

**EUGENE WATER & ELECTRIC BOARD
REGULAR SESSION
EWEB BOARD ROOM
500 EAST 4TH AVENUE
January 8, 2019
5:30 P.M.**

Commissioners Present: John Brown, President; Sonya Carlson, Vice President; Dick Helgeson, Steve Mital, Mindy Schlossberg, Commissioners

Others Present: Frank Lawson, General Manager; Mike McCann, Electric Generation Manager; Jeannine Parisi, Customer Relationship Manager; Samantha Roberts, City of Eugene

President Brown called the Regular Session to order at 5:28 p.m.

Oath of Office for Commissioner John Brown, Wards 4 & 5

Ms. Roberts, representing the City of Eugene, swore in John Brown as an EWEB Commissioner representing Wards 4 & 5 in Eugene.

Agenda Check

There were no changes or additions to the agenda.

Items from Board Members and General Manager

Commissioner Mital welcomed new EWEB Commissioner Mindy Schlossberg to the Board. He stated that he would like to see the money EWEB donates to the 4J school district be inline not only with the school district's educational goals, but also aligned with EWEB's resource planning. Commissioner Mital said, with the Board's support, he would like to become a liaison to staff and then bring back a recommendation to the board for a plan that is mutually beneficial to 4J, Bethel and Springfield school districts as well as EWEB.

President Brown and Vice President Carlson both voiced their approval.

Commissioner Helgeson was supportive of Commissioner Mital's request, but he said he would like to see whatever comes out of that engagement brought back to the Board, and he also requested that EWEB Board actions and sentiments be aligned with those of 4J.

Vice President Carlson said she was looking forward to the Whitaker Neighborhood Meeting that was to be on Wednesday, January 9, 2019. She said she was also looking forward to the Good Earth Home, Garden & Living Show which was coming up later in January.

Commissioner Helgeson reported that he had recently traveled to southern California. He said there was an ongoing initiative in southern California which would allow aggregators to serve load with resources of different kinds that they contract for - independent from the utilities themselves, it is a form of retail competition. Commissioner Helgeson also commented on the additional reporting of potential liability associated with southern California wildfires.

Commissioner Schlossberg thanked everyone at EWEB for the warm welcome that she had received. She thanked staff members for the orientation. Commissioner Schlossberg also thanked Anne Kah for scheduling everything associated with her becoming the newest EWEB Board member.

President Brown welcomed Commissioner Schlossberg. He announced that EWEB staff was meeting soon with International Paper (IP) about the spill. He pointed out that IP had a similar spill in 1973, which they received a "slap on the wrist" for, and the system responsible for that spill in 1973, was still in place today. President Brown also stated that he had been in talks with IP about the purchase of land surrounding the McKenzie River. He passed around a map showing that property.

General Manager Lawson clarified the Department of Environmental Quality (DEQ) had imposed a fine of \$20,000 on IP for the latest spill, and EWEB had the funds from that fine redirected toward a project the utility was working on above the intake. He also announced that EWEB had begun a Pledge to Prepare campaign centered around the emergency preparedness of EWEB customers.

President Brown iterated that it was unacceptable to him that a fine had been levied, but the system responsible for the spill was the same system IP has had in place since the 1970s.

Public Input

Dale O'Brien of Eugene spoke in opposition to AMI. He asked the Board if a decision could be made to put those EWEB ratepayers who had opted out of advanced metering at the bottom of the installation list. He expressed consternation at those who had opted out, having AMI meters installed on their properties anyway; he asked if those who had opted out could be notified as to when the meters would be installed on their properties. Mr. O'Brien warned the Board that many current Eugene residents and EWEB ratepayers could very well move away from the area due to AMI.

Don Gooch of Eugene stated that he and his wife managed a 144-unit apartment complex in Eugene. He said they had been getting a lot of negative feedback about AMI from their tenants. Mr. Gooch wondered why a property owner had no say concerning what happened on their own property.

Commissioner Mital thanked the speakers; he said he continued to support EWEB's decision as per AMI, and the questions raised about the issue were very technical in nature, and therefore, should be fielded by EWEB staff.

Commissioner Helgeson said he would also like to hear some responses to these concerns from staff.

Commissioner Schlossberg wondered if there was an AMI FAQ section on the utility's website.

Commissioner Helgeson wondered what the trigger for concern was with smart meters that would not be turned on and never transmitted.

