

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

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

**Others Present:** Frank Lawson, General Manager; Mel Damewood, Chief Water Engineering & Operations Officer; Jason Heuser, Policy and Governance Program Manager; Wally McCullough, Water Engineering Supervisor; Juan Serpa Munoz, Business Line Manager; Arne Olson, Energy Environmental Economics; Jeannine Parisi, Customer Relationship Manager

President Carlson called the Regular Session to order at 5:30 p.m.

**Agenda Check**

There were no changes or additions to the agenda.

**Items from Board Members and General Manager**

- Commissioner Brown announced that he attended the last of five neighborhood meetings last week with General Manager Lawson, at Cal Young Neighborhood Association; he said that meeting was well-attended, and that one of those five meetings had an attendance over 110 people. He said that he also had the opportunity to speak to a group of Cub Scouts about energy conservation, resiliency, and emergency preparedness. Finally, he reminded the Board of a poll regarding when the upriver retreat would be. He urged everyone to give it attention, as summer would be upon them before they knew it.
- President Carlson announced that she attended the Good Earth Home, Garden, and Living Show, and she said it was nice to visit the EWEB booth there, and that she was glad they had a presence there.
- Commissioner Helgeson offered that EWEB was in the process of having a review of its risk management procedures for the upriver Dam Safety Program. As part of that, he said, EWEB had hired a consultant to perform a best practices review, partly at FERC's direction. He said that he had been asked by staff to be interviewed by that audit team on Friday, February 8, 2019. Commissioner Helgeson felt he knew as much as anyone on the Board about that program as it relates to EWEB's role.
- Commissioner Schlossberg announced there was a social gathering of elected officials in Lane County last month, and that she really enjoyed attending.

- Mr. Lawson announced that last Friday, the wording of the State Bill dealing with cap and trade was introduced. He noted that EWEB had been not only large proponents of the bill itself, but also had a hand in its design. Mr. Lawson added that EWEB had been asked to provide invited testimony at a hearing in Salem later in the week.

### **Smart Electrification/E3 Reliability Study**

Mr. Lawson offered that E3 had done three major studies over the last couple of years, and Mr. Olson would be offering the Board a presentation that discussed the impacts on cost and reliability related to carbon reduction in the electric sector, and other sectors as well.

Arne Olson, of Energy Environmental Economics (E3) offered the Board a report and Power Point presentation on the Smart Electrification/E3 Reliability Study.

Commissioner Brown asked what assumptions E3 made on Bonneville in 2028, about prices and availability after the contracts have ended.

Mr. Olson said E3 assumed all the hydro resources would stay in place, and E3 also assumed there would be long-term upward pressure on rates, but they did not try to model exactly what would happen in 2028.

Commissioner Brown asked if the study finding would be changed significantly if the federal government decided to dispatch hydro to a wider region.

Mr. Olson said it would change it to an extent, but he thought that issue would be there regardless of: whether there was deep decarbonization across the economy, whether an RPS (Renewable Portfolio Standard) was selected as the best policy, or a carbon price, or whatever was done with natural gas and/or coal.

Commissioner Brown inquired about the buildings in our downtown community which were recently converted from steam to natural gas. Because these heating systems have a 40-50 year life, he wondered how such areas would be addressed and where the capital would come from for electrification.

Mr. Olson replied that if a price was placed on carbon, and natural gas became more and more expensive, there were inherent incentives there to choose electricity over natural gas. He added that would most likely need to be supplemented by other funds, such as some form of public investments like grants.

Commissioner Schlossberg thanked Mr. Olson for the presentation. She asked how Mr. Olson's report took into account the possible innovations in the ability to produce energy, energy conservation (as it pertained to building materials), and transportation.

Mr. Olson replied that the report's technological transformations were kept conservative intentionally, to prevent the report from seeming too pie-in-the-sky and unrealistic. He

said that--in the face of existing empirical evidence--curves could be drawn to show what would happen with those technologies into the future.

Commissioner Helgeson wondered if the scenarios in the presentation included the 40-60% potential increase in peak or average loads as a result of aggressive de-carbonization strategies economy-wide.

Mr. Olson said they did not.

Commissioner Helgeson asked how electrification of the transportation sector and potential incentives for fuel-switching away from natural gas would affect peak consumption and resource cost.

Mr. Olson stated that was more of a size of infrastructure question; he added that gas pipelines move a large amount of energy, and to replace that energy delivery capability with wires would require extreme care.

Commissioner Helgeson wondered if the region took on much higher/additional loads, what that would mean for the revenue requirement of the utilities that would have to absorb the related costs.

Mr. Olson offered if the capacity of the system was raised, one potential cost-driver was new infrastructure requirements if the new loads were stacked onto existing peak.

President Carlson asked if the study mainly focused on an 80% reduction at the utility level, and whether other things we can do to reduce carbon in the general public, from a building code perspective, were separate.

Mr. Olson confirmed, the latter was a separate study which was completed last November.

President Carlson asked at what level E3's study looked at efficiency improvements.

Mr. Olson answered E3 took all the conservation and efficiency that the Power Council had identified regionally, assumed it was achieved by 2030, and also assumed that EWEB would be able to achieve efficiency on a similar scale through 2050, and netted it out of E3's load growth forecast.

President Carlson asked if the 6% increase in rates was per year.

Mr. Olson said that 6% was in 2050, relative to the 80% reduction case, and relative to the reference case. He added the 6% was over 30 years.

President Carlson wondered how cold heat pump technology differed from electric heat pumps.

Mr. Olson replied that temperatures below freezing required a heat pump to draw on a different source of heat, such as resistors. With a cold climate heat pump, it continued to work on its own power down to 7 degrees Fahrenheit.

President Carlson asked staff to report to her about what the utility incentivized for heat pumps.

Vice President Mital wondered if there was anything in addition to cap and trade adopted by the states mentioned in the study that would be necessary.

Mr. Olson responded that cap and trade was a great foundation, and that building codes would also be highly important. He also mentioned electric vehicles, but admitted much still need to be done via infrastructure for EVs to be viable.

Commissioner Helgeson asked if the previously mentioned 6% annually would be driven higher by increased load.

Mr. Olson said yes.

Mr. Lawson asked about the feasibility of a multi-sector study specifically for either the southern Willamette Valley, or Eugene.

Mr. Olson said it was possible; he offered that kind of thing had been done already in other areas, by taking a statewide model and "downscaling" it.

