

**EUGENE WATER & ELECTRIC BOARD
SPECIAL and REGULAR SESSIONS
EWEB BOARD ROOM
500 EAST 4TH AVENUE
January 10, 2017
5:30 P.M.**

Commissioners Present: Dick Helgeson, President; John Brown, Vice President; Sonya Carlson, Steve Mital, John Simpson (via telephone), Commissioners

Absent: None

Others Present: Suzanne Adkins, Principal Project Manager; Chuck Crockett, Deputy City Recorder, City of Eugene; Mel Damewood, Chief Engineering & Operations Officer; Frank Lawson, General Manager; Matt Schroettnig, EWEB Power Resources Counsel

SPECIAL SESSION

Vice President Helgeson convened the January 10, 2017 Special Session at 5:30 p.m.

Oath of Office for Sonya Carlson, Wards 6 & 7

Mr. Crockett swore Commissioner Carlson in to the EWEB Board of Directors.

Oath of Office for Richard Helgeson, Wards 2 & 3

Mr. Crockett swore Commissioner Helgeson in to the EWEB Board of Directors.

Oath of Office for Steve Mital, Wards 1 & 8

Mr. Crockett swore Commissioner Mital in to the EWEB Board of Directors.

REGULAR SESSION

Vice President Helgeson pointed out that President Simpson was at home ill, but was joining the meeting via telephone.

Agenda Check

There were no changes to the Agenda

Items from Board Members and General Manager

- Commissioner Mital said that he was excited to be working with Commissioner Carlson. He asked for and received Board consensus to look more closely at the recent windfall the City of Eugene received from Comcast, and how those funds might be used exclusively to maintain that right of way.
- Commissioner Brown said that he was highly impressed by the crews working to restore power during the ice storm; he thanked staff and crew members for their tireless dedication to the restoration effort.

- President Simpson said that he was sorry he could not be in attendance to witness the swearing in of EWEB Commissioners. He thanked the staff and crews for their work during the outage. Finally, he congratulated Commissioners Carlson, Helgeson, and Mital for their elections to the Board.
- Commissioner Carlson said she really looked forward to working with the EWEB Board of Commissioners
- Vice President Helgeson said he was impressed with staff and crews in restoring power after the ice storm.
- Mr. Lawson introduced EWEB's new Power Resources Counsel, Matt Schroettnig. He stated that he and staff met with FEMA earlier that day to go through EWEB's preliminary damage assessment. He said that the water side of the utility had also experienced many issues due to the cold weather, such as freezing pipes and main breaks; he was impressed with the reaction of the water side of the utility in dealing with these problems as they arose. Lastly, he announced that EWEB had sent three crews to assist power restoration efforts in northern California.

Public Input

Milo Mecham of Eugene, and of LCOG expressed gratitude to EWEB crews for not only dealing with the ice storm aftermath, but for the crews' constant preventative maintenance.

Mr. Mecham offered information concerning Resolution No. 1702 on the Consent Calendar, the three-way intergovernmental agreement (IGA) between EWEB, City of Eugene, and LCOG concerning funding for the Downtown Fiber Project. He stated that in order to secure funding from the U.S. Department of Commerce, Economic Development Administration (EDA), there would need to be an IGA between all governments involved; he added that he had drafted said agreement. He urged the Board to approve the IGA, and to adopt the resolution as well.

Commissioner Brown asked what would happen if they could not secure the EDA grant.

Commissioner Mital said he was in support of the IGA. He added that he did have some concerns, but that he would bring them up when it was appropriate to do so.

BOARD ACTION ITEMS

Approval of Consent Calendar MINUTES

1. December 6, 2016 Regular Session

RATIFICATION OF BOARD APPOINTED CONSULTANTS

2. Independent Auditor and Certified Public Accountant – Moss Adams

CONTRACTS

3. Christenson Electric, Inc. – for Electric Utility Line Work Crews \$500,000 (Resulting Cumulative Total \$915,000). Contact Person is Mel Damewood, 541-685-7145.

4. Wildish Construction – for Leaburg Canal Embankment Improvement Project \$99,657. Contact Person is Mel Damewood, 541-685-7145.

OTHER

5. 2017 Organizational Performance Dashboard, Contact Person is Frank Lawson, 541-685-7621.