President Brown said he understood Mr. Gooch's concern, but he also kept in mind that if the property manager opted out of smart metering for all units, some of the tenants who would benefit from smart metering would miss out on those benefits.

Mr. Lawson said staff would definitely get back to Mr. O'Brien, and Mr. Gooch soon about their concerns.

President Brown asked Mr. O'Brien and Mr. Gooch to make sure staff had their current contact info.

Approval of Consent Calendar

MINUTES

- 1. a. December 4, 2018 Executive Session**
- b. December 4, 2018 Regular Session**

RATIFICATION OF BOARD APPOINTED CONSULTANTS

- 2. a. General Counsel - Luvaas Cobb Law Office (Eric DeFrest Primary Contact)**
- b. Real Estate Legal Counsel - Arnold Gallagher P.C.**
- c. Real Estate Legal Counsel - Watkinson Laird Rubenstein P.C.**

CONTRACTS

- 3. Delta Star** - for a single substation transformer for the Weyerhaeuser 3 substation in Springfield, Oregon. \$918,000.
- 4. Lakeside Industries** - for asphalt cold mix to repair or replace road surfaces during improvement or repair work to water utility infrastructure. \$210,000 (Resulting Cumulative Total \$436,000).
- 5. Monitor Mapboard Systems** - for a real-time system mapboard for the Dispatch Control Center at the Roosevelt Operations Center. \$342,000.

6. Motorola Solutions, Inc. - for the use of a cooperative contract with HGAC to purchase 2-way radio equipment. \$326,000.

7. Pivot Architecture - for Roosevelt Operations Center Consolidation and Interior Remodel Architectural and Engineering Services. \$52,000 (Resulting Cumulative Total \$173,000).

8. Sanipac - for Solid Waste and Recycling Services. \$165,000 (Over 5 Years - Estimate).

9. Systems West Engineering - for Roosevelt Operations Center Consolidation and Interior Remodel Architectural and Engineering Services. \$56,250 (Resulting Cumulative Total \$154,650).

10. Whitlock Consulting Group - for the Customer Experience Improvement project consulting and RFP development. \$185,000.

11. Wildish Paving Co. dba Wildish Building Co. - for Construction Services at the Carmen Power Plant. \$4,577,000.

RESOLUTIONS

12. Resolution No. 1902 - Annual Appointment of Supplemental Retirement Plan Committee.

13. Resolution No. 1903 - Declaring Surplus for Certain Real Property No Longer Needed for Utility Purposes

Vice President Carlson moved to approve the Consent Calendar as presented. The motion passed unanimously 5:0.

Items Removed From Consent Calendar

None.

2019 Election of Board Officers

President Brown announced that he would call for nominations for Board President, and then the nomination(s) would be voted on.

Commissioner Mital nominated Sonya Carlson for 2019 Board President. President Brown supported the nomination.

President Brown called for the vote; all were in favor of Sonya Carlson as EWEB Board President.

Commissioner Helgeson nominated Steve Mital for 2019 Board Vice President.

Commissioner Brown supported the nomination.

President Carlson called for the vote; all were in favor of Steve Mital as EWEB Board Vice President.

2019 Appointment of Board Liaison Assignments & Committees

President Carlson announced there was an opening for liaison to Lane Council of Governments (LCOG).

Commissioner Helgeson said he was not at all clear about the relationship between EWEB and LCOG. He asked his colleagues if anyone had additional information on that assignment.

President Carlson read aloud the nature of the assignment. She said the term was ongoing, and that she was the alternate, and had attended two LCOG meetings.

Mr. Lawson reported that most of the relationship between EWEB and LCOG came in the form of Inter-Governmental Agreements (IGA), and this assignment was more of an involved stakeholder relationship designed to offer EWEB input.

Commissioner Brown said that he did not think he could do it, due to time requirements.

Mr. Lawson said he would look into the importance and necessity of the LCOG assignment.

Commissioner Helgeson said he supported President Carlson in the LCOG assignment.

Commissioner Mital nominated President Carlson for the LCOG liaison assignment.

President Carlson called for the vote; all were in favor of Sonya Carlson as EWEB liaison to LCOG.

President Carlson stated that EWEB staff is appointed to McKenzie Watershed Council with no designated commissioner required.