### **Public Input**

**Bekki Brukner** of Eugene spoke in opposition to 5G technology. She said she recently found out that there is a 5G cell on 24th and Hilyard. After speaking with a technician in the field on January 22, she discovered plans to install these cells every 500 yards. She also expressed concern over another 5G cell placed only a few hundred feet from South Eugene High School. She demanded EWEB remove the 5G cells from Eugene because of their health risks.

**Sheila Hoover** of Eugene spoke in opposition to AMI. She described her husband's experience of being forced to leave his job and drop out of the Masters program he was in, due to the debilitating cardiac symptoms they felt were brought about by EMF radiation from 5G technologies.

**Loretta Husdon** of Eugene spoke in opposition to 5G technology, and EWEB's lack of transparency thereof. She was concerned that AMI or 5G was being rolled out without having been thoroughly tested and vetted as to its effects on the population and environment.

**Sandy Sanders** of Eugene spoke in opposition to AMI. He said that, while living in California, he noticed much community activism aimed at stopping the installation of smart meters. Mr. Sanders cited the potential health risks associated with AMI as his main concern. He asked the Board to put the AMI roll-out to a community vote.

**Mindy Stone** of Eugene spoke in opposition to AMI. She said she could not figure out who EWEB was working for: the ratepayers, or themselves. Ms. Stone offered, that with the available opt-in function of AMI, she could not figure out who was benefitting from the AMI rollout, but she felt it certainly was not the end user.

**Cindy Allen** of Eugene spoke in opposition to AMI. She cited health concerns, as revealed to her by her own research, and the testimony given in Eugene in 2018 by two world-renowned opponents of AMI: Daphne Takover, and Dr. Martin Paul.

**Eben Foder** of Eugene spoke in favor of undergrounding power on south Willamette Street as a way for the utility to invest in modernization, reliability, public safety, and the beauty of the area's major transportation corridors. He urged EWEB to reconsider its position on not undergrounding the utilities on south Willamette during the roadwork scheduled there this summer.

**Victor Oddivak** of Eugene spoke in opposition to AMI. He said that with help from a tri-field meter, he was able to measure megawatts at the corner of 24th and Hilyard. He reported that even though the meter wasn't at the time turned on, he was still registering 12 milliwatts per meter squared at that location, and also at: the Eugene Library, and the Lane County Courthouse. He urged the Board to reconsider AMI.

**Monique Hall** of Eugene spoke in opposition to AMI. She read an excerpt from the International Appeal to Stop 5G on Earth and in Space, which listed the adverse health effects cited, including altered heart rhythm, altered gene expression, and altered metabolism.

**Karen Almquist** of Eugene spoke in opposition to AMI. She offered the Board a copy of a local petition against AMI with over 600 signatures. Ms. Almquist also expressed disappointment in the lack of transparency and public process surrounding the AMI rollout. She asked if the public would be notified as to the future installation of 5G components.

**Ann Miller** of Eugene spoke in favor of undergrounding power on south Willamette Street. She asked EWEB to consider the area's livability, and to reconsider undergrounding the utility services on south Willamette. Ms. Miller also spoke in opposition to AMI in solidarity with those who had already done so.

**Ron Bevirt** of Eugene spoke in favor of undergrounding power on south Willamette Street. He realized it would be an expensive endeavor, but cited very long-term results to counter the upfront costs.

**Joshua Korn** of Eugene spoke in opposition to AMI. He asked EWEB to show which studies about 5G they had consulted before making the decision to roll out AMI; he also wondered how EWEB was able to move forward with such a lack of public support for AMI.

Commissioner Helgeson posited that EWEB itself had no role in the 5G concerns presented. He also pointed out that EWEB could not legally refuse service to customers in the area in ways consistent with City Codes and building requirements. Commissioner Helgeson offered that EWEB was doing nothing to promote 5G, and was bound by law to not encumber its growth. He concluded that he would be willing to revisit the undergrounding of utility infrastructure on south Willamette.

Vice President Mital offered that the Board had asked staff to produce a backgrounder on the 5G rollout, so they could be as up to speed as possible in the face of all the community concerns. He said the backgrounder was public information, and posited the idea of collecting email addresses from concerned ratepayers, so they could receive a copy of the backgrounder. Vice President said EWEB could and would look into the issues of transparency and keeping the public informed about the 5G rollout. He concluded that, although he lives in the south Willamette community, and agrees about the unsightliness of the above-ground utility infrastructure, it is the responsibility of the utility to do work like this only coming from a place of safety, and increasing reliability.

Commissioner Brown reiterated that EWEB had no control over the installation of 5G in the area. He suggested reaching out to the property owners in the south Willamette community, and asking them if they would be interested in covering some of the very expensive procedure of undergrounding utility infrastructure in the area.

Mr. Lawson offered the initial estimates to underground the utility infrastructure in the aforementioned four blocks of south Willamette St. was approximately \$800,000.

## **Approval of Consent Calendar**

### **MINUTES**

#### **1. a. January 8, 2019 Regular Session**

### **CONTRACTS**

**2. Halvorson Contracting** - for the Roosevelt Operations Center Consolidation and Interior Remodel Construction Services. \$530,000 (resulting cumulative total \$2,070,000).

**3. Peak Reliability** - for Western Interconnection reliability coordinating services. \$181,000 (over one year).

**4. Nation's Mini-Mix, Inc.** - for the Purchase and Delivery of Ready-Mix Concrete. \$160,000 (over five years).

## **INTERGOVERNMENTAL AGREEMENTS**

**5. Lane County Human Services Division (HSD)** - for administration of EWEB's Limited-Income Energy Assistance Services. \$165,000.

## **RESOLUTIONS**

**6. Resolution No. 1904** - Board Appointments, Committees and Outside Liaisons

***Commissioner Brown moved to approve the Consent Calendar as presented. The motion passed unanimously 5:0.***

### **Items Removed From Consent Calendar**

None.

### **2019 State of the Utility Address**

President Carlson offered those present the EWEB 2019 State of the Utility Address.

### **EWEB Preliminary Presentation for City Council Joint Meeting**

Mr. Lawson, Mr. Heuser, and Mr. Serpa Munoz offered the Board a report and Power Point presentation on the upcoming joint meeting between the EWEB Board and the Eugene City Council.

President Carlson pointed out that a pitch to the Eugene City Council about how that body and the EWEB Board could work together was missing from the presentation materials.

Commissioner Schlossberg agreed with President Carlson's sentiment; she was sure there were ways to work with the City of Eugene that would foster a healthy relationship surrounding local climate goals. Commissioner Schlossberg pointed out that energy conservation in low-income housing was also missing from the presentation.

Commissioner Brown asked the following logistics questions about the upcoming meeting: How many participants would be at the meeting? How much time would they have in the queue? How will the queue be facilitated?