RESOLUTIONS

6. Resolution No. 1701 – Annual Appointment of Supplemental Retirement Plan Committee, Contact Person is Sue Fahey, 541-685-7688.

7. Resolution No. 1702 – Downtown Fiber Joint Agreement, Contact Person is Mel Damewood, 541-685-7145.

Commissioner Mital wished to pull Item #7, Resolution #1702 - Downtown Fiber Joint Agreement, for discussion.

Commissioner Brown wished to pull Item #3, Christenson Electric, Inc., for discussion.

Commissioner Mital moved to approve the Consent Calendar without Items 3 and 7. The motion carried unanimously 5:0.

Items Removed from Consent Calendar

Commissioner Brown wondered if the \$500,000 mentioned in Item #3 was being spent to support other utilities.

Mr. Damewood clarified that the \$500k in question was used to compensate the crews from Christenson Electric Inc., who helped EWEB during the ice storm. He went further to say that EWEB had an existing contract with Christenson, and that contract was amended to include the emergency situation brought about by the ice storm. He concluded that EWEB was looking to FEMA for reimbursement.

Commissioner Brown moved to approve Item #3 on the Consent Calendar. The motion carried unanimously 5:0.

Commissioner Mital stated that although he supported Resolution No. 1702 as laid out in Item 7, he wished to remind the Board that there was an unresolved situation surrounding breaking up the cost of the last mile of fiber to accommodate those who might not need the entire mile. Commissioner Mital clarified that he did not want this item's inclusion in the Consent Calendar to be read as passive support for the

aforementioned situation concerning the last mile of fiber that has not yet been resolved.

Mr. Lawson offered that the fiber pricing discussion would be part of the overall strategic discussion slated for next month. He posited that one of the main questions from the Board's perspective, is whether to use a cost recovery model, or a competitive model.

Commissioner Mital moved to adopt Item #7 on the Consent Calendar. The motion carried unanimously 5:0.

2017 Election of Board Officers

Commissioner Brown moved to appoint Dick Helgeson to the position of President of the EWEB Board of Commissioners. The motion carried unanimously 5:0.

Vice President Helgeson accepted the appointment.

Commissioner Mital moved to appoint John Brown to the position of Vice President of the EWEB Board of Commissioners. The motion carried unanimously 5:0.

Commissioner Brown accepted the appointment.

2017 Appointment of Board Liaison Assignments & Committees

Lane Council of Governments (LCOG)

Vice President Brown moved to appoint John Simpson to the LCOG liaison position, with Sonya Carlson as an alternate. The motion carried unanimously 5:0.

Other Post Employment Benefits (OPEB)

Vice President Brown moved to appoint Steve Mital to the OPEB liaison position. The motion carried unanimously 5:0.

McKenzie Watershed Council

President Helgeson moved to appoint EWEB Staff to the McKenzie Watershed Council liaison position. The motion carried unanimously 5:0.

Northwest Public Power Association (NWPPA)

Commissioner Carlson moved to appoint Dick Helgeson to the NWPPA liaison position, with John Simpson as an alternate. The motion carried unanimously 5:0.

GENERAL BUSINESS ITEMS

Storm Restoration Efforts and Customer Feedback

Mr. Lawson offered the Board a report and Power Point presentation on EWEB's ice storm response.

Commissioner Carlson shared with the Board the following issues brought up by EWEB customers: Better communication - many customers expressed frustration with the swamped outage lines, and some expressed an interest in receiving email updates from EWEB. Feedback - many customers expressed frustration at the lack of feedback from EWEB. Those customers said that EWEB said they would get back in touch with them, but EWEB never did. Emergency services availability - some customers expressed a desire for EWEB to communicate to them any emergency services that may be available to them while out of power.

Commissioner Carlson expressed an interest in more information about tree removal.

Commissioner Simpson stated that from the customers he had talked to, one of the main concerns was they felt they needed reassurance from EWEB that the utility knew they were without power. He said that EWEB would benefit from a call-out service which would let customers know EWEB knows about their power outage, and added the idea of updating EWEB's website with outage and restoration information every three hours instead of only once a day.

Vice President Brown suggested a mailing that would let customers know relevant phone numbers, etc. that can be called in the event of an outage. He added that he heard a lot of customer feedback surrounding customers receiving inconsistent information from the utility concerning the outage.