President Carlson announced there was an opening for liaison to the Other Post-Employment Benefits (OPEB).

Commissioner Brown said he would do it.

President Carlson called for the vote; all were in favor of John Brown as EWEB liaison to the Other Post-Employment Benefits (OPEB).

President Carlson announced there was an opening for liaison to the Northwest Public Power Association (NWPPA).

Commissioner Helgeson offered that he would continue in this role, but he would not mind handing the assignment off to another Commissioner at some point. He said that NWPPA was a worthwhile organization that does great work in the Pacific Northwest, but he did not know if it was completely necessary for EWEB to have a seat on the NWPPA Board. Commissioner Helgeson added that if the relationship with NWPPA was to continue, he would like there to be a kind of exit strategy for him leaving the position.

Commissioner Brown said he would be willing to split the assignment with Commissioner Helgeson. Commissioner Helgeson clarified that if he were to continue as the liaison, Commissioner Brown would be willing to be his backup. Commissioner Brown affirmed.

President Carlson called for the vote; all were in favor of Dick Helgeson as the primary EWEB liaison, with John Brown as the alternate liaison to the Northwest Public Power Association.

President Carlson announced there were openings for liaisons to Springfield Utility Board (SUB), and Lane Electric Co-Operative (LEC). She said these were new assignments.

Mr. Lawson said the new roles would facilitate the EWEB Board's coordination with SUB and LEC at the Board level. He added that in the past, such a role was taken on by the sitting EWEB Board President, and that could continue to be the case, but the positions were not exclusive to the EWEB President. Mr. Lawson said, in the case of SUB, some conversations had already happened between SUB and Commissioner Brown and Vice President Mital, and staff would like to keep John Brown in the SUB liaison role for continuity's sake.

Vice President Mital nominated John Brown for the SUB liaison position.

President Carlson called for the vote; all were in favor of John Brown as EWEB liaison to Springfield Utility Board.

Vice President Mital showed interest in the LEC liaison position, but deferred to Commissioner Schlossberg, citing that, historically, it had been the At-Large position which represented the upriver area.

Commissioner Schlossberg said that since this was her first year as an EWEB Commissioner, and she still had a lot to learn about the position, she would defer back to Vice President Mital for the LEC liaison position.

President Carlson called for the vote; all were in favor of Steve Mital as EWEB liaison to Lane Electric Co-Operative.

Eugene City Council/EWEB Joint Meeting Agenda

Mr. Lawson said the joint meeting would primarily be a discussion among Board members, although there was a rough, tentative agenda which included basic introductions between EWEB Board of Commissioners and Eugene City Councilors. He said the City would provide a brief update on their Climate Action Plan, and Jason Heuser, representing EWEB, would talk about Cap & Trade at the State level. Mr. Lawson offered they would then talk about two aspects of electrification—one specific to electric vehicles, and another dealing with “smart electrification,” and EWEB’s role in it.

Commissioner Brown wondered who or what was driving this joint meeting. He pointed out that EWEB had reached out to the Eugene City Council twice in the past, and both times, the City did not seem to have the time to meet with EWEB Commissioners. He expressed concern that the agenda for the meeting was put together totally by the Eugene City Council, without input from EWEB or its Commissioners. Commissioner Brown also wondered about the purpose of the meeting itself.

Ms. Parisi offered that it was important for the EWEB Board and Eugene City Council to meet for relationship-building purposes. She added that aspect was particularly important at this time, because both bodies had new members sitting on them. Ms. Parisi said—if she had to guess—the importance of this particular meeting to the Eugene City Council, was that they needed technical help from the utility to help them drive what can be done in the community around electrification.

Commissioner Brown asked if the franchise fee the City of Eugene is dealing with for Northwest Natural, could possibly be a driving factor for this meeting.

Ms. Parisi replied that this meeting would be happening after the Eugene City Council’s second Work Session dealing with those franchise fees. She did not believe EWEB was directly implicated in the franchise fee discussion.

Commissioner Helgeson expressed concern about possible conversations at the joint meeting about smart electrification. He offered that those conversations might become a mechanism by which the cost of carbon would be shifted into the electric utility sector, and become costs that EWEB would have to inherit.

Mr. Lawson offered this meeting was an excellent opportunity to educate the City as to what EWEB thinks its role is in electrification in Eugene.

