

**EUGENE WATER & ELECTRIC BOARD
EXECUTIVE SESSION
EWEB BOARD ROOM
500 EAST 4TH AVENUE
JULY 9, 2019
5:15 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; Lisa McLaughlin, Environmental Supervisor; Sue Fahey, Assistant General Manager/Chief Financial Officer; Jared Rubin, Principal Environmental Specialist; Jeannine Parisi, Customer Relationship Manager; Matt Barton, Chief Information Officer, Susan Ackerman, Chief Energy Officer; Lena Kostopulos, Chief Human Resources Officer, and Anne Kah, Executive Assistant

EXECUTIVE SESSION:

The Executive Session was called to order at 5:15 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 5:37 p.m.

Assistant Secretary

President

**EUGENE WATER & ELECTRIC BOARD
REGULAR SESSION
EWEB BOARD ROOM
500 E 4th AVENUE
July 9, 2019
5:45 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; Deborah Hart, Financial Services Manager; Wally McCullough, Water Engineering Supervisor; Lisa McLaughlin, Environmental and Property Supervisor; Karl Morgenstern, Environmental Supervisor; Tyler Nice, Electric Operations Manager; Rod Price, Chief Engineering & Operations Officer; Adam Rue, Fiscal Services Supervisor; Nate Shultz, Financial Analyst

President Carlson called the Regular Session to order at 5:45 p.m.

Agenda Check

Mr. Lawson reminded those present that the original agenda had been rearranged so that the Electric and Water Long-Term Financial Plan (LTFP) piece was before the Electric and Water Capital Improvement Plan (CIP) piece.

Items from Commissioners and General Manager

Commissioner Brown commended staff for their immediate attention to the water main that failed in the College Hill neighborhood. He thanked staff for seeing to this issue in less than 24 hours, and for clarifying that it was not EWEB's water line that had failed. Commissioner Brown said one of his constituents asked him if EWEB allowed schools and/or non-profits to use a lottery system for the ability to use its parking lot during football games for fundraisers. He said that EWEB no longer did that, but the utility still had approximately 200 parking spaces and he would ask the General Manager if it would be feasible.

Mr. Lawson commended the work of State Legislature liaison Jason Heuser over the past few months, especially surrounding Oregon HB 2020. He offered that even though HB 2020 did not pass during the current legislative session, EWEB had put a lot of work into it.

Public Comment

Marilyn Cross of McKenzie Highway offered the Board an update on the upriver community/Blue River. She said that through concentrated local efforts, and help from people all across the state, funding had been secured for the Leaburg Fish Hatchery through the next biennium; she praised the intensive effort by all involved, especially Tim Laue. Ms. Cross reported significant progress within the McKenzie History Highway Project; she said 37 history panels had been put up along the Highway from Cedar Flat to McKenzie Bridge, and the website for the project should be up and running shortly.

Approval of Consent Calendar

MINUTES

1. a. **June 4, 2019 Executive Session #1**
- b. **June 4, 2019 Executive Session #2**
- c. **June 4, 2019 Regular Session**

CONTRACTS

2. **Harrang Long Gary Rudnick, P.C.** - for Legal Counsel for Human Resources Related Issues. \$600,000 (over 5 years estimate).
3. **OEG Inc.** - for Residential, Commercial, and Industrial Electrical Services. \$500,000 (over 5 years).
4. **Owen Equipment Company, an authorized dealer of the Federal Signal Corp.** - for the use of a cooperative contract for the purchase of a Truck Mounted, Hydro Excavator. \$507,000.

RESOLUTIONS

5. **Resolution No. 1901** - Authorizing General Manager to Rescind Resolution No. 1625 and Acquire Redefined Property for the Thurston Substation Expansion Project.
6. **Resolution No. 1918** - July 2019 Revised Electric Prices, Business Growth & Retention Price Rider.

OTHER

7. **EWEB Education Grant Focus Area Update.**

Commissioner Schlossberg moved to approve the Consent Calendar without items: 4, 5, 6, and 7. The motion passed unanimously 5:0.

Items Removed from the Consent Calendar

President Carlson pulled Consent Calendar Item 4. She asked how EWEB determined when a vehicle or piece of equipment was at the end of its useful life, and what the operation costs were.

Mr. Price offered that EWEB went by hours used instead of mileage to determine when a piece of equipment such as the one in question was at the end of its useful life.

Vice President Mital asked if EWEB deemed a piece of equipment no longer useful, why did other agencies see enough value in the piece of equipment to acquire it from EWEB.

Mr. Price said that to ensure proper fleet turnaround, EWEB bought new equipment, and in this case, a more efficient piece of equipment would be purchased to replace the one in question. He offered that just because it no longer suited EWEB's needs to maximize fleet turnaround, did not mean that it had no value.

Mr. Lawson offered there were three main criteria in place to inform EWEB's decision(s) to replace a vehicle, or to add a new vehicle to its fleet: capital replacement cost, resale value, and ongoing maintenance.

President Carlson said that she would like more information on EWEB's methods for fleet replacements/additions.

Mr. Lawson said he would be happy to provide that information.

Commissioner Brown moved to approve Consent Calendar Item 4. The motion passed unanimously 5:0.

Commissioner Brown pulled Consent Calendar Item 5. He asked what EWEB was planning to do with that land that was not Cedar Creek frontage.

Ms. McLaughlin said they were still working on those details. She offered the original purchase and sale agreement with Weyerhaeuser was for the entire tax lot, including lands not directly on the river, and lands not needed for substation expansion.

Commissioner Brown, citing livestock grazing as one of the top polluters of drinking water, wondered why they were purchasing the entire property.

Mr. Morgenstern said the ultimate goal of the property was to install trails, and make it more of a park-like situation which the public could use, although, in the meantime, the grazing on that land would continue.

Commissioner Brown asked if it was correct that EWEB needed to purchase this piece of land in order to negotiate the deal for the parcel needed for the substation and the Cedar Creek confluence. He also asked for confirmation that the property in question was outside of the UGB.

Ms. McLaughlin said that was correct.

Vice President Mital asked—if the two main reasons for EWEB acquiring the property were the Cedar Creek, and substation expansion—could EWEB subdivide the property in the future.

Ms. McLaughlin said the land use actions in that area were complicated—involving both City of Springfield, and Lane County—and Weyerhaeuser was taking the lead on a possible lot line adjustment.

Vice President Mital asked if exercising eminent domain was an option for EWEB in this case.

Ms. McLaughlin replied no.

Vice President Mital asked how important it was that the Board made a decision tonight.

Ms. McLaughlin said Weyerhaeuser had already submitted their application to both City of Springfield and Lane County for land use actions. She added that the utility had already been moving forward as if this was EWEB's preferred approach.

Vice President Mital asked if EWEB staff was 100% confident that there would be no surprises (such as contamination) on the entire 144-acre property.

Ms. McLaughlin said they were confident.

Vice President Mital asked if any problems were found on the land in the future, who would be responsible for the problem's mitigation, EWEB or Weyerhaeuser.

Mr. Lawson offered that State Law supported the notion that Weyerhaeuser would be responsible for any necessary cleanup on the property, unless EWEB signed something that indemnified them.

Vice President Mital asked about the reasoning behind EWEB's and Weyerhaeuser's rationale to exclude a parcel of the property from the sale agreement.

Ms. McLaughlin offered the agricultural piece of land that was excluded from the contract was left out over EWEB's concerns over what might be on the property. Some of the acreage is developable land. From a Property Supervisor perspective, EWEB is a utility and is not in the business of flipping land. If we were to have purchased the entire tax lot we would have gone through adjustments so we could dispose of the developable portion. Through this deal, Weyerhaeuser will retain that piece of property and it has some monetary value to them.

Commissioner Helgeson moved to approve Consent Calendar Item 5. The motion passed unanimously 5:0.

Commissioner Helgeson pulled Consent Calendar Item 6. He said he noticed the Resolution did not include a copy of the policy being adopted. He cited a concern that, in the past, when the actual policy alluded to was left out of the language of the resolution itself, there was confusion in the record as to what exactly EWEB was

referring to in the resolution. Commissioner Helgeson suggested, in the future, the utility actually attaching what was being adopted to the resolution language.

Commissioner Helgeson moved to approve Consent Calendar Item 6. The motion passed unanimously 5:0.

Vice President Mital pulled Consent Calendar Item 7. He said he would like to make one minor change to the document as written, adding “Districts are strongly encouraged to develop educational programs that are repeatable and scalable.”

Commissioner Mital moved to amend the document to include “Districts are strongly encouraged to develop educational programs that are repeatable and scalable.” The motion passed unanimously 5:0.

SUB/EWEB Joint Resolution to Explore Options for Water Resiliency

Commissioner Brown reported that he had met with Springfield Utility Board (SUB) Board President John DeWenter to discuss EWEB and SUB collectively working together on options and opportunities on the Willamette River.

Vice President Mital moved to approve the Joint Resolution with the Springfield Utility Board to Explore Options for Water Resiliency. The motion passed unanimously 5:0.

Electric & Water Long-Term Financial Plan (LTFP) Update and 2020 Budget Assumptions

Ms. Fahey, Ms. Hart, Mr. Rue, and Mr. Schultz offered the board a report and Power Point presentation on Electric & Water Long-Term Financial Plan Update and 2020 Budget Assumptions.

Commissioner Schlossberg asked what the utility was doing to help its low-income customers deal with rate increases, specifically, the 3% increase projected in 2023.

Ms. Fahey said that, historically, EWEB has not increased its low-income customer assistance programs to offset rate increases. She said she would be happy to revisit this issue in 2023, when the rate increase is scheduled to take effect.

Commissioner Schlossberg offered that if private schools were invited into EWEB educational programs as the Board had previously discussed, it would result in a very small amount of additional expense.

Mr. Lawson said that in the past, there had been unusually high consumption in the winter because of weather, and in some of those cases, the utility had decided to move forward with a more aggressive low-income program. He offered that since the aforementioned rate increase was specifically for 2023, the utility would not seek to increase funding to the low-income program, because it was still three plus years in the future.

Commissioner Helgeson asked how the utility was able to consistently absorb cost escalations year after year.

Ms. Fahey answered debt restructuring.

Commissioner Helgeson asked for further explanation on what was referred to as the “H₂O Base Case” in the presentation.

Ms. Hart said the plan was a bit less conservative than it had been in the past on the water side of the utility, and staff did not expect to hit average water sales in any of the 10 years in the LTFP.

President Carlson asked about the Days [of] Cash metric used in the LTFP. She asked what the Board and the utility itself could do to address the problems of this metric.

Ms. Hart returned there could be a price increase, or the utility could review our mix of rate-funded to debt-funded capital, or reducing other costs would be an option.

Vice President Mital asked if Days of Cash was a metric the utility had the power to change internally, or was its 150-day span fixed.

Ms. Fahey answered Days of Cash did not have to remain fixed, but the 150-day span was what most rating agencies consider.

President Carlson wondered whether this year’s snow storm coupled with a warm winter would be considered a risk scenario or within the base case.

Ms. Hart said the winter storm did stress EWEB’s operating costs, and then we saw a load decrease. Contribution risk margin tolerance is designed for things such as load or prices falling short of our projections, or generation below what is expected.

President Carlson asked if it would take multiple years in a row, similar to the winter of 2019, to potentially push EWEB into a scenario of not meeting its financial targets.

Ms. Fahey said yes; she the utility had reserves on the front end to manage one- and two-year bumps, like the winter storm of 2019.

President Carlson asked if the delivered load would remain flat, even with projected local population increases.

Mr. Rue replied that the utility’s conservation targets were adjusted based on growth forecasts. He said this plan has been in place since 2011-12.

Commissioner Brown asked what the total annual negative to the utility would be if Leaburg dam was shut down for another year.

Deborah Hart replied approximately \$2 million unfavorable per year.

Commissioner Brown asked if the \$20 million loss of revenue short of budget in the first quarter of 2019 was an anomaly.

Mr. Rue answered there were offsetting factors due to trade activity; the volumes that were bought and sold to meet the hourly demand. The \$20 million increase in purchased power cost was offset to a large extent by wholesale revenue. He added that he believed the early-year volatility was an anomaly.

President Carlson made a reference to the key assumptions in backgrounder (*\$1.0 million per year contribution to meter replacement reserve starting 2021 based on 12 year estimated life.*)

Ms. Fahey said the intent was to draw the meter reserve down before the end of the 12 years, by installing meters.

President Carlson asked if \$50 million was the proper figure for the secondary water treatment plant mentioned in the LTFP.

Mr. Rue said the figure was actually \$55 million.

Commissioner Helgeson expressed concern over the utility's repeated use of the Affordability Index.

President Carlson expressed concern over the lumpiness of EWEB's rates.

Mr. Lawson said one of the good things about a 10-year LTFP, is it revealed lumpiness in pricing. He said he felt the rate increases over the next 10 years were fairly minor, and were not a cause for alarm from the utility.

Break

President Carlson called for a break at 7:04 p.m. she reconvened the meeting at 7:15 p.m.

Electric & Water Capital Improvement Plans (CIP)

Mr. Price, Mr. Barton, Mr. Nice, and Mr. McCullough offered the Board a report and Power Point presentation on Electric and Water CIPs.