Commissioner Mital posited that most of the customers would feel better with data such as outage maps. He also said many customers he spoke with had questions about preventative maintenance tree trimming. He wondered if EWEB should take a look at the current tree trimming policy, and perhaps make changes to it.

President Helgeson stated that he felt like the effort surrounding post-storm restoration for this storm had been better than in the past, namely the Outage Line and Outage Map.

Commissioner Carlson said she would like to see data that has not yet been summarized as part of the outage and restoration report. She also opined that the ice storm could be looked at like a test of EWEB's emergency preparedness system(s), in preparation for a larger, more catastrophic event, such as an earthquake.

Commissioner Simpson wondered how much lost retail revenue was attributable to the ice storm.

Mr. Lawson said that lost retail revenue had not yet be calculated, but it would be in the final report.

Commissioner Simpson also asked what reserves would be drawn on to fund expenses not covered by FEMA.

Mr. Lawson replied that EWEB usually keeps approximately \$2 million in reserves for situations such as this one, and depending on the FEMA contribution, the cost to the reserves could be absorbed.

Commissioner Simpson stated that setting up an FM radio station, or perhaps an agreement with an existing station to broadcast continuous status updates every three hours, would be a great way to disseminate outage and restoration information to EWEB customers.

Vice President Brown asked if EWEB had Advanced Metering Infrastructure (AMI) implemented, how would it have affected the utility's response.

Mr. Lawson said AMI would have helped to improve EWEB's response times.

Consolidation of Operations Feasibility Analysis

Ms. Adkins offered the Board a report and Power Point presentation on the consolidation of operations feasibility analysis.

Vice President Brown asked for clarification on the lease agreement between EWEB and Electrical Geodesics, Inc. (EGI).

Mr. Lawson offered that there was a meeting scheduled with EGI in the upcoming weeks, and that he would have more information at that time.

Vice President Brown asked why EWEB would consider getting rid of the wetlands at the ROC, after paying exorbitant amounts of money to protect and maintain them.

Mr. Lawson replied that there were no plans to get rid of the wetlands, except a small area to accommodate expanded parking, but EWEB had already received permission for that expansion.

Commissioner Mital expressed support for Scenario #2

Commissioner Simpson also expressed support for Scenario #2

Commissioner Carlson posited that including Net Cash Info in the graph on slide 7 might be confusing for the public. She added that after examining travel costs for employees, she found a significant inefficiency.

Commissioner Simpson stated that although he does support full consolidation of the two locations, he would like EWEB to keep a small storefront downtown.

Commissioner Carlson expressed interest in taking a look at customer foot traffic data.

Commissioner Mital said that he would also like to see data on foot traffic at the downtown location.

Commissioner Simpson exited the meeting at 7:25 p.m.

Correspondence & Board Agendas

Mr. Lawson announced that there were two correspondence items: the Veneta contract, and workforce planning.

Commissioner Carlson wondered about the Veneta contract falling from 8 million gallons a month to six million gallons.

Mr. Damewood explained that before EWEB began serving Veneta with wholesale power, it was EWEB's belief that additional operational work would be required to maintain water quality in EWEB's system. He added that in 2014, Veneta sent EWEB a letter stating that they would use 6 million gallons a month, and EWEB set the Cost of Service Allocation (COSA) at that amount.

Board Wrap Up

Vice President Brown wondered if there was a way the Board could be better informed concerning EWEB donations.

Mr. Lawson replied that information would be included in the annual report, but he saw no reason that information couldn't be disseminated with higher frequency.

Mr. Lawson reported that there were 250 - 300 responses to EWEB's storm survey.

Adjournment

President Helgeson adjourned the Regular Session at 7:40 p.m.

Assistant Secretary

President

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve an increase to an existing contract with **CLEAResult Consulting, Inc.** for **EWEB's Residential LED Retail Buy-Down Program.**

Board Meeting Date: February 7, 2017

Project Name/Contract#: Residential LED Program/PSC #2401

Primary Contact: Mark Freeman Ext. 7061

Purchasing Contact: Tracy Davis Ext. 7468

Contract Amount:

Original Contract Amount: \$ 126,000 (forecast for one year)

Additional \$ Previously Approved: \$ 770,000 (forecast for two years)

Invoices over last approval: \$ 102,000

Percentage over last approval: 12 %

Amount this Request: \$ \$254,000

Resulting Cumulative Total: \$ 1,150,000

Contracting Method:

Method of Solicitation: Sole Source exemption #323

If applicable, basis for exemption: ORS279B.075 and EWEB Rule 3-0275

Term of Agreement: October 23, 2014 –January 31, 2017

Option to Renew? No

Approval for purchases "*as needed*" for the life of the contract Yes

Proposals/Bids Received (Range): N/A

Selection Basis: N/A

Narrative:

The Board is being asked to approve a 28% increase to the existing contract with **CLEAResult Consulting, Inc.** of Austin, TX for the purchase of proposed goods or services already provided in December 2016 and January 2017, concluding this contract term. This request is due to Q4 sales that were unprecedented in the history of this program that took this program over budget. The Customer Solutions department is reviewing its portfolio of programs and may engage in a future contract with CLEAResult Consulting, Inc. which will be brought to the Board at a future date.

EWEB retained this service for use in its energy efficiency programs in part due to its cost effectiveness and to meet customer demand. CLEAResult accomplishes this through promotion and sales of Energy STAR® light emitting diodes (LEDs) bulbs and fixtures.

In 2014 Staff established a Sole Source for CLEAResult Consulting since they are the BPA approved consultant for the Simple Steps program. In October 2014, staff negotiated a contract with CLEAResult for market engagement and promotion, field services and monthly administrative support of the LED promotion program. This contract is now complete.

ACTION REQUESTED:

Management requests the Board approve a 28% increase to the existing agreement with CLEAResult Consulting Inc. for services already rendered. Funds for these services were budgeted for 2017.

SIGNATURES:

Project Coordinator: _____

Manager: _____

Purchasing Manager: _____

Board Approval Date: _____

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve an increase to the existing contract with **Interactive Intelligence, Inc.** for **professional service to upgrade and implement technology enhancements.**

Board Meeting Date: February 7, 2017

Project Name/Contract#: Internet Protocol Telephone System / #041-2006

Primary Contact: Matt Barton Ext. 7109

Purchasing Contact: Tracy Davis Ext. 7468

Contract Amount:

Original Contract Amount: \$ 625,769

Additional \$ Previously Approved: \$ 87,725

Invoices over last approval: \$ 67,630

Percentage over last approval: 10 %

Amount this Request: \$ 495,000

Resulting Cumulative Total: **\$1,210,000**

Contracting Method:

Method of Solicitation: Request for Proposal (RFP)

If applicable, basis for exemption: N/A

Term of Agreement: September 2007 thru 2022

Option to Renew? No

Approval for purchases "*as needed*" for the life of the contract No

Proposals/Bids Received (Range): \$685,000 to \$1,522,000

Selection Basis: Highest score based on evaluation criteria

Narrative:

The Board is being asked to approve an increase to the existing contract with **Interactive Intelligence, Inc.** of Indianapolis, IN for software and hardware upgrades of EWEB telephone system.

In 2008, EWEB invested in what was then early adoption of digital phone technology (VOIP – Voice over IP) to replace an aging ROLM telephone system. This system was too immature at the time to replace all EWEB telephone features, so some legacy phone system technology remains in place today that is approaching 30 years life. This contract intends to both upgrade the originally purchased hardware and software to new, current versions as well as roll out the additional features that will allow EWEB to retire legacy systems supporting life-safety functions. In addition, the project will re-architect our inbound phone lines from Century Link to route to both ROC and HQ, adding to the disaster resilience of our phone system, a key tool in the event of a community emergency. The re-design of the in-bound phone trunks will also convert from aging T1 technology which CenturyLink is de-commissioning, in favor of Internet routed SIP lines which will aid in flexibility to relocate out of HQ.

Interactive Intelligence will provide the resources, technical expertise, and best practices in the industry to fully realize the capability of the system. The upgrade project will redesign call trees, optimize call routing, establish system redundancy, resilience, and ability to dynamically re-route call traffic during unforeseen events, and outages. Business processes will be reviewed and updated as necessary.

The original contract established in 2006 was solicited as an RFP, the scope of work for replacement of all legacy systems was included in the original solicitation. The decision to move into this phase of work was recently analyzed and determined as the most cost effective solution for the Utility to modernize and meet current industry standards for VOIP technology. The existing, updated system is expected to remain in service through 2022.

