

## **EWEB Board Consent Calendar Request**

*For Contract Awards, Renewals, and Increases*

The Board is being asked to approve a new contract with **Cascade Water Works** for a **Water Intake Pump and Motor Rebuild** at the Hayden Bridge raw water intake pump station.

Board Meeting Date:	May 7, 2024	
Project Name/Contract #:	Water Intake Pump and Motor Rebuild / 24-064-PW	
Manager:	Mike Masters	Ext.7549
Executive Officer:	Karen Kelley	Ext.7153

### **Contract Amount:**

Original Contract Amount:	\$536,000
Additional \$ Previously Approved:	\$0
Spend over last approval:	\$0
Amount this Request:	\$536,000
% Increase over last approval:	NA
Resulting Cumulative Total:	<b>\$536,000</b>

### **Contracting Method:**

Method of Solicitation:	Formal Invitation to Bid
If applicable, basis for exemption:	NA
Term of Agreement:	Completion by December 2024
Option to Renew?	No
Approval for purchases "as needed":	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Proposals/Bids Received (Range):	2 (\$535,541-\$686,580)
Selection Basis:	Lowest Responsive and Responsible Bidder
Narrative:	

### Operational Requirement and Alignment with Strategic Plan

The Hayden Bridge Water Intake pump station consists of six raw water intake pumps that are critical to meet water system demands. Currently the pump station has one raw water pump that has failed (pump #6). One pump out of service will not prevent the water filtration plant from meeting maximum day demands but intake pump station firm capacity and redundancy are reduced.

### Contracted Goods or Services

If approved, Cascade Water Works will rebuild the existing pump #6 and replace the motor at EWEB's raw water intake. The condition of the bowls and impellers within the pump are unknown and will be determined by a condition-found report (CFR). The results of the CFR will dictate if the bowls and impellers will need to be replaced or if they can be repaired. Contractors were asked to provide pricing for the repair with an option to add the cost of the replacement. The cost of the project listed above includes the cost of replacement but if repair is an option the over project cost will be significantly lower.

Purchasing Process

In March 2024, EWEB purchasing staff initiated a Formal Invitation to Bid (ITB) process for the Water Intake Pump and Motor Rebuild. The ITB was advertised in the State of Oregon’s procurement site, OregonBuys, and in the Portland Business Tribune. Two (2) bids were received, and Cascade Water Works was the lowest responsive and responsible bid.

Proposals/Bids Received

Vendor Name	City, State	Offered Price
Wildish	Eugene, OR	*\$402,500 - \$686,580
Cascade Water Works	Salem, OR	*\$297,675 - \$535,541

\*repair vs replace cost

Competitive Fair Price (If less than 3 responses received)

The solicitation was formally advertised on the State of Oregon’s bid site, OregonBuys, and the Portland Business Tribune. Pricing received is within engineer’s estimates.

Prior Contract Activities

EWEB Contract	Project Name (Description)	Board Approved	Project Duration (Start to Close)	Original Amount	Approved/Amended Amount to Date (Total)	Reason Code
23-236	Amazon Park Well Improvements – Site work	1/9/24	1/16/24-4/30/24	\$250,000	\$250,000	

Reason Code: AM = Additional Materials, AW = Additional Work, EW= Emergency Work, SD = Staff Directed, UC = Unforeseen Conditions, Other

**ACTION REQUESTED:**

Management requests the Board approve a contract with Cascade Water Works for the rebuilding of an existing pump and replacement of a motor at EWEB’s Raw Water Intake. The work will be completed as a Type 1 Water Capital Project which has a 2024 budget of approximately \$9.2 million. Variances will be managed within the budget process and Board policy.

## **EWEB Board Consent Calendar Request**

*For Contract Awards, Renewals, and Increases*

The Board is being asked to approve a new contract with **Eco Services Operations Corporation** for **Liquid Aluminum Sulfate** to be utilized at the EWEB Hayden Bridge Water Filtration Plant.

Board Meeting Date: May 7, 2024  
Project Name/Contract #: Liquid Aluminum Sulfate / 24-001-G  
Manager: Mike Masters Ext. 7549  
Executive Officer: Karen Kelley Ext. 7153

### **Contract Amount:**

Original Contract Amount: \$800,000  
Additional \$ Previously Approved: \$0  
Spend over last approval: \$0  
Amount this Request: \$800,000  
% Increase over last approval: NA  
Resulting Cumulative Total: **\$800,000 (over 5 years)**

### **Contracting Method:**

Method of Solicitation: Direct Negotiation (after survey of market pricing)  
If applicable, basis for exemption: EWEB Rule 6-0230 (Water Filtration Chemicals and Media)  
Term of Agreement: **5-Years (June 6, 2024 – June 30, 2029)**  
Option to Renew? No  
Approval for purchases “as needed”: Yes  No   
Proposals/Bids Received (Range): N/A  
Selection Basis: EWEB Rule 6-0230 (Water Filtration Chemicals and Media)

Narrative:

### Operational Requirement and Alignment with Strategic Plan

Hayden Bridge Operations require the use of specific chemicals in their mission to provide clean drinking water to the Community. To fulfill this operational requirement, EWEB’s Water Filtration Plant relies on a coagulant compound called “Liquid Aluminum Sulfate”. Microorganisms such as viruses, bacteria, and protozoa are present in the source waters along with particulate and suspended matter. At low levels, these organisms can cause sickness and disease and are generally very difficult to remove from water. The parasites *Giardia* and *Cryptosporidium* are very resistant to most types of disinfection, including chlorination. Water treatment with liquid aluminum sulfate is, however, effective at removing the parasites and suspended matter when used in a chemical treatment process called coagulation.

### Contracted Goods or Services

Liquid Aluminum sulfate is a chemical compound that is soluble in water and used as a coagulating agent (promoting neutralizing charges to remove suspended solids and particulates) in the purification of drinking water. This chemical will be purchased on an “as needed” basis. Procurement data shows EWEB usage at approximately 300 dry tons, annually.

Purchasing Process

Purchase of Water Filtration Chemicals is exempt from a competitive bidding process per Board Approved EWEB Purchasing Rule 6-0230 for Water Filtration Chemicals and Media. EWEB negotiated a contract with Eco Services Operations Corporation, based on limited availability of liquid Aluminum Sulfate in the region in the quantities EWEB requires, after surveying the market for pricing from Cascade Columbia Distribution Company, Eco Services Operations Corporation, NorthStar Chemical, and Univar Solutions USA.

Bids Received

Vendor Name	City, State	Offered Price	Ranking
Eco Services Operations Corporation	The Woodlands, Texas	\$523 per dry short ton	1
Cascade Columbia Distribution Company	Sherwood, Oregon	\$515 per dry short ton + \$225 per shipment	2
Univar Solutions USA	Downers Grove, Illinois	\$800 per dry short ton	3
NorthStar Chemical	Sherwood, Oregon	Declined Response	4

Prior Contract Activities

EWEB Contract	Project Name (Description)	Board Approved	Project Duration (Start to Close)	Original Amount	Approved/Amended Amount to Date (Total)	Reason Code
1008-2019	Price Agreement for Aluminum Sulfate	6/4/2019	6/6/2019 – 6/5/2024	\$540,000	\$675,000	Price Increase

Reason Code: AM = Additional Materials, AW = Additional Work, EW= Emergency Work, SD = Staff Directed, UC = Unforeseen Conditions, Other

**ACTION REQUESTED:**

Management requests the Board approve a contract with Eco Services Operations Corporation for liquid aluminum sulfate. Approximately \$160,000 was planned for these goods in the 2024 Water Production budget of \$11.5 million. Variances will be managed within the budget process and Board policy.