Commissioner Brown asked staff to double check construction costs, as they tend to fluctuate, sometimes wildly. He offered that decommissioning should be put into long-term financial planning.

Mr. Lawson offered that while it does make sense to include decommissioning in the LTFP, decommissioning would not be capital.

President Carlson asked how outliers were accounted for within the Target Total Budget vs. Depreciation Ratio calculations.

Mr. Price answered that the aforementioned ratio was an indicator.

Mr. Lawson described the Target Total Budget vs. Depreciation Ratio as the value still being depreciated, vs. the total asset base.

President Carlson asked how EWEB figured out when risk-based improvements become compulsory improvements.

Mr. Price said it depended on the particular asset in question.

Commissioner Helgeson said there were three areas he was interested in receiving more information about before budget approval season: the customer experience improvement project, resiliency, and an AMI deployment update.

Vice President Mital asked for an update on EWEB's Work and Asset Management (WAM) system, and how it has changed EWEB's ability to forecast.

Mr. Barton said he would defer any questions concerning WAM to the Finance Department.

Mr. Price responded that WAM is used to track financial information and the asset of record. The software is only one part of asset management, and he will be working with Operations Managers to standardize the asset management process to determine how we use the information to make decisions.

Vice President Mital asked if EWEB's depreciation schedule was considered conservative or liberal.

Mr. Price said it was conservative.

President Carlson wondered if the utility would wait for the economy to shift, forcing construction costs down, before constructing new projects/facilities. She said she would also like to revisit the Target Total Budget vs. Depreciation Ratio without the outliers.

Correspondence & Board Agendas

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

President Carlson offered that she was invited to LCC to visit and talk about the EWEB scholarships; she said that if she accepts the invitation, everyone on the Board is also invited to go with her to LCC.

Commissioner Helgeson said he felt like EWEB had been on a trajectory for a while of phasing out the grants to LCC. He said EWEB had received much value from its relationship with LCC.

Commissioner Brown announced Oregon SB 27 had passed and asked if it was correct that there is a 3% cap, and also that money cannot be used for purposes other than safe drinking water programs.

Mr. Lawson said he believed that was correct, but he would look into it and follow up.

Vice President Mital asked about the nature of the program outlined in SB 27, and what was EWEB's money being used for exactly.

Mr. Lawson said he would get back to Vice President Mital with answers to his questions.

President Carlson wondered if there was a more employment-related need that education funds could be targeting.

Board Wrap-Up

Commissioner Helgeson posited it was useful and interesting to have philosophical conversations about the values that underlie what EWEB does.

Commissioner Brown asked about the \$250,000 EWEB gives to upriver game enforcement; he asked staff to get back to him on the details of that quarter of a million dollars.

Commissioner Helgeson wondered if there was a trade-off in EWEB's tree trimming that would afford further opportunities to completely remove trees that would need to perpetually be trimmed.

Mr. Lawson said he would get back to Commissioner Helgeson and the Board with more details on that topic.

Adjourn

President Carlson adjourned the Regular Session at 8:24 p.m.

Assistant Secretary

President



Eugene Water & Electric Board

Customer Service Policy Appendix B – Electric Service Charges and Prices

A. Business Growth and Retention ~~Price Rider~~ CREDIT (BGR-1)
(For Service from 1200 kW to 10,000 kW of New or On-going Incremental Demand)
(Resolution No. 1328)

1. Purpose

New and expanding businesses can provide broad economic benefits to the community and EWEB customers, but often have high up-front costs associated with capital improvements, including utility infrastructure. The Business Growth and Retention Credit is intended to provide short-term discounted electric pricing to support business growth when such development demonstrates clear economic, environmental and community benefits.

~~1.2.~~ Applicable

This ~~Rider~~ Credit is applicable as an addendum to the otherwise applicable General Service electric price schedule for qualified Customers locating or expanding service on EWEB's transmission and/or distribution system(s). New or existing General Service Customers who add a minimum of 1200 Kilowatts (kW) of billing demand may qualify. Service is applicable to customers with the average of the three highest monthly kW demands in a 12-month rolling period falling between 1200 and 10,000 kilowatts of either new or incremental demand that has demand response capability.

Customers taking service must first be approved for participation in EWEB's Business Growth & Retention Program based on specified attributes the project brings to the community

2. Price

The BGR-1 Credit is calculated annually based on the difference between the average ~~Rider shall be calculated by subtracting the average ICE Mid-C Flat forward price curve monthly settled index price from and~~ the Customer's average applicable retail energy (kWh) price. The value associated with the difference between market and retail pricing is shared between EWEB and the customer. ~~to establish the retail/wholesale market differential.~~

2019 BGR Price for Medium General Service Customers: \$0.012 per kilowatt hour

2019 BGR Price for Large General Service Customers: \$0.008 per kilowatt hour

The monthly retail/wholesale market differential is allocated to the Customer as an incentive price. The split is 50/50 in the first year, 60 (EWEB)/40 (Customer) in the second year; and 80 (EWEB) /20 (Customer) in the third year.

The BGR-1 Credit Rider is exclusively applied to the new or incremental energy (kWh) use only in the form of an annual bill credit. ~~The credit is based on a look back~~



Eugene Water & Electric Board

Customer Service Policy Appendix B – Electric Service Charges and Prices

~~calculation for all energy consumed above the baseline and credited to the bill every six months in January and July each year.~~ The BGR credit will not be paid for any Billing Period that Customer fails to meet 1200 kW minimum additional Demand.

3. Contract

Service under the BGR-1 ~~Credit is Rider~~ is provided under a ~~three-year,~~ signed agreement with a term of two – four years depending on EWEB’s evaluation of the load growth potential, -level of utility investment and potential future revenue received from the customer– EWEB reserves the right to reduce the term if the project’s actual load growth and revenues are lower than anticipated when the contract was signed.

4. Start Date

The start date of the incentive price period shall commence within 24 months from the date of execution of the contract for service and shall be designated by the Customer and EWEB within the BGR-1 agreement. *(This 24 month period is to accommodate construction prior to full operation.)*

5. Metering

Separate electric metering for new or additional Load may be required if, in EWEB’s sole opinion, it is necessary to provide service under this schedule. The Customer will be responsible for any costs associated with providing separate electric metering.

6. General Terms and Conditions

Service under this schedule is subject to the policies and procedures of EWEB.

**EUGENE WATER & ELECTRIC BOARD
SPECIAL MEETING
EWEB BOARD ROOM
500 E 4th AVENUE
July 16, 2019
5:15 P.M.**

Commissioners Present: Sonya Carlson, President; Steve Mital, Vice President and Commissioner John Brown participated telephonically. Commissioners Dick Helgeson and Mindy Schlossberg appeared in person.

Others Present: Frank Lawson, General Manager; Susan Ackerman, Chief Energy Officer; Mark Zinniker, Generation Engineering Supervisor; Dalen Willhite, Engineer; Mike McCann, Generation Manager, Susan Fahey, Assistant General Manager/Chief Financial Officer; Sarah Gorsegner, Purchasing & Warehouse Supervisor

President Carlson called the Special Meeting to order at 5:15 p.m.

Agenda Check

There were no changes or additions to the agenda.

Public Comment

None

Contract Approval – Northbank Civil and Marine, Inc.

Commissioner Brown moved to approve the contract. The motion passed with unanimous support 5:0.

Adjourn

President Carlson adjourned the Special Meeting at 5:19 p.m.

Assistant Secretary

President



MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

Rely on us.

TO: Commissioners Carlson, Mital, Helgeson, Schlossberg, and Brown

FROM: Sue Fahey, Assistant General Manager/CFO; Matt Barton, Chief Information Officer; Sarah Gorseger, Purchasing & Warehouse Supervisor; Leisha Krueger, Project Manager

DATE: July 26, 2019

SUBJECT: Customer Experience Improvement Project (CEI) Consent Items

OBJECTIVE: Board Action

Issue

As part of the CEI project, staff has selected finalists to provide a customer self-service solution (CSS), bill print and mail services (BPM), and an electronic bill payment and presentment (EBPP) system. Final negotiations are in progress, and Management is requesting that the Board authorize the General Manager to approve contracts with Milestone Utility Services (CSS), Utilitec (BPM) and Paymentus (EBPP) so that work may commence once negotiations are complete. Final contract information will be included on the third quarter contract report.

Background

For several months, Management and staff have been reviewing and implementing ways to improve our customers' experience through Continuous Improvement and in alignment with the Strategic Plan Phase I to Enhance Customer Confidence. Many improvements are being made without major system changes. Implementing a CSS solution and updating the bill design and EBPP System will allow customers to view and manage their account online and interact with us at a time, and with a method, that is convenient for them. It will also be an important first step to offering new information, as well as new products and services, to customers.

As a part of the CEI project, EWEB has the opportunity to redesign the customer bill. Regardless of customer characteristics or payment method, the monthly bill is a routine touchpoint and should be updated to a modern, user friendly communication tool that provides consumption information and opportunities for customers to better manage their usage and expenses. As a communications tool, the monthly bill can also assist with Phase II of the Strategic Plan to create consumption flexibility.

Discussion

System Procurement Process Information

During January through March, Whitlock Consulting Group (WCG) assisted staff by reviewing current business processes, recommending areas for improvement, gathering requirements, developing

request for proposal specifications and providing expert advice for the CEI project. Additionally, staff visited utilities that had recently implemented CSS and EBPP systems to gain an understanding of their experience and current market offerings.

In April, Purchasing requested proposals from vendors interested in providing any or all of the three services. Proposals were evaluated on the firm's background, implementation approach, functional requirements, and price. Top ranked firms were invited to demonstrate their solutions who were then evaluated on the original overall proposal including price, product demonstration, technical review, implementation approach and references. Milestone Utility Services was the highest ranked proposer for the CSS solution, as were Utilitec for BPM and Paymentus for EBPP. 'Best and final offers' were requested from each firm. Additional information regarding the proposals for each solution is provided in the following three consent items.

The contract negotiation process includes refinement of the terms and conditions, scope of work, roles and responsibilities, detailed implementation schedule, and final pricing. The implementation order of the systems will also be determined during negotiations.

Projected Cost Information

If the Board approves contracts for all three systems, the total ongoing annual costs are approximately \$500,000, and the total 7 year cost is projected to be \$4.5 million. Utilitec will also print inserts using technology that allows for much more efficient and effective process and communication tools. The 2019 Information Services Capital Budget is \$4.3 million with approximately \$1.4 million allocated for the purchase and implementation of CEI systems. The 2019 Information Services total operations & maintenance budget is \$9.8 million with \$300,000 allocated for EBPP and bill print services. Variances will be managed within the budget process and Board policy. Annual costs for monthly insert printing are estimated to be \$43,000 which is equivalent to the 2019 budget.

Implementation Consulting Services Information

After the scopes of work are finalized with the vendors, staff will develop one for implementation consulting. In January 2019, the Board approved a \$185,000 contract with WCG after they were the successful respondent to the CEI services Request for Proposals (RFP). Four proposals were received ranging from \$164,000 to \$695,000.

The RFP also requested implementation support services information and allowed Management the option to request Board approval of a second contract with the successful proposer. Staff has been pleased with WCG's work and advice during the CEI project. They have significant knowledge of EWEB's processes and systems, both current and the CEI finalists. Staff believe it is in the best interest of EWEB and our customer-owners to retain WCG's expertise for implementation support services and will request the Board approve a contract at the September meeting.

Recommendation and Requested Board Action

Management recommends and requests that the Board authorize the General Manager to approve contracts as indicated on the following consent items.

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to authorize the General Manager to approve a contract with **Milestone Utility Services (Milestone) for a Customer Self Service Portal with Managed Services** after completion of contract negotiations.

Board Meeting Date: 8/6/2019

Project Name/Contract #: Customer Experience Improvement Project/ RFP #005-2019

Primary Contact: Matt Barton at Ext. 7109 and Sue Fahey at Ext. 7688

Contract Amount:

Contract Estimate: On premise/Hosted Solution: \$25,000 annual fees; \$997,000 over 7 years plus implementation travel costs

Contract Estimate: Hosted Solution + Managed Services: \$115,000 annual fees; \$1.78 million over 7 years plus implementation travel costs

Contracting Method:

Method of Solicitation: Formal Request for Proposal

If applicable, basis for exemption: N/A

Term of Agreement: **7 years**

Option to Renew? For annual maintenance

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

Proposals Received (Range): 7 responses (\$4,000-\$27,000 annual fees; \$570,000-\$1,498,000 over 7 years)

Selection Basis: **Highest Score after finalist demonstrations**

Operational Requirement and Alignment with Strategic Plan

See backgrounder

Contracted Goods or Service

EWEB issued an intent to award a contract to Milestone to integrate and implement a Customer Self-Service Portal (CSS). If approved, Milestone will be contracted to deploy a technology solution that improves the customer engagement experience, allowing for online self-service customer registration and account management, service notifications and alerts, and personalized data and insights. The solution will integrate with EWEB's systems and provide a single sign-on experience on mobile and web platforms. EWEB currently does not have a CSS system.

As part of the 'best and final offer', Milestone offered a managed services option. Managed services include application management, monitoring and patching, 24/7 production support, environment management, and KPI reporting, among others. While EWEB information services staff does provide 24/7 system support, current staffing levels and skill sets do not align with managing a hosted system that is utilized by a high volume of customers outside of standard business hours. Management believes that it's in the best interest of EWEB and our customer-owners to contract with Milestone to provide managed services for an additional \$90,000/year.

