



MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

Rely on us.

TO: Commissioners Simpson, Helgeson, Mital, Brown and Carlson
FROM: Sue Fahey, Chief Financial Officer; Sarah Gorsegner, Purchasing & Warehouse Supervisor
DATE: December 28, 2016
SUBJECT: Board Appointed Consultants Ratification
OBJECTIVE: Board Action–Ratification of Board Appointed Consultants

Issue

EWEB Rule 6-0130 exempts Board Appointed Consultants from the requirements of Oregon Public Contracting law. Annually, the Board must appoint consultants who are contracted under Rule 6-0130.

Background

EWEB retains several consultants who may independently advise the Board and provide professional direction without regard to Management’s position or interpretation. In the past, EWEB has invoked Rule 6-0130 for several consultants and not used a competitive procurement process required by statute. However, a few years ago the Board requested that staff issue requests for proposals (RFP) for these services to ensure that EWEB receives high quality services for the best price. Using this competitive (versus appointment) process resulted in several services contracts that do not require annual Board ratification.

An RFP for independent audit services should have been issued in 2016. External auditors provide independent opinions regarding EWEB’s financial operations and also serve as a resource for chief executives. Auditors’ opinions and guidance often draw on patterns that have come to their attention over time. At the May 3, 2016 Board meeting, management provided information indicating that Moss Adams would be retained for another year to provide the new general manager continuity in this area. This contract is the only one requiring Board Appointment for 2017.

BOARD APPOINTED CONSULTANTS Contract Information

Consultant	Service Provided	Tenure	Last Contracted	2016 Spend	2015 Spend
Moss Adams	Independent Auditor and Certified Public Accountant	2005	RFP 2011, extended in 2016 to provide consistency for new General Manager. RFP to be issued in 2017.	\$148,000	\$148,000

Discussion

In December, Purchasing staff requested Board and staff feedback on consultants that work directly with the Board. Although feedback was generally satisfactory, there was some concern noted that purchasing staff is following up on and will work with the Commissioners through the General Manager to determine if the concerns can be managed or if a mid-cycle solicitation is warranted. Contract language for all consultants includes flexible termination language if the Board desires to make changes prior to 2018.

Recommendation and Requested Board Action

Management recommends and requests ratification of the Board Appointed Consultants and Retained Professionals listed above.