~Board Members~~
- Public Input
- Board Action Items
- General Business Items
- Board Agenda Calendar
- Board Wrap up

Commissioners reserve the right to add or delete items as needed, or change the order of the agenda as necessary. Public input and public hearings will occur near the published time.

**ORGANIZATIONAL MEETING:** During the first meeting of each calendar year, an election of Board officers and other routine annual business will be performed.

**AGENDA MANAGEMENT:**

- The President, Vice President and the GM will meet prior to each Board meeting to develop and prioritize agenda items.
  - The Executive Assistant to the GM/Board will maintain a list containing potential future background and agenda items.
- Agenda management will be broken out as a regularly occurring agenda item.
  - The time will be used to gauge the Board's interest in topics raised by Commissioners or staff and to discuss the trade-offs involved in using Board time for that issue.
- Board Agenda Reports: An agenda report is kept and provided with each Board Agenda and tracks the status of outstanding and future agenda items. The report is made up of the following components:
  - Outstanding backgrounders that may result in Board action
  - Items that may be added to future Board agendas
  - Annual agenda calendar and agenda items if known
- Public Notice: All Board agendas, including all backgrounders, correspondence, and other supportive documentation for regular meetings, special meetings, and work sessions shall be made available to the Board in hardcopy or other suitable form; and all non-confidential supportive documentation will be made available to the public via EWEB's website at least four full business days in advance of the



meeting unless mitigating circumstances prevail.

- ~~Public Notice. EWEB will comply with Oregon Public Meetings Law 192.640 to provide reasonably calculated notice to news media and other interested persons.~~ If an emergency meeting is necessary, notice shall be given to the Board and the public at least 24 hours prior to the meeting unless emergency circumstances prevail.

**Source:** Board Approved 10/20/03; Revised 02/13/04; Revised 04/19/05; Revised 12/15/09, Resolution No. 0931; Revised 03/01/11, Resolution No. 1112; Revised 01/06/15, Resolution No. 1503; Revised 12/01/15, Resolution No. 1537.



Governance Process Policies (GP Policies)

GP7 Board Parliamentary Procedures  
Effective Date January 6, 2015

The Board shall conduct meetings in accordance with Board policies. If the Board is unable to resolve procedural issues, the Board shall use Robert's Rules of Order. The following policies and procedures shall apply:

**PRESIDENT'S ROLE:** The president presides over all meetings of the Board. The President's role shall be primarily procedural and the president shall have no greater vote on substantive matters than other members. The president will also represent the Board as required within the community and coordinate among the Board as necessary in the conduct of Board functions.

**VICE PRESIDENT'S ROLE:** The Vice President's role is to perform the duties and responsibilities of the president in his/her absence or as agreed upon by the Board.

**GENERAL MANAGER - SECRETARY ROLE:** The General Manager - Secretary reports to the Board as a whole and is responsible for implementing policies and directions established by the Board.

**MEETING START TIMES:** The regular meeting of the Board will be held at 5:30 p.m. on the first Tuesday of each month, unless that Tuesday falls on or generally conflicts with a national holiday, in which case the meeting may be on the next business day or on another Tuesday in that month. If an additional regular meeting is required, the general preference will be to hold that meeting at 5:30 p.m. on the third Tuesday of the month. The Board President and the General Manager - Secretary may reschedule these meetings, schedule additional meetings, or cancel any meeting of the Board by mutual agreement.

**PUBLIC MEETINGS:** Except as otherwise provided by law; all meetings of the Board shall be open to the public and all persons shall be permitted to attend. No quorum of the Board shall meet in private for the purposes of deciding or deliberating toward a decision on any matter; an executive session may be held only for those purposes allowed by law (ORS 192.610-690). All regular and special meetings of the Board shall be held whenever possible within the utility service district.

**QUORUM:** A quorum shall consist of three members of the Board. In order to pass a resolution, motion or other measure, an affirmative vote of at least 3 commissioners (a majority of the 5 commissioner positions) is required.