Prior Contract Activities

EWEB has not contracted with Milestone previously.

Purchasing Process

The backgrounder includes information on the purchasing process. Seven firms submitted CSS proposals. After evaluating the proposals based on the criteria noted in the backgrounder, the two highest ranked proposers - Milestone and Smart Energy Water (SEW) - were selected to demonstrate their solution. Milestone scored high in the firm background, implementation approach and technical requirements categories and SEW in the implementation approach, functional requirements and technical requirements categories. Finalist annual fees ranged from \$15,000-\$25,000. Milestone was the highest ranked proposer after demonstrations and received top scores in all categories except one which was highly ranked.

Proposer Information

Accelerated Innovations

Avertra

Kubra

Level One

Milestone Utility Services

Smart Energy Water

Vertex One

Proposer Location

St. Paul, MN

Herndon, VA

Piscataway, NJ

Malvern, PA

Plantation, FL

Irvine, CA

Bend, OR

ACTION REQUESTED:

Management requests the Board authorize the General Manager to approve a contract with Milestone Utility Services for a Customer Self Service Portal with managed services after completion of contract negotiations.

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to authorize the General Manager to approve a contract with **Paymentus for Electronic Bill Presentment and Payment Services** after completion of contract negotiations.

Board Meeting Date: 8/6/2019

Project Name/Contract #: Customer Experience Improvement Project/ RFP #005-2019

Primary Contact: Matt Barton at Ext. 7109 and Sue Fahey at Ext. 7688

Contract Amount:

Contract Estimate:	\$255,000/annual fees; \$1.78 million/over 7 years plus implementation travel costs
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Contracting Method:

Method of Solicitation: Formal Request for Proposal

If applicable, basis for exemption: N/A

Term of Agreement: **7 years**

Option to Renew? For annual maintenance

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

Proposals Received (Range): \$114,000-\$549,000 annual fees; \$796,000-\$3,970,000 over 7 years

Selection Basis: **Highest Score after finalist demonstrations**

Operational Requirement and Alignment with Strategic Plan

See backgrounder

Contracted Goods or Services

EWEB issued an intent to award a contract to Paymentus to integrate and implement a payment platform with a single view and consistent customer experience across all payment channels. If approved, Paymentus will be contracted to provide Electronic Bill Presentment and Payment Processing (EBPP) services including the delivery of electronic bills to customers; hosting and maintaining an EWEB branded EBPP site; and processing via credit card, debit card, and ACH.

Prior Contract Activities

EWEB has not contracted with Paymentus previously.

Purchasing Process

The backgrounder includes information on the purchasing process. Seven firms submitted proposals to provide EBPP services. After evaluating the proposals based on the criteria noted in the backgrounder, the three highest ranked proposers were selected to demonstrate their solution. InvoiceCloud had strong scores in the firm experience and implementation approach categories; Smart Energy Water in all categories except firm experience; and Paymentus in the functional and technical requirements categories. Finalist annual fees ranged from \$145,000 to \$436,000. Paymentus was the highest ranked proposer after demonstrations and received top scores in the technical review, implementation approach and reference categories. From a customer and staff experience perspective, enhanced functionality over EWEB's current system includes additional payment channels such as mobile, PayPal, pay-by-text and kiosks. Additionally, Paymentus will provide extended hour and bilingual support to EWEB customers' payment processing questions and indemnify EWEB for compliance with payment card data security standards.

Proposer Information

Avertra

Invoice Cloud

Kubra

Level One

Paymentus

Smart Energy Water

Utilitec

Proposer Location

Herndon, VA

Braintree, MA

Piscataway, NJ

Malvern, PA

Charlotte, SC

Irvine, CA

Troy, MI

ACTION REQUESTED:

Management requests that the Board authorize the General Manager to approve a contract with Paymentus for Electronic Bill Presentment and Payment Processing Services after completion of contract negotiations.

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to authorize the General Manager to approve a contract with **Utilitec** for **Bill Print and Mail Services and Insert Printing** after completion of contract negotiations.

Board Meeting Date: 8/6/2019

Project Name/Contract #: Customer Experience Improvement Project/ RFP #005-2019

Primary Contact: Matt Barton at Ext. 7109 and Sue Fahey at Ext. 7688

Contract Amount:

Contract Estimate Current Functionality: \$113,600 annual fees; \$800,000 over 7 years plus implementation travel costs

Contract Estimate Enhanced Functionality: \$135,000 annual fees: \$948,000 over 7 years plus implementation travel

Estimated Insert Costs (12/yr): \$43,300 annually; \$303,000 over 7 years

Contracting Method:

Method of Solicitation: Formal Request for Proposal

If applicable, basis for exemption: N/A

Term of Agreement: **7 years**

Option to Renew? For annual maintenance

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

Proposals Received (Range): 5 responses (\$79,000 to \$118,200 annual fees; \$552,000-\$827,000 over 7 years);
Insert costs- 12/year (\$31,200 to \$51,900 annually; \$218,000 to \$363,000 over 7 years)

Selection Basis: **Highest Score after finalist demonstrations**

Operational Requirement and Alignment with Strategic Plan

See backgrounder

Contracted Goods or Services

EWEB issued an intent to award a contract to Utilitec for integrated bill print and mailing (BPM) services. If approved, Utilitec will perform the printing, folding, inserting and mailing of customer billing documents and generate electronic billing information for use with other customer facing systems. In addition, Utilitec will archive billing information in accordance with Oregon requirements.

From a customer and staff experience perspective, enhanced functionality provided by Utilitec includes online bill audit review with 50 audit thresholds to increase bill accuracy, automatic address updates to reduce the 50-100 undeliverable bills EWEB receives each day, and a more effective and efficient way to provide bill information and inserts. Management believes that it's in the best interest of customers and staff to contract with Utilitec for these value added services.

Prior Contract Activities

EWEB has not contracted with Utilitec previously.

Purchasing Process

The backgrounder includes information on the purchasing process. Five firms submitted BPM services proposals. After evaluating the proposals based on the criteria noted in the backgrounder, the three highest ranked proposers - Utilitec, Paymentus and Smart Energy Water (SEW) - were selected to demonstrate their services. All three firms ranked high in the functional requirements category. Utilitec and Paymentus also scored high in the firm background category, while SEW scored high with their implementation approach. Finalist annual fees ranged from \$113,600 to \$126,800. Utilitec was the highest ranked proposer after demonstrations and scored highest in the demonstration and implementation approach categories. From a customer and staff experience perspective, enhanced functionality over current BPM services includes online bill audit and review to increase bill accuracy, and automatic address

updates to reduce undeliverable mail. Currently, EWEB receives 50-100 undeliverable bills each day.

Proposer Information

Kubra
Level One
Paymentus with InfoSend for BPM
Smart Energy Water
Utilitec

Proposer Location

Piscataway, NJ
Malvern, PA
Charlotte, SC
Irvine, CA
Troy, MI

ACTION REQUESTED:

Management requests the Board authorize the General Manager to approve a contract with Utilitec for Bill Print and Mail Services and Insert Printing after completion of contract negotiations.

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a contract with Engineering/Remediation Resources Group, Inc. for environmental construction.

Board Meeting Date: 8/6/2019

Project Name/Contract #: Upland MGP Removal 19-058

Primary Contact: Mike McCann Ext. 7379

Contract Amount:

Original Contract Amount: \$807,000

Additional \$ Previously Approved: \$0

Invoices over last approval: \$0

Percentage over last approval: 0%

Amount this Request: \$807,000

Resulting Cumulative Total: \$ 807,000

Contracting Method:

Method of Solicitation: Invitation to Bid

If applicable, basis for exemption: n/a

Term of Agreement: **One Time Purchase (Construction Services)**

Option to Renew? No

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

Proposals/Bids Received (Range): 3 - \$656,484 - \$1,153,748

Selection Basis: Lowest Responsive and Responsible bid

Narrative:

Operational Requirement and Alignment with Strategic Plan

EWEB has been working cooperatively with the Cascade Natural Gas Corporation and PacifiCorp, the entities responsible for the legacy contamination at the Former Manufactured Gas Plant (MGP) located on EWEB property. In January of 2015 the Oregon Department of Environmental Quality (DEQ) issued their final Record of Decision for the MGP Site defining the scope of the needed remediation. The implementation of the DEQ's remedy will occur in two phases – the removal of MGP waste from the uplands and the stabilization of the riverbank. Taken together these two phases will address EWEB's environmental liability and serve to protect human health and the environment. After the completion of the remedial activities, the property can be put to productive re-use. The costs associated with this contract will be borne by the three parties, consistent with our long-standing cost sharing agreement.

Contracted Goods or Services

The services provided by this contract include: the removal and disposal of highly contaminated and potentially mobile MGP residuals from concrete vaults buried beneath the sub-surface; the removal and disposal of saturated contaminated soil from under historic structures; the capping of the site to ensure that stormwater does not come into contact with any residual contamination; and the installation of a stormwater feature (bioswale) to treat stormwater to City standards before discharge to the river. Specifically, the work entails: the removal of contaminated material from the Small Relief Holder and under the historic First Gas Plant Building; the remediation and handling of waste recovered from the Large Gas Holder; the loading, transportation and disposal of an estimated 1,800 tons of contaminated soil at either Subtitle C or D landfills (depending on the extent of the contamination); the installation of an asphalt cap and stormwater system improvements; and odor mitigation. The Board request also includes a 10% contingency to cover the removal and disposal of any additional contaminated material that might be encountered during the remedial action. ERRG has submitted per unit costs for the excavation, loading and transportation of this additional contaminated material, should it be encountered.

Prior Contract Activities

EWEB has not contracted with ERRG in the past.

Purchasing Process

Staff first issued a formal Invitation to Bid on May 28, 2019. After no prospective bidders attended the mandatory pre-bid meeting on June 5th, the solicitation was withdrawn. The minimum qualifications were adjusted and a second Invitation to Bid was posted on June 17, 2019. EWEB sent notification of the bid directly to seven companies who had previously expressed interest. The solicitation was posted on the bid site for the state of Oregon (ORPIN), as well as advertised in the Portland Daily Journal of Commerce. Three bids were received and evaluated by staff. The lowest bid was deemed by staff to be Non-Responsible as it failed to meet the minimum qualifications for this work – namely experience with the implementation of similar projects involving the successful removal of soil saturated with oil with at least one of those projects requiring odor management/mitigation. The next lowest bid, submitted by ERRG, was found to be Responsive and Responsible. If approved, ERRG will provide construction services, as specified in the solicitation documents.

ACTION REQUESTED:

Management requests the Board approve a contract with Engineering/Remediation Resources Group, Inc. for environmental construction. Based on the preliminary engineer's estimate for this effort, \$721,000 was set aside for these services in the Environmental (Section 146) budget for 2019. The total 2019 budget for the Energy Division is \$9.3 million. Variances will be managed within the budget process consistent with Board policy. As mentioned previously, the costs of the project will be shared by EWEB, Cascade and PacifiCorp with EWEB paying less than 20% of the total clean-up costs (the exact terms of the cost sharing arrangement are confidential).

EWEB Board Consent Calendar Request

For Contract Awards and Renewals

The Board is being asked to authorize the General Manager to approve a new contract with Garten Services, Inc. for janitorial services after final authorization is obtained from the state of Oregon.

Board Meeting Date: 8/6/2019

Project Name/Contract #: Janitorial Services for HQ, ROC, Hayden Bridge/ RFP #19-051-S

Primary Contact: Rod Price Ext. 7122

Contract Amount:

Original Contract Amount: \$2,200,000 over 5 years

Additional \$ Previously Approved: \$0

Invoices over last approval: \$0

Percentage over last approval: 0%

Amount this Request: \$2,200,000 over 5 years

Resulting Cumulative Total: \$2,200,000 over 5 years

Contracting Method:

Method of Solicitation: Request for Proposals

If applicable, basis for exemption: N/A

Term of Agreement: **5 Years**

Option to Renew? No

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

Proposals/Bids Received (Range): 2 responses (Pricing excluded for Qualified Rehabilitation Facility selection process)

Selection Basis: **Highest scoring, responsive and responsible proposal**

Narrative:

Operational Requirement and Alignment with Strategic Plan

EWEB has a need for janitorial services at its EWEB Headquarters, Roosevelt Operations Center, and Hayden Bridge facilities, which includes provision of consumable products (i.e. paper towels, toilet paper, etc.). This contract, if approved, will be with a Qualified Rehabilitation Facility (QRF) in accordance with Oregon statutory law. The Oregon Department of Administrative Services (DAS) has reviewed this contract and has approved the proposed pricing for the services.

Contracted Goods or Services

If approved, Garten Services Inc. will provide janitorial services and consumable products at HQ, ROC and Hayden Bridge.