Vice President Mital said this meeting would be an excellent opportunity for the two bodies to come together and make clear what the shared goals and shared responsibilities would be moving forward.

Commissioner Schlossberg said this meeting would also facilitate a closer and stronger relationship between EWEB and the City of Eugene. She added that she hoped this

was not just a one-off meeting, but was an open door to future meetings between the two bodies.

President Carlson reported that she had reached out to those Eugene City Councilors that corresponded to her Wards; she offered that improving rental efficiency was part of that conversation, and, she felt, was part of the climate work. President Carlson asked if there was room to expand the conversation, and/or would EWEB have the opportunity to add to the Agenda.

Mr. Lawson replied that energy efficiency was definitely part of the conversation already scheduled, so it would definitely be relevant to add that subtopic to the agenda.

Proposed Collaboration with Springfield Utility Board

Vice President Mital said there was a long history of EWEB reaching out to Springfield Utility Board (SUB) about the potential of sharing the Hayden facility that EWEB currently owns. He said he and Commissioner Brown had been in talks with SUB for a good while now themselves. He offered that SUB had invited Commissioner Brown to give a presentation at the February SUB meeting. Vice President Mital said, in the past, he and Commissioner Brown had only met with two of the SUB Commissioners, and this would be a chance to go before all five of them.

Commissioner Brown offered it would be very economical to use EWEB's capacity to treat SUB's water; also, he pointed out, SUB had an intake on the Willamette River, just above the confluence of the Willamette and the Coast Fork of the Willamette, and he would love (if EWEB would be drawing water from the Willamette) to draw water from that intake above the confluence.

Commissioner Helgeson endorsed the conversations with SUB. He felt EWEB faced serious conundrums as they continued their conversation about what to do with the second source treatment plant investment.

Vice President Mital said that EWEB's second-source treatment plant investment had not yet come up in the conversation with SUB.

Commissioner Brown said they had been talking with SUB about emergency preparedness, and how the two utilities could work together in the event of a disaster.

Mr. Lawson said he believed there was a good working relationship at the staff level between EWEB and SUB. He believed the areas which could use improvement were larger, strategic issues.

Vice President Mital wondered if the discussion of EWEB building its own facility on the Willamette starting in 2023 would be on the Agenda for next month.

Mr. Lawson said staff would have a more in-depth conversation with the Board at the March meeting.

Correspondence and Board Agendas

Mr. Lawson offered the Board a report on Correspondence and Board Agendas. He announced there were a couple upcoming agenda items he wanted to point out: In February, they have scheduled on the agenda for Arne Olson from E3 to come in and talk about a recent reliability study which looks at resource adequacy in the Pacific Northwest. Also, he said, there was a future agenda item in which staff would give the EWEB Board the presentation they hoped to deliver to the City of Eugene at the joint meeting.

Commissioner Helgeson said he had an interest in work sessions in order to have conversations surrounding more strategic topics.

Commissioner Brown wondered if the Board would be discussing the topic of EWEB's surplus building and the MGP site any time soon.

Mr. Lawson replied there would certainly be upcoming conversations about EWEB's surplus building in the near future, including work sessions, if necessary. He added the MGP site was still in the negotiation process with the various settlement parties. Mr. Lawson said these topics were on staff's radar, and would be at either the February or March Board meeting.

President Carlson wondered if there was an upcoming debriefing on the Board's self-evaluation.

Commissioner Brown said there was not, but President Carlson could definitely schedule one.

Mr. Lawson said staff would put together a summary of the recent survey, along with the survey's results for the Board very soon.

Commissioner Helgeson said he did not see quite as much as he would have liked in the FERC Correspondence item relative to current status.

Mr. McCann offered the Board an update on: the Leaburg Canal Project, and the Carmen Smith Reservoir.

Vice President Mital asked if staff had a rough estimate of lost revenue due to these two FERC projects.

Mr. McCann estimated that EWEB would lose approximately \$300,000 per month by not generating at Leaburg, and the Carmen Smith estimate was slightly more than double the Leaburg figure.

Commissioner Helgeson asked if those shortfalls would affect the recently-approved budget, and if there were contingencies in place for them.

Mr. McCann answered that those shortfalls were represented in the Long-Term Financial Plan (LTFP), and the Budget.

Board Wrap Up

President Carlson wished to get the other Commissioners' thoughts on the request that if a Commissioner wishes to pull any item from the consent calendar, staff be notified by 2 p.m. the day of the meeting.

