

**EUGENE WATER & ELECTRIC BOARD  
EXECUTIVE SESSION  
4200 ROOSEVELT BOULEVARD  
February 4, 2025**

**Commissioners Present:** John Barofsky, President; Mindy Schlossberg, Vice President; Sonya Carlson, John Brown, Tim Morris Commissioners

**Others present:** Frank Lawson, General Manager/CEO; Deborah Hart, Assistant General Manager/Chief Financial Officer; Tyler Tennent, Security Supervisor; Sarah Gorsegner, Business Continuity Manager; Karen Kelley, Chief Operations Officer; Holly Shugart, Administrative Assistant; Jennifer Connors, Public Affairs & Communications Manager; Aaron Orłowski, Communications & Marketing Supervisor; Owen Morgan, IT Support Specialist; Anne Kah, Administrative Services Manager

**EXECUTIVE SESSION**

The Executive Session was called to order at 5:00 p.m.

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

To consider matters relating to the safety of the governing body and of public body staff and the security of public body facilities and meeting spaces.

President John Barofsky adjourned the Executive Session meeting at 5:19 p.m.

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Assistant Secretary

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President

**EUGENE WATER & ELECTRIC BOARD**  
**REGULAR MEETING**  
**February 4, 2025**  
**5:45 p.m.**

**Commissioners Present:** President, John Barofsky; Vice President, Mindy Schlossberg; and Commissioners Sonya Carlson, John Brown, and Tim Morris

**Commissioners Absent:** None

**Others Present:** Frank Lawson, EWEB General Manager; Deborah Hart, Assistant General Manager/Chief Financial Officer; Brian Booth, Chief Energy Resource Officer; Karen Kelley, Chief Operations Officer; Sarah Gorsegner, Business Continuity Manager; Julie McGaughey, Chief Customer Officer, Adam Rue, Rates Manager (online), and Jason Heuser, Public Policy and Government Affairs Program Manager (online).

**REGULAR SESSION**

**Call to Order [00:00:00]**

President John Barofsky called the meeting to order at 5:45 p.m.

**Agenda Check [00:01:08]**

There were no changes to the agenda.

**Items from Board Members and General Manager [00:01:30]**

Commissioner Carlson reported that Lane Council of Governments (LCOG) is accepting nominations for elected officials, public employees, businesses, nonprofits, and citizens through Monday, February 10, 2025, to be recognized at their annual awards ceremony on March 7, 2025.

Commissioner Brown recognized the positive work being done at College Hill. Regarding restoration of the Willamette Watershed, he suggested the possibility of an air tour. He spoke about the proposed City of Eugene fire service fee. He expressed opposition to having non-utility charges on utility bills. He urged holding a prompt discussion on the topic.

Commissioner Morris voiced appreciation for the work being done at College Hill, including excellent communications. He reported that he toured the Hayden Bridge Water Filtration Plant. He highlighted the positive feedback received from residents about the proactiveness of EWEB informing customers when their usage is high.

General Manager Lawson thanked Commissioner Carlson for her invitation to meet with key players and community members to discuss the BRING Rethink Business Program. Responding to Commissioner Brown's request for a discussion about the fire service fee, he said time may be set aside during an upcoming meeting.

### **Public Comment [00:12:30]**

**Max Liebreich** shared comments about EWEB's new accounting system. He manages multiple accounts and requested that the payment process be made simpler.

**Isaac McCoy-Sulentich**, of Ward 7, spoke on the topic of rate design. He recommended figuring out how to modify the rate design such that it empowers consumers to be efficient and use solar and other energy saving methods.

**KGN** (online), shared comments related to EWEB late fees and rate increases, stating that they are unfair to Eugene's most vulnerable, low-income residents.

**Vice President Schlossberg** requested information about the number of residents getting their utilities shut off due to nonpayment.

**Commissioner Carlson** requested information about the practice of waiving late fees when individuals set up repayment plans.

**Mr. Lawson** responded that staff will provide statistics and data related to limited income support during their upcoming year-end recap during next month's meeting.

### **Correspondence [00:27:36]**

Regarding the State Legislative agenda, Commissioner Carlson asked if there will be ongoing updates and if commissioner support is warranted. She asked about a visit to the state capitol.

