

**EUGENE WATER & ELECTRIC BOARD
REGULAR MEETING
December 3, 2024
5:30 p.m.**

Commissioners Present: Matt McRae, President; John Barofsky, Vice President; and Commissioners Mindy Schlossberg, Sonya Carlson, and John Brown (online)

Commissioners Absent: None

Others Present: Frank Lawson, EWEB General Manager; Rodney Price, Assistant General Manager; Deborah Hart, Assistant General Manager/Chief Financial Officer; Adam Rue, Rates Manager; Alicia Voorhees, Interim Budgets & Rates Supervisor; Aaron Balmer, AIC Financial Services Manager; Megan Capper, Energy Resource Manager; Brian Booth, Chief Energy Resource Officer; Ben Ulrich, Lead Energy Resource Analyst; Lisa Krentz, Generation Manager

REGULAR SESSION

Call to Order [00:00:00]

President McRae called the meeting to order at 5:31 p.m.

Agenda Check [00:00:03]

There were no changes to the agenda.

Items from Board Members and General Manager [00:00:30]

Ms. Carlson reported attending the Currin Substation ribbon cutting and the Eugene Chamber of Commerce Economic Summit. She noted that Lane Council of Governments (LCOG) is holding their annual dinner at the Cottage Grove Armory on March 7, 2024. Ms. Carlson has been serving as the LCOG Chair for two years and hopes to continue in her role. She thanked President McRae for his service on the EWEB board.

Vice President Barofsky reported attending the Currin Substation ribbon cutting, the Eugene Chamber of Commerce Economic Summit, and observing a blast at College Hill.

Mr. Brown reported attending an OPEB (Other Post Employment Benefits) meeting. He thanked President McRae and Assistant General Manager Rodney Price for their service to EWEB.

President McRae reported attending the Currin Substation ribbon cutting. He thanked Mr. Price for his service at EWEB.

Ms. Schlossberg thanked President McRae for his invaluable contribution to EWEB.

Mr. Lawson acknowledged EWEB staff who worked continuously to transition the customer system, finance system, customer portal, GIS system, and prepared to “Go Live” with the new system effective December 2, 2024. He presented President McRae with a plaque and spoke of his leadership and dedication to the EWEB Board. He presented Mr. Price with a plaque and thanked him for his service at EWEB.

Public Input [00:13:42]

The following testimony was provided to the EWEB Commissioners: The Board neither endorses or opposes, or is responsible for the accuracy of content, of testimony including any links or references provided.

Danny Noonan, of Ward 7, shared comments related to the rate design process, stating that he is disappointed with the handling of a set of recommendations made on behalf of a coalition he is involved with.

Sharie Borneman, Coordinator for Bethel School District, shared comments related to educational grants. She thanked EWEB for their support.

Tana Shepard, of Ward 1, shared comments related to the EWEB educational partnership. She provided updates about recent and upcoming activities.

Mark Robinowitz shared comments related to limits to WECC, stating concerns about growth on a finite planet and urging rewriting plans, changing laws, and increasing cooperation.

Alan Gormezano (Alfredo), of Ward 1, stated concern about low-income rates and the cost of efficiency versus the cost of human health.

Joe Moll thanked EWEB for their longstanding partnership with the McKenzie River Trust and presented the board with a signed copy of the book “Life on The River” by Barry Lopez.

Ms. Carlson responded to comments about rate design. She offered that completion of the IT system means that they can now look at long term rate design.

Correspondence [00:33:48]

Mr. Lawson commented on several pieces of correspondence that were included in the meeting packet and shared a presentation slide summarizing the topics.