Mr. Lawson answered that Ethan Nelson from the City of Eugene would be offering the presentations early in the meeting, leaving plenty of time for dialogue.

Commissioner Brown also wondered if there were next steps or anticipated outcomes of the meeting.

Mr. Lawson said there were two pre-meeting meetings--one between President Carlson and Mayor Vinis, and another between himself, Mr. Nelson, and the Eugene City Manager to suss out any expected outcomes/next steps of the joint meeting.

Vice President Mital offered that it was salient to talk to the City about what EWEB could take the lead on, e.g. electric vehicles, and energy efficiency. He also stressed the importance of recognizing and addressing any gaps between what EWEB could add to the community, and what the Council could add. He concluded that EWEB and City of Eugene should work together to keep members of the public as informed as possible.

Mr. Lawson saw an opportunity to pull in local groups such as: 350 Eugene, Our Children's Trust, Potential Eugene, and the University of Oregon.

Commissioner Helgeson expressed concern about EWEB's part in the de-carbonization conversation; he was afraid the City of Eugene may have a tendency to walk away from the joint meeting thinking EWEB's planning to buy Eugene residents electric cars and new heating systems.

President Carlson affirmed that she would talk to Mayor Vinis in their upcoming meeting about the concerns and questions raised by her colleagues.

Mr. Lawson announced that he attended the previous Eugene City Council meeting, at which was discussed Eugene's Climate Action Plan, and the franchise agreement with Northwest Natural. He said there was a definite interest at the meeting, of looking at energy issues with a broader scope. Mr. Lawson also said that EWEB was mentioned several times as an entity to consult about local energy and conservation issues.

### **EWEB Preliminary Presentation for Springfield Utility Board**

Commissioner Brown, Mr. Damewood, and Mr. McCullough offered the Board the preliminary presentation for Springfield Utility Board.

Vice President Mital inquired about SUB's analysis findings which stated the financial tipping point for the Springfield utility to begin considering tying into EWEB's systems as opposed to building a new one of their own would be 30 years.

Mr. Damewood looked at it as an invitation for future analyses.

Mr. Lawson listed the following points as crucial to the conversation with SUB: EWEB would be approaching this as a partnership, and not a wholesale water agreement, and making sure to not challenge *all* of SUB's assumptions in the aforementioned study, as that could generate a bit of defensiveness on SUB's part.

Commissioner Helgeson cautioned against pushing for a specific solution at the upcoming SUB meeting. Instead, he advised an emphasis on the mutual benefit of both utilities working together in the region.

### **Quarterly Strategic & Operational Report for Q4 2018**

Mr. Lawson offered the Board a Q4 2018 Quarterly Strategic and Operational report.



Vice President Mital asked about \$2 million in "mystery savings."

Mr. Lawson did not follow.

Vice President Mital pointed to the aforementioned number (contained in the "Preliminary Contribution YTD Margin Variance" chart), and said no one really knew where the sum came from.

Mr. Lawson explained that figure was a combination of lots of things that weren't a mystery, just unclassified; he mentioned the largest drivers of that savings was water sales and retail sales.

Vice President Mital pointed to a pie chart which indicated that 30% of all electric interruptions were from equipment failure; he wondered where that number was relative to benchmarks.

Mr. Lawson said staff would get back to Vice President Mital on that.

### **2019 Organizational Goals and Performance Measures**

Mr. Lawson offered the Board a report and Power Point presentation on 2019 Organizational Goals and Performance Measures.

Commissioner Mital asked if Mr. Lawson believed his performance evaluation should be based on the 2019 Organizational Goals.

Mr. Lawson replied he hoped so.

### **Correspondence and Board Agendas**

Mr. Lawson offered the Board a report on Correspondence and Board Agendas.

Vice President pointed to the Limited Income Program, specifically, the increase by 3% (14-17%) in Residential Conservation. He stated that, relative to some of the other things the utility is doing, that seemed like a small increase.

Business Line Manager, Anna Wade said that the goal was stated in megawatt hours, not dollars spent, and it actually represented about 33% of the utility's total spending.

Vice President Mital pointed to the goal of reducing non-paying service disruption by 50% in just a handful of years. He offered that figure seemed drastic to him, especially given the tools at EWEB's disposal for that specific goal.

Ms. Wade said the focus of that goal was raising awareness among those ratepayers through customer communication.

Mr. Lawson said staff felt there was an opportunity there for new products, such as pre-pay within the next five years or so.

Commissioner Helgeson wondered if, at some point, it would be necessary to revisit the funding levels conversation.

Vice President Mital wondered if EWEB would be within its rights to offer outreach to the community about the 5G installation, at the expense of those entities responsible for its installation.

Mr. Lawson said he believed the utility would be on shaky legal ground if it did that.

Commissioner Schlossberg wondered if there were any FAQs on EWEB's website about the 5G rollout.

Mr. Price said that the 5G rollout had nothing to do with EWEB, so the utility was not qualified to comment on it.

Commissioner Brown expressed concern over EWEB taking heat from the community about 5G, which the utility has nothing to do with.

***Commissioner Helgeson moved to adopt the proposed goals and targets of the 2019 Organizational Goals and Performance Measures. The motion passed unanimously.***

### **Board Wrap Up**

Commissioner Brown wondered if they were still planning on doing the General Manager's review in March.

Ms. Kostopulos indicated the evaluation materials will be provided to the Board within the next few days.

Commissioner Helgeson reiterated his willingness to revisit the undergrounding utility infrastructure on South Willamette St. conversation.

### **Adjourn**

President Carlson adjourned the meeting at 9:16 p.m.

## **EWEB Board Consent Calendar Request**

*For Contract Awards, Renewals, and Increases*

The Board is being asked to approve a Price Agreement with Tyndale Company Inc. for the purchase of Fire Retardant (FR) Apparel.

Board Meeting Date: 3/5/2019

Project Name/Contract #: Fire Retardant Apparel / ITB 071-2018

Primary Contact: Rod Price Ext. 7122

### **Contract Amount:**

Original Contract Amount: \$650,000 over five years

Additional \$ Previously Approved: \$0

Invoices over last approval: \$0

Percentage over last approval: 0%

Amount this Request: \$650,000 over five years

**Resulting Cumulative Total:** \$650,000 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: \$129,835.20 (\$650,000 over five years)

Selection Basis: Lowest responsive and responsible bidder

Narrative:

### Operational Requirement and Alignment with Strategic Plan

EWEB supplies fire retardant apparel to employees who work on or near energized equipment.