Prior Contract Activities

None

Purchasing Process

A formal RFP was issued June 5, 2019 and closed July 1, 2019. The solicitation was open only to companies certified under the state of Oregon's Qualified Rehabilitation Facility program, managed by the Department of Administrative

Services (DAS) and intended to encourage and assist individuals with disabilities to achieve maximum personal independence through productive and gainful employment. Two proposals were received. After review, the evaluation committee determined Garten Services, Inc. to be the highest ranked offeror based on evaluation criteria that included firm experience, key staff experience, references, and value engineering proclivity. Oregon's QRF program requires that the evaluation criteria cannot include pricing. A finalist is selected based solely on qualifications. At that point, the finalist's submitted pricing is evaluated and approved by the Department of Administrative Services, state of Oregon.

During the solicitation process, Garten Services demonstrated the strongest knowledge of the janitorial industry and scored highest in managing staff and resources.

Bidder/Proposer Information

Gartner Services, Inc.
Willamette Valley Rehabilitation Center, Inc.

Bidder/Proposer Location

Eugene, OR
Lebanon, OR

ACTION REQUESTED:

Management requests the Board authorize the General Manager to approve a new contract with Garten Services, Inc. for janitorial services after final authorization is obtained from the state of Oregon. Approximately \$475,000 is budgeted for these services in the Electric Division 2019 budget of \$22.7 million for services provided at the Headquarters and Roosevelt Operations buildings. Approximately \$40,000 was planned for these services in the Water Division 2019 budget of \$14.3 million for the Hayden Bridge buildings.

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a contract with Oregon Woods, Inc. for environmental construction.

Board Meeting Date: 8/6/2019

Project Name/Contract #: Stabilization of Riverbank 020-2019

Primary Contact: Mike McCann Ext. 7379

Contract Amount:

Original Contract Amount: \$384,000

Additional \$ Previously Approved: \$0

Invoices over last approval: \$0

Percentage over last approval: 0%

Amount this Request: \$384,000

Resulting Cumulative Total: \$384,000

Contracting Method:

Method of Solicitation: Invitation to Bid

If applicable, basis for exemption: n/a

Term of Agreement: **One Time Purchase (Construction Services)**

Option to Renew? No

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

Proposals/Bids Received (Range): 1 - \$394,600 (original bid)

Selection Basis: Lowest Responsive and Responsible bid

Narrative:

Operational Requirement and Alignment with Strategic Plan

EWEB has been working cooperatively with the Cascade Natural Gas Corporation and PacifiCorp, the entities responsible for the legacy contamination at the Former Manufactured Gas Plant (MGP) located on EWEB property. In January of 2015 the Oregon Department of Environmental Quality (DEQ) issued their final Record of Decision for the MGP Site defining the scope of the needed remediation. The implementation of the DEQ's remedy will occur in two phases – the removal of MGP waste from the uplands and the stabilization of the riverbank. Taken together these two phases will address EWEB's environmental liability and serve to protect human health and the environment. The services provided by this contract are designed to stabilize the shoreline by the MGP Site to ensure that site contamination does not migrate into the Willamette River. The costs associated with this contract will be borne by the three parties, consistent with our long-standing cost sharing agreement. After the remediation has been completed, the property can be put to productive re-use.

Contracted Goods or Services

The scope of services for the contract with Oregon Woods includes the procurement and placement of approximately 360 tons of river rock at the toe of the bank in order to stabilize the bank from the erosive forces of the river. Oregon Woods will also be responsible for erosion control and the removal of invasive vegetation from the riparian area. Once the invasive vegetation has been removed, the shoreline will then be re-planted with native vegetation that is well suited for the shoreline conditions. The contractor will also be required to provide maintenance services over the course of the next three years to ensure survivability of the plantings and the stability of the shoreline.

Prior Contract Activities

Oregon Woods currently has two active projects with EWEB. Contract No. 001-2017 for \$134,000 expires in April of 2022. This contract is for random vegetation maintenance and enhancement services on EWEB-owned and/or controlled properties. The majority of these properties lie within the Leaburg, Walterville and Carmen Smith hydroelectric project boundaries. The second contract, Contract No. 020-2018, is for specific ongoing vegetation management services along the banks of the Leaburg and Walterville hydroelectric canals (or on properties associated with these canals) along the McKenzie River. This is a five year contract totaling \$275,000 set to expire in May of 2023.

Purchasing Process

Staff issued a formal Invitation to Bid on May 28, 2019. EWEB sent notification of the bid directly to 5 companies who had previously expressed interest in the upcoming bid. The solicitation was posted on the bid site for the state of Oregon (ORPIN), as well as advertised in the Portland Daily Journal of Commerce. Sixteen companies reviewed the bid on ORPIN and seven companies attended the mandatory pre-bid meeting. One bid was received from Oregon Woods, Inc. of Eugene, OR and was found to be Responsive and Responsible. If approved, Oregon Woods will provide construction services, as specified in the solicitation documents.

Competitive Fair Price (If less than 3 responses received)

Companies who had expressed interest in the solicitation were contacted to determine why they chose not to submit bids for the project. Most stated that their schedule was completely booked at the time, in reflection of the overall construction environment for year 2019. The price submitted by Oregon Woods was higher than the engineer's estimate for this work. The primary discrepancy between the bid and the engineer's estimate related to the cost associated with the delivery of the rock material to the toe of the steep riverbank. As part of our due diligence, a conference call was held with the contractor, EWEB, and EWEB's engineering consultant to discuss the pricing for each of the line items, including the delivery of the rock material to the toe of the riverbank. The Contractor was able to identify cost saving measures that could be applied to the delivery and placement of rock thereby lowering the total bid amount by \$10,800.

ACTION REQUESTED:

Management requests the Board approve a contract with Oregon Woods, Inc. for environmental construction. Based on the preliminary engineer's estimate for this effort, \$243,000 was set aside for these services in the Environmental (Section 146) budget for 2019. The total 2019 budget for the Energy Division is \$9.3 million. Variances will be managed within the budget process consistent with Board policy. As mentioned previously, the costs of the project will be shared by EWEB, Cascade and PacifiCorp with EWEB paying less than 20% of the total clean-up costs (the exact terms of the cost sharing arrangement are confidential).

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve increasing an existing contract with Pacific Excavation, Inc. for construction services at EWEB's Carmen-Smith Hydro Project.

Board Meeting Date: 8/6/2019

Project Name/Contract #: Water System Improvements / ITB 002-2019

Primary Contact: Susan Ackerman Ext. 7185

Contract Amount:

Original Contract Amount: \$238,000

Additional \$ Previously Approved: \$0

Invoices over last approval: \$0

Percentage over last approval: 36%

Amount this Request: \$ 86,000.00

Resulting Cumulative Total: \$ 324,000.00

Contracting Method:

Method of Solicitation: Formal Invitation to Bid

If applicable, basis for exemption: n/a

Term of Agreement: April 3, 2019 to September 28, 2019

Option to Renew? No

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

Proposals/Bids Received (Range): 4 (\$237,880 - \$718,000)

Selection Basis: Lowest Responsive and Responsible bid

Narrative:

Operational Requirement and Alignment with Strategic Plan

The original contract was based on bringing the water system into regulatory compliance by changing the water source from the existing well to a newly drilled well located in Trail Bridge Campground. The new well will provide water to both the Carmen-Smith Campus and facilities, as well as Trail Bridge Campground. A new storage tank will be provided which will serve both the Carmen-Smith Campus and the Trail Bridge Campground, and new pipe will tie into current distribution piping located downstream of the existing storage tank, which will be demolished and removed from the site. A fiberglass building will be installed to house the new well, chlorination system, and related appurtenances.

Contracted Goods or Services

The original contract was awarded based on the native soils containing less rock, and being able to be used as backfill, thus minimizing the amount of fill to be purchased and brought to the site. Significant rock in the soil has led to additional backfill material (\$19,000) as well as specialized equipment for removal of a significant amount of solid rock (\$30,000). In addition, conduit was added to allow for reliable communication between the storage tank water level sensor and the pump (\$26,600) and insulation and a heater were added to the water storage tank to prevent freezing during winter (\$8,000). These additions will help protect and support efficient use of the new water system. Asphalt cutting and patch to cross the existing road was not included in the contract documents (\$1,000), and is a requirement of the work. Building permit was included by allowance (1,918). The Board request also includes a \$5000 contingency to cover any additional rock materials as yet undiscoverable at this point.

Prior Contract Activities

To date, 2500 lineal feet of waterline and conduit has been installed.

Purchasing Process

EWEB issued ITB 002-2019 in February 2019, and a voluntary pre-bid meeting was held in which eight (8)

prospective bidders and subcontractors attended. The ITB responses were opened in March and reviewed by staff. Bidders were required to demonstrate relevant experience in comparable projects and required identifying experience of key personnel who will manage the project during construction. Four (4) responses were received and evaluated by staff. Responses were received from Morello Construction of Chiloquin, OR, Wildish Building Co. of Eugene, OR., DJ Miller Construction of Marcola, OR, and Pacific Excavation of Eugene, OR. Pacific Excavation was determined to be the lowest responsible and responsive bid.

ACTION REQUESTED:

Management requests the Board approve an increase to the existing Contract with **Pacific Excavation, Inc.** for **construction services at the Carmen-Smith project**. Approximately \$540,000 was planned for this project in the Carmen Smith License Deployment 2019 budget of \$15M. 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: Sue Fahey, Assistant General Manager/CFO; Deborah Hart, Financial Services Manager
DATE: July 26, 2019
SUBJECT: Resolutions for Appointment of Assistant Treasurer and Financial Depositories
OBJECTIVE: Board Action

Issue

The Assistant Treasurer, Susan Eicher, is retiring in August. Her retirement requires the Board appoint a new Assistant Treasurer and approve updated signatories for EWEB financial institutions.

Background

All financial institutions with which EWEB maintains accounts require a listing of signatories authorized to conduct business on the account. Signatories are appointed by resolution by the Board of Commissioners and include the Assistant Treasurer. The Assistant Treasurer position will be vacant in August 2019.

Discussion

EWEB maintains depository accounts with financial institutions for operational purposes, for trust and custodial services, for escrow accounts, and for investments with local financial institutions.

For operational purposes, EWEB's primary financial institution is U.S. Bank, N.A., where accounts are maintained for deposits from customer payments, and for payment to employees and vendors. First Interstate Bank provides services for deposit and settlement of payments from customers who pay by check to EWEB's lockbox service. The Local Government Investment Pool, operated by the Oregon State Treasury, is used for short-term investment of cash generated by operations.

For payment of debt service, and the safekeeping of investment securities, EWEB has contracted with U.S. Bank Global Corporate Trust. EWEB transfers funds to accounts designated to pay debt service. When EWEB purchases investment securities, they are held in EWEB's name in a custodial account.

EWEB also maintains escrow accounts with U.S. Bank Global Corporate Trust and with Wells Fargo Corporate Trust Services. An escrow account to hold funds required by contracts relating to the founding of the Harvest Wind Project was established at Wells Fargo, then transitioned to US Bank when they became the EWEB trustee. A second account, relating to the provision of transmission facilities for Harvest Wind by Klickitat County PUD was established at Wells Fargo. Since all parties to the Harvest Wind escrow account are required to agree to a transition of trustee,

EWEB has been unable to move this legacy escrow account to U.S. Bank.

In 2016, EWEB conducted a Request for Information (RFI) of financial institutions headquartered in Oregon, with at least one office in EWEB service territory, to solicit interest in having EWEB as an investment customer. Based upon the results of the RFI, the Board of Commissioners approved adding nine local institutions as depositories for investments. EWEB then established investment accounts with Summit Bank and Oregon Community Credit Union. Several of the approved financial institutions have been acquired by companies headquartered outside of Oregon and EWEB does not maintain accounts with them. Accordingly, they are not included as depositories in Resolution No. 1916.

Recommendation and Requested Board Action

Management is requesting approval of Resolutions No. 1914, appointing the Assistant Treasurer, and Resolutions No. 1915, 1916 and 1917, authorizing EWEB signatories to accounts with financial institutions.

**RESOLUTION NO. 1914
AUGUST 2019**

**EUGENE WATER & ELECTRIC BOARD
APPOINTMENT OF ASSISTANT TREASURER**

WHEREAS, the Eugene Water & Electric Board bylaws Article V, Section 1 provides for the General Manager to designate an Assistant Secretary, Treasurer, and Assistant Treasurer.

WHEREAS, the Assistant Treasurer position will be vacant in August 2019.

THEREFORE BE IT RESOLVED that the Eugene Water & Electric Board hereby authorizes the General Manager to designate Deborah Hart as Assistant Treasurer to the Board of Commissioners, effective August 7, 2019.

Dated this 6th day of August, 2019.

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

President

I, ANNE M. KAH, hereby certify that I am the duly appointed, qualified and acting Assistant Secretary of the Eugene Water & Electric Board, and that the above is a true and exact copy of a Resolution adopted by the Board at its August 6, 2019 Board meeting.

Assistant Secretary

**RESOLUTION NO. 1915
AUGUST 2019**

**EUGENE WATER & ELECTRIC BOARD
TRUST AND CUSTODIAL DEPOSITORIES**

RESOLVED, that the financial institutions below be, and hereby are, designated as banks of and depositories for funds of the Eugene Water & Electric Board of the City of Eugene, Oregon, which funds may be deposited or withdrawn on checks, drafts, receipts, or advices or debit given or signed in the Board's name by the manual and/or facsimile signature of any of the authorized signatories listed herein.