ACTION REQUESTED:

Management requests the Board approve an increase to the existing contract with **Interactive Intelligence, Inc.** for **professional service to upgrade and implement technology enhancements**. Funds for these services were budgeted for 2017 and maintenance services will be budgeted annually.

SIGNATURES:

Project Coordinator: _____

Manager: _____

Purchasing Manager: _____

Board Approval Date: _____

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a Construction Contract with **KONE Inc.** for **HQ Elevator Modernization for Facilities Services.**

Board Meeting Date: February 7, 2016

Project Name/Contract#: 1004-2017 HQ Elevator Modernization

Primary Contact: Mel Damewood Ext.7145

Purchasing Contact: Collin Logan Ext.7426

Contract Amount:

Original Contract Amount: \$325,000

Additional \$ Previously Approved: \$

Invoices over last approval: \$

Percentage over last approval: %

Amount this Request: \$325,000

Resulting Cumulative Total: **\$325,000**

Contracting Method:

Method of Solicitation: Direct Negotiation

If applicable, basis for exemption: EWEB Rules 2-0150(4)(c) and 2-0210(1)(c)

Term of Agreement: Through project completion

Option to Renew? No

Approval for purchases "as needed" for the life of the contract No

Proposals/Bids Received (Range): One Proposal (Cooperative Contract)

Selection Basis: None (Cooperative Contract)

NARRATIVE:

Components associated with the three elevators at the Headquarters site are reaching the end of life and are in need of replacement. The elevators are over 25 years old and replacement parts for maintenance are difficult to find. EWEB also has received a notice of violation from the Eugene/Springfield Fire Dept. to fix the north building elevator. There have been a recent breakdowns of the elevators in both buildings. The decision to perform improvements was based on an increasing number of service calls for elevator repairs and to ensure continued reliability of the systems. Funds are available in the 2017 CIPs for this work.

The upgrades are intended to ensure the continued reliability of the elevator systems and to simplify maintenance. The work will include: New door panels and operators; new hydraulic control systems; new operating panels; and new hydraulic power units. The work also includes two 'cosmetic items': new ceilings with LED lighting and new interior wall panels. The costs for these cosmetic items is approximately \$50,000. The contract will allow for removal of these items if the Board elects to do so.

U.S. Communities, a cooperative procurement organization, issued a Request for Proposal in July 2013 with the intent to establish a contract for Elevator, Escalator and Walkway Maintenance and Modernization Services and Related Solutions Supplies. In April 2014, the contract was awarded to multiple suppliers, including KONE (Contract No. 201414653). Staff has worked with KONE extensively to pre-determine the requirements necessary to meet the goals noted above.

ACTION REQUESTED:

Management requests the Board approve a Contract with **KONE** for **HQ Elevator Modernization**. Funds for this work and these services were budgeted for 2017 and will be budgeted annually.

SIGNATURES:

Project Coordinator: _____

Manager: _____

Purchasing Manager: _____

Board Approval Date: _____

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve an increase and extension to the existing contract with **Kubra Data Transfer, LTD** to provide **Electronic Bill Presentment and Payment Services (EBPP), Bill Print, and IVR functions.**

Board Meeting Date: February 2, 2017

Project Name/Contract#: EBPP & Bill Print Services/Contract #070-2011

Primary Contact: Erin Erben Ext. 7615

Purchasing Contact: Tracy Davis Ext. 7468

Contract Amount:

Original Contract Amount: \$ 1,175,000

Additional \$ Previously Approved: \$ N/A

Invoices over last approval: \$ N/A

Percentage over last approval: N/A %

Amount this Request: \$ 735,000

Resulting Cumulative Total: \$ 1,910,000

Contracting Method:

Method of Solicitation: Request for Proposal (RFP)

If applicable, basis for exemption: N/A

Term of Agreement: April 2012 through April 2020

Option to Renew? Yes

Approval for purchases "*as needed*" for the life of the contract Yes

Proposals/Bids Received (Range): \$1M to \$3M

Selection Basis: Highest score based on evaluation criteria

Narrative:

The Board is being asked to approve an increase and extend the existing **contract with Kubra** to continue to provide Electronic Bill Presentment and Payment Services (EBPP), Bill Print, and IVR functions for an additional three years. This time frame was chosen to get us past the CIS implementation project. Our choice is to either replace the system right now and delay the CIS project or wait until it is complete. Three years should get us to the point where the system has been implemented and resources can be redirected to the extensive effort of integrating with a new billing agent.