Mr. Lawson responded affirmatively. He added that a legislative trip is scheduled for mid-March.

President Barofsky asked if Legislative Representative Jason Heuser is following a bill being supported by Representative Lisa Fragala involving the McKenzie River Trust.

Mr. Heuser confirmed that McKenzie River Trust has brought Senate Bill 428 forward and EWEB has provided a letter in support of the measure.

Regarding the bylaw review, Commissioner Carlson asked if there is a state definition for attendance.

Mr. Lawson responded that he would follow up with more information.

## **BOARD ACTION ITEMS**

### **Approval of Consent Calendar – A, Minutes and Routine Contracts [00:35:30]**

#### **MINUTES**

1. January 7, 2025 Regular Session

## CONTRACTS

2. Robert Motors, Inc. – for As-Needed Vehicles \$450,000 (January 1, 2025, to April 30, 2026) based on a cooperative contract.

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

## Approval of Consent Calendar – B, Nonroutine Contracts and Other Consent Items [00:36:30]

## CONTRACTS

3. Pacific Excavation – for the construction of two 7.5-million-gallon tanks at EWEB’s College Hill Storage Tank Site. \$25,506,000 based on Formal Invitation to Bid (ITB).

## RESOLUTIONS

4. Resolution No. 2504 – Board Appointments, Committees, and Outside Liaisons

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

## Items Removed from Consent Calendar [00:40:40]

There were none.

## Annual Goals Amendment(s)/Additions [00:41:10]

Mr. Lawson presented information related to Annual Organizational Goals Revision(s) via PowerPoint presentation. In January, the Board approved the 2025 organizational goals. Based on their feedback, the following changes are being proposed:

1. Revision to Goal #4 “Limited Income Programs” to read: *Enhance the impact of EWEB’s limited income support programs, including existing programs such as EWEB Customer Care and new potential payment options such as Pre-Pay, in support of SD23 Diversity, Equity, and Inclusion Policy and rate design.*
2. New Goal #8 “Energy Efficiency of Rental Stock” to read: *Based on updated baseline information, including but not limited to demographic and stock assessments, customer awareness surveys and participation rates, and the results of the Demand Side Potential Assessment, develop and execute plans and actions designed to drive intentional outcomes, endorsed by the Board, of EWEB’s energy efficiency programs within Eugene’s rental stock segment.*

Mr. Lawson presented the following eight organizational goals:

1. Operational Efficiency and Effectiveness

2. Succession Planning / Dynamic Workforce Model (hybrid work)
3. Energy Supply Contract(s)/Bonneville Power Administration (BPA)
4. EWEB Limited Income / Payment Options
5. Rate Design Preparation (Fixed/Variable Alignment & Residential Demand)
6. Asset Management Planning
7. Environmental Policy Alignment (SD2 Environmental, SD15 Climate Change)
8. Energy Efficiency of Rental Stock

President Barofsky asked when they can expect the demand side potential assessment and if there is a timeline to develop an action plan for goal #8.

Mr. Lawson responded that the demand side potential assessment is on the agenda during an upcoming March work session, and they expect to determine an initial action plan by the end of the year.

**MOTION:** Commissioner Carlson moved to adopt the proposed revisions to the 2025 organizational goals. **The motion passed unanimously, 5:0; President Barofsky, Vice President Schlossberg, Commissioner Carlson, Commissioner Brown, and Commissioner Morris all voting in favor.**

### **Organizational Goal #3: BPA Product Choice Authorization Framework [00:54:20]**

Mr. Lawson presented information related to Organizational Goal #3: BPA Product Decision Considerations and Process via PowerPoint presentation. He highlighted an updated decision timeline and recommendation considerations and engaged the Board in a discussion. He added that in June 2025, the Board will be presented with a recommendation based on a combination of qualitative and quantitative assessments and analysis.

Vice President Schlossberg urged that the Board be provided with enough time to digest the information as the decision is likely one of the biggest that they will make.

Mr. Lawson responded that Board members have an opportunity to hold discussions with staff members. He stated that the deadline to inform Bonneville of their decision is July 2025.