Mr. Lawson clarified that he was not asking for a change in process. Rather, he said, staff would like to have clear direction from Commissioners before the Board prep meeting, which is typically at 4:30 p.m. the day of the meeting.

Commissioner Schlossberg thanked everyone for a great first meeting experience.

Commissioner Helgeson wondered about the upriver outages due to a recent wind-storm.

Mr. Lawson said that topic would be covered in the Annual Report which was to be given next month.

Adjourn

President Carlson adjourned the meeting at 6:57 p.m.

Assistant Secretary

President

EWEB Board Consent Calendar Request

For Contract Increases

The Board is being asked to approve additional funds for the Contract with Halvorson Contracting for the Roosevelt Operations Center Consolidation and Interior Remodel Construction Services.

Board Meeting Date: 2/5/2019

Project Name/Contract #: ROC Consolidation Project / Interior Remodel - ITB #045-2018

Primary Contact: Rod Price Ext. 7122

Contract Amount:

Original Contract Amount: \$1,540,000

Additional \$ Previously Approved: \$0

Invoices over last approval: \$0

Percentage over last approval: 34%

Amount this Request: \$530,000

Resulting Cumulative Total: \$2,070,000

Contracting Method:

Method of Solicitation: Formal ITB

If applicable, basis for exemption: N/A

Term of Agreement: One Time Purchase

Option to Renew? No

Approval for purchases "as needed" for the life of the Contract Yes No

Proposals/Bids Received (Range): 2 responses (\$1,535,500 to \$1,670,000)

Selection Basis: Lowest responsive and responsible bidder

Narrative:

Operational Requirement and Alignment with Strategic Plan

The original contract was based on consolidating most staff to the ROC location, but leaving approximately 75 employees at the downtown location including Customer Services staff. After the initial design and construction contracts were completed and approved, the decision was made to consolidate a much larger group to the ROC, including Customer Service, resulting in significant revisions to the existing floor and office plans to accommodate the additional staff.

This contract change order allows for EWEB to streamline operations by centralizing all groups, providing efficiencies and long-term cost savings; resulting in more responsible use of monetary and staff resources. This also provides opportunity for EWEB to begin work on the Headquarters building to prep for sale sooner; which ties to EWEB's community focus.

The original economic analysis included approximately \$3,050,000 of capital investments in the ROC facility.

Contracted Goods or Services

Construction Services

Prior Contract Activities

Halvorson has worked on two other construction projects for EWEB.

Purchasing Process

Staff issued a Formal Invitation to Bid in June, 2018. EWEB received two bids. The lowest responsive and responsible

bid was received from Halvorson Contracting of Creswell, Oregon. Halvorson Contracting has 21 years of experience with similar interior remodeling projects. A bid was also received from Ausland Group of Grants Pass, Oregon. (Other qualified bidders declined to bid due to commitments to larger projects at this time.)

Bidder/Proposer Information

Halvorson Contracting

Bidder/Proposer Location

Eugene, OR

Competitive Fair Price (If less than 3 responses received)

\$1,535,500; total contract amount previously approved

\$525,600; change order contract amendment amount for approval

ACTION REQUESTED:

Management requests the Board approve a Contract Amendment with Halvorson Contracting for the Roosevelt Operations Center Consolidation and Interior Remodel Construction Services. Funds for these services were budgeted for 2019. The Total Electric Division budget for 2019 is \$37 Million.

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a contract with Peak Reliability (Peak) for Western Interconnection reliability coordinating services.

Board Meeting Date: 2/5/2019

Project Name/Contract #: Peak Reliability Coordinator Services, #16246

Primary Contact: Rod Price Ext.7122

Contract Amount:

Original Contract Amount: \$181,000 over one year

Additional \$ Previously Approved: \$n/a

Invoices over last approval: \$n/a

Percentage over last approval: 0%

Amount this Request: \$181,000 over one year

Resulting Cumulative Total: \$181,000 over one year

Contracting Method:

Method of Solicitation: Direct Negotiation

If applicable, basis for exemption: Sole Source

Term of Agreement: 1/1/19 – 12/31/19

Option to Renew? no

Approval for purchases "as needed" for the life of the Contract Yes No

Proposals/Bids Received (Range): N/A

Selection Basis: Sole Source

Narrative:

Operational Requirement and Alignment with Strategic Plan

Under EWEB's existing North American Electric Reliability Corporation (NERC) registration, this is a required annual contribution to a shared cost among NERC registered entities under the Western Electrical Coordinating Council's (WECC) area of responsibility. Peak Reliability provides regulatory system oversight and quality assurance services to ensure and maintain regulatory compliance. This is required and is also in line with EWEB's strategic plan by maintaining reliability of the electric system through analysis and real time response to outage and loading conditions.