## **EWEB Board Consent Calendar Request**

*For Contract Awards, Renewals, and Increases*

The Board is being asked to approve a contract and additional funds with **Harris SmartWorks** for **Meter Data Management (MDM) integration with SAP (EES project)**. EWEB identified approximately 20 vendors with integrations to our legacy systems. These vendors have been in-scope and documented in the project plan from day 1 of the EES Project. Connections to external vendors range from simple to extremely complex and range from single to numerous points of integration. We are at the stage of the project where we are now engaging our external vendors to complete this effort.

Board Meeting Date:	May 7, 2024	
Project Name/Contract #:	MDM integration with SAP / 23-254-PSC	
Manager:	Bruce Debysingh	Ext. 7196
Executive Officer:	Travis Knabe	Ext. 7770

### **Contract Amount:**

Original Contract Amount:	\$122,000 (Not previously approved by Board)
Additional \$ Previously Approved:	\$0
Spend over last approval:	\$0
Amount this Request:	\$247,000 (Original \$122,000 plus and increase of \$125,000)
% Increase over last approval:	NA
Resulting Cumulative Total:	<b>\$247,000</b>

### **Contracting Method:**

Method of Solicitation:	Direct Negotiation
If applicable, basis for exemption:	Sole Source (SS-483)
Term of Agreement:	January 22, 2024 to December 31, 2024
Option to Renew?	No
Approval for purchases "as needed":	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Proposals/Bids Received (Range):	1 - \$121,520 (Original contract)
Selection Basis:	Direct Negotiation
Narrative:	

### Operational Requirement and Alignment with Strategic Plan

The Board is being asked to approve the use of Personal Services Contract 23-254-PSC for additional technical services. As part of the EES Project, EWEB's meter data management ("MDM") system must be integrated with SAP's cloud-based RISE for SAP S/4HANA Utilities solution. This integration requires technical services, including configuration changes to the MDM system and development work that will meet SAP's system requirements and be performed within the EES timeline. This integration is critical for the transition from the existing customer information system to SAP and directly aligns with Organizational Goal 4, SAP Finance and Customer Systems "Go-Live" (EES, EWEB Enterprise Solutions). EWEB's meter data management ("MDM") system was purchased from SmartWorks in 2015 and the system was updated in 2021.

Contracted Goods or Services

EWEB entered into a personal services contract with SmartWorks in January 2024. The contract included a statement of work for the integration of SmartWorks’ MDM solution with SAP’s customer information system, and the fees for such services was \$121,500. Following several design sessions, the parties were able to define the requirements for additional integrations, resulting in a new statement of work for the integration with the SAP SEW customer portal and implementation of SmartWorks’ MDM solution leak detection module.

Purchasing Process

In November 2023, staff entered into discussions with SmartWorks to determine the scope of work required for the integration of MDM with SAP.

Prior Contract Activities

EWEB Contract	Project Name (Description)	Board Approved	Project Duration (Start to Close)	Original Amount	Approved /Amended Amount to Date (Total)
027-2013	MDM System	2-17-15	3-3-15 to 3-3-20	\$1,200,000	\$1,200,000
21-068	MDM Platform Work	Exempt	3-18-21 to 12-31-21	\$11,500	\$11,500

**ACTION REQUESTED:**

Management requests the Board approve a contract and additional funds with Harris SmartWorks for Meter Data Management (MDM) integration with SAP (EES project). These services were planned for in Information Services Type 2 budget of \$11.8 million. Variances will be managed within the budget process and Board policy.

**EWEB Board Consent Calendar Request**

*For Contract Awards, Renewals, and Increases*

The Board is being asked to approve a new contract with **HDR** for the **Day Island Water Line Crossing Feasibility Study**.

Board Meeting Date:	May 7, 2024	
Project Name/Contract #:	Day Island Water Line Crossing Feasibility Study / 24-009-Q	
Manager:	Mike Masters	Ext. 7549
Executive Officer:	Karen Kelley	Ext. 7153

**Contract Amount:**

Original Contract Amount:	\$683,000
Additional \$ Previously Approved:	\$0
Spend over last approval:	\$0
Amount this Request:	\$683,000
% Increase over last approval:	NA
Resulting Cumulative Total:	<b>\$683,000</b>

**Contracting Method:**

Method of Solicitation:	Formal Request for Proposals (RFP)
If applicable, basis for exemption:	N/A
Term of Agreement:	Completion by March 31, 2025
Option to Renew?	No
Approval for purchases "as needed":	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Proposals/Bids Received (Range):	1 (\$682,676)
Selection Basis:	Highest Ranked Proposer
Narrative:	

Operational Requirement and Alignment with Strategic Plan

EWEB staff identified an opportunity to increase redundancy and operational flexibility by rehabilitating the out-of-service 30" pipeline between the Willamette River and I-5 constructed in the 1920's. Field studies have shown that the existing steel pipe appears to be in good condition and potentially a good candidate for rehabilitation.

EWEB applied and received a FEMA grant to study this rehabilitation along with other alternatives to improve redundancy in EWEB's water transmission system. The scope of work includes completing a condition assessment of the existing 30" pipeline from the west side of the Willamette River to the east side of Interstate-5. If this rehabilitation is feasible, the connection would provide a valuable redundant pipeline to the existing 45-inch pipeline that is the primary transmission pipeline to central and west Eugene. This pipeline was constructed in the 1940's and currently lies under the I-5/I-105 interchange and also crosses below the Willamette River making it very difficult to repair in the event of an emergency. The rehabilitated pipeline would provide a valuable seismically resilient redundant Willamette River and I-5 crossing.

Contracted Goods or Services

If approved, HDR will provide engineering services to complete the following tasks required as part of the Day Island Water Line Crossing Feasibility Study: 1. Project Management, 2. Background and Research, 3. Alternatives Evaluation, 4. Feasibility Study Reports and Plans.

Purchasing Process

In March 2024, Staff issued a formal Request for Proposals (RFP) seeking responses from firms interested in providing a feasibility study for the Day Island Water Line Crossing. The RFP was advertised on the State of Oregon’s procurement site, Oregon Buys, and on the Portland Business Tribune. Services for the solicitation were broken into the four distinct tasks listed above. Scoring was based on evaluation criteria that included Project Approach (25 points), Project Experience (25 points), Project Team Experience (35 points), and Project Fee (15 points), for a total of 100 points. HDR was selected as the highest ranked responsive and responsible proposer.

Proposals/Bids Received

Vendor Name	City, State	Offered Price	Ranking (for RFPs)
HDR Engineering, Inc.	Portland, OR	\$682,676	1

Competitive Fair Price (If less than 3 responses received)

At the conclusion of RFP 24-009-Q, an inquiry was made of the firms that downloaded the RFP documents from the OregonBuys website but did not elect to submit an RFP response by the posted deadline. One of the firms determined their expertise was better suited as a supportive role. We did not receive a response from the others. Pricing proposed is at current market value compared to other engineering firms we have contracted with recently.

Prior Contract Activities

EWEB Contract	Project Name (Description)	Board Approved	Project Duration (Start to Close)	Original Amount	Approved/Amended Amount to Date (Total)	Reason Code
24-054	42-in Millrace Crossing Alternatives Evaluation	NA	3/19/24-6/25/24	\$99,278	\$99,278	
23-173-Q	Hydraulic Modeling Services	11/7/23	11/9/23-12/31/28	\$500,000	\$500,000	
19-046	Risk and Resilience Assessment	NA	9/26/19-8/26/19	\$130,000	\$130,000	

Reason Code: AM = Additional Materials, AW = Additional Work, EW= Emergency Work, SD = Staff Directed, UC = Unforeseen Conditions, Other

**ACTION REQUESTED:**

Management requests the Board approve a contract with HDR Engineering, Inc. for the Day Island Water Line Crossing Feasibility Study. The work will be completed under the 2024/2025 water capital budget for transmission pipelines which totals approximately \$12 million. Approximately 79% of the total project cost will be reimbursed through the FEMA grant. Variances will be managed within the budget process and Board policy.