U.S. Bank Global Corporate Trust – Portland, Oregon

- Electric System Bond Funds and Custodial Account
- Water System Bond Funds and Custodial Account
- Klickitat County PUD Escrow Account

Wells Fargo Corporate Trust Services – Denver, Colorado

- Harvest Wind Escrow Account

RESOLVED further, that signatories for establishment of accounts therewith shall be as shown.

General Manager-Secretary	Frank J. Lawson	_____
Treasurer	Susan K. Fahey	_____
Assistant Treasurer	Deborah Hart	_____

RESOLVED further, that the authority hereby conferred upon the above-named persons shall remain in full force and effect until written notice of revocation thereof has been delivered to said Bank, and all prior resolutions relative to the foregoing accounts and funds are hereby revoked.

Dated this 6th day of August, 2019.

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

President

I, ANNE M. KAH, hereby certify that I am the duly appointed, qualified and acting Assistant Secretary of the Eugene Water & Electric Board, and that the above is a true and exact copy of a Resolution adopted by the Board at its August 6, 2019 Board meeting.

Assistant Secretary

**RESOLUTION NO. 1916
AUGUST 2019**

**EUGENE WATER & ELECTRIC BOARD
OREGON DEPOSITORY ACCOUNTS**

RESOLVED, that financial institutions listed below within, EUGENE, OREGON be, and hereby are, designated as financial depositories for funds of the Eugene Water & Electric Board of the City of Eugene, Oregon.

- EWEB EMPLOYEES FEDERAL CREDIT UNION – Eugene, Oregon
- NORTHWEST COMMUNITY CREDIT UNION - Eugene, Oregon
- ONPOINT COMMUNITY CREDIT UNION - Eugene, Oregon
- OREGON COMMUNITY CREDIT UNION - Eugene, Oregon
- OREGON PACIFIC BANK - Eugene, Oregon
- PACIFIC CASCADE FEDERAL CREDIT UNION - Eugene, Oregon
- SUMMIT BANK - Eugene, Oregon

RESOLVED further, that signatories for establishment of accounts therewith shall be as shown.

General Manager-Secretary	Frank J. Lawson	_____
Treasurer	Susan K. Fahey	_____
Assistant Treasurer	Deborah Hart	_____

RESOLVED further, that the above named are hereby authorized to designate individuals authorized to give instructions concerning transfers of funds of the Eugene Water & Electric Board held by a financial institution as depository. Delegation of authority to designated individuals will be evidenced by financial institution documentation, as required.

RESOLVED further, that the authority hereby conferred upon the above-named persons shall remain in full force and effect until written notice of revocation thereof has been delivered to said financial institutions, and all prior resolutions relative to the foregoing accounts and funds are hereby revoked.

Dated this 6th day of August, 2019.

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

Sonya Carlson, President

I, ANNE M. KAH, hereby certify that I am the duly appointed, qualified and acting Assistant Secretary of the Eugene Water & Electric Board, and that the above is a true and exact copy of a Resolution adopted by the Board at its August 6, 2019 Board meeting.

Assistant Secretary

**RESOLUTION NO. 1917
AUGUST 2019**

**EUGENE WATER & ELECTRIC BOARD
OPERATIONAL DEPOSITORIES**

RESOLVED, that the financial institutions below be, and hereby are, designated as banks of and depositories for funds of the Eugene Water & Electric Board of the City of Eugene, Oregon, which funds may be deposited or withdrawn on checks, drafts, receipts, or advices or debit given or signed in the Board's name by the manual and/or facsimile signature of any of the authorized signatories listed herein.

U.S. Bank, N.A. – Portland, Oregon

First Interstate Bank – Billings, Montana

Local Government Investment Pool – Salem, Oregon

RESOLVED further, that signatories for establishment of accounts therewith shall be as shown.

General Manager-Secretary	Frank J. Lawson	_____
Treasurer	Susan K. Fahey	_____
Assistant Treasurer	Deborah Hart	_____

RESOLVED further, that the authority hereby conferred upon the above-named persons shall remain in full force and effect until written notice of revocation thereof has been delivered to said Bank, and all prior resolutions relative to the foregoing accounts and funds are hereby revoked.

Dated this 6th day of August, 2019.

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

President

I, ANNE M. KAH, hereby certify that I am the duly appointed, qualified and acting Assistant Secretary of the Eugene Water & Electric Board, and that the above is a true and exact copy of a Resolution adopted by the Board at its August 6, 2019 Board meeting.

Assistant Secretary



MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

Rely on us.

TO: Commissioners Carlson, Mital, Helgeson, Schlossberg and Brown
FROM: Frank Lawson, General Manager
DATE: July 31, 2019
SUBJECT: Proposed Revision to Board Policy GP10, Public Input
OBJECTIVE: Board Action – Approval of Resolution No. 1920

Issue

Board Policy GP10 states that Public Input is a regular feature of every formal meeting of the Board of Commissioners. As written, the term formal meeting is somewhat obscure.

Discussion

Board Policy GP4 describes the format generally followed for Regular EWEB Board Meetings. In addition to Regular Meetings, the Board occasionally conducts Work Sessions and other Special Meetings with a specific purpose. These ancillary meetings may not necessitate all of the agenda components in the prescribed Regular Meeting format. Public Input is specifically addressed by a separate Board Policy, because of this separation and obscure language in GP10, Management believes clarification is needed to establish which meetings the Board intends to oblige public comments.

According to the Attorney General’s Public Records and Meetings Manual 2019, the right of public attendance guaranteed by the Public Meetings Law does not include the right to participate by public testimony or comment. Other statutes, rules, charters, ordinances, and bylaws outside the Public Meetings Law may require governing bodies to hear public testimony or comment on certain matters, such as the requirement to hold public hearings prior to rate actions. In the absence of such a requirement, the Board may conduct a meeting without any vocal public participation.

According to ORS 192.670 any meeting (including executive session) may be conducted by telephone or electronic means providing it is in compliance with Public Meeting Law. The public must be given adequate notice, and with the exception of executive sessions, given access to at least one place or electronic means by which they can listen to the communication at the time it occurs. It is not necessary to provide a location where Board members are present.

If it is not the intention of EWEB Board Policy to require a period for Public Input at every meeting, the Board could use its discretion, within legal parameters, to conduct a telephonic meeting when circumstances warrant. For example, Commissioners conducted a very brief meeting, for the sole purpose of approving an emergent contract on July 16, 2019. In this instance, the meeting could have been conducted entirely by telephone if so desired.

Management believes the proposed policy amendment will afford more flexibility to conduct business in the most efficient manner that is appropriate for each distinct circumstance. Additionally, minor edits were made to the policy to improve clarity and relevance.

The Board will maintain its discretion to hold a period for Public Input at any meeting regardless of whether it is a stated requirement of Board Policy. A red-line copy of the amended policy has been prepared for the Board's consideration.

Recommendation/Requested Board Action

A proposed policy revision accompanied by Resolution No. 1920 has been submitted for the Board's consideration and approval via the August 6, 2019 consent calendar. If the revised policy does not reflect the Board's intent, Management requests clarification around providing the opportunity for public comments at assemblies of the Board other than Regular Meetings.



Governance Process Policies (GP Policies)

GP10

Public Input

Effective Date

~~November 1, 2005~~ Revision Proposed August 6, 2019

Public Input is a ~~regular routine~~ feature of every ~~formal meeting~~ Regular Meeting of the Board of Commissioners, which generally occurs on the first Tuesday of each month. The item ~~customarily usually~~ appears near the beginning of the agenda. Members of the audience wishing to speak complete a Request to Speak form ~~fill out a sign-up sheet~~ at the meeting. Individuals are called by the presiding officer in the order ~~forms are received~~ they signed up.

Prior to ~~the start of opening p~~Public iInput, the presiding officer makes a brief announcement describing about the process for comment and Board response, and sets a time limit for individual input, which is generally three minutes.

Commissioners do not interact with the speakers during the Public Input period. The presiding officer may ask clarifying questions, but Commissioners refrain from engaging in a dialogue with the speakers while they are addressing the Board.

At the conclusion of the Public Input agenda item, individual Board members have an opportunity to address any point that was made during Public Input. Board member comments may include direction to the General Manager to further investigate a specific issue, clarification from the General Manager regarding a specific issue, or simply a response to a public comment just presented.

In certain instances, particularly at public rate hearings, ~~there is a considerable amount of public comment. If~~ the Board may directs staff to respond to specific questions posed by the public, those responses which are for the public good will be posted on EWEB's Internet site.

Source: Marty Douglass, Public Affairs, Draft Provided to Board 11/11/04; Board Approved 07/05/05; Modified 11/01/05, Proposed Revision, Resolution No. 1920 08/06/19.

**RESOLUTION NO. 1920
AUGUST 2019**

**EUGENE WATER & ELECTRIC BOARD
AMENDMENT TO BOARD POLICY GP10 PUBLIC INPUT**

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 an amendment to Board Policy GP10, Public Input and has determined that the amendment is appropriate and necessary to provide clarity.

NOW, THEREFORE, BE IT RESOLVED the Eugene Water & Electric Board hereby approves the amendment to Board Policy GP10 – Public Input as submitted at its August 6, 2019 meeting.

DATED this 6th day of August 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 August 6, 2019 Regular Board Meeting.

Assistant Secretary



MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

Rely on us.

TO: Commissioners Carlson, Mital, Helgeson, Schlossberg and Brown
FROM: Mike McCann, Electric Generation Manager; Lisa McLaughlin, Environmental & Property Supervisor
DATE: July 26, 2019
SUBJECT: Resolution No. 1921 – Leaburg Canal Property Acquisition
OBJECTIVE: Board Action

Issue

This memo provides background for Board Resolution No. 1921 that, if approved, would authorize the General Manager to execute documents to complete the acquisition of fee title for a 38.28-acre property abutting the Leaburg Canal.

Background

Over the years, EWEB has opportunistically acquired property adjacent to the Leaburg Canal as it has made sense to do so for access and/or dam safety purposes. EWEB currently owns more than 900 acres of mostly timbered land adjacent to and north of the Leaburg Canal. EWEB uses this property for hillslope/landslide monitoring and to prevent timber harvest and development that could impact the stability of the land above the canal. EWEB generally manages the land in a forested state for wildlife habitat and conducts periodic timber harvests where it makes sense to maintain a healthy mixed age forest ecosystem.

Discussion

EWEB was approached in the spring of 2019 by the current owner of a parcel of 38.28 acres that abuts the Leaburg Canal near the forebay of the power project. The owner wanted to gauge EWEB's interest in purchasing the parcel. EWEB had previously collaborated with the parcel owner regarding our landslide monitoring program because the land is steep and sits immediately above the Leaburg forebay. The land is actively managed as a small woodland with the intent for future harvest. The property has previously been logged and currently supports a stand of roughly 25-year old timber. The property has also been approved for a home site, but none has been constructed. Via prior collaborations, EWEB has installed piezometers and inclinometers on the property and actively monitors the property for earth movement. The parcel is adjacent to both the canal and other property previously acquired by EWEB, and is the last parcel with canal monitoring equipment that is not under EWEB ownership.

Staff would like to acquire the property to support ongoing safe operation of the Leaburg power project. Acquisition would prevent future construction of a home on the property and uncontrolled timber harvest. Acquisition would also provide EWEB ownership and management influence of land currently being monitored by EWEB for slope stability.