- Board Officer and Liaison Positions – List of current officers and appointments for consideration of 2025 assignments
- Education Grants
 - Current IGAs expire August 2025; Proposed changes to next iterations include:
 - Phase 1 – 2025-2027 – Water, Energy, Climate Change and new/renewed focus on Safety & Emergency Preparedness and EV Challenge
 - Phase 2 – 2027 and beyond to focus on meeting educational priorities, complying with district requirements, and tailoring curriculum to local concerns – standardizing materials across school districts to extent possible

- Present Year-End (2024) Audit Planning
 - Final fieldwork scheduled later due to implementation of EWEB Enterprise Solutions (EES); audited financial statements and management letter will be presented June 2025
- 2025 Organizational Goals Development
 - Themes for discussion include Ongoing Operational Efficiency and Effectiveness, EWEB Enterprise Solutions (EES), Asset Management Planning, Strategic Project Prioritization/Management, Energy Delivery Optimization, and Resiliency

BOARD ACTION ITEMS

Approval of Consent Calendar – A, Minutes and Routine Contracts [00:39:08]

MINUTES

1. November 12, 2024 Regular Session

CONTRACTS

2. McMillen Inc. – for Consultant Support for the Leaburg Decommissioning Program. \$18,500,000 (Over 10-years) based on Formal Request for Proposals.

3. SHI International Corp – for a cooperative contract for Microsoft Software Licenses, Maintenance and Support. \$3,500,000 (Over 4-year) (Original contract amount \$2 million over 3 years, amount this request \$1,500,000).

MOTION: Commissioner Carlson moved to adopt Consent Calendar A minus number 2. **The motion passed unanimously, 5:0; President McRae, Vice President Barofsky, Commissioner Schlossberg, Commissioner Brown, and Commissioner Carlson all voting in favor.**

Items Removed from Consent Calendar [00:39:50]

Vice President Barofsky explained that he pulled item number 2 from Consent Calendar A because it involves an \$18 million dollar over 10-year contract for the decommissioning of the Leaburg Dam. He requested that staff provide a contract update.

Generation Manager Lisa Krentz agreed with Vice President Barofsky that the McMillen Inc. contract is sizable. She reported that the scope involves program management and owners' representation throughout the Leaburg Decommissioning process. She explained that the reason the proposed contract is for 10 years, rather than for 5 years, is because of the need to maintain consistency throughout the process. She said that through a public Request for Proposals (RFP) process, McMillen, Inc. was identified for their experience decommissioning nationwide – including their primary role in the decommissioning of the Klamath River dams.

MOTION: Vice President Barofsky moved to approve item 2. **The motion passed unanimously, 5:0; President McRae, Vice President Barofsky, Commissioner**

Schlossberg, Commissioner Brown, and Commissioner Carlson all voting in favor.

Approval of Consent Calendar – B, Nonroutine Contracts/Other Consent Items [00:49:24]

CONTRACTS

4. Avant Consulting Solutions – LLC for EES Project-related services \$10,000,000 (over 5-years) (original contract amount previously approved \$5,000,000) based on Direct Negotiation.

5. Oldcastle Infrastructure Inc. – for Precast Concrete Vaults, Lids, and Riser Sections. \$750,000 (over 5-years) based on Formal Invitation to Bid.

6. Smart Energy Systems, Inc. d/b/a Smart Energy Water (“SEW”) – for EES Project-related services. \$5,000,000 (Over 5-years) based on Direct Negotiation.

7. U.S. Geological Survey (USGS) – for Hydrological Surveillance Maintenance, Monitoring and Reporting Services. \$927,000 (Over 5-years) based on Direct Negotiation.

8. Wildish Building Company – for Construction Services at EWEB’s Coburg Substation. \$530,000 based on Formal Invitation to Bid.

RESOLUTIONS

9. Resolution No. 2420 – Upcoming Year (2025) State Legislative Agenda.

10. Resolution No. 2421 – Budget Amendment – Electric Capital, Water Capital, and Water O & M for 2024.

MOTION: Commissioner Carlson moved to adopt Consent Calendar B. **The motion passed unanimously, 5:0; President McRae, Vice President Barofsky, Commissioner Schlossberg, Commissioner Brown, and Commissioner Carlson all voting in favor.**

Upcoming-Year (2025) Proposed Budgets and Prices [00:49:48]

Deborah Hart, Assistant General Manager/Chief Financial Officer; Aaron Balmer, AIC Financial Services Manager; Adam Rue, Rates Manager; and Alicia Voorhees, Interim Budget and Rates Supervisor, presented Upcoming-Year (2025) Proposed Budgets and Prices via PowerPoint presentation. They referenced a handout provided in the meeting packet. Ms. Hart clarified that the numbers have not changed since their previous presentation to the Board on November 12, 2024. Staff highlighted proposed rates, affordability compared with other Oregon cities, and EWEB communication channels.