**VACANCY ON THE BOARD:** ~~The Eugene Water & Electric Board shall fill a vacancy on the board by appointment within ninety (90) days after the vacancy occurs. A person so appointed shall hold office until the successor to the office is duly elected and qualified as stated in Eugene City Charter, Section 24, Subsection (1) Vacancies – Filling. It is at EWEB's discretion within the ninety (90) days to advertise, interview and select a replacement for the Board vacancy, regardless of how long they have been a Board member or when an election is to take place. Should a vacancy occur on the Board, the remaining Commissioners will appoint a qualified elector to fill such vacancy. The appointment shall be made within 90 days.~~



**BOARD ATTENDANCE:** Attendance at all meetings of the Board is required of Commissioners. Prior notification of absence should be given to the Board or the Secretary whenever possible. The Board shall have the power to declare vacant the office of a member who shall absent himself/herself from three consecutive regular meetings without an excuse satisfactory to the Board.

**RECORD OF BOARD MEETINGS:** With the exception of Executive Sessions, ~~for audio recordings of~~ all Regular and Special Meetings of the Board, will be made and retained for at least 12 years, and/or a written record will be prepared, in the form of minutes, ~~unless otherwise directed by the Board~~. The minutes will be a high-level summary (not a full transcript) to include: members of the governing body present; motions, proposals, resolutions, results of all votes and ~~the~~ substance of any discussion undertaken by Board members, management and other presenters including consultants and members of the public who address the Board.

Written minutes shall be reviewed and adopted by an affirmative vote of the Board, consistent with the Bylaws, and made available to the public.

**MINUTE CORRECTIONS AND ADDITIONS:**

**Corrections:** Individual Board members may make suggested corrections to the minutes of prior meetings if the proposed meeting minutes are factually incorrect in recording discussion or statements made at the meeting. If there is disagreement as to the accuracy of the requested correction, a verbatim transcription of that portion of the audio recording will be requested and used to determine the appropriateness of the request. If a majority of the Board agrees that the requested correction is accurate, the minutes will be corrected without use of a verbatim transcription.

If the minutes accurately reflect what was said, regardless of the accuracy of the statement itself, the minutes will not be corrected. In this instance, a Commissioner may ask that a clarifying statement be entered into the minutes of the current meeting.

**Additions:** A Commissioner may request that a point of discussion or statement made during the meeting covered by the minutes be entered into the minute's record. If there is disagreement as to the accuracy of the requested statement or fact, a verbatim transcription of that portion of the audio recording will be requested and used to determine the appropriateness of the request. If a majority of the Board agrees that the requested inclusion is accurate, the minutes will be edited and the additional information included without use of a verbatim transcription.

**USE OF RESOLUTIONS FOR BOARD ACTIONS:** Formal resolutions will be required when the Board takes actions of the following types:

- Rate increases or decreases;
- Approval of contracts for purchased power with a term of one year or more;
- Adoption of an Integrated Electric Resource Plan or update;
- Adoption of the Water Supply Plan or update;
- Adoption of a Water Master Plan or update;
- Adoption of Board Policies;
- Approval of the annual budget;
- Issuance of bonds or other debt instruments.



- Committees created and adopted by Board.
- Outside appointments adopted by the Board.
- Liaison appointments adopted by the Board.
- Advisory assignments adopted by the Board.

All other actions can be taken in accordance with the Bylaws using a simple motion and affirmative vote.

**Source:** Bylaws, Board Discussion, Board Approved 11/01/05; Revised 12/15/09, Resolution No. 0932; Revised as per bylaws 07/19/11, Resolution No. 1122; Revised 01/06/15, Resolution No. 1503.



Strategic Direction Policies (SD Policies)

SD5                                      Public Plaza Policy  
Effective Date                      July 21, 2015

The River Edge Public Plaza is a public place for the enjoyment of all. It cannot be reserved and must remain open to the public until 11 p.m. each day, except for closures related to public safety. Any use by organized groups must not infringe upon public access.

For purposes of this policy, an "event" refers to a gathering of 20 or more people for a common purpose.