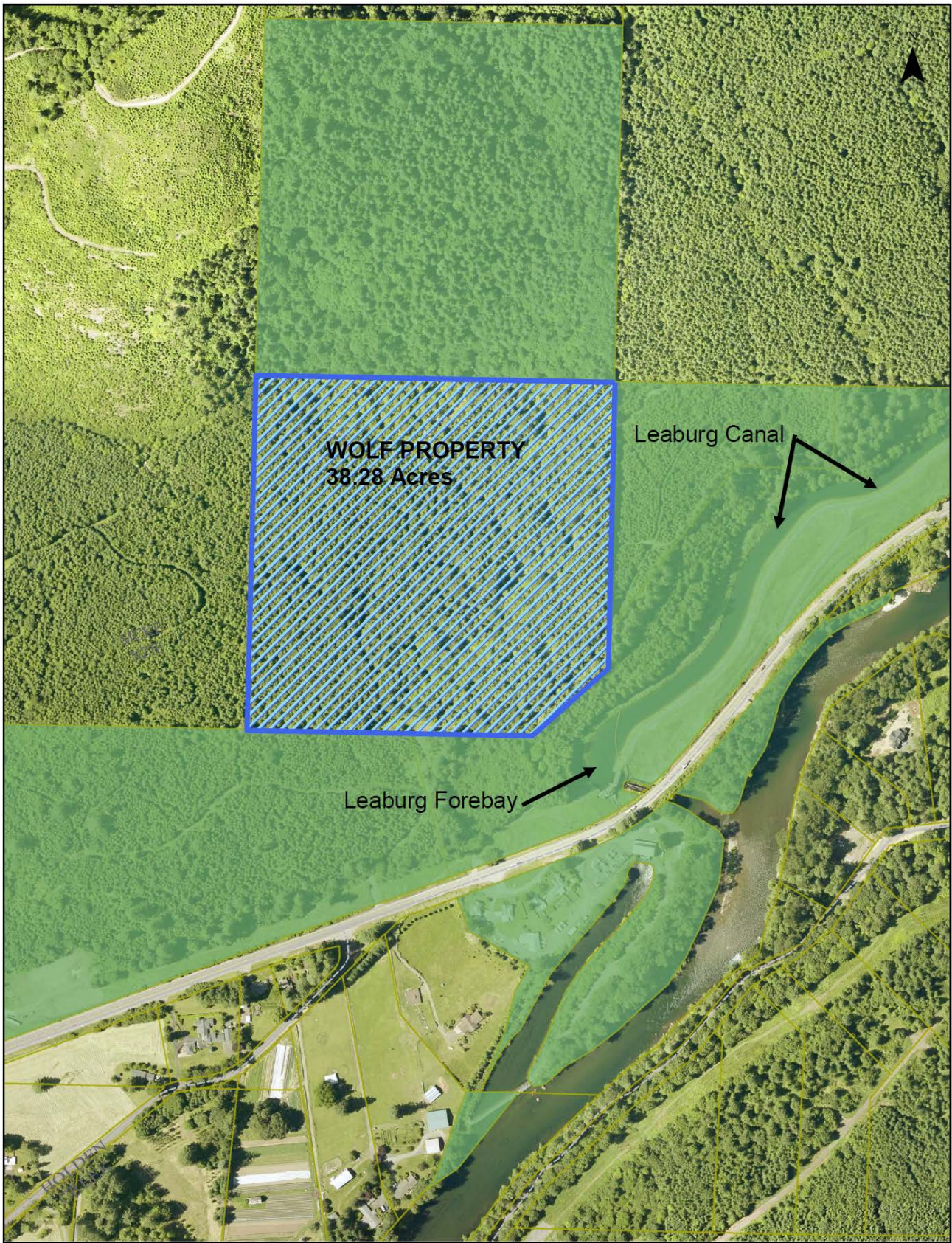
The negotiated purchase price of \$204,500 reserves the timber rights for twenty years for the seller, but allows EWEB the first right of refusal to purchase any standing timber prior to harvest. EWEB has completed a market analysis to determine purchase price and a Phase 1 Environmental Assessment on the property.

Recommendation

Management recommends the Board adopt Resolution No. 1921.

Requested Board Action

Approve Resolution No. 1921, authorizing the General Manager to execute the purchase of a 38.28-acre parcel along the Leaburg Canal.



**RESOLUTION NO. 1921
AUGUST 2019
EUGENE WATER & ELECTRIC BOARD**

**A RESOLUTION AUTHORIZING ACQUISITION OF PROPERTY ALONG
LEABURG CANAL**

WHEREAS, the above entitled matter came before the Board of Commissioners of the Eugene Water & Electric Board (“EWEB”) at its regular meeting on August 6, 2019; and

WHEREAS, the Board has considered the acquisition of a 38.28 acre property abutting the Leaburg Canal to enable EWEB to own, control and manage sloped timberland that has existing EWEB infrastructure and monitoring equipment and is situated above and adjacent to the Leaburg Canal forebay and is adjacent to other timberland owned and managed by EWEB for dam safety purposes; and

WHEREAS, EWEB has authority under Section 44 of the Eugene Charter and ORS 225.020 to acquire real property; and

WHEREAS, the Board determines that it is consistent with the powers and purposes of EWEB and necessary for the continued growth, safety and welfare of EWEB, as well as its wholesale customers, now or hereafter existing, that fee title to necessary properties as well as necessary rights-of-way and easements be acquired to implement the Leaburg Dam Safety Program; and

WHEREAS, the Board has determined that the proposed acquisition of property set forth on Exhibit 1, attached hereto and incorporated by reference, is planned and located in a manner which is most compatible with the greatest public benefit and mitigation of private impact; and

WHEREAS, the Board finds there are adequate funds budgeted and available to acquire the subject properties, and being fully advised,

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners, that EWEB shall in good faith attempt to acquire fee title on a fair and reasonable basis for the designated property. EWEB Staff and Counsel are authorized to complete negotiations with the property owners for an amount not to exceed fair market value. EWEB Staff and Counsel are authorized to complete the sale agreement and all necessary transactions, including the transfer of cash consideration, through close of escrow without necessity of further Board approval. The General Manager is authorized to execute all documents to complete the acquisition of fee title for the property (Exhibit 1).

Dated this 6th day of August, 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 true and exact copy of the Resolution adopted by the Board in its August 6th, 2019 Regular Board Meeting.

Assistant Secretary

EXHIBIT 1

PROPERTY DESCRIPTION

The Northwest quarter of the Southeast quarter of Section 9, Township 17 South, Range 1 East of the Willamette Meridian, in Lane County, Oregon.

EXCEPTING that part conveyed to the City of Eugene by deed recorded December 26, 1928, in Book 160, Page 442, Lane County Oregon Deed Records, in Lane County, Oregon.



MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

Rely on us.

TO: Commissioners Carlson, Mital, Helgeson, Schlossberg and Brown
FROM: Sue Fahey, Assistant General Manager/CFO; Deborah Hart, Financial Services Manager; and Sarah Gorsegner, Purchasing & Warehouse Supervisor
DATE: July 26, 2019
SUBJECT: Update to EWEB's Public Contracting Rule 3-0275
OBJECTIVE: Approval of Resolution No. 1922

Issue

EWEB's Public Contracting Rule 2-0140 provides the Board authority to update and revise EWEB Public Contracting Rules, so long as such revisions do not conflict with law.

Background

At the July 9, 2019 Board meeting, Management proposed allowing the General Manager to delegate approval of Sole Source Purchases to Chief Executive Management. Under ORS 279B.075, the local contract review board (EWEB's Board) has authority to approve use of a sole source contract. Previously, the Board has delegated the General Manager authority to approve sole source contracts.

Discussion

Management proposes that EWEB's Contracting Rule be updated to allow the General Manager to designate a Chief Executive to review findings of fact to determine that goods or services or a class of goods or services, are available from only one source. Contracts will continue to require approval by the Board at the currently established thresholds which are \$150,000 unless otherwise exempt. Management will indicate to the Board when proposed contracts are negotiated using a sole source exemption on the Board Consent request.

The proposed revision is in the first paragraph of EWEB Contracting Rule 3-0275, as follows:

3-0275 Sole-source Procurements

EWEB may award a contract for goods or services without competition when the General Manager or Chief Executive Manager designee ~~after reviewing findings of fact~~, determines, after reviewing findings of fact, that the goods or services or class of goods or services, are available from only one source.

Exhibits below include:

Exhibit A: Proposed revised EWEB Contracting Rule 3-0275

Exhibit B: Resolution No. 1922

Recommendation/Requested Board Action

Approval of Resolution No. 1922 to reflect the changes to EWEB's Public Contracting Rule 3-0275.

Exhibit A: Proposed revised EWEB Contracting Rule 3-0275

3-0275 Sole-source Procurements

EWEB may award a contract for goods or services without competition when the General Manager or Chief Executive Manager designee determines, after reviewing findings of fact, that the goods or services or class of goods or services, are available from only one source.

- (1) The determination of a sole-source must be based on written findings that may include:
 - (a) That the efficient utilization of existing goods requires the acquisition of compatible goods or services;
 - (b) That the goods or services required for the exchange of software or data with other public or private agencies are available from only one source;
 - (c) That the goods or services are for use in a pilot or an experimental project; or
 - (d) Other findings that support the conclusion that the goods or services are available from only one source.
- (2) In addition to the findings provided above, EWEB-specific findings may include the following:
 - (a) That EWEB's ability to provide vital services to its customers may be jeopardized should another good or service fail to match exactly the features, characteristics, performance, compatibility, reliability, and functionality of the sole-source good or service.
 - (b) EWEB lacks the time or expertise to responsibly investigate, analyze, or test an unfamiliar product(s) to assure that the product's capability, interface, features, components, durability, functionality, performance, safety, economy, and reliability are compatible with EWEB's infrastructure and will provide EWEB and its customers the most advantageous performance.
 - (c) Subparagraph (b) above shall not be used to avoid the bidding or proposal requirements provided in this Division.
- (3) To the extent reasonably practical, EWEB shall negotiate with the sole-source to obtain contract terms that are advantageous to EWEB.
- (4) If there are multiple sellers for the sole-source manufacturer's good(s) or service(s), EWEB shall follow the appropriate solicitation process to encourage competition between the potential providers.
- (5) The determinations made by EWEB under this Rule are final and conclusive unless they are clearly erroneous, arbitrary, capricious or contrary to law.
- (6) All protests shall be made pursuant to Rule 3-0720.

Stats. Implemented: ORS 279B.075, 279B.145

**RESOLUTION NO. 1922
AUGUST 2019**

**EUGENE WATER & ELECTRIC BOARD
RESOLUTION APPROVING REVISIONS TO
EWEB PUBLIC CONTRACTING RULE 3-0275**

WHEREAS, EWEB’s Board of Commissioners is EWEB’s governing body and Contract Review Board (ORS279A.60) with rulemaking authority to adopt its own rules of procedure for public contracts (ORS279A.065(5)(a)); and

WHEREAS, the Board of Commissioners periodically reviews said policies and determines that modifications or amendments are 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 and discussed the provisions of proposed new EWEB Public Contracting Rule 3-0275 at the July 9, 2019 Board meeting.

BE IT RESOLVED that the EWEB’s Board of Commissioners hereby adopts the proposed revisions to its Public Contracting Rule 3-0275: Sole Source Procurements.

Dated this 6th day of August 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 August 6, 2019 Board meeting.

Assistant Secretary

**RESOLUTION NO. 1923
AUGUST 2019**

**EUGENE WATER & ELECTRIC BOARD
AUTHORIZING DISCUSSIONS ON POTENTIAL LAND TRANSFER**

WHEREAS, the Eugene Water & Electric Board (“EWEB”) holds title to real property in the name of the City of Eugene, for the use and benefit of the Eugene Water & Electric Board which is legally described in Exhibit A and hereinafter commonly referred to as the “Former Manufactured Gas Plant (MGP)” property, which is comprised of three parcels;

WHEREAS, EWEB staff has evaluated the MGP property as no longer needed for utility purposes and that planning may proceed for potential future sale subject to formal designation as surplus by the EWEB Board of Commissioners;

WHEREAS, the provisions of ORS 271.310 authorize EWEB to sell real property within its possession or control if the real property is no longer needed for its public use or EWEB determines that the sale is in the public interest;

WHEREAS, if the MGP property were designated for disposal by EWEB, then Eugene Code 2.196 provides the City of Eugene with the first opportunity to negotiate for purchase of the MGP property for other municipal purposes;

WHEREAS, the MGP property is subject to environmental remediation measures described in the Oregon Department of Environmental Quality (DEQ) Record of Decision (ROD) for the Eugene Manufactured Gas Plant (Former) EWEB-owned Portion (ECSI No. 1723) dated January 5, 2014;

WHEREAS, EWEB believes that the ratepayers’ interest is served by timely transfer of the MGP property in accordance with certain criteria after completion of remediation measures; and

WHEREAS, the EWEB Commissioners have had the opportunity to address anticipated terms and conditions with those designated to negotiate the real property transactions during the course of executive session in accordance with ORS 192.660(2)(e).

NOW, THEREFORE, BE IT RESOLVED by the Eugene Water & Electric Board that:
The General Manager is hereby authorized and directed to negotiate terms and conditions for the potential post-remediation transfer of the MGP property to the City of Eugene under the guidance provided by the Board in executive session. Negotiation of such terms and conditions shall be non-binding and expressly subject to and conditioned upon future presentation to the Board for determination whether to declare the MGP property as no longer needed for utility purposes and ready for disposal. The General Manager is authorized to execute non-binding documents of understanding on behalf of EWEB necessary for presenting anticipated terms and conditions of a potential post-remediation property sale transaction for the Board’s consideration.

Dated this 6th day of August 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 August 6, 2019 Board meeting.

Assistant Secretary

EXHIBIT "A"

TAX MAP 17-03-32-22, TAX LOT 1500

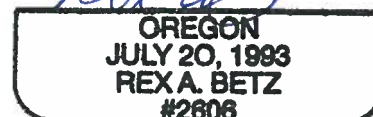
Situated in the City of Eugene, Lane County, Oregon in the Northwest 1/4 of Section 32 in Township 17 South, Range 3 West of the Willamette Meridian and described as follows:

Being a portion of the lands that were conveyed to the City of Eugene, a municipal corporation, for the use and benefit of the Eugene Water and Electric Board, in the Warranty Deed that was recorded March 25, 1976 in Reel 787R at Reception Number 7613750 in Lane County Oregon Deed Records. The perimeter of which portion is described more particularly as follows:

Commencing at the iron rod set in a concrete monument at the intersection of Hilyard Street and East 9th Avenue; thence South 88°12'48" East 148.53 feet to a point; thence North 1°47'12" East 367.33 feet to a point marked by a railroad spike; and thence North 1°45'12" East 59.94 feet to the **True Point of Beginning** of the portion being described herein.