### Contracted Goods or Services

Various FR apparel such as long sleeve shirts, work shirts, jeans, coveralls, vests, and jackets for use by electrical workers exposed to momentary electric arc and related thermal hazards and also meet Class 2 High-Visibility compliancy.

### Prior Contract Activities

The previous (current) contract for FR Apparel with Tyndale Company, Inc. was approved in 2013. The Contractor has been responsive to all needs and no performance concerns were recorded.

### Purchasing Process

A formal Invitation to Bid was posted to ORPIN in January 2019. This solicitation was posted for 28 days, twice as long as required by statute. No protests were received though only a single bid was delivered. Tyndale Company, Inc. provided the only bid and is the incumbent provider of FR Apparel.

### Bidder/Proposer Information

Tyndale Company, Inc.

### Bidder/Proposer Location

Pipersville, PA

### Competitive Fair Price (If less than 3 responses received)

Staff compared the unit pricing provided by Tyndale for the same make and model for the top four most high-use items in the contract and found that Tyndale's pricing was within 5-10% of other vendor pricing.

**ACTION REQUESTED:**

Management requests the Board approve a Price Agreement with Tyndale Company, Inc. for FR Apparel. Approximately \$130,000 annually was planned for these goods or services in the Electric Division 2019 budget of \$22.7 million. Variances will be managed within the budget process and Board policy.

## EWEB Board Consent Calendar Request

*For Contract Awards, Renewals, and Increases*

The Board is being asked to approve an Intergovernmental Agreement (IGA) with the **U.S. Department of Interior, U.S. Geological Survey (USGS)** to provide **Monitoring and Consulting Services for Source Water Protection**.

Board Meeting Date: March 5, 2019

Project Name/Contract#: Monitoring and Consulting Services for Source Water Protection

Primary Contact: Mel Damewood Ext. 7145

### Contract Amount:

Original Contract Amount: \$68,389 (2018)

Additional \$ Previously Approved: \$0

Invoices over last approval: \$0

Percentage over last approval: 0%

Amount this Request: \$161,500 (2019)

**Resulting Cumulative Total:** \$229,889

### Contracting Method:

Method of Solicitation: Direct Negotiation

If applicable, basis for exemption: Exemption – Intergovernmental Agreement

Term of Agreement: March 1, 2019 to December 31, 2019

Option to Renew? No

Approval for purchases “as needed” for the life of the contract Yes (No)

Proposals/Bids Received (Range): N/A, Direct Negotiation

Selection Basis: Direct Negotiation-Intergovernmental Agreement

### Narrative:

The Board is being asked to approve an intergovernmental agreement (IGA), or in this case Joint Funding Agreement (JFA), with U.S. Department of Interior, U.S. Geological Survey (USGS) to provide water quality monitoring and analysis services for Source Water Protection.

EWEB has contracted with the USGS Oregon Water Science Center since 2002 for planning, contaminant monitoring, scientific support and collaboration, collection of streamflow data, and a variety of other water quality investigative work conducted in the McKenzie Watershed on behalf of Source Water Protection. The 2019 work will include adding real-time water quality monitoring capabilities at South Fork McKenzie below Cougar Reservoir, Blue River below Blue River reservoir, and at Vida that can detect presence of potential harmful algal blooms that could produce cyanotoxins. This network will be installed prior to start of bloom season and provide an early warning system for Hayden Bridge and Source Protection. This water quality network is part of a larger effort with the Army Corps of Engineers (ACOE) and City of Salem that are funding installation of real-time vertical profiling water quality buoy systems in Cougar Reservoir and Detroit Lake that can detect “zones” of potential harmful algal bloom activity in these reservoirs.

Contracted services for 2019 include the following:

- Continue operation of four streamflow gaging stations at Hayden Bridge, Vida, Cedar Creek, and Camp Creek to better understand flow conditions for monitoring and to support Hayden Bridge and Generation operations decisions.
- Development and operation of water quality monitoring stations at South Fork McKenzie, Blue River, and the McKenzie River @ Vida gages to assess trends and seasonal water quality variability below large reservoir outfalls and private forestry operations.

- Maintain scientific support and collaboration for multiple smaller projects (e.g., time-of-travel modeling, emerging contaminants, pesticide and other water quality data analysis).
- Participate in a joint harmful algal bloom (HAB) study with the USGS and other Willamette Valley drinking water providers to better understand the spatial and temporal occurrence of potential toxin-producing cyanobacteria (blue-green algae) in drinking water source areas.

Staff have negotiated the scope of work and the cost sharing for this Joint Funding Agreement with USGS. Currently, the cost share is 60% EWEB and 40% USGS. For 2019, EWEB's share is \$161,500 and USGS's share is \$107,750. To further reduce EWEB's portion of these costs, EWEB has entered into an Intergovernmental Agreement with Springfield Utility Board to reimburse EWEB's costs to run the Cedar Creek gaging station, currently \$12,810 per year. Starting in 2020, EWEB will develop a 5-year purchase order for Board approval after the one-time construction costs associated with installing water quality sondes at South Fork and Blue River gaging stations are completed and longer term O & M costs are more predictable.

#### **ACTION REQUESTED:**

Management requests the Board approve a Joint Funding Agreement (JFA) with **U.S. Department of the Interior, U.S. Geological Survey** for **water quality Monitoring and Analytical Services for Source Water Protection**. Approximately \$170,000 was planned for these goods or services in the Water Quality & Source Protection Department budget of \$1.6 million. Variances will be managed within the budget process and Board policy.

#### **SIGNATURES:**

Project Coordinator: \_\_\_\_\_

Manager: \_\_\_\_\_

Purchasing Manager: \_\_\_\_\_

Board Approval Date: \_\_\_\_\_



# MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

*Rely on us.*

TO: Commissioners Carlson, Mital, Helgeson, Schlossberg and Brown

FROM: Mike McCann, Generation Manager, Lisa McLaughlin, Environmental and Property Supervisor, and Jared Rubin, Principal Environmental Specialist

DATE: February 22, 2019

SUBJECT: EWEB MGP Property – Settlement Negotiations with Entities Responsible for Legacy Contamination

OBJECTIVE: Authorization for GM to Enter into a Settlement Agreement with Cascade and PacifiCorp

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## **Background**

Staff from the Eugene Water & Electric Board (EWEB) have been working cooperatively with the Cascade Natural Gas Corporation (Cascade) and PacifiCorp, the entities responsible for the legacy contamination at the Former Manufactured Gas Plant (MGP) located on EWEB property east of the Willamette Substation and the Steam Plant. EWEB, Cascade and PacifiCorp (the Parties) have been operating under a Participation Agreement for cost sharing and cooperation that extends through the remedial design phase of the project. In January of 2015 the Oregon Department of Environmental Quality (DEQ) issued their final Record of Decision defining the scope of the needed remediation at the MGP Site. Recent efforts with Cascade and PacifiCorp have focused on the finalization of the Remedial Design reports for the clean-up of the uplands and the stabilization of the riverbank.