Contracted Goods or Services

Peak's services include situational awareness and real-time monitoring as the Reliability Coordinator (RC) for the Western Interconnection. They determine the appropriate level of Bulk Electric System (BES) reliability and provide an early warning of risks to the stability and security of the system by monitoring to detect Reliability Standards violations and assume restoration leadership following major reliability events. Peak provides these services through engineering and the real time electric dispatch coordination.

Prior Contract Activities

Peak Reliability has provided these services on a membership funded basis since 2015. The membership fees fund Peak's performance of the RC functions. Historically annual fees have not exceeded \$150,000 and not required board approval, however this year's fees, calculated from a percentage of net energy for load has reached an amount that requires board approval.

Purchasing Process

n/a – Exempt per EWEB Rule 3-0275 Sole-source Procurements

Bidder/Proposer Information

n/a

Bidder/Proposer Location

Competitive Fair Price (If less than 3 responses received)

Competitive pricing via bidding or other methods is not applicable or possible with this contract. This service is required from this sole provider under our obligations within our NERC registration. There are no other options to avoid this regulatory/compliance commitment to these services.

ACTION REQUESTED:

Management requests the Board approve a contract with Peak Reliability for Western Interconnection reliability coordinating services. Funds for these services were budgeted for 2019. The total division budget for 2019 is \$22.7 million, the total contract value is more than the original expected amount of \$140,000.

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a Price Agreement with Nation's Mini-Mix, Inc. for Purchase and Delivery of Ready-Mix Concrete.

Board Meeting Date: 2/5/2019

Project Name/Contract #: Purchase and Delivery of Ready-Mix Concrete / ITB 068-2018

Primary Contact: Mel Damewood Ext. 7145

Contract Amount:

Original Contract Amount: \$160,000 over five years

Additional \$ Previously Approved: \$0

Invoices over last approval: \$0

Percentage over last approval: 0%

Amount this Request: \$160,000 over five years

Resulting Cumulative Total: \$160,000 over five years

Contracting Method:

Method of Solicitation: Formal Invitation to Bid

If applicable, basis for exemption: n/a

Term of Agreement: 5 Years

Option to Renew? Yes

Approval for purchases "as needed" for the life of the Contract Yes No

Proposals/Bids Received (Range): 1 bid received: \$31,980 (\$159,900 over five years)

Selection Basis: Lowest responsive and responsible bidder

Narrative:

Operational Requirement and Alignment with Strategic Plan

EWEB crews require small deliveries of Ready-Mix concrete for backfilling trenches, patching and repairing sections of cement at individual work sites. Both the City and County require Control Low Strength Material (CLSM) to backfill trenches on arterial roadways. EWEB crews also use the rapid set or higher strength concrete mix to avoid long term safety hazards in the Right of Way (ROW). Nation's Mini-Mix, Inc. can meet these requests. Deliveries are scheduled "as needed" and charged to various jobs budgeted by EWEB departments.

Contracted Goods or Services

Various types of rapid-set or "Ready-Mix" concrete are needed such as Controlled Density Fill (CDF) and Controlled Low Strength Material (CLSM) and in specific 3500 psi and 4000 psi strengths. Staff expects the type most frequently needed (3500 psi) would require 75-100 deliveries, annually (in 1/2 cubic yard to 3/4 cubic yard quantities).

Prior Contract Activities

The previous (current) contract for Ready-Mix concrete with Nation's Mini-Mix was approved in 2013. The Contractor has been responsive to all needs and no performance concerns were recorded. No price increases were requested over the duration of the current contract.

Purchasing Process

A formal Invitation to Bid was posted to ORPIN in October 2018. This solicitation was posted for the required 14 days. No protests were received though only a single bid was delivered. Nation's Ready-Mix provided the only bid and is the incumbent provider of concrete. Vendors local to Eugene/Springfield were sought specifically as Ready-Mix concrete must be delivered and poured within a short period of time before the material begins to set. Unfortunately, other local vendors cannot meet EWEB's requirements for small (1/2 cubic yard and 3/4 cubic yard) quantities.