Thence, leaving said **True Point of Beginning**, and running along the perimeter boundary of said lands that were conveyed in Reception Number 7613750 the following seven numbered courses: (1) South 88°14'42" East 86.03 feet to point marked by an iron pin; (2) North 46°45'18" East 38.00 feet to point marked by an iron pin; (3) North 01°45'18" East 135.76 feet to point marked by an iron pin on the left bank of the Willamette River; (4) along said left bank of the Willamette River North 64°05'27" West 52.09 feet to a point on said left bank that is marked by an iron pin; (5) South 87°20'18" West 54.91 feet; (6) North 40°02'42" West 115.74 feet; and (7) South 40°36'18" West 219.62 feet to a point of cusp at the beginning of a non-tangent curvature to the right that lies at the northwesterly point of curvature in the curved portion of the general northeast lines of the lands that were conveyed to the City of Eugene, Oregon, in that certain Deed that was recorded January 18, 1977 in Reel 830R at Reception Number 7703299 in Lane County Oregon Deed Records; thence, in a general southeasterly direction and along said general northeast lines of the lands that were conveyed in said Reception Number 7703299 the following two numbered courses: (8) along said non-tangent curve to the right, having a radius center that bears South 49°23'42" East 41.00 feet, a central angle of 155°37'25", and a long chord of South 61°34'42" East 80.15 feet, an arc distance of 111.36 feet to a point of non-tangent line; and (9) along said non-tangent line South 55°15'42" East 106.31 feet to the most easterly corner of said lands that were conveyed in Reception Number 7703299, which corner lies on the south line of aforecalled lands that were conveyed in Reception Number 7613750; and thence along said south line the following one numbered course: (10) South 86°47'02" East 43.50 feet **returning to the True Point of Beginning** and containing 49,733 square feet, more or less.

Bearings as shown on the Survey Map by James W. Colton that was filed March 25, 2016 as County Survey File Number 43582 were used as the basis of bearings used in the above description.



Lic. Exp 12/31/19

EXHIBIT "B"

TAX MAP 17-03-32-22, TAX LOT 1500

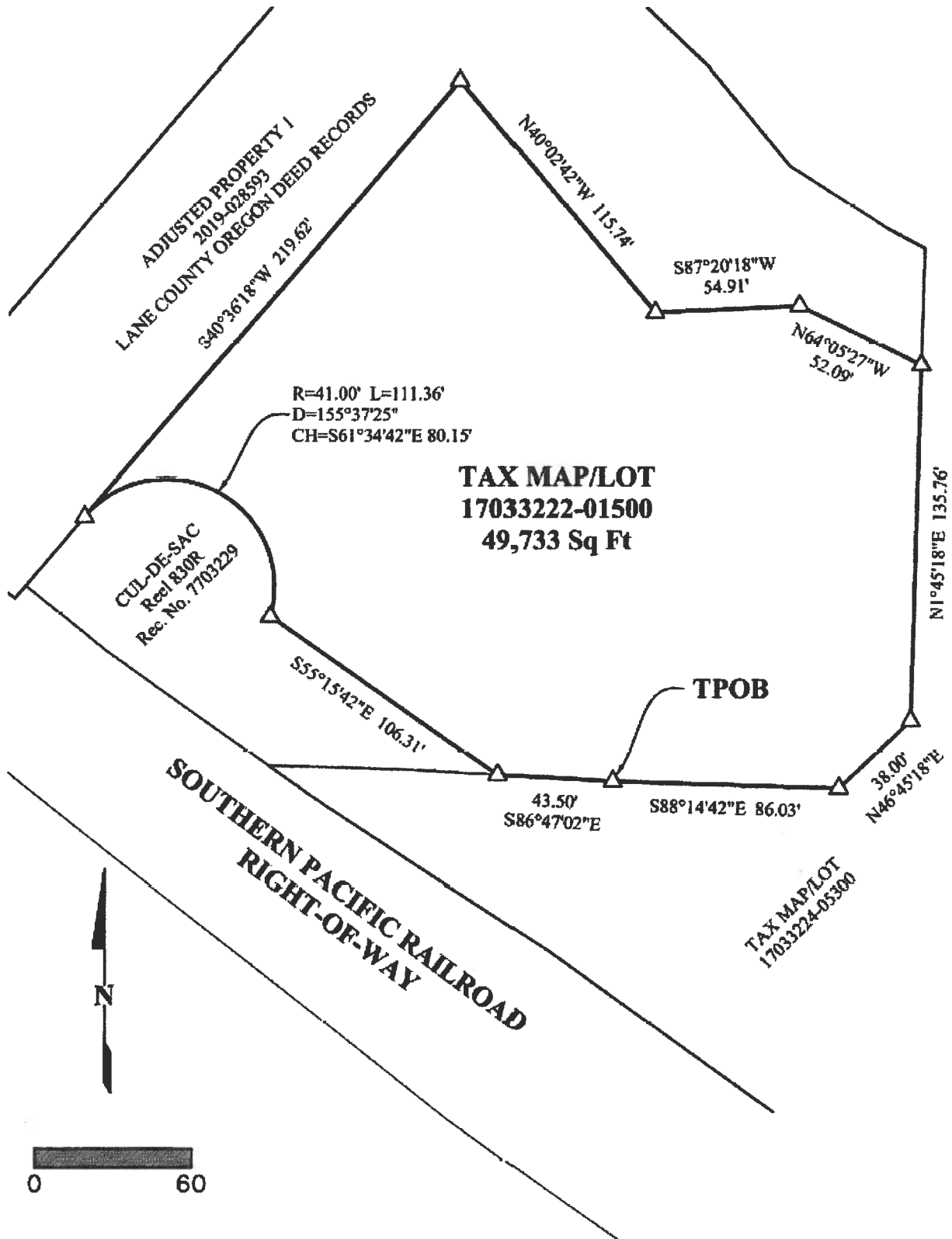


EXHIBIT "A"

**CUL-DE-SAC AREA
LYING SOUTHWEST OF TAX MAP 17-03-32-22, TAX LOT 1500**

Situated in the City of Eugene, Lane County, Oregon in the Northwest 1/4 of Section 32 in Township 17 South, Range 3 West of the Willamette Meridian and described as follows:

Being a portion of the lands that were conveyed to the City of Eugene, a municipal corporation, for the use and benefit of the Eugene Water and Electric Board, in the Warranty Deed that was recorded March 25, 1976 in Reel 787R at Reception Number 7613750 in Lane County Oregon Deed Records. The perimeter of which portion is described more particularly as follows:

Commencing at the iron rod set in a concrete monument at the intersection of Hilyard Street and East 9th Avenue; thence South $88^{\circ}12'48''$ East 148.53 feet to a point; thence North $1^{\circ}47'12''$ East 367.33 feet to a point marked by a railroad spike; thence North $1^{\circ}45'12''$ East 59.94 feet to the true point of beginning of said lands that were conveyed in Reel 787R, Reception Number 7613750; and thence North $86^{\circ}47'02''$ West 43.50 feet to the **True Point of Beginning** of the portion being described herein.

Thence, leaving said **True Point of Beginning**, North $86^{\circ}47'02''$ West 28.11 feet to a point marked by an iron pin; thence continuing North $86^{\circ}47'02''$ West 4.86 feet to a point marked by an iron pin; thence North $88^{\circ}14'48''$ West 55.04 feet to a point on the north line of the Southern Pacific Railroad right-of-way; thence northwesterly along said north line: North $54^{\circ}25'16''$ West 76.25 feet and North $51^{\circ}02'11''$ West 39.09 feet; thence North $40^{\circ}37'29''$ East 34.57 feet to the beginning of a tangent curvature to the right; thence along said tangent curve to the right, having a radius center that bears South $49^{\circ}23'42''$ East 41.00 feet, a central angle of $155^{\circ}37'25''$, and a long chord of South $61^{\circ}34'42''$ East 80.15 feet, an arc distance of 111.36 feet to a point of non-tangent line; and thence along said non-tangent line South $55^{\circ}15'42''$ East 106.31 feet **returning to the True Point of Beginning** and containing 8,520 square feet, more or less.

Bearings as shown on the Survey Map by James W. Colton that was filed March 25, 2016 as County Survey File Number 43582 were used as the basis of bearings used in the above description.

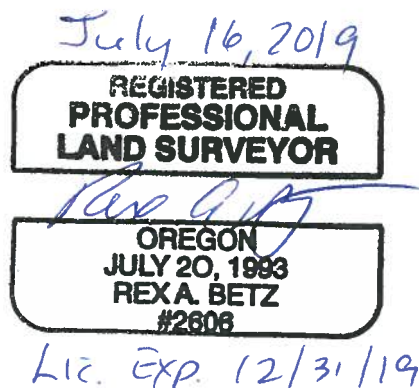


EXHIBIT "B"

CUL-DE-SAC AREA
LYING SOUTHWEST OF TAX MAP 17-03-32-22, TAX LOT 1500

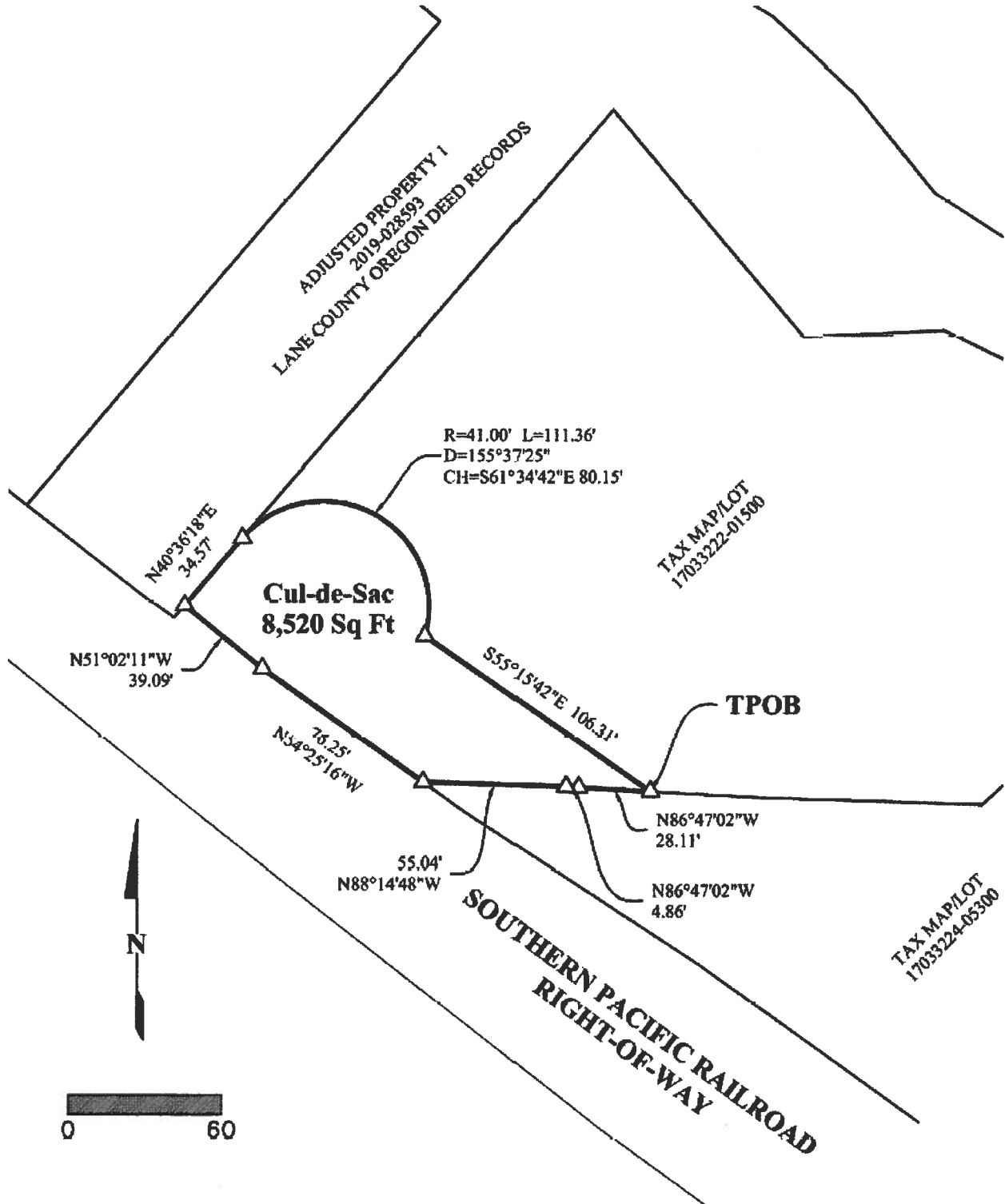


EXHIBIT "A"

**ADJUSTED PROPERTY 1
2019-028593
LANE COUNTY OREGON DEED RECORDS**

SITUATED in the Northwest 1/4 of Section 32 in Township 17 South, Range 3 West of the Willamette Meridian in the City of Eugene, Lane County Oregon and described as follows:

BEING (a) a portion of the lands that were conveyed to the City of Eugene, by and through the Eugene Water and Electric Board, an Oregon municipal utility, and described as "Adjusted Property 2" in that certain "Declaration of Property Line Adjustment Deed 8" that was recorded April 17, 2018 at Reception Number 2018-017632 in Lane County Oregon Deed Records; and (b) a portion of the lands that were conveyed to the City of Eugene, by and through the Eugene Water and Electric Board, an Oregon municipal utility, in that certain Quitclaim Deed that was recorded in 1976 in Reel 777R at Reception Number 7601834 in Lane County Oregon Deed Records. The perimeter boundary of said lands is more particularly described as follows:

BEGINNING at the most easterly corner of "Adjusted Property 1" of said "Declaration of Property Line Adjustment Deed 8", which corner is marked by a 2-1/2" mag nail with 1-1/2" brass washer marked "EGR & ASSOC."; Thence, leaving said POINT OF BEGINNING and running northeasterly along the northwest line of said "Adjusted Property 2 of Declaration of Property Line Adjustment Deed 8", the following one numbered course: (1) North 40° 31' 00" East 54.99 feet, more or less, to the left bank of the Willamette River. Thence, southeasterly along said left bank of the Willamette River, the following eleven numbered course: (2) South 49°25'05" East 30.55 feet, (3) South 53°03'22" East 67.56 feet, (4) South 53°50'47" East 21.66 feet, (5) South 48°58'24" East 44.76 feet, (6) North 85°13'45" East 18.50 feet, (7) South 62°06'06" East 35.54 feet, (8) South 59°42'16" East 42.83 feet, (9) South 46°35'25" East 44.33 feet, (10) South 39°13'52" East 49.00 feet, (11) South 57°17'19" East 44.51 feet, and (12) South 62°38'48" East 16.31 feet to a point that is marked by an iron pin [as called Rec. No. 7601834] in that lies on the east line of said lands that were conveyed in Reception Number 7601834; Thence, southerly along said east line, the following one numbered course: (13) South 01°45'18" West 44.89 feet to the southeast corner of said lands that were conveyed in Reception Number 7601834, which corner is marked by an iron pin [as called Rec. No. 7601834]; Thence, in a general westerly direction along the general southwesterly lines of said lands that were conveyed in Reception Number 7601834, the following four numbered courses: (14) North 64°05'27" West 52.09 feet to a point that is marked by an iron pin [as called Rec. No. 7601834], (15) South 87°20'18" West 54.91 feet to a point that is marked by an iron pin [as called Rec. No. 7601834], and (16) North 40°02'42" West 115.74 feet to a point that is marked by an iron pin [as called Rec. No. 7601834], and (17) South 40°36'18" West 42.08 feet to a point that is marked by an iron pin [as called Rec. No. 7601834]; Thence, leaving said general southwesterly line of said lands that were conveyed in Reception Number 7601834, along the northwest line of the lands that were conveyed to the City of Eugene, by and through the Eugene Water and Electric Board, an Oregon municipal utility, in that certain Warranty Deed that was recorded March 25, 1976 in Reel 787R at Reception Number 7613750 in Lane County Oregon Deed Records, the following one numbered course: (18) South 40°36'18" West 218.47 feet to a point that lies on the northeast right-of-way line of the Southern Pacific Company Railroad; Thence, northwesterly along said right-of-way line, the following two numbered courses: (19) North 54°59'28" West 12.23 feet, and (20) North 52°18'58" West 60.21 feet to a point that is

Exhibit "A" (Cont)

marked by a 5/8" x 15" rebar with orange plastic cap marked "EGR & ASSOC."; Thence, northeasterly and leaving said right-of-way line, crossing through said "Adjusted Property 2 of Declaration of Property Line Adjustment Deed 8" and into said lands that were conveyed in Reception Number 7601834, the following one numbered course: (21) North 40°23'37" East 246.90 feet to a point that is marked by a 5/8" x 30" rebar with orange plastic cap marked "EGR & ASSOC."; and Thence northwesterly from last said point, the following one numbered course: (22) North 50°39'06" West 156.92 feet Returning to the POINT OF BEGINNING and containing 44,320 square feet, more or less.

Bearings and distances shown hereon are taken and derived from data as shown on the Survey Maps by (a) James W. Colton that was filed March 25, 2016 as County Survey File Number 43582 and (b) EGR & Associates, Inc. that was filed April 23, 2018 as County Survey File Number 44308.

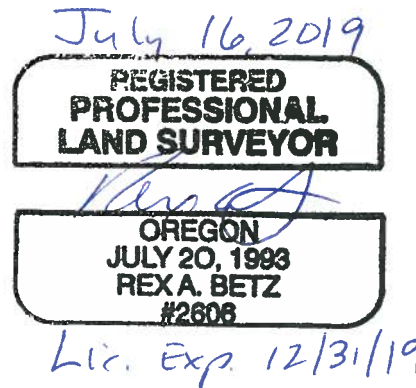


EXHIBIT "A"
ADJUSTED PROPERTY 1
2019-028593

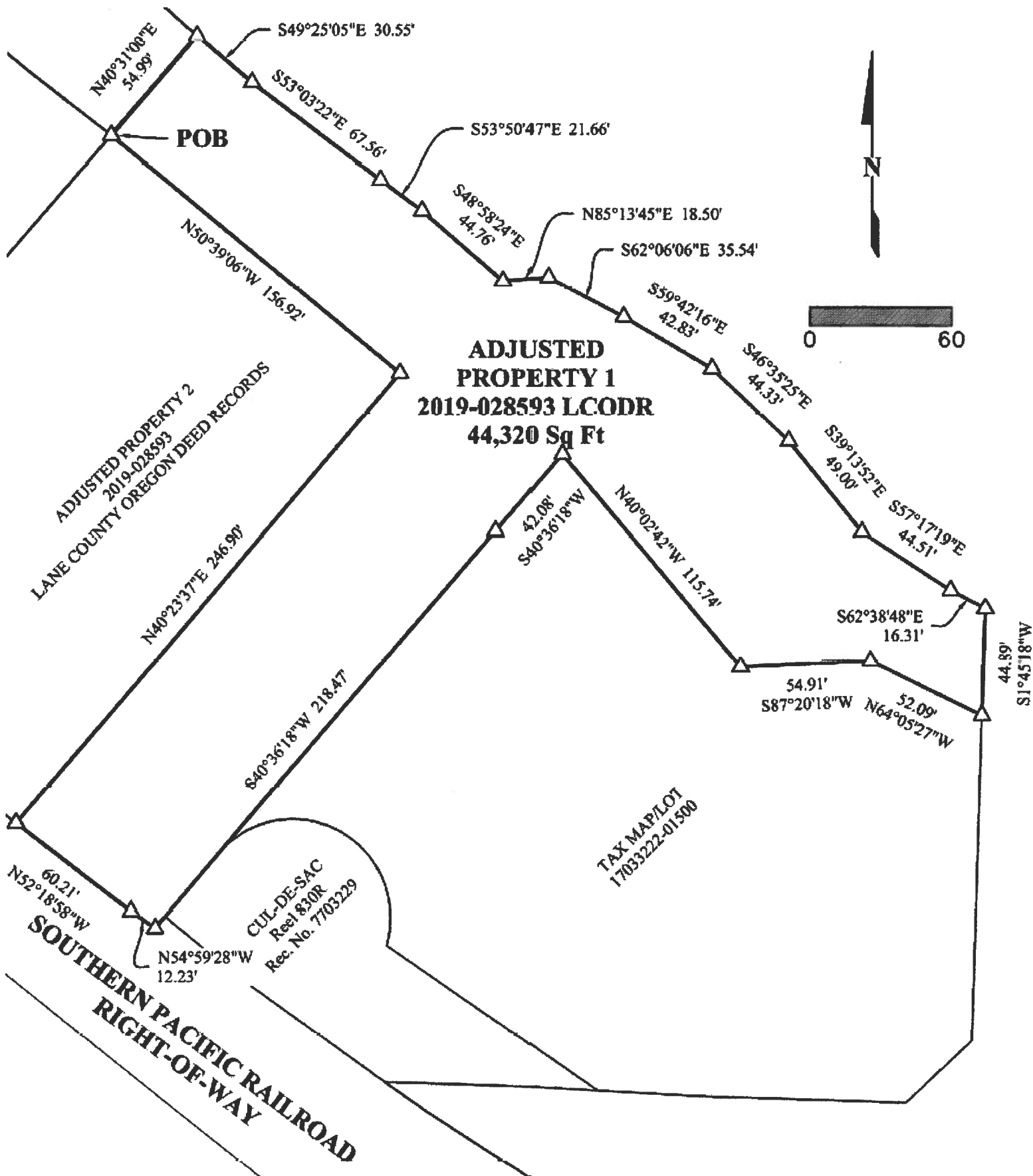
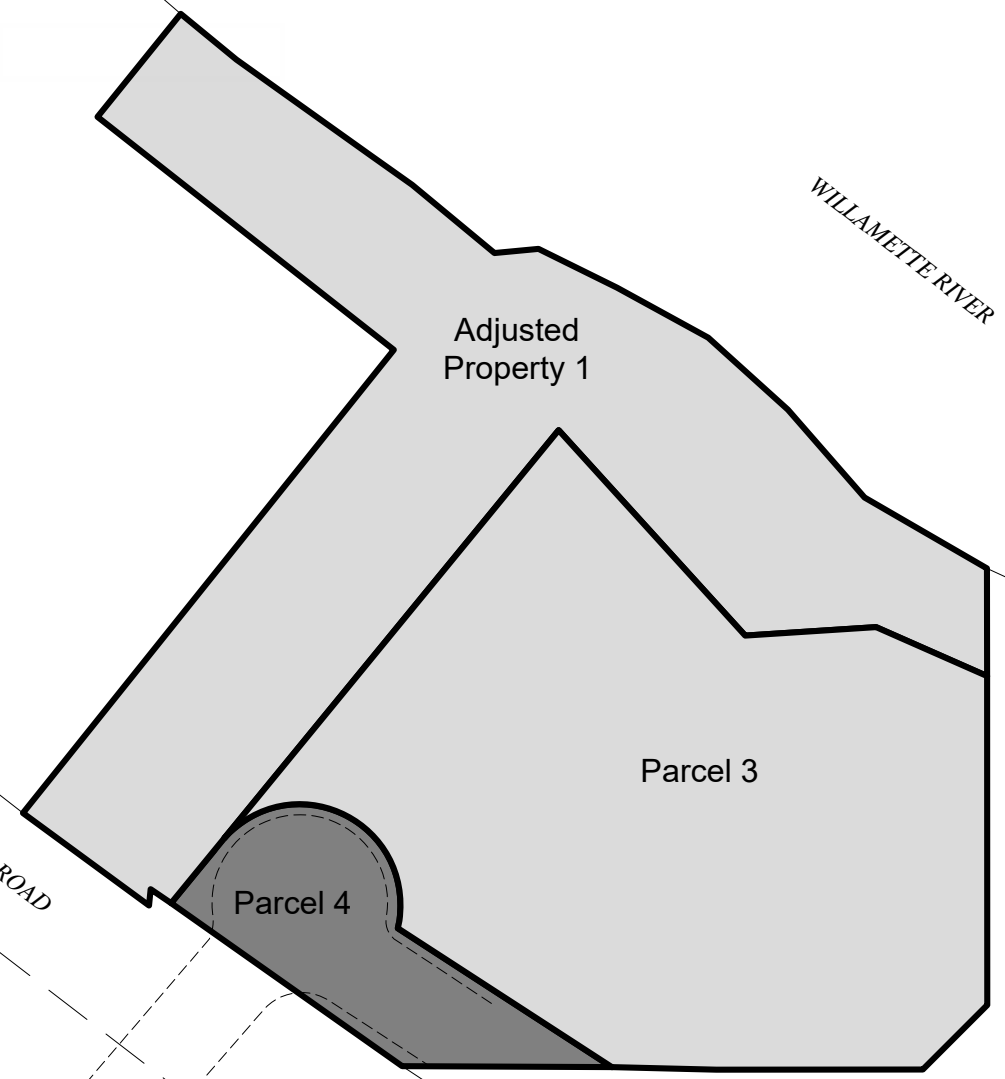


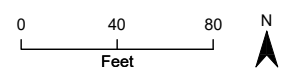


Exhibit B EWEB Property



	EWEB-Owned Portion
	Cul-de-Sac Portion



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**RESOLUTION NO. 1924
AUGUST 2019**

**EUGENE WATER & ELECTRIC BOARD
AUTHORIZING NEGOTIATION OF SURPLUS LAND TRANSACTIONS**

WHEREAS, the Eugene Water & Electric Board (“EWEB”) holds title to real property commonly referred to as the “Headquarters property” which has been described and declared as surplus property by Resolution No. 1826 dated November 6, 2018;

WHEREAS, the City of Eugene was duly provided notice of the surplus declaration of the Headquarters property and the City of Eugene has timely expressed their interest in accordance with Eugene Code 2.196; and

WHEREAS, the EWEB Commissioners have had the opportunity to address terms and conditions for property sale options with those designated to negotiate real property transactions during the course of executive session in accordance with ORS 192.660(2)(e);

NOW THEREFORE, BE IT RESOLVED by the Eugene Water & Electric Board that:

The General Manager is authorized to negotiate and execute an agreement with the City of Eugene which facilitates EWEB’s disposition of the Headquarters property, including the potential sale to a public or private third party purchaser, while providing the City of Eugene a limited Right of First Refusal for the whole Headquarters property within the guidance provided by the Board during executive session. The prospective terms of Resolution No. 1826 remain in effect and are to be applied in harmony with this Resolution.

Dated this 6th day of August 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 August 6, 2019 Board meeting.

Assistant Secretary