## **Issue**

With the completion of the Remedial Design reports for the upland and the riverbank, the Parties seek to negotiate a settlement, and eventually amend the Participation Agreement amongst the Parties, so that the remedial actions planned for the MGP Site can be implemented. EWEB staff have made significant progress on the negotiation of a Settlement Agreement with Cascade and PacifiCorp. The terms that have been negotiated are consistent with the guidance that staff received previously from EWEB's Board of Commissioners and EWEB's Executive Team. The settlement terms under consideration are to be further vetted with EWEB's Board of Commissioners during the Executive Session scheduled for March 5, 2019. Once the Settlement Agreement is finalized, the Participation Agreement with the Parties will be amended so that the remedial work can proceed as early as 2019.

Management will propose for your consideration a Resolution (No. 1905) that would grant General Manager Lawson the authority to enter into a Settlement Agreement with Cascade and PacifiCorp on behalf of EWEB provided the final terms of the settlement are consistent with the guiding principles that were discussed with the Board of Commissioners during the March 5<sup>th</sup> Executive Session.

## **Discussion**

As the owner of the MGP property, EWEB has the responsibility to implement the remedy described in the DEQ's Record of Decision for the Former MGP Site in order to protect human health and the environment. Before the remedy can be implemented, it is first necessary to reach a Settlement

Agreement with Cascade and PacifiCorp. Due to the confidential nature of these settlement negotiations, the terms of the Settlement Agreement will be discussed with EWEB's Board of Commissioners during executive session, consistent with the Oregon rules governing executive sessions (ORS 192.660(2)(f)).

**Recommendation**

Management recommends the approval of Resolution 1905 which would grant EWEB's General Manager the authority to enter into a Settlement Agreement with Cascade and PacifiCorp, with settlement terms consistent with the guiding principles discussed during executive session, permissible under ORS 192.660(2)(f).

Attachment: Resolution No. 1905; Authorizing the General Manager to enter into a Settlement Agreement with the Cascade Natural Gas Corporation and PacifiCorp for the remediation and long term maintenance of the Former Manufactured Gas Plant located on EWEB property



**RESOLUTION NO. 1905  
MARCH 2019**

**EUGENE WATER & ELECTRIC BOARD**

**AUTHORIZING THE GENERAL MANAGER TO ENTER INTO A SETTLEMENT  
AGREEMENT WITH THE CASCADE NATURAL GAS CORPORATION AND PACIFICORP  
FOR THE REMEDIATION AND LONG TERM MAINTENANCE OF THE FORMER  
MANUFACTURED GAS PLANT LOCATED ON EWEB PROPERTY**

**WHEREAS**, EWEB owns a parcel of land located to the east of the Willamette Substation extending from the riverbank to the City of Eugene's cul-de-sac and bounded to the east by property owned by the University of Oregon. Said property was acquired by EWEB in 1976.

**WHEREAS**, this property was used historically as part of a Manufactured Gas Plant (MGP) where coal, oil or coke was heated to produce gas that was purified, condensed and stored in large aboveground holder prior to distribution. The MGP operated at this location from 1907-1950.

**WHEREAS**, EWEB has been working cooperatively with the Oregon Department of Environmental Quality (DEQ) and the Cascade Natural Gas Corporation (Cascade) and PacifiCorp, two private entities representing the historic owners of the MGP, to investigate the contamination present at the Former MGP and to formulate a plan for the cleanup and long term management of the Site.

**WHEREAS**, in January of 2015 the DEQ issued their Record of Decision that prescribes the remedial action for the Site necessary to meet the remedial action objectives and to protect human health and the environment.

**WHEREAS**, EWEB, Cascade and PacifiCorp have submitted the final Remedial Design Reports to the DEQ for the planned remedial activities on the upland and riverbank portions of the Former MGP.

**WHEREAS**, EWEB, Cascade and PacifiCorp have been negotiating a Settlement Agreement governing the implementation of the remedial action and the long-term maintenance of the remedy.

**WHEREAS**, the Board has discussed with EWEB staff the terms of the proposed settlement agreement with Cascade and PacifiCorp for the remediation and long-term maintenance of the Former MGP located on EWEB property.

**NOW, THEREFORE, BE IT RESOLVED**, that the Eugene Water & Electric Board authorizes the General Manager or designee to enter into a Settlement Agreement with Cascade and PacifiCorp for the remediation and long-term maintenance of the Former MGP Site located on EWEB Property consistent with the terms discussed with the EWEB Board during Executive Session and to take any such other actions, as needed, to implement the terms of the Settlement Agreement.

DATED this 5<sup>th</sup> day of March, 2019.

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

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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 true and exact copy of the Resolution adopted by the Board in its March 5<sup>th</sup>, 2019 Regular Board Meeting.

---

Assistant Secretary



# MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

*Rely on us.*

TO: Commissioners Carlson, Mital, Helgeson, Schlossberg and Brown  
FROM: Rod Price, Chief Electric Engineering & Operation Officer;  
Jaime Breckenridge, Utility Joint-Use Specialist  
DATE: February 20, 2019  
SUBJECT: Add Joint Use Fees and Charges to the Customer Service Policy  
OBJECTIVE: Board Action: Resolution No. 1906

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## Issue

EWEB has recurring and non-recurring fees and charges for joint use attachments on EWEB poles. For documentation purposes and ease of doing business, these fees and charges will be added to the Customer Service Policy.

## Background

Currently there are three types of joint use attachments on a EWEB pole – wireline (cable, fiber, etc.), equipment (cabinets), and antennas. In order for an entity to attach to a EWEB pole they must have a signed agreement with us.

For wireline attachments and equipment relating to wireline, a Pole Attachment Agreement is executed. The fee structure for wireline attachments is explained in the following:

- Appendix A, Terms and Conditions Specific to Pole Attachments number 14.1 states the formula used to calculate the per foot attachment rate (recurring charge), which is recomputed annually in February for the contract year, which is June 1 through May 31.
- Appendix C, Fee Schedule for Non-Recurring Charges are for those activities that require EWEB personnel to process their request, through an application process, to attach. Part of the approval process is a pre-construction and post-construction inspection of requested pole(s), which have different levels of inspection based on information provided, condition of pole and attachment(s) made. Also included in this appendix is miscellaneous charges relating to unauthorized attachment, failure to make timely transfers, etc.
- Schedule I Unit Cost of Transferring Facilities and Average Costs of Various Pole Operations provides costs as the title states.