Bidder/Proposer Information

Nation's Ready-Mix, Inc.

Bidder/Proposer Location

Springfield, OR

Competitive Fair Price (If less than 3 responses received)

Other vendors in the area also provide Ready-Mix concrete but not in the amounts required by those departments (1/2 cubic yard up to ¾ cubic yard for most commonly needed material). For instance, River Bend Materials will sell 3500 psi concrete but require minimum orders of 1 cubic yard (\$338 per cubic yard; equates to \$169 for ½ cubic yard). Knife River is another local vendor selling Ready-Mix, but also requires a 1-yard minimum purchase.

ACTION REQUESTED:

Management requests the Board approve a Price Agreement with Nation's Mini-Mix for Ready-Mix Concrete. Funds for these materials were budgeted for 2019. Total division budget for 2019 is \$14.5 million, the total contract value is aligned with the original budget of \$160,000.

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a new Intergovernmental Agreement (IGA) with Lane County Human Services Division (HSD) for Administration of EWEB's Limited-Income Energy Assistance Services.

Board Meeting Date: 2/5/2019

Project Name/Contract #: Limited-Income Energy Assistance Services / IGA 18-0017

Primary Contact: Sue Fahey Ext. 7688

Contract Amount:

Original Contract Amount: \$165,000

Additional \$ Previously Approved: \$165,000

Invoices over last approval: \$N/A

Percentage over last approval: N/A%

Amount this Request: \$165,000

Resulting Cumulative Total: \$165,000

Contracting Method:

Method of Solicitation: Direct Negotiation

If applicable, basis for exemption: EWEB Rule 6-0190, ORS 190.010, Intergovernmental Agreements

Term of Agreement: 2/1/19 – 12/31/19, with option to renew annually up to 5 years

Option to Renew? Yes

Approval for purchases "as needed" for the life of the Contract Yes No

Proposals/Bids Received (Range): Direct Negotiation

Selection Basis: Intergovernmental Agreement

Narrative:

Operational Requirement and Alignment with Strategic Plan

The Board is being asked to approve a new Intergovernmental Agreement (IGA) with Lane County Human Services Division (HSD) for the administration of EWEB's Limited-Income Energy Assistance services. EWEB funds are made available to qualified applicants in combination with Lane County's other social service assistance programs, allowing families to obtain all of the available benefits at one central location. EWEB has contracted with HSD for these, or similar services, since 2004.

This IGA reflects the successful collaboration of both agencies to provide vital services and support to EWEB's limited Income customers in a much more efficient and cost effective manner. Lane County compensation will be capped at 18%, a significant improvement relative to approximately 44% under the prior contract. EWEB has allocated \$850,000 for dispersal.

The shortened Term with flexible extension provisions will allow staff and the Board to evaluate Lane County's performance and ongoing alignment with limited income goals.

Contracted Goods or Services

Specifically, Lane County and its sub-recipient agencies will provide applicant intake, income certification and administration services in support of EWEB's Limited Income programs. Monthly reporting of adherence to the funding allocation schedule and quarterly reporting of intake timeliness and accuracy are required under the contract.

Prior Contract Activities

In 2013, the most recent five year IGA was awarded. Total five year contract budget was \$3.9M, they performed within budget and provided services at a level that met contract obligations.

The IGA was extended through January 31, 2019 to accommodate operational examinations of the proposed business model. The County has provided timely services to EWEB customers, pursuant to prior operational agreements.

Purchasing Process

EWEB has negotiated an Intergovernmental Agreement with Lane County for administration of the Limited Income program. Terms of the agreement allow for renewal, termination, payment and price increase requests, confidentiality, and responsibilities of the parties.

Bidder/Proposer Information

Lane County

Bidder/Proposer Location

Eugene, OR

Competitive Fair Price (If less than 3 responses received)

In order to provide uninterrupted bill assistance to Limited Income customers, and given the improvement in financial terms relative to the previous contract, alternative service providers were not solicited at this time.

ACTION REQUESTED:

Management requests the Board approve an Intergovernmental Agreement with HSD for the administration of EWEB's Limited-Income Energy Assistance Services. Funds for these services were budgeted for 2019. Total division budget for 2019 is \$15.4M; the total contract value is aligned with the expected spend for these services.