Public Hearing on Upcoming Year (2025) Proposed Budgets and Prices [00:57:32]

President McRae opened the public hearing at 6:28 p.m.

Alan Gormezano (Alfredo) commented that he did not see an accurate reflection of the portion of income on the graph referenced by staff during their presentation. He reported that as a low-income person, his electric bills range from 33% to 100% of his monthly income.

Upcoming-Year (2025) Proposed Budgets and Prices [01:58:10]

Resolution No. 2422 – 2025 Budget

Resolution No. 2423 – Electric Prices

Resolution No. 2424 – Water Prices

MOTION: Commissioner Carlson made a motion to approve Resolution No. 2422. **The motion passed unanimously, 5:0; President McRae, Vice President Barofsky, Commissioner Schlossberg, Commissioner Brown, and Commissioner Carlson all voting in favor.**

MOTION: Commissioner Carlson made a motion to approve Resolution No. 2423. **The motion passed unanimously, 5:0; President McRae, Vice President Barofsky, Commissioner Schlossberg, Commissioner Brown, and Commissioner Carlson all voting in favor.**

MOTION: Commissioner Carlson made a motion to approve Resolution 2424. **The motion passed unanimously, 5:0; President McRae, Vice President Barofsky, Commissioner Schlossberg, Commissioner Brown, and Commissioner Carlson all voting in favor.**

GENERAL BUSINESS ITEMS [01:11:49]

2025 Energy Resource Study: Initial Results of BPA Product Analysis [01:11:51]

Brian Booth, Chief Energy Resource Officer; Ben Ulrich, Lead Energy Resource Analyst; and Megan Capper, Energy Resource Manager, presented the 2025 Energy Resource Study: Initial Results of BPA Product Analysis via PowerPoint presentation. Their presentation focused on a BPA product choice timeline and initial modeling results and findings. Following the presentation, staff responded to questions from the Board.

Break [01:59:33]

Rate Design Priorities – Record of Board Direction [02:12:03]

Mr. Lawson and Mr. Rue introduced Rate Design Priorities – EWEB's Initiative to Redesign Customer Rates via PowerPoint presentation. Mr. Lawson referenced a draft rate design plan provided in the meeting packet. His presentation focused on rate design strategy, tradeoffs, and a summary. Following the presentation, Mr. Lawson engaged the Board in a discussion to receive guidance related to the plan.

Future Board Agendas [02:53:35]

Mr. Lawson introduced future board agendas. He stated that staff are evaluating the annual calendar for recurring agenda items; some of the items may be assigned to correspondence in order to focus on more substantive topics.

Board Wrap Up [02:56:00]

Ms. Schlossberg acknowledged President McRae for his service on the Board. She thanked Mr. Price for his patience, skills, and communication during his career at EWEB.

Vice President Barofsky recalled that Sarah Medary, Eugene City Manager, spoke to the EWEB Board last month about a proposed fire fee. He reported that during their November meeting, the Eugene City Council put a pause on the proposal, requesting a “plan B.” A future update will be provided to the Board.

Ms. Carlson thanked President McRae and Mr. Price for their contributions at EWEB, specifically their support of Diversity, Equity, and Inclusion (DEI).

Mr. Lawson thanked the Board for their guidance in 2024.

President McRae provided closing remarks related to his term as Board president.

Adjourn [03:03:33]

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

Recorded by Terah Van Dusen, LCOG

Assistant Secretary

President