For antenna attachments and associated equipment, a Master Lease Agreement and individual Site Lease Agreements are executed. Last month the Board was provided an informal background “Small Cell Installations on EWEB Facilities”. Part of that backgrounder outlined the fee structure for small cells. All fees and charges associated to small cell and macro (large cell sites are specified in the Wireless Fee Schedule.

The FCC order that went into effect on January 14, 2019 that imposes caps on recurring and non-recurring fees for attachment is still under appeal. Staff is monitoring this closely; changes in fees and charges may occur based on outcome.

**Discussion**

Joint Use charges and fees are reviewed annually and potentially revised. For those fees and charges that are revised, such as the wireline pole attachment rate, a new consent and resolution will be submitted to the Board.

**Recommendation**

Management recommends the Board approve Resolution No. 1906 to add Joint Use Fees and Charges found in the following attachments: Appendix A, Appendix C, Schedule I and Wireless Fee Schedule, into the Customer Service Policy Appendix B – Electric Service Charges and Prices.

**Requested Board Action**

Approve Resolution No. 1906 to add Joint Use Fees and Charges into the Customer Service Policy.

Please contact Jaime Breckenridge at 541-685-7388 or e-mail at [Jaime.breckenridge@eweb.org](mailto:Jaime.breckenridge@eweb.org) with questions.

**Attachments:**

Appendix A – Terms and Conditions Specific to Pole Attachments

Appendix C – Fee Schedule for Non-Recurring Charges

Schedule I – Unit Cost of Transferring Facilities and Average Costs of Various Pole Operations

Wireless Fee Schedule

## **APPENDIX A**

### **TERMS AND CONDITIONS SPECIFIC TO POLE ATTACHMENTS**

Permittee shall meet all terms and conditions of the Agreement including the following rules specific to Permittor's Poles.

1. Permittee shall comply with Permittor's standards and requirements including those attached hereto as Appendix B or as they may from time to time be prescribed by Permittor.
2. Promptly after they are selected, Permittee shall provide Permittor's Joint Use Coordinator with the names and other pertinent information of Permittee's proposed design consultants, right-of-way/permitting consultants and installation contractors and subcontractors for Permittor's approval, which approval shall not be unreasonably withheld.
3. Permittee shall provide proposed engineering, design and construction plan, and specifications for the installation of the cable for Permittor's review and approval. Permittor's review of Permittee's plans and specifications, or any changes thereof required by Permittor shall not constitute acceptance or warranty with respect to the adequacy or safety of such plans.
4. The application must include the distances from the proposed telecommunications cable ("Cable") to the lowest conductor or cable in the supply space, hardware and to the attachments of others.
5. The application must include applicable data for the proposed installation including the diameter, unit weight, sag and tension of the Cable and messenger.
6. If Cables with metallic components are installed on Permittor's Poles, Permittee shall be responsible for the installation, maintenance and repair of all electrical bonding, provided that all bond connections to Permittor's Facilities will be made at the sole expense of the Permittee.
7. Permittee's amplifiers, power supplies, translators and other facilities required for the operation of the Cable ("Equipment") shall not interfere with the facilities of or use of Permittor's Structures, and shall be in conformity with such requirements and specifications as Permittor may from time to time prescribe, including but not limited to climbing space, working space, separation from power conductors and clearance above ground.
8. Permittee will install, own and maintain all hooks, brackets, cross arms, guys and similar Facilities required to support the weight or tension of its Cable. Such Facilities shall meet Permittor's material and construction standards. If Permittee fails to install its Facilities in accordance to Permittor's standards and requirements and specifications of the NESC, Permittor may elect to make corrections to the Facilities at Permittee's sole risk and expense 30 days after notifying Permittee of the deficiency if Permittee fails to remedy to Permittor's satisfaction. Permittee, on demand, shall reimburse Permittor for the entire reasonable expense incurred for such work.
9. Permittor has the right to inspect and monitor all work on and near Permittor's Poles by Permittee.
10. Permittee shall exercise due care to prevent damage to Permittor's Facilities and adjacent properties and shall repair any damage by Permittee that may be caused by such access. Permittee shall comply with all agreements and requirements associated with Permittor's right-of-way, and shall repair damage to the

Facilities and adjacent properties caused by Permittee. Permittee shall comply with Permitter's reasonable requests to utilize alternate means of installation if necessary to prevent damage to Permitter's Facilities and adjacent properties. Permittee shall hold Permitter harmless from all third-party claims of any kind or nature whatsoever associated with Permittee's access to the Facilities or adjacent properties.

11. If deemed necessary by the Parties, Permittee and Permitter shall endeavor to jointly develop practices and procedures for emergency restoration of telecommunications service.
12. Under normal circumstances all Attachments require approvals by Permitter prior to construction. The exception to this is in an emergency situation or for a service drop whereas this may be installed without the permit required. However, application for permit must be made within seven (7) days of installation. All attachments installed without prior approval are subject to review and revision at Permittee's sole expense and may have sanction imposed pursuant to Oregon Administrative Rules.
13. As compensation for the use of space on Permitter's Poles on each Structure, Permittee shall pay to Permitter, at the beginning of each Contract Year of the Agreement, the following amounts for Permittee's attachments to Permitter's Poles:

Rate per Cable attachment	x	number of Cable attachments
Rate per Equipment attachment	x	number of Equipment attachments

14. The rates for attachments will be recomputed annually using the formula that follows:

14.1 Cable Attached to Permitter's Poles:

$$\text{Pole Rate} = \frac{\text{Space Occupied by Cable}}{\text{Total Usable Space}} \times \frac{\text{Net Investment in Poles}}{\text{Number of Poles}} \times \text{Carrying Charge}$$

14.2 Equipment Attached to Permitter's Poles:

$$\text{Equipment Rate} = 2 \times \text{Pole Rate}$$

15. Permittee shall keep the attachment and the span free of trees by operating its own tree trimming program on the Structure.

## APPENDIX C

### FEE SCHEDULE FOR NON-RECURRING CHARGES

1. Application Processing Fee \$25.00 first pole; + \$2.00 per pole thereafter  
(Electronically or Written)

2. Inspections

In instances where Permititor has sufficient electronic Pole Attachment data existing in its system of record, Permititor may elect to perform a desktop Inspection, which is defined as an Inspection performed using only existing electronic data, maps and pictures. There are no Inspection fees associated with a desktop Inspection.