**RESOLUTION NO. 1904
FEBRUARY 2019**

**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 8, 2019 and discussed potential appointments to current and existing committees, outside organizations and internal project teams; and

WHEREAS, the Board discussed the creation of two new liaison assignments to assist the General Manager with the exploration of collaborative opportunities with the Springfield Utility Board and Lane Electric Cooperative. The term of these assignments is ongoing and appointment will be reviewed annually.

NOW, THEREFORE, BE IT RESOLVED that the Eugene Water & Electric Board creates liaisons to Springfield Utility Board and Lane Electric Cooperative. Furthermore the Board appoints the stipulated individuals to the following committees, appointments and liaisons for the year 2019 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 Sonya Carlson is primary appointee with no designated 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 John Brown 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 Brown as alternate.

Springfield Utility Board (SUB) - EWEB is interested in partnering with SUB to build a long-term resilient approach to managing multiple waters sources in the metropolitan area. The SUB liaison will assist the General Manager with the exploration of strategic water opportunities. Term of assignment is ongoing, term of appointment is annual, and John Brown is primary appointee with no designated alternate.

Lane Electric Cooperative – The liaison will partner with the General Manager on future discussions and collaboration with Lane Electric Cooperative. Term of assignment is ongoing, term of appointment is annual, and Steve Mital is primary appointee with no designated alternate.

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

Dated this 5th day of February 2019

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 5, 2019 Regular Board Meeting.

Assistant Secretary



Governance Process Policies (GP Policies)

GP12 Board Committees, Outside Appts, Liaisons to Staff Projects & Advisory Committees
Effective Date October 3, 2006

The Board may use 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.

Specifically,

- The Board may choose to appoint standing (permanent) and temporary committees.
 - All committees will be created and defined by Board Resolution and formally adopted by the Board. The resolution will state the purpose, composition, membership (term and succession), and in the case of temporary committees, the expected dissolution date. Committees may include members from outside the organization if the Board so chooses.
 - Committees will be used to discuss and refine information and to make recommendations to the full Board.
 - All committee meetings (except where exempt under Oregon Revised Statutes) shall be open to the public.
 - When Board committees are used, Commissioners will be assigned so as to reinforce the wholeness of the Board's job and so as never to interfere with delegation from Board to the General Manager.
- The Board may appoint a Commissioner to an outside organization or entity.
 - All outside appointments will be made by Board Resolution and formally adopted by the Board. The resolution will state the purpose of the appointment, the nature of the Commissioner's role, the term of the appointment and the succession if applicable.
 - As an appointee to an outside organization, it is the responsibility of the Commissioner to represent policies and resolutions adopted by the Board. If an issue arises in which the Board has not previously taken a position, it is the responsibility of the Commissioner to represent what he/she believes the Board majority would be. Should the majority of the Board decide that any action taken by an appointee did not represent the view of the majority; the Board can send a written notice modifying the previous action.
- The Board may designate Commissioners to act as formal or informal liaisons to staff managed projects or work assignments.
 - All liaison assignments will be made by Board Resolution and formally adopted by the Board. The resolution will state the purpose of the liaison assignment, the term of the assignment and the expected completion date.



- As a liaison to a staff managed project or work assignment, Commissioners will participate as other project team members, with no more or less authority than other team members. It is the responsibility of the Commissioner to bring important information back to the full Board and to represent the views of the Board, to the best of the Commissioner's ability.
- Commissioners assigned, as formal or informal liaisons will not direct staff or manage the work of the team or group. Decisions requiring action from the Board will be brought to the full board in accordance with the by-laws.
- The Board may designate Commissioners to participate in outside advisory committees whose purpose is to gather information from the community on projects or work currently engaged by or under consideration by the utility.
 - All advisory assignments will be made by Board Resolution and formally adopted by the Board. The resolution will state the purpose of the advisory committee, the term of the assignment and the expected completion date.
 - As a member of a community advisory committee, Commissioners will participate as other committee members, with no more or less authority than other members. It is the responsibility of the Commissioners to bring important information back to the full Board and to represent the views of the Board, to the best of the Commissioners ability.

Source: John Carver/Patrick Lanning, Board, Board Approved 10/03/06.