Since being awarded the contract in 2012, Kubra has successfully provided the necessary upgrade to EWEB's previous technologically outdated EBPP system and we have achieved an impressive 30% adoption rate of the new online billing service offering, which has subsequently reduced printing and mailing costs. Kubra has been a good business partner and for all the reasons stated above, staff is interested in extending the existing contract rather than deferring the start date of CIS to entertain replacement at this time.

The current contract expires in April of 2017. Through discussions with Customer Operations, Purchasing, and Finance it was determined that extending the contract for three years would be the most prudent course of action for the reasons stated above.

Extending the contract would reduce the strain on resources, lessen the impact to EWEB customers, and allow time for the new CIS system to stabilize.

The original contract was established using a Request for Proposal process conducted in 2012.

ACTION REQUESTED:

Management requests the Board approve a three year extension to the existing KUBRA contract for **EBPP, Bill Print, and IVR services**. Funds for these services were budgeted for 2017 and will be budgeted annually through the term of the proposed contract.

SIGNATURES:

Project Coordinator: _____

Manager: _____

Purchasing Manager: _____

Board Approval Date: _____

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a Construction Contract Task Order with **Wildish Building Company** for **Construction Services**.

Board Meeting Date: February 7, 2017
Project Name/Contract#: 002-2011 CTO #4 CPH Dewatering System Improvements
Primary Contact: Mel Damewood Ext. 7145
Secondary Contact: Mark Zinniker Ext. 7449
Purchasing Contact: Sandra Hahn Ext. 7163

Contract Amount:
Original Contract TO Amount: \$0.00
Additional \$ Previously Approved: \$
Invoices over last approval: \$
Percentage over last approval: %
Amount this Request: \$172,000
Resulting Cumulative Total: **\$172,000**

Contracting Method:
Method of Solicitation: CM/GC
If applicable, basis for exemption:
Term of Agreement: February 2017-December 2017
Option to Renew? No
Approval for purchases "as needed" for the life of the contract No
Proposals/Bids Received (Range): Not Applicable
Selection Basis: CM/GC Self-Perform

Narrative:

The dewatering system is critical to the continued reliable power generation at the Carmen Powerhouse (CPH). Given that the equipment was installed as part of the original Carmen Powerhouse construction work, the system is more than 50 years old, well beyond the intended design life, and has become increasingly unreliable in recent years. This project is in the capital improvement plan for 2017.

The improvements are design to provide reliability, redundancy, and environmental protection improvements. The work will include demolition of the existing vertical pump and oil detection system; installation of two submersible pumps; installation of an oil skimming system; and integration into existing electrical and control systems.

Wildish is under contract to provide Construction Manager/General Contractor (CM/GC) services for improvements at the Carmen-Smith facility. This construction task order (CTO) #4 is part of Construction Services under Contract 002-2011. EWEB currently has \$1.898 million in Task Order contracts with Wildish so far for the Carmen Powerhouse, the largest being the Turbine Shut-Off Valve Replacement project at \$1.675 million. Wildish will self-perform the work for this task, rather than bidding it out.

ACTION REQUESTED:

Management requests the Board approve **Construction Task Order #4** of the CM/GC contract with **Wildish Building Company** for the construction of **Carmen Powerhouse Dewatering System Improvements**. Funds for this work were budgeted for 2017 as part of the Carmen-Smith Improvements Project.

SIGNATURES:

Project Coordinator: _____

Manager: _____

Purchasing Manager: _____

Board Approval Date: _____

**RESOLUTION NO. 1703
FEBRUARY 2017**

**EUGENE WATER & ELECTRIC BOARD
Board Appointments, Board Committees, Advisory Committees and
Outside Liaisons**

WHEREAS, Board Policy GP12 provides for the use of committees, outside appointments and liaisons to staff work as a means of gathering and disseminating information, representing the Board and providing preliminary input to Board decisions; and

WHEREAS, Board Policy GP12 further states that all committees, outside appointments and liaisons be created by resolution and that all appointments to said committees, outside appointments and liaisons be made via resolution; and

WHEREAS, the Board met on January 10, 2017 and discussed potential appointments to current and existing committees, outside organizations and internal project teams; and

WHEREAS, the majority of the current and existing committees, outside appointments and liaisons were first established by resolution on October 3, 2006.