In instances where Permititor does not have sufficient electronic data to perform a desktop Inspection or the desktop Inspection results in findings that require a field visit, the following Inspection fees apply:

(a) Pre-Construction Inspection Fees – these fees are based upon Applications by various entities that wish to attach a cable, or other device, to Permititor's Facilities and also occurs prior to when a Permittee wishes to place new cables and/or additional equipment. All Pre-Construction and Post-Construction Inspections are broken into three levels of time usage and complexity.

Level 1 (Visual Inspection) \$40.00 first pole; \$5.00 each pole thereafter  
Level 1 Inspections are defined as a "drive by" that does not require the inspector to exit the vehicle and are intended to identify that clearances and strength of the structure are visibly verifiable. These Inspections are typically performed when the Permittee has provided all required information given the type of request on the Application form.

Level 2 (Measured Inspection) \$50.00 first pole; \$10.00 each pole thereafter  
Level 2 Inspections are most commonly performed when the poles do not appear to have proper clearance to accommodate the newly proposed Attachment or when the Permittee has failed to provide all required information given the type of request on the Application form. Under these conditions the Permititor deems it prudent to obtain measurements and other data at the Structure or along the line.

Level 3 (Pole Analysis Inspection) \$175.00 first pole; \$30.00 each pole thereafter  
Level 3 Inspections are most commonly performed when the poles do not appear to have proper strength to accommodate the newly proposed Attachment or when the Permittee has failed to provide all required information given the type of request on the Application form.

Permititor will not charge Pre-Construction Inspection Fees for an Application to remove Attachments.

(b) Post-Construction Inspection Fees – these Inspections are completed after a Pre-Construction Inspection has been approved, and the installation by the original requesting company has been completed.

Level 4 (Visual Inspection) \$40.00 first pole; \$5.00 each pole thereafter  
Level 4 Inspections are defined as a “drive by” that does not require the inspector to exit the vehicle and are intended to identify that the Permittee has complied with the engineering data provided in the Application form. This level of Inspection will be used for all removals of Attachments, unless the removal has resulted in damage to the pole in which case additional fees to assess the damage may apply.

Level 5 (Measured Inspection) \$50.00 first pole; \$10.00 each pole thereafter  
Level 5 Inspections are most commonly performed when it appears that the Permittee has failed to perform construction in accordance with the specifications on their Application form, has created a NESC violation or has attached to the pole prior to receiving approval from Permittor.

Level 6 (Pole Analysis Inspection) \$175.00 first pole; \$30.00 each pole thereafter  
Level 6 Inspections are most commonly performed when it appears that the Permittee has attached to a pole prior to receiving approval from Permittor and appears to have compromised the integrity of the existing structure.

- |   |   |
|---|---|
| 3. Unauthorized Attachment Fee                                  | 5 x annual rental fee   |
| Over 60 days without permit application                         | additional \$100.00 + 5 x annual rental fee (recurring every 60 days) |
| 4. Anchor Attachment Fee  | \$145.00  |
| 5. Failure to Timely Transfer, Abandon or Remove Facilities Fee |   |
| First 30 days   | 1/5 Annual Attachment Fee per day, per pole                           |
| Second 30 days and thereafter                                   | Annual Attachment Fee per day, per pole                               |
| 6. Topping Pole   | Refer to Schedule “I”   |
| 7. Transfers  | Refer to Schedule “I”   |



**SCHEDULE I**  
**UNIT COST OF TRANSFERRING FACILITIES**  
**AND**  
**AVERAGE COSTS OF VARIOUS POLE OPERATIONS**

Crossarms, all types	\$160.00
Anchor Strand or Overhead Guy	\$160.00
Sidewalk Anchor Guy and Pipe	\$298.00
*Drop wire (No Splicing)	\$53.00
*Service Conduit	\$107.00
*Messenger and Cable Bolted to Pole or Cable Arm (No Splicing)	\$199.00
*Messenger Deadends	\$149.00
*Cable Riser (Including Pipe and Moulding – No Splicing)	\$397.00
*Cable Terminations (No Splicing)	\$213.00
Lowering Pole to Ground	\$363.00
Hauling Pole to Yard	\$386.00
Topping Pole	\$131.00

\*Cost for temporary transfers shall be billed at 50% of the above rate.

NOTE: Costs for transferring Facilities not covered by this Schedule will be negotiated in each instance.

Effective: 11/29/12



## **WIRELESS FEE SCHEDULE**

Updated 06/27/2018\*

**Macro Application Fee** = \$2,000.00. This fee covers the pre-site review, review of all required documents (antenna specs & build, pole load analysis, RF analysis, etc.), pre-construction meeting, post construction inspection, and project management associated to the site(s). It does not include the cost of design and the make-ready work. That is in addition to the application fee.

**Small Cell or DAS (Distributed Antenna System) Application Fee** = \$1,000.00. This fee covers the pre-site review, review of all required documents (antenna specs & build, pole load analysis, RF analysis, etc.), pre-construction meeting, post construction inspection, and project management associated to the site(s). It does not include the cost of design and the make-ready work. That is in addition to the application fee.

### **Small Cell or DAS Pole Lease Fee =**

Pole Top = \$1,800.00 per year. This is for the antenna and a small amount of equipment (per standard) to be mounted on pole.

Mid-Pole = rate is determined by the then annual pole attachment rental rate (OAR 860-028-0110(2)) multiplied by the Lessee's authorized attachment space (identified in the SLA Exhibit A). These costs are re-calculated annually. See SLA for billing schedule. For reference, the 2018-2019 rate is \$15.03 per foot within the communication space.

Monthly electric consumption for small cell sites will be a flat rate. Monthly rate is \$65.96 per month.

### **Macro Cell Pole Lease Fee =**

Secondary or Guy Stub Pole = \$650.00 per month. This is for the antenna, radio heads (if able to conform to COE requirements) and conduit on the pole. All ancillary equipment to be groundmount.

Primary or Feeder Pole = \$1,150.00 per month. This is for the antenna, radio heads (if able to conform to COE requirements) and conduit on the pole. All ancillary equipment to be groundmount.

All macro cell sites will have a metered service.

\*Fees subject to change and may be reviewed annually.