Commissioner Carlson agreed that the Board may need additional time. She brought attention to comparing different business models, and identifying what the costs would look like if EWEB went with BPA only.

President Barofsky underscored the importance of having the entire Board engaged in discussions and said he wants to understand the cost of building in flexibility for future Boards.

### **Break [01:19:50]**

### **EWEB/City of Eugene Joint Initiatives Agenda [01:35:20]**

President Barofsky spoke about the EWEB/City of Eugene Joint Initiatives Agenda. He explained that the Board President and Vice President regularly meet with City of Eugene leadership. He referenced a document provided in the meeting packet containing topics of discussion and engaged Board members in a discussion.

Commissioner Brown raised the issue of fire hydrants, specifically the responsibility of maintaining and replacing them, including any associated costs.

Mr. Lawson responded that under most community models, the drinking water utility manages the source all the way through the hydrant. There has been a decades long interest in EWEB taking over ownership, operations, and maintenance of the fire hydrants. They are still assessing costs, liabilities, and more.

Commissioner Carlson pointed out that there will need to be a rate mechanism for fire hydrants.

Vice President Schlossberg urged thinking about the purpose of meetings with City leadership. She brought up joint billing and how rate increases impact people. She said they have not gotten a lot of traction with the City regarding energy efficiency with rental units.

President Barofsky suggested that Board members might identify their top three goals for upcoming discussions with City leadership.

## **GENERAL BUSINESS ITEMS**

### **Future Board Agendas [02:00:10]**

Mr. Lawson noted changes to future agendas with respect to meeting time priorities.

Vice President Schlossberg said she found it helpful to see the topics that are recurring.

President Barofsky requested more time for discussion during the upcoming work session in March.

### **Board Wrap Up [02:06:10]**

Commissioner Carlson requested information about federal impacts, specifically risk to EWEB's Diversity, Equity, and Inclusion (DEI) policy. She brought up bill inserts and communications within the new billing system.

Vice President Schlossberg asked how to handle comments received related to the new billing system.

Mr. Lawson requested that comments be forwarded to [EWEB.answers@EWEB.org](mailto:EWEB.answers@EWEB.org) or be sent to him directly.

Commissioner Morris requested a high-level overview of common challenges that community members are reporting related to the new system.

### **Adjourn [02:14:49]**

President Barofsky adjourned the meeting at 7:59 p.m.

*Recorded by Terah Van Dusen, LCOG*

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Assistant Secretary

President

## **EWEB Board Consent Calendar Request**

*For Contract Awards, Renewals, and Increases*

The Board is being asked to approve a new contract with **Virginia Transformer Corp** for a **Load Bank Power Transformer**.

Board Meeting Date: March 4, 2025  
Project Name/Contract #: 50 MVA Transformer for Carmen-Smith / 24-194-G  
Manager: Lisa Krentz Ext. 7450  
Executive Officer: Karen Kelley Ext. 7153

### **Contract Amount:**

Original Contract Amount: \$1,719,000  
Additional \$ Previously Approved: \$0  
Spend over last approval: \$0  
Amount this Request: \$1,719,000  
% Increase over last approval: NA  
Resulting Cumulative Total: **\$1,719,000**

### **Contracting Method:**

Method of Solicitation: Formal Request for Proposals  
If applicable, basis for exemption: NA  
Term of Agreement: August 31, 2026  
Option to Renew? No  
Approval for purchases "as needed": Yes  No   
Proposals/Bids Received (Range): 7  
Selection Basis: Highest Ranked Proposer

Narrative:

### Operational Requirement and Alignment with Strategic Plan

The Board is being asked to approve a new contract with Virginia Transformer Corp for the purchase of a single transformer for the Carmen-Smith Hydroelectric Project. EWEB requires one new transformer to be installed as part of the Carmen-Smith Load Bank Project. This includes a 50 MVA generator step-up (GSU) transformer to connect the Load Bank to the existing Carmen-Smith transmission line and generation facilities.