NOW, THEREFORE, BE IT RESOLVED that the Eugene Water & Electric Board appoints the stipulated individuals to those committees, appointments and liaisons for the year 2017 or as otherwise indicated.

Lane Council of Governments (LCOG) - Provides coordination among Lane County governmental agencies. Term of organization is ongoing, term of appointment is annual, and John Simpson is primary appointee with Sonya Carlson as alternate.

McKenzie Watershed Council - Fosters better stewardship of the McKenzie Watershed resources through voluntary partnerships and collaboration. Term of organization is ongoing. Term of appointment is annual, and designated EWEB staff is primary appointee with no designated commissioner alternate for staff support.

Other Post Employment Benefits (OPEB) - A Commissioner is not a voting member of the Section 115 Trust that has been set up to oversee EWEB contributions to the trust, the investment of funds, and measurement of the unfunded liabilities of the retiree medical plan. Term of appointment is ongoing and Steve Mital is the appointee.

Northwest Public Power Association (NWPPA) - NWPPA is an organization in the Western U.S. and Canada. They provide training and education, public information, communication, federal legislative coordination, surveys, data and networking opportunities and products and services for the utility industry. Dick Helgeson is appointee with John Simpson as alternate.

Changes in these assignments may be made at the direction of the Board.

Dated this 7th day of February 2017

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

President

I, ANNE M. KAH, the duly appointed, qualified and acting Assistant Secretary of the Eugene Water & Electric Board, do hereby certify that the above is a true and exact copy of the Resolution adopted by the Board at its February 7, 2017 Regular Board Meeting.

Assistant Secretary



MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

Rely on us.

TO: Commissioners Helgeson, Brown, Mital, Simpson and Carlson
FROM: Sue Fahey, Chief Financial Officer; Susan Eicher, Accounting & Treasury Supervisor
DATE: January 27, 2017
SUBJECT: Oregon Depository Accounts
OBJECTIVE: Board Action – Approval of Resolution No. 1704

Issue

EWEB is interested in depositing funds with local banking institutions. Oregon Statute 294 requires the Board approve financial institutions eligible for investment of EWEB funds.

Background

In December 2016, EWEB issued a Request for Information (RFI) to local financial institutions. Local was defined as headquartered in Oregon and having at least one Eugene area branch. The RFI was presented to 15 institutions, and 10 responses were received.

Responses were received from:

- Bank of the Cascades
- Banner Bank
- EWEB Employees Federal Credit Union
- Northwest Community Credit Union
- OnPoint Community Credit Union
- Oregon Community Credit Union
- Oregon Pacific Bank
- Pacific Cascade Federal Credit Union
- Pacific Continental Bank
- Summit Bank

Respondents provided the following information:

- Qualified depository status with the Oregon State Treasury
- Any regulatory actions taken in the past 36 months
- Deposit threshold preferences
- The process and forms required to open an account
- Current rates and fees for products/services offered

Rates ranged from 0.20% to 1.65% depending on the product and term offered. Currently, investments range from 1.15% for funds deposited with the local government investment pool to approximately 1.5% for three-year Treasuries and agencies.

Pacific Continental Bank was subsequently acquired by a bank headquartered in Washington and no longer qualifies as a local institution.

Prior to opening any accounts, finance staff will perform due diligence to verify responses and research the financial condition of qualifying institutions to ensure safety of EWEB funds. The resolution supports opening depository accounts with each of the responsive, qualified depositories. Initially, staff plan to deposit a total of approximately \$4 million among the three most qualified respondents. Staff will continue to monitor cash balances and rates to determine the proper balance of local funds, earnings and operational efficiency.

Recommendation & Requested Board Action

Management recommends approval of banking Resolution No. 1704 to establish local financial depository accounts.

**RESOLUTION NO. 1704
FEBRUARY 2017**

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

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

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

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

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

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

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

Dated this 7th day of February, 2017.

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

President

I, ANNE M. KAH, hereby certify that I am the duly appointed, qualified and acting Assistant Secretary of the Eugene Water & Electric Board, and that the attached Resolution is a true and exact copy of a Resolution adopted by the Board at its February 7, 2017 regular board meeting.

Assistant Secretary