**RESOLUTION NO. 1906  
MARCH 2019**

**EUGENE WATER & ELECTRIC BOARD  
ADD JOINT USE CHARGES AND FEES TO CUSTOMER SERVICE POLICY**

**WHEREAS**, the Eugene Water & Electric Board (EWEB) is obligated, as much as practical, to allow any entity requiring pole attachments to serve customers, use of utility poles based on Oregon Administrative Rules (860-028-0050) and City ordinances; and

**WHEREAS**, EWEB has Pole Attachment Agreements, Master Lease Agreements and Site Lease Agreements executed with attaching entities that ensure attachments comply with EWEB operational need and standards, State and Local Jurisdictions rules and ordinances; and

**WHEREAS**, EWEB has Joint Use Charges and Fees for attachment to EWEB facilities and related activities; and

**WHEREAS**, the Board of Commissioners has reviewed the request to add the Joint Use Charges and Fees to the Customer Service Policy and has determined that the addition is appropriate and necessary.

**NOW, THEREFORE, BE IT RESOLVED** the Eugene Water & Electric Board hereby authorizes the General Manager to add the Joint Use Charges and Fees to the Customer Service Policy to the Appendix A – Electric Service Charges and Prices.

DATED this 5<sup>th</sup> day of March 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 March 5, 2019 Board Meeting.

\_\_\_\_\_  
Assistant Secretary



# MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

*Rely on us.*

TO: Commissioners Carlson, Mital, Helgeson, Schlossberg and Brown  
FROM: Rod Price, Chief Electric Engineering & Operations Officer; Nick Nevins, Engineering Technician  
DATE: February 12, 2019  
SUBJECT: Annual Rate Adjustment for Dark Fiber Lease Pricing  
OBJECTIVE: Board Action

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## ***Issue Statement***

In accordance with the provisions of Board Resolution No. 1304 which established a Dark Fiber Lease Rate in 2013 (DFL-1) and Board Resolution No. 1705, the rate is adjusted annually based on either the City of Portland Consumer Price Index (CPI) or updated an Cost Of Service Analysis (COSA); the implementation date is April 1 each year. EWEB's current 'public purpose' rate (public agencies, higher education and existing medical service providers) is \$27.11 per fiber strand-mile per month. This update is based on updated COSA results.

## ***Background***

In 2018 EWEB Fiscal Services and Engineering staff initiated a cost of service study to recalibrate dark fiber lease pricing. In accordance with the provisions of Board Resolution No. 1705, the intention is to produce an updated COSA every other year. The last study was conducted in 2016. The result of that study was adopted by the Board as the published 2017 pricing. For 2018 the Board adopted a pricing increase based on CPI.

## ***Discussion***

Pursuant to past Board action, EWEB's three Dark Fiber rates will automatically be adjusted on April 1, 2019 per the updated COSA results:

Customer Group	Current DF Rate	April 1, 2019 DF Rate
Public Agencies DFL-1	\$27.11 per fiber strand-mile month	\$28.82 per fiber strand-mile month
School Districts K-12	\$5.13 per fiber strand-mile month	\$5.13 per fiber strand-mile month
For-Profit Companies	\$54.22 per fiber strand-mile month	\$57.64 per fiber strand-mile month

***Recommendation***

Management recommends adoption of the new pricing based on the updated cost of service model.

***Requested Board Action***

Approval of Resolution No. 1907, Dark Fiber Lease Price Revision.

Please contact Nick Nevins at 541-685-7751 or e-mail at [nicholas.nevins@eweb.org](mailto:nicholas.nevins@eweb.org) with questions.

**Attachments:**

- 1) Revised Electric Customer Service Policies and Procedures, E-V, Subsection R; Dark Fiber Lease
- 2) Resolution No. 1907, Dark Fiber Lease Price Revision



**R. Dark Fiber Lease**

1. Availability

EWEB's fiber optic cables run through public right-of-way and are owned and maintained by EWEB. This Price Schedule applies to public agencies and higher level educational institutions as well as medical service providers within EWEB's service territory, with the exception of any other price that may apply under a separate agreement or Price Schedule.

2. Character of Service

EWEB's Dark Fiber Lease Price Schedule (DFL-1) pertains to the available surplus fiber strands contained within EWEB's existing fiber-optic system, covering the Eugene metropolitan area and other areas within EWEB's service territory. Subscribing to EWEB's Dark Fiber Lease allows the interconnecting entity to obtain an indefeasible right of use of allocated EWEB-owned fiber strands for the purpose of transmitting voice, data and/or video signals between locations.

3. Interconnection

The Customer is responsible for providing a complete Conduit path from the termination point inside their facility to EWEB Facilities near the Customer premise, in accordance with EWEB's Fiber Optic Customer Standards. All Customer provided Conduit pathway facilities and patch panels shall be inspected and approved by EWEB prior to connection of the lateral extension. After connectivity, EWEB will own and maintain all Facilities up to and including the patch panel.

4. Advance Engineering Fee

All prospective EWEB Dark Fiber Lease subscribers must work with EWEB to complete an Advance Engineering Estimate of the cost and schedule for EWEB to provide dark fiber connectivity. A non-refundable \$500.00 fee is required prior to completing the Advance Engineering Estimate.

Advance Engineering Fee ..... \$500.00  
(Resolution No. 1304)

5. Construction Agreement

A signed "Dark Fiber Optic Circuit Construction Agreement" is required by EWEB before commencement of the detail Engineering design and construction of the lateral extension.



6. Non-Recurring Charges

The Customer shall pay an amount equal to 100 percent of the actual design and construction costs, payable upon completion of Dark Fiber connectivity.

7. Recurring Charges

The monthly charge for Dark Fiber Lease is determined by multiplying the length of the subscribed fiber strand(s) times the current monthly price. The length of each fiber strand is determined from EWEB's Geographic Information System (GIS) Fiber Manager Application rounded up to the nearest one-half mile length. This information will be recorded in the Lease Agreement.

Dark Fiber Lease bills shall be rendered quarterly.

**2018-2019 Monthly Price per Strand Mile\* .....\$~~27.11~~28.82**

Note: \*The Dark Fiber Lease Price Schedule will be adjusted annually based on updated Cost of Service Analysis (COSA) or the City of Portland Consumer Price Index if no COSA was performed. (Resolution No. 1705)

Dark Fiber Lease price to for-profit commercial customers shall be two-times the above published public purpose price. (Resolution No. 1705)

8. General Terms and Conditions

Service under this schedule is subject to the policies and procedures of EWEB.

**RESOLUTION NO. 1907  
MARCH 2019**

**EUGENE WATER & ELECTRIC BOARD  
DARK FIBER LEASE PRICE REVISION**

**WHEREAS**, the Eugene Water & Electric Board (EWEB) offers surplus Dark Fiber optic strands for lease by public agencies, higher and K-12 educational institutions, medical service providers, and commercial entities;

**WHEREAS**, Dark Fiber Leases are not considered by the Federal Communications Council or the Oregon Public Utilities Commission to be a regulated Telecommunications