### Contracted Goods or Services

If approved, EWEB will purchase one 50 MVA transformer under this contract. The transformer is an essential piece of equipment to be installed as part of the planned Load Bank at the Carmen-Smith Hydroelectric Project. The Load Bank project satisfies the 2019 Carmen Smith operating license requirement to bypass flows in the Smith Bypass reach and improve habitat for Endangered Species Act listed aquatic species. The project will protect investments made in restoring aquatic habitat, increase resiliency, provide flexibility in project operations, and reduce risk to critical dam safety facilities. The total contract amount of \$1,718,400 includes the transformer, delivery, assembly and field testing. Funding for the transformer is included in the proposed Load Bank project budget shown in the Carmen Smith License Deployment Department 2025 Capital Budget.



### Purchasing Process

In September 2024, Purchasing staff reached out to 15 electrical equipment companies, including many new to EWEB, to determine capabilities and interest in supplying a 50 MVA transformer, which is larger than the average substation transformer and most often available from larger suppliers.

In October 2024, staff issued a Request for Proposals (RFP). The solicitation was advertised on the State of Oregon’s public procurement site, OregonBuys. Seven proposals were received from Virginia Transformer of Roanoke, VA (submitting 3 bids for 3 different factories), WEG Transformers of Duluth, GA, Doubletree Systems of Sunnyvale, CA, Larson Electronics of Kemp, TX, and Dozer Electrical of Dallas, TX. Five of the proposals were deemed responsive and responsible. Larson Electronics and Dozer Electrical’s proposals were rejected because they did not meet the minimum qualifications as required by the RFP. Evaluation criteria and points were as follows:

Minimum Qualifications	Pass/No Pass
Compliance with EWEB’s Specifications	60 points
Ability to Meet EWEB Terms	30 points
Lead Time	40 points
Client References	30 points
<u>Pricing</u>	<u>40 points</u>
Total	200 points

The proposals were reviewed and scored by the EWEB evaluation team. Based on the above criteria, including life cycle cost, Virginia Transformer’s proposal from their Pocatello, Idaho factory earned the highest overall score for ability to deliver (lead time), compliance with EWEB’s contract terms, and offering the lowest price for goods that will meet EWEB’s specifications.

EWEB has successfully procured large transformers in the past from Virginia Transformer’s Roanoke, Virginia factory and an EWEB staff Sr. Engineer visited the Pocatello factory. EWEB found the factory there to reflect acceptable standards. Procurement from the Idaho factory will be a big advantage to EWEB as the factory is close to Oregon. Most of the major components in their transformers are from the U.S.

### Proposals Received (Base Price)

Vendor Name / Manufacturer, if different / Factory Location	City, State	Offered Price	Ranking (for RFPs)
Virginia Transformer - Pocatello, ID	Roanoke, VA	\$1,678,400	1
Virginia Transformer - Mexico	Roanoke, VA	\$1,829,456	2
Doubletree Systems (Jiangsu Huapeng Transformer Co.) - Jiangsu, China	San Jose, CA	\$2,520,000	3
Virginia Transformer – Rincon, GA	Roanoke, VA	\$1,930,160	4
WEG Transformers USA – Tizayuca, Hidalgo, Mexico	Washington, MO	\$1,932,520	5
Larson Electronics – Dallas, TX	Kemp, TX	\$1,713,502	Non-Responsive
Dozer Electrical (Toshiba) - Jiangsu, China	Las Vegas, NV	\$2,033,500	Non-Responsive

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
22-099-G	Station Class Power Transformers	1-3-23	11-5-23 to 12-31-24 (extendable up to 5 years)	\$17,000,000	\$6,157,790	
24-115-G	Two 1500/2000 KVA Substation Regulators	10-1-24	10-2-24 to 10-2-26 (extendable up to 5 years)	\$450,160	\$450,160	
21-190-GS	Two 1500/2000 KVA 3 Phase Substation Regulators	11-2-21	11-4-21 to 6-17-22	\$775,118	\$775,118	
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 Virginia Transformer Corp for a substation power transformer. Approximately \$5 million was planned for this project in the Carmen-Smith License Deployment Department 2025 Capital Budget. Variances will be managed within the budget process and Board policy.

**BUDGET CATEGORY:** Electric Capital, Type 3, Carmen Smith-License Deployment