## **EWEB Board Consent Calendar Request**

*For Contract Awards, Renewals, and Increases*

The Board is being asked to approve a new contract with **Lighthouse Energy Consulting** for **Demand-Side Potential Assessment Consulting Services**.

Board Meeting Date:	May 7, 2024	
Project Name/Contract #:	Demand-Side Potential Assessment Consulting Services / 24-004-PSC	
Manager:	Anna Wade	Ext. 7401
Executive Officer:	Brian Booth	Ext. 7774

### **Contract Amount:**

Original Contract Amount:	\$200,000
Additional \$ Previously Approved:	\$0
Spend over last approval:	\$0
Amount this Request:	\$200,000
% Increase over last approval:	NA
Resulting Cumulative Total:	<b>\$200,000</b>

### **Contracting Method:**

Method of Solicitation:	Formal Request for Proposal
If applicable, basis for exemption:	NA
Term of Agreement:	Completion by April 2025
Option to Renew?	No
Approval for purchases "as needed":	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Proposals/Bids Received (Range):	1 – (\$188,220)
Selection Basis:	Highest Ranked Proposer

Narrative:

#### Operational Requirement and Alignment with Strategic Plan

To better understand the potential of various sectors and drivers for the demand and utilization of energy, EWEB will be working with a consultant to conduct a Demand-Side Potential Assessment (DSPA). The DSPA's areas of work include conservation (CPA), demand response (DRPA), electrification (EPA), and customer-owned solar photovoltaic (COSPPA).

The results and deliverables from the DSPA will provide inputs for EWEB's 2025 Integrated Resource Planning (IRP) model, and aide in informing future design and scale of customer programs, load forecasting evaluations, and distribution planning. The evaluation period for the DSPA is a 22-year period of 2024 to 2045.

#### Contracted Goods or Services

If approved, Lighthouse Energy Consulting (LEC) will complete a Demand-Side Potential Assessment covering conservation, demand response, electrification, and customer-owned solar photovoltaic. LEC will work in close cooperation with EWEB stakeholders and will leverage—as available and appropriate—various existing and in-development internal and external data, resources, and evaluations across the four identified areas of work.

LEC brings strong expertise and experience in the completion of CPAs and DRPAs in the Pacific Northwest and for Bonneville Power Administration (BPA) utility customers. Additionally, LEC experience includes familiarity with the Northwest Power and Conservation Council's (Council) Power Plan methodologies and models, completion of CPAs and DRPAs for BPA's Resource Program, and its principle serves on the Council's Conservation and Demand Response Advisory Committees. LEC and its subcontractor have completed analyses work in the areas of electrification and solar photovoltaic assessments, including completion of an electrification impact evaluation and a rooftop solar potential assessment. Timing for the conservation and demand response potential assessments are critical to serve as inputs to the IRP and LEC's identified timeline meets EWEB's needs.

Purchasing Process

In February 2024, staff issued a Formal Request for Proposals (RFP) posted in the State of Oregon's procurement website, OregonBuys. A pre-proposal conference was held and attended by two (2) consulting firms. EWEB received one proposal response submitted by Lighthouse Energy Consulting of Portland, OR. The response was evaluated based on criteria stated in the RFP, including Project Approach and Timeline, Project Experience, Project Team Experience, and Pricing. Lighthouse Energy Consulting has demonstrated extensive experience conducting DSPAs for electric utilities in the Pacific Northwest, including BPA utility customers. Lighthouse Energy Consulting was deemed responsive and responsible.

Proposals/Bids Received

Vendor Name	City, State	Offered Price	Ranking (for RFPs)
Lighthouse Energy Consulting	Portland, OR	\$188,220	1st

Competitive Fair Price (If less than 3 responses received)

Twelve (12) consulting firms downloaded the solicitation, but only Lighthouse Energy Consulting elected to submit a proposal. Other interested consultants were contacted and stated they did not have the resources at this time and chose not to propose. Staff checked Lighthouse Energy Consulting's references and received positive feedback.

Staff researched costs of demand side potential assessments performed for other Pacific Northwest utilities, ranging in budgets of \$190,000 to \$360,000. Various combinations of assessments were performed, including a one-part evaluation (conservation potential assessment), a two-part evaluation (conservation and demand response potential assessments), and a three-part evaluation (conservation, demand response, and customer-owned solar photovoltaic potential assessments). If awarded a contract, Lighthouse Energy Consulting will be performing a four-part evaluation for EWEB (conservation, demand response, customer-owned solar photovoltaic, and electrification potential assessments).

Prior Contract Activities

This will be the first contract EWEB has awarded to Lighthouse Energy Consulting.

**ACTION REQUESTED:**

Management requests the Board approve a contract with Lighthouse Energy Consulting for Demand-Side Potential Assessment Consulting Services. \$400,000 was planned for these services in the Customer Relationship Management 2024 budget of \$456,000. Variances will be managed within the budget process and Board policy.

## **EWEB Board Consent Calendar Request**

*For Contract Awards, Renewals, and Increases*

The Board is being asked to approve a new contract with **Sensus USA Inc.** for **RNI software integration with SAP as part of the EES Project**. EWEB identified approximately 20 vendors that integrate with our legacy systems. These vendors have been in-scope and documented in the project plan from day 1 of the EES Project. Connections to external vendors range from simple to extremely complex and range from single to numerous points of integration. We are at the stage of the project where we are now engaging our external vendors to complete this effort.

Board Meeting Date: May 7, 2024  
Project Name/Contract #: RNI Integration with SAP / 24-011-PSC  
Manager: Bruce Debysingh Ext. 7196  
Executive Officer: Travis Knabe Ext. 7770

### **Contract Amount:**

Original Contract Amount: \$175,000  
Additional \$ Previously Approved: \$0  
Spend over last approval: \$0  
Amount this Request: \$175,000  
% Increase over last approval: NA  
Resulting Cumulative Total: **\$175,000**

### **Contracting Method:**

Method of Solicitation: Direct Negotiation  
If applicable, basis for exemption: Sole Source (SS-484)  
Term of Agreement: May 7, 2024 – December 31, 2024  
Option to Renew? No  
Approval for purchases “as needed”: Yes  No   
Proposals/Bids Received (Range): 1 - \$172,500  
Selection Basis: Direct Negotiation  
Narrative:

### Operational Requirement and Alignment with Strategic Plan

The Board is being asked to approve a Personal Services Contract with Sensus for technical services to integrate the Sensus Regional Network Interface (RNI) software with SAP’s cloud-based RISE for SAP S4/HANA Utilities solution. EWEB has deployed the Sensus AMI solution for both water and electric services. Sensus RNI software is part of Advanced Meter Infrastructure (AMI) and is the system that collects meter reads from communicating meters. The meter reads are then sent to the legacy CIS Billing system and the Meter Data Management (MDM) system. As part of the migration to SAP, we have requested Sensus to help develop the connection to send the meter reads to SAP and update the connection to the MDM to meet new requirements from the EES project. This effort is in direct support of Goal 4 SAP Finance and Customer Systems “Go-Live” (EES, EWEB Enterprise Solutions).

Contracted Goods or Services

Information Services has worked with Sensus and developed a milestone-based statement of work for the development efforts.

Purchasing Process

In March 2024, staff entered into discussions with Sensus to determine the scope of work required for the integration of RNI with SAP.

Prior Contract Activities

EWEB Contract	Project Name (Description)	Board Approved	Project Duration (Start to Close)	Original Amount	Approved /Amended Amount to Date (Total)
*013-2011	AMI Smart Meters	3-5-13	3-4-15 to 3-5-25	\$20,500,000	\$33,100,000

\*The increase of funds was to cover the additional electric and water meters and registers purchased over the term of this project to-date, and for those remaining to be purchased to carry EWEB through final deployment.