**CONDITIONS OF USE:**

- The River Edge Public Plaza is available for community events excluding for profit commercial use.
- Organizations or groups using this area must complete a "[Hold Harmless Agreement](#)" and review and sign the "[Conditions of Use](#)." Event organizers are required to submit completed forms to EWEB at least five (5) business days prior to the event.
- EWEB parking spaces are not available for use by event participants between 6 a.m. and 6 p.m., Monday through Friday, unless the event falls on a recognized holiday.
- EWEB does not provide furniture or audiovisual equipment of any kind.
- Activities that pose a threat to public safety or damage the plaza are prohibited.
- Discharging of firearms, possession of weapons of any kind and/or use of fireworks is prohibited.
- Motorized vehicles are not permitted in the plaza, unless otherwise authorized.
- Consumption of any alcoholic beverages or illegal substances is not permitted.
- ~~Use of amplified sound systems-Battery or vehicle-operated~~ noise producing devices ~~which interfere that disturb other park users are prohibited, as are other noise disturbances interfering~~ with the working environment of EWEB headquarters ~~and/or disturb other park users is prohibited.~~
- Engaging in any activity or conduct which is disruptive or interferes with the enjoyment of the plaza by others is prohibited.
- The event organizers will be expected to clean up the site after use. If required, event organizers should arrange for garbage cans, trash removal and portable toilets.
- ~~Putting soap, dye or any other foreign substances in the fountain is strictly prohibited.~~





- The event organizers shall ensure compliance with ~~local Health and Safety Regulations~~ applicable permitting and/or health and safety regulations.

**Source:** Board Approved 11/27/89; Revised April, 2004; Ratified 04/19/05; Revised 01/06/15; Revised 07/21/15, Resolution No. 1521.



Strategic Direction Policies (SD Policies)

SD17                      Regulatory Compliance Reporting *(Previously known as NERC Reliability Standards)*  
Effective Date            January ~~6~~5, 2015

The Board recognizes the importance of, and its responsibility in, maintaining the reliability and effectiveness of the utilities within its charge.

Ownership of, interconnection with, and ~~operating operation~~ of, the Bulk Electric System (BES), Potable Water System(s), as well as Power Generation Facilities, and the various utility systems and services put in place to support them for its customers require compliance with multiple Federal, State, and local laws and regulations relating to its activities.

Accordingly,

- The board authorizes, delegates and directs the General Manager to conform EWEB operations to ~~the~~ applicable regulatory standards, including the documentation and auditing thereof, and;
- The General Manager will periodically report on the status of compliance with the applicable regulations to the Board.

**Source:** Ahlsten & Origliosso, Board Approved 04/15/08, Resolution No. 0822; Revised 01/0~~5~~6/15, Resolution No. 1503.



Strategic Direction Policies (SD Policies)

SD18                      Steam Utility Transition Policy  
**Retired Date:**            **January 6, 2015**

EWEB closed its Steam Utility plant on June 30, 2012. As such, Board Policy SD18, Steam Utility Transition Policy has been retired as of January 6, 2015.

~~The purpose of this policy was to provide guidance and immediate direction for the decommissioning of the Eugene Water & Electric Board Steam Utility.~~

**Source:** Logan, Board Approved 09/18/08, Resolution No. 0826; Retired 01/06/15, Resolution No. 1503.

**RESOLUTION NO. 1911  
MAY 2019**

**EUGENE WATER & ELECTRIC BOARD  
REVISION TO BOARD POLICY MANUAL**

**WHEREAS**, the Eugene Water & Electric Board (EWEB) maintains a Board Policy Manual that contains governing policies for the Board of Commissioners; and

**WHEREAS**, the Board of Commissioners periodically reviews said policies and identifies required modifications or amendments to those policies; and

**WHEREAS**, the Board of Commissioners periodically determines that new policy is required to adequately document the work or intention of the Board with regard to governance, Board-Staff linkage, strategic direction or executive limitations; and

**WHEREAS**, the Board of Commissioners has reviewed a modification to Board Policy BL1, Board-Staff Linkage and has determined that the modification is appropriate and necessary.

**NOW, THEREFORE, BE IT RESOLVED** the Eugene Water & Electric Board hereby approves the modifications to Board Policy BL1 – Board-Staff Linkage. Furthermore the Board acknowledges the necessary corrections to the affected Board Policies and directs staff to update policies as warranted, to align with the language approved by the Board on January 6, 2015 via Resolution No. 1503, as shown in Attachment B.

DATED this 7<sup>th</sup> day of May 2019.

THE CITY OF EUGENE, OREGON  
Acting by and through the  
Eugene Water & Electric Board

\_\_\_\_\_  
President

I, ANNE M. KAH the duly appointed, qualified, and acting Assistant Secretary of the Eugene Water & Electric Board, do hereby certify that the above is a true and exact copy of the Resolution adopted by the Board at its May 7, 2019 Regular Board Meeting.

\_\_\_\_\_  
Assistant Secretary