**ACTION REQUESTED:**

Management requests the Board approve a contract with Sensus USA Inc. for RNI integration with SAP as part of the EES Project. These services were planned for in Information Services Type 2 budget of \$11.8 million. Variances will be managed within the budget process and Board policy.

## **EWEB Board Consent Calendar Request**

*For Contract Awards, Renewals, and Increases*

The Board is being asked to approve a new contract with **Tyndale Enterprises, Inc.** for the purchase of **Flame Resistant (FR) Apparel**.

Board Meeting Date:	May 7, 2024	
Project Name/Contract #:	Fire Retardant Apparel / 24-045-G	
Manager:	Tyler Nice	Ext. 7419
Executive Officer:	Karen Kelley	Ext. 7153

### **Contract Amount:**

Original Contract Amount:	\$650,000
Additional \$ Previously Approved:	\$0
Spend over last approval:	\$0
Amount this Request:	\$650,000
% Increase over last approval:	NA
Resulting Cumulative Total:	<b>\$650,000 (over 5 years)</b>

### **Contracting Method:**

Method of Solicitation:	Formal Request for Proposal
If applicable, basis for exemption:	NA
Term of Agreement:	Initial term is one (1) year
Option to Renew?	Yes, annually up to five (5) years total
Approval for purchases "as needed":	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Proposals Received (Range):	2 (\$144,943.90 - \$152,544.65)
Selection Basis:	Highest Ranked Proposer
Narrative:	

### Operational Requirement and Alignment with Strategic Plan

EWEB supplies flame resistant (FR) apparel, rated for Arc Flash, to employees who work on or near energized equipment as required by the Occupational Safety & Health Association (OSHA). EWEB supplies this clothing to employees who work in these conditions for their safety as Personal Protective Equipment, to standardize for administration of the apparel, and as identification of EWEB staff when performing field work. Per EWEB policy, this clothing meets high visibility standards to comply with all requirements when staff work in the public right of way and to increase visibility and safety of staff when working on construction sites and in the public.

### Contracted Goods or Services

Various FR apparel such as long sleeve shirts, work shirts, jeans, coveralls, vests, and jackets are provided for use by electrical workers who can be exposed to momentary electric arc and related thermal hazards and meets Class 2 High-Visibility requirements. This contract will help standardize and provide consistent ordering, disbursement, and replacement of EWEB- branded FR apparel.

Purchasing Process

In February 2024, EWEB issued a Formal Request for Proposals (RFP) for Fire Retardant Apparel. EWEB received two (2) responses: (1) Cintas of Eugene, OR; and (2) Tyndale of Houston, TX. The responses were evaluated based on the weighted criteria stated in the RFP which consisted of Company Experience (20 points); Customer Service Operations (25 points); References (10 points); Garment Quality - Samples (25 points); and Pricing Proposal (20 points). Tyndale Enterprises, Inc. was found to be the highest ranked responsive and responsible proposer.

Proposals/Bids Received

Vendor Name	City, State	Offered Price	Ranking (for RFPs)
CINTAS	Eugene, OR	\$144,943.90	2
Tyndale	Houston, TX	\$152,544.65	1

Competitive Fair Price

The RFP was advertised in the State of Oregon’s procurement website, OregonBuys. Two vendors responded that they would be unable to bid due to the inability to supply all the products requested.

Prior Contract Activities

EWEB Contract	Project Name (Description)	Board Approved	Project Duration (Start to Close)	Original Amount	Approved/Amended Amount to Date (Total)	Reason Code
071-2018	FR Apparel	3/5/19	3/19/19 – 5/6/24	\$650,000	\$650,000	
Reason Code: AM = Additional Materials, AW = Additional Work, EW= Emergency Work, SD = Staff Directed, UC = Unforeseen Conditions, Other						

**ACTION REQUESTED:**

Management requests the Board approve a contract with Tyndale Enterprises, Inc. for purchase of flame resistant (FR) apparel. Approximately \$130,000 was planned for these goods in the Electric Division 2024 budget of \$397,000. Variances will be managed within the budget process and Board policy.



# MEMORANDUM

EUGENE WATER & ELECTRIC BOARD



TO: Commissioners McRae, Barofsky, Schlossberg, Brown, and Carlson  
FROM: Deborah Hart, Assistant General Manager/CFO; Aaron Balmer, Acting Financial Services Manager; Rob Freytag, Accounting & Treasury Supervisor  
DATE: May 1, 2024  
SUBJECT: Electric Bond Supplemental Resolution  
OBJECTIVE: Approval of Supplemental Bond Resolution No. 2406

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## Issue

Board approval is required to issue Electric Utility Revenue and Refunding Bonds.

## Background

At the February 6, 2024 Board meeting, Commissioners approved Resolution No. 2402 requesting City Council action to issue Electric Utility Revenue Bonds. The City Council adopted Resolution No. 5399 at its February 12, 2024 meeting which authorized the sale of bonds not to exceed \$64 million in principal amount for financing improvements and not to exceed \$15,035,000 to refund a portion of the Series 2012 Bonds of the Electric Utility System.

The Uniform Revenue Bond Act (URBA) requires publishing a notice regarding the issuance of new bonds and allowing City of Eugene voters 60 days to file a petition with the City asking that the bond issuance be referred to a vote. The notice was published in [The Register-Guard](#) on February 13, 2024.

The Series 2024 Bonds will be used to finance Electric Utility System capital improvements and refund a portion of the Series 2012 Bonds. They are scheduled to be issued in the middle of June.

## Recommendation/Requested Board Action

Management recommends and requests approval of Resolution No. 2406 authorizing the issuance, sale, and delivery of Electric Utility System Revenue and Refunding Bonds.

**RESOLUTION NO. 2406  
MAY 2024**

**SUPPLEMENTAL BOND RESOLUTION**

**A SUPPLEMENTAL BOND RESOLUTION AUTHORIZING AND APPROVING THE  
ISSUANCE, SALE AND DELIVERY OF ELECTRIC UTILITY SYSTEM REVENUE AND  
REFUNDING BONDS IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED  
\$79,035,000 FOR THE PURPOSE OF FINANCING ELECTRIC UTILITY SYSTEM  
IMPROVEMENTS AND REFUNDING CERTAIN OUTSTANDING ELECTRIC UTILITY  
SYSTEM BONDS, AND PROVIDING FOR RELATED MATTERS**

WHEREAS, ORS 287A.150 authorizes the City of Eugene (the “City”) to issue bonds payable solely from revenues generated by facilities, projects, utilities or systems owned or operated by the City, and the City, acting by and through the Eugene Water & Electric Board (“EWEB”), owns and operates an electric utility system and related facilities and systems;

WHEREAS, on August 2, 2016, EWEB adopted Resolution No. 1624 that amended and restated a resolution dated June 16, 1986, and authorized and provided for the issuance, from time to time, of City of Eugene, Oregon Electric Utility System Revenue Bonds to be equally and ratably secured by the pledge of revenues, funds and accounts thereunder (as amended and supplemented, the “Bond Resolution”);

WHEREAS, this Supplemental Bond Resolution is intended to and does hereby supplement the Bond Resolution;

WHEREAS, the Bond Resolution provides that the principal of, premium, if any, and interest on the bonds issued thereunder shall not be payable from any funds of the City nor constitute a general obligation of the City or create a charge upon the tax revenues or any other property or revenues of the City;

WHEREAS, by Resolution No. 2402, adopted on February 6, 2024, EWEB has determined that it is in the best interest of the City, acting by and through EWEB, to provide funds for the purpose of financing certain capital improvements relating to the relicensing of the Carmen-Smith Hydroelectric Project and other projects described in the Electric Capital Improvement Plan (collectively, the “Project”), funding necessary reserves and paying the costs of issuance of the bonds;

WHEREAS, by Resolution No. 2402, EWEB requested that the City Council adopt a resolution to authorize and set the terms for the issuance of electric utility system revenue bonds in the aggregate principal amount of not to exceed \$64,000,000 to finance the Project;

WHEREAS, by Resolution No. 2002, adopted on January 7, 2020, EWEB requested that the City Council adopt a resolution to authorize and set the terms for the issuance of electric utility system revenue refunding bonds in the aggregate principal amount of not to exceed \$36,880,000 to refund a portion of the Electric Utility System Revenue and Refunding Bonds, Series 2012 (the “Series 2012 Bonds”);

WHEREAS, pursuant to the City’s Resolution No. 5289, adopted on January 27, 2020, the City Council authorized EWEB to issue not to exceed \$36,880,000 in bonds to refund a portion of the Series 2012 Bonds;

WHEREAS, through the issuance of its \$16,790,000 original principal amount of Electric Utility System Revenue Refunding Bonds, Series 2020B (Federally Taxable), EWEB refunded a portion of the Series 2012 Bonds;



WHEREAS, by Resolution No. 2402, EWEB renewed its request under Resolution No. 2002 that the City Council adopt a resolution to authorize and set the terms for the issuance of electric utility system revenue refunding bonds to refund the remaining portion of the Series 2012 Bonds;

WHEREAS, pursuant to the City's Resolution No. 5399, adopted on February 12, 2024 (the "City Resolution"), the City Council authorized EWEB to issue not to exceed \$64,000,000 in principal amount of bonds to finance the Project and not to exceed \$15,035,000 in bonds to refund a portion of the Series 2012 Bonds;

WHEREAS, by the City Resolution, the City Council authorized EWEB, on behalf of the City, to issue and sell the electric utility system revenue and refunding bonds in one or more series in the aggregate principal amount of not to exceed \$79,035,000, of which not to exceed \$64,000,000 will be used to finance the Project and not to exceed \$15,035,000 will be used to refund the Series 2012 Bonds, subject to the restrictions that the bonds (i) mature not later than 30 years from the date of issuance of such series with any portion used to refund the Series 2012 Bonds maturing not later than six months after the original final maturity of the Series 2012 Bonds; (ii) be sold through public competitive sale and awarded to the bidder offering the most favorable terms to EWEB, on behalf of the City, or sold pursuant to negotiation at par or with a net original issue discount or premium that does not exceed 20% of the aggregate principal amount thereof; and (iii) have an effective interest rate of not to exceed 6.0% per annum;

WHEREAS, the City Resolution authorized the publication of the Notice of Revenue Bond Authorization (the "Notice"), and on February 13, 2024, the City acting by and through EWEB, caused the Notice to be published in *The Register-Guard*, a newspaper of general circulation within the boundaries of the City, and 60 days elapsed since the publication of such Notice, and fewer than 5% of the voters residing within the geographical boundaries of the City filed a petition with the City asking to have the question of whether to issue the electric utility system revenue bonds in the aggregate principal amount of not to exceed \$64,000,000 referred to a vote;

WHEREAS, it is in the best interest of EWEB to issue one or more series of Electric Utility System Revenue and Refunding Bonds, Series 2024 (the "Series 2024 Bonds") to finance a portion of the costs of the Project and to refund a portion of the Series 2012 Bonds;

WHEREAS, the foregoing actions and events enable EWEB to proceed with the issuance and sale of the Series 2024 Bonds without further authorization or approval other than that provided by this Supplemental Bond Resolution;

WHEREAS, the Series 2024 Bonds will not be general obligations of the City, nor a charge upon its tax revenues, but will be payable solely from revenues of the Electric Utility System that EWEB pledges to the payment of the Series 2024 Bonds pursuant to ORS 287A.310 and ORS 287A.325 and the Bond Resolution;

WHEREAS, EWEB has caused to be prepared a plan showing that EWEB's estimated Electric Utility System revenues are sufficient to pay the debt service on the Series 2024 Bonds as authorized by the City Resolution;

NOW, THEREFORE, BE IT FOUND, DETERMINED, ORDERED AND RESOLVED BY THE EUGENE WATER & ELECTRIC BOARD OF THE CITY OF EUGENE, OREGON, as follows:

**Section 1.** Findings. The improvements to the Electric Utility System identified in the City Resolution are eligible for financing in accordance with EWEB Resolution No. 2402 through the issuance of the Series 2024 Bonds.

**Section 2. Definitions.** Unless the context shall clearly indicate some other meaning, all words and terms used in this Supplemental Bond Resolution which are defined in the Bond Resolution shall for all purposes of this Supplemental Resolution have the respective meanings given to them in the Bond Resolution.

For the purposes of this Supplemental Bond Resolution, “Record Date” means in the case of each principal or interest payment date, the Bond Registrar’s close of business on the 15<sup>th</sup> day of the month immediately preceding such principal or interest payment date, and, with respect to redemption of a Series 2024 Bond prior to its maturity, the Bond Registrar’s close of business on the date on which the Bond Registrar sends the notice of redemption in accordance with the Bond Resolution.

**Section 3. Series 2024 Bonds Authorized.** The Series 2024 Bonds shall be issued in the form of fully registered bonds in the denomination of \$5,000 or any integral multiple of \$5,000 within a series and maturity thereof and shall be numbered as determined by the Bond Registrar. The Treasurer or the Assistant Treasurer of EWEB, or any such officer’s designee (the “Authorized Representative”), is hereby authorized and directed, for and in the name and on behalf of EWEB and the City, to issue and sell the “City of Eugene, Oregon Electric Utility System Revenue and Refunding Bonds, Series 2024” or other designation as determined by the Authorized Representative, in one or more series, taxable or tax-exempt, in the aggregate principal amount of not to exceed \$79,035,000, for the purposes of (1) financing the Project, (2) refunding a portion of the Series 2012 Bonds, (3) funding required reserves, if any, and (4) paying costs of issuance. The Authorized Representative may determine, with respect to the Series 2024 Bonds, the form of bond and series designation, the manner of disbursement of proceeds of the Series 2024 Bonds, the maturity dates, principal amounts, redemption provisions, interest rates or the method for determining a variable or adjustable interest rate, whether to issue as taxable or tax-exempt bonds, obtain bond insurance or some other form of guaranty or security for the payment of the Series 2024 Bonds, denominations, form, authorized signatory, and other necessary or desirable documents, and other terms and conditions of the Series 2024 Bonds because the same cannot be determined by EWEB at this time.

The Bond Trustee (identified in Section 4 below) as Bond Registrar shall endorse on the Series 2024 Bonds the date of their authentication. Interest on the Series 2024 Bonds shall be payable from the February 1 or August 1 next preceding the date of authentication to which interest shall have been paid; provided, however, that prior to the first payment date, such interest shall be payable from the dated date of the Series 2024 Bonds. The Series 2024 Bonds shall be dated the date of their delivery, shall mature on August 1 in each of the years and in the principal amounts as shown in the Official Statement (and in the case of a negotiated sale, the bond purchase contract), consistent with the authority provided or delegated to the Authorized Representative at the time of sale of the Series 2024 Bonds, and it is hereby ratified, confirmed and approved that the final maturity date of the Series 2024 Bonds shall be no later than August 1, 2053.

**Section 4. Bond Trustee and Bond Registrar.** In the Bond Resolution, EWEB appointed U.S. Bank National Association (now known as U.S. Bank Trust Company, National Association), as the initial Bond Trustee (the “Bond Trustee”) and Bond Registrar (the “Bond Registrar”) with respect to the Series 2024 Bonds.

**Section 5. Security for Series 2024 Bonds.** The Series 2024 Bonds shall not be general obligations of the City or EWEB, nor a charge upon the City’s tax revenues, but shall be payable solely from the revenues and funds that EWEB pledges to the payment of the Series 2024 Bonds pursuant to ORS 287A.150 *et seq.* The Series 2024 Bonds shall be secured by a lien on the Revenues of the Electric Utility System that is equal in priority to the lien of the Outstanding Bonds and any additional Bonds. The Outstanding Bonds (including the Series 2024 Bonds) shall be secured as set forth in the Bond Resolution.

**Section 6.** Application of Series 2024 Bond Proceeds. The Series 2024 Bond proceeds shall be applied as follows with the amounts to be determined by the Authorized Representative:

(a) A portion of the proceeds of the Series 2024 Bonds shall be deposited into the Series 2024 Construction Fund described in Section 7;

(b) A portion of the proceed of the Series 2024 Bonds shall be deposited with the Bond Trustee and used to refund and defease a portion of the 2012 Bonds;

(c) A portion of the proceeds of the Series 2024 Bonds may be used to fund any reserve (or purchase a Reserve Account Instrument) for the Series 2024 Bonds not funded with cash; and

(d) A portion of the proceeds of the Series 2024 Bonds shall be applied to the payment of fees and expenses in connection with the issuance and sale of the Series 2024 Bonds.

**Section 7.** Construction Fund. There is hereby created a separate fund or account of EWEB to be known as the “Series 2024 Construction Fund” to be held by EWEB. Money in the Series 2024 Construction Fund shall be applied solely to the reimbursement and payment of the costs related to the Project. Money shall be paid out of the Series 2024 Construction Fund by EWEB in accordance with the Tax Certificate and procedures prescribed by EWEB. The Authorized Representative may elect to pay the fees and expenses from the Construction Fund or another fund or account.

**Section 8.** Reserve Account. In connection with the issuance of the Series 2024 Bonds, the Authorized Representative is hereby authorized (i) to determine that the Series 2024 Bonds will be secured by the Reserve Account and calculate the Reserve Requirement in accordance with the provisions of the Bond Resolution and to make any payments in connection therewith or (ii) to determine that the Series 2024 Bonds will be secured by a separate reserve account and calculate the reserve requirement, which reserve requirement may be zero, and provide for its funding (if any is required) as permitted by Section 2.02(c) of the Bond Resolution. The Authorized Representative is hereby authorized to execute any agreement (including, but not limited to, an agreement to purchase a reserve fund surety bond) in connection therewith. If applicable, any deficiency in the Reserve Account upon issuance of the Series 2024 Bonds shall be funded with proceeds of the Series 2024 Bonds, cash, surety bond, insurance policy, or a combination thereof, in accordance with Section 2.02 of the Bond Resolution.

**Section 9.** Book-Entry System of Ownership. During any time that the Series 2024 Bonds are held in a book-entry only system (the “Book-Entry System”), the registered owner of all of the Series 2024 Bonds shall be The Depository Trust Company, New York, New York (“DTC”), and the Series 2024 Bonds shall be registered in the name of Cede & Co., as nominee for DTC. EWEB has entered into a Blanket Issuer Letter of Representations (the “Letter”) wherein EWEB represents that it will comply with the requirements stated in DTC’s Operational Arrangements as they may be amended from time to time.

Under the Book-Entry System, the Series 2024 Bonds shall be initially issued in the form of a single fully registered certificate for each series and maturity of the Series 2024 Bonds. Upon initial issuance, the ownership of such Series 2024 Bonds shall be registered by the Bond Registrar on the registration books in the name of Cede & Co., as nominee of DTC. EWEB and the Bond Registrar may treat DTC (or its nominee) as the sole and exclusive registered owner of the Series 2024 Bonds registered in its name for the purposes of payment of the principal of, redemption price of, and premium, if any, or interest on the Series 2024 Bonds, selecting the Series 2024 Bonds or portions thereof to be redeemed, if any, giving notice as required under this Supplemental Resolution, registering the transfer of Series 2024 Bonds, obtaining any consent or other action to be taken by the Bondholders and for all other purposes; and neither the Bond Registrar nor EWEB shall be affected by any notice to the contrary. EWEB and the Bond Registrar shall

not have any responsibility or obligation to any person claiming a beneficial ownership interest in the Series 2024 Bonds under or through DTC or any participant in DTC (a “Participant”), or any other person which is not shown on the registration books of the Bond Registrar as being a registered owner, with respect to the accuracy of any records maintained by DTC or any Participant; the payment by DTC or any Participant of any amount in respect of the principal or redemption price of or interest on the Series 2024 Bonds; any notice or direction which is permitted or required to be given to or received from Bondholders under this Supplemental Resolution; the selection by DTC or any DTC Participant of any person to receive payment in the event of a partial redemption of the Series 2024 Bonds; or any consent given or other action taken by DTC as Bondholder; nor shall any DTC Participant or any such person be deemed to be a third party beneficiary of any Bondholders’ rights under this Supplemental Resolution. The Bond Registrar shall pay from money available hereunder all principal of and premium, if any, and interest on the Series 2024 Bonds only to or upon the order of DTC, and all such payments shall be valid and effective to fully satisfy and discharge EWEB’s obligations with respect to the principal of and premium, if any, and interest on the Series 2024 Bonds to the extent of the sum or sums so paid. So long as the Series 2024 Bonds are held in the Book-Entry System, no person other than DTC shall receive an authenticated Series 2024 Bond for each separate stated maturity evidencing the obligation of the Bond Registrar to make payments of principal of and premium, if any, and interest pursuant to this Supplemental Resolution. Upon delivery by DTC to the Bond Registrar of DTC’s written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions of this Supplemental Resolution with respect to transfers of Series 2024 Bonds, the term “Cede & Co.” in this Resolution shall refer to such new nominee of DTC.

At any time it determines that it is in the best interests of the Bondholders or EWEB, EWEB may notify the Bond Registrar, and the Bond Registrar will subsequently notify DTC, whereupon DTC will notify the DTC Participants, of the availability through DTC of Series 2024 Bond certificates. In such event, the Bond Registrar shall issue, transfer and exchange, at EWEB’s expense, Series 2024 Bond certificates as requested in writing by DTC in appropriate amounts at the principal office of the Bond Trustee. DTC may determine to discontinue providing its services with respect to the Series 2024 Bonds at any time by giving written notice to the Bond Registrar and discharging its responsibilities under applicable law. If DTC resigns as securities depository for the Series 2024 Bonds, Series 2024 Bond certificates shall be delivered pursuant to this Section 9. Under such circumstances (if there is no successor securities depository), the Bond Registrar shall be obligated to deliver Series 2024 Bond certificates as described in this Supplemental Resolution, provided that the expense in connection therewith shall be paid by EWEB. In the event Series 2024 Bond certificates are issued, the provisions of this Supplemental Resolution shall apply to, among other things, the transfer and exchange of such certificates and the method of payment of principal of, premium, if any, and interest on such Series 2024 Bonds. Whenever DTC requests the Bond Registrar to do so, the Bond Registrar will cooperate with DTC in taking appropriate action after written notice (a) to make available one or more separate certificates evidencing the Series 2024 Bonds to any DTC Participant having Series 2024 Bonds credited to its DTC account, or (b) to arrange for another securities depository to maintain custody of certificates evidencing the Series 2024 Bonds.

EWEB will not be responsible or liable for sending transaction statements or for maintaining, supervising or reviewing records maintained by DTC, its Participants or persons acting through such Participants or for transmitting payments to, communicating with, notifying, or otherwise dealing with any beneficial owner of the Series 2024 Bonds.

**Section 10.** **Redemption and Purchase Provisions.** The Series 2024 Bonds may be subject to optional and mandatory redemption as determined by the Authorized Representative. Notice of any redemption of Series 2024 Bonds shall be provided for in the manner set forth in this Supplemental Resolution, the Letter or approved by the Authorized Representative. Any notice of optional redemption may state that the optional redemption is conditional upon receipt by the Bond Registrar of money sufficient

to pay the redemption price of such Series 2024 Bonds or upon the satisfaction of any other condition, and/or that such notice may be rescinded upon the occurrence of any other event, and any conditional notice so given may be rescinded at any time before payment of such redemption price if any such condition so specified is not satisfied or if any such other event occurs. Notice of such rescission or of the failure of any such condition shall be given by the Bond Registrar to affected Bondholders as promptly as practicable upon the failure of such condition or the occurrence of such other event, and on or prior to the date fixed for redemption.

(a) Notice of Redemption (Book-Entry). So long as the Series 2024 Bonds are in the Book-Entry System, the Bond Registrar shall notify DTC of an early redemption no fewer than 20 calendar days nor more than 60 calendar days prior to the date fixed for redemption, and shall provide such information as required by the Letter or another letter of representation submitted to DTC in connection with the issuance of the Series 2024 Bonds. Official written notice of redemption will be given by EWEB to the Bond Registrar at least five calendar days prior to the date the notice is scheduled to be sent to DTC.

(b) Notice of Redemption (No Book-Entry). During any period in which the Series 2024 Bonds are not in the Book-Entry System, unless waived by any Bondholder of the Series 2024 Bonds to be redeemed, official notice of any redemption of Series 2024 Bonds shall be given by the Bond Registrar on behalf of EWEB by mailing a copy of an official redemption notice by first class mail, postage prepaid, no fewer than 20 calendar days nor more than 60 calendar days prior to the date fixed for redemption, to the Bondholders of the Series 2024 Bonds to be redeemed at the address shown on the bond register or at such other address as is furnished in writing by such Bondholder to the Bond Registrar. Official written notice of redemption will be given by EWEB to the Bond Registrar at least five calendar days prior to the date the notice is scheduled to be sent to Bondholders of the Series 2024 Bonds.

(c) Effect of Redemption. Interest on each Series 2024 Bond called for redemption shall cease to accrue on the date fixed for redemption, unless either the notice of optional redemption is rescinded as set forth above, or money sufficient to effect such redemption is not on deposit in the Bond Fund or in an escrow account established to refund or defease the Series 2024 Bonds.

(d) Purchase of Series 2024 Bonds. EWEB reserves the right to purchase any or all of the Series 2024 Bonds offered to EWEB at any time at any price acceptable to EWEB plus accrued interest to the date of purchase.

**Section 11.** Findings and Determinations: Authority for Supplemental Resolution: Bonds are “Bonds” under the Bond Resolution. EWEB hereby finds:

(a) The Series 2024 Bonds are issued under the authorization of Section 7 of the Bond Resolution and are “Bonds” within the meaning of the quoted words as defined and used in the Bond Resolution.

(b) All acts and conditions required to exist, to happen and to be performed precedent to and in the issuance of the Series 2024 Bonds exist, have happened and have been performed in due time, form and manner as required by the Constitution and statutes of the State of Oregon, the Charter of the City of Eugene, the Bond Resolution, and the City Resolution.

(c) Except for supplemental resolutions, the Bond Resolution has not been amended, supplemented, or repealed since adoption thereof. This Supplemental Bond Resolution supplements the Bond Resolution, constitutes and is a “Supplemental Resolution” within the meaning of the quoted words as defined and used in the Bond Resolution and is adopted pursuant to and under authority of the Bond Resolution.

(d) There does not exist an “Event of Default” within the meaning of such quoted term as defined in Section 13 of the Bond Resolution, nor does there exist any condition which, after passage of time, would constitute such an “Event of Default.”

(e) The Series 2024 Bonds: (i) shall be entitled to the benefits, security and protection of the Bond Resolution, equally and ratably with one another and with any other Bonds heretofore or hereafter issued thereunder; (ii) shall be payable as provided in the Bond Resolution solely from the Revenues and other money specified in the Bond Resolution on a parity with one another and with all Bonds heretofore or hereafter issued under the Bond Resolution; and (iii) shall be equally and ratably secured under the Bond Resolution with one another and with all Bonds hereafter issued thereunder, without priority by reason of series, number, date of adoption of the supplemental resolution providing for the issuance thereof, date of Bonds, date of sale, date of execution, date of issuance, date of delivery, or otherwise, by the liens, pledges, charges and assignments created by the Bond Resolution.

(f) The Board hereby affirms the covenants contained in Section 10 and other provisions of the Bond Resolution.

**Section 12.**     Tax-Exempt Status and Covenant as to Arbitrage.

(a)     Preservation of Tax Exemption for Interest on the Tax-Exempt Series 2024 Bonds. EWEB covenants that it will take all actions necessary to prevent interest on the tax-exempt Series 2024 Bonds from being included in gross income for federal income tax purposes, and it will neither take any action nor make or permit any use of proceeds of the tax-exempt Series 2024 Bonds or other funds of EWEB treated as proceeds of the tax-exempt Series 2024 Bonds that will cause interest on the tax-exempt Series 2024 Bonds to be included in gross income for federal income tax purposes. EWEB also covenants that it will, to the extent the arbitrage rebate requirements of Section 148 of the Code are applicable to the tax-exempt Series 2024 Bonds, take all actions necessary to comply (or to be treated as having complied) with those requirements in connection with the tax-exempt Series 2024 Bonds.

(b)     Post-Issuance Compliance. An Authorized Representative is authorized and directed to review and update EWEB’s written procedures to facilitate compliance by EWEB with the covenants in this Supplemental Resolution and the applicable requirements of the Code that must be satisfied after the Issue Date to prevent interest on the tax-exempt Series 2024 Bonds from being included in gross income for federal tax purposes, maintain the tax treatment of the tax-exempt Series 2024 Bonds and the receipt of interest thereon.

**Section 13.**     Refunding of the Refunded Bonds. The Board authorizes the Authorized Representative to approve the Series 2012 Bonds to be refunded by the Series 2024 Bonds (the “Refunded Bonds”), to appoint U.S. Bank Trust Company, National Association as Refunding Trustee, establish the terms for the refunding and the redemption of the Refunded Bonds, and set forth other provisions for such refunding (the “Refunding Plan”).

(a)     Use of Series 2024 Bond Proceeds; Acquisition of Acquired Obligations. The Authorized Representative may determine not to proceed with all or part of the Refunding Plan if interest rates are not favorable. A sufficient amount of the proceeds of the sale of the Series 2024 Bonds shall be deposited immediately upon the receipt thereof with the Refunding Trustee and used to discharge the obligations of EWEB relating to the Refunded Bonds under the Bond Resolution by providing for the payment of the amounts required to be paid by the Refunding Plan. To the extent practicable, such obligations shall be discharged fully by the Refunding Trustee’s simultaneous purchase of the Acquired Obligations, bearing such interest and maturing as to principal and interest in such amounts and at such times so as to provide, together with a beginning cash balance, if necessary, for the payment of the amount

required to be paid by the Refunding Plan. Any Series 2024 Bond proceeds or other money deposited with the Refunding Trustee not needed to purchase the Acquired Obligations and provide a beginning cash balance, if any, and pay the costs of issuance of the Series 2024 Bonds shall be returned to EWEB at the time of delivery of the Series 2024 Bonds to the initial purchaser thereof and deposited in the Bond Fund to pay interest on the Series 2024 Bonds coming due on the first interest payment date.

(b) Substitution of Acquired Obligations. Prior to the purchase of any Acquired Obligations by the Refunding Trustee, EWEB reserves the right to substitute other direct, noncallable obligations of the United States of America (“Substitute Obligations”) for any of the Acquired Obligations and to use any savings created thereby for any lawful EWEB purpose if, (a) in the opinion of EWEB’s bond counsel, the interest on the tax-exempt Series 2024 Bonds and the Refunded Bonds will remain excluded from gross income for federal income tax purposes under Sections 103, 148, and 149(d) of the Code, and (b) such substitution shall not impair the timely payment of the amounts required to be paid by the Refunding Plan, as verified by a nationally recognized independent certified public accounting firm.

After the purchase of the Acquired Obligations by the Refunding Trustee, EWEB reserves the right to substitute therefor cash or Substitute Obligations subject to the conditions that such money or securities held by the Refunding Trustee shall be sufficient to carry out the Refunding Plan, that such substitution will not cause the tax-exempt Series 2024 Bonds or the Refunded Bonds to be arbitrage bonds within the meaning of Section 148 of the Code and regulations thereunder in effect on the date of such substitution and applicable to obligations issued on the issue dates of the Series 2024 Bonds and the Refunded Bonds, as applicable, and that EWEB obtain, at its expense: (1) a verification by a nationally recognized independent certified public accounting firm acceptable to the Refunding Trustee confirming that the payments of principal of and interest on the substitute securities, if paid when due, and any other money held by the Refunding Trustee will be sufficient to carry out the Refunding Plan; and (2) an opinion from bond counsel to EWEB, to the effect that the disposition and substitution or purchase of such securities, under the statutes, rules, and regulations then in force and applicable to the Series 2024 Bonds, will not cause the interest on the tax-exempt Series 2024 Bonds or the Refunded Bonds to be included in gross income for federal income tax purposes and that such disposition and substitution or purchase is in compliance with the statutes and regulations applicable to the Series 2024 Bonds. Any surplus money resulting from the sale, transfer, other disposition, or redemption of the Acquired Obligations and the substitutions therefor shall be released from the trust estate and transferred to EWEB to be used for any lawful EWEB purpose.

(c) Administration of Refunding Plan. The Refunding Trustee is authorized and directed to purchase the Acquired Obligations (or substitute obligations) and to make the payments required to be made by the Refunding Plan from the Acquired Obligations (or substitute obligations) and money deposited with the Refunding Trustee pursuant to this Supplemental Resolution. All Acquired Obligations (or substitute obligations) and the money deposited with the Refunding Trustee and any income therefrom shall be held irrevocably, invested and applied in accordance with the provisions of this Supplemental Resolution, ORS Chapter 287A and the Refunding Trust Agreement. All necessary and proper fees, compensation, and expenses of the Refunding Trustee and all other costs incidental to the setting up of the escrow to accomplish the refunding of the Refunded Bonds and costs related to the issuance and delivery of the Series 2024 Bonds shall be paid out of the proceeds of the Series 2024 Bonds.

(d) Authorization for Refunding Trust Agreement. To carry out the Refunding Plan provided for by this Supplemental Resolution, the Authorized Representative is authorized to execute and deliver to the Refunding Trustee a Refunding Trust Agreement setting forth the duties, obligations and responsibilities of the Refunding Trustee in connection with the payment, redemption, and retirement of the Refunded Bonds as provided herein and stating that the provisions for payment of the fees, compensation, and expenses of such Refunding Trustee set forth therein are satisfactory to it.

(e) Call for Redemption of the Refunded Bonds. EWEB calls for redemption on such date as determined by the Authorized Representative, all of the callable Refunded Bonds at par plus accrued interest. Such call for redemption shall be irrevocable after the delivery of the Series 2024 Bonds to the initial purchaser thereof. The date on which the Refunded Bonds are herein called for redemption is the first date on which those bonds may be called.

The proper EWEB officials are authorized and directed to give or cause to be given such notices as required, at the times and in the manner required, pursuant to the Bond Resolution in order to effect the redemption prior to their maturity of the Refunded Bonds.

**Section 14.** Delegation and Approval for Establishment of Terms and Sale of the Series 2024 Bonds. Subject to the provisions of Section 3, and as provided in the City Resolution, Resolution No. 2402, and Resolution No. 2002, all actions heretofore taken or to be taken in connection with the Series 2024 Bonds are hereby approved in all respects including, without limitation, actions taken or to be taken by an Authorized Representative and the Authorized Representative is hereby delegated to:

- (a) establish the principal and interest payment dates, principal amounts, taxable or tax-exempt status, optional and mandatory redemption provisions and premium or discount, if any, interest rates, denominations and place of payment and all other terms for the Series 2024 Bonds;
- (b) make the determinations required by Section 7.02 of the Bond Resolution;
- (c) award the sale of the Series 2024 Bonds in accordance with ORS 287A.300, including entering into a bond purchase contract for a negotiated sale;
- (d) approve and authorize the preparation and distribution of preliminary and final official statements for the Series 2024 Bonds;
- (e) obtain ratings of the Series 2024 Bonds and expend Series 2024 Bond proceeds to pay for such ratings;
- (f) take such actions as are necessary to qualify the Series 2024 Bonds for the Book-Entry System of DTC;
- (g) execute a Continuing Disclosure Certificate pursuant to Rule 15c2-12 of the Securities and Exchange Commission;
- (h) execute and deliver the Series 2024 Bond closing documents and certificates;
- (i) enter into covenants regarding the use of the proceeds of the Series 2024 Bonds to maintain the tax-exempt status of the Series 2024 Bonds which are issued as tax-exempt bonds; and
- (j) execute a certificate specifying the actions taken pursuant to this Section 14, and any other certificates, documents or agreements that an Authorized Representative determines are desirable to issue, sell and deliver the Series 2024 Bonds in accordance with this Supplemental Resolution.

**Section 15.** Resolution to Constitute Contract. In consideration of the purchase and acceptance of any or all of the Series 2024 Bonds by those who shall own the same from time to time, the provisions of this Supplemental Resolution shall be part of the contract of EWEB with the Bondholders and shall be deemed to be and shall constitute a contract between EWEB and the Bondholders. The covenants, pledges, representations and warranties contained in this Supplemental Resolution, the Bond Resolution and in the



closing documents executed in connection with the Series 2024 Bonds including without limitation EWEB’s covenants and pledges contained in the Bond Resolution and the other covenants and agreements herein set forth to be performed by or on behalf of EWEB shall be contracts for the equal benefit, protection and security of the Bondholders, all of which shall be of equal rank without preference, priority or distinction of any of the Series 2024 Bonds over any other Bonds, except as expressly provided in or pursuant to this Supplemental Bond Resolution or the Bond Resolution.

**Section 16.** Effect of Section Headings. The heading or titles of the several Sections hereof shall be solely for convenience of reference and shall not affect the meaning, construction, interpretation or effect of this Supplemental Resolution.

**Section 17.** Repeal of Inconsistent Resolutions. Any prior resolution of EWEB, or any portion thereof, in conflict or inconsistent with this Supplemental Resolution is hereby repealed to the extent of such conflict or inconsistency.

**Section 18.** References to Statutes in Bond Resolution. Except as expressly provided herein to the contrary, all references to statutes in the Bond Resolution that have been amended, superseded or re-codified by applicable statutes of similar purpose shall be deemed from and after the effective date of such amendment, supersession or re-codification to refer to such statutes as so amended, superseded or re-codified.

**Section 19.** Effective Date. This Resolution shall become effective immediately upon its adoption.

PASSED AND ADOPTED this 7<sup>th</sup> day of May, 2024.

EUGENE WATER & ELECTRIC BOARD

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President

I, Anne 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 EWEB at its May 7, 2024 Board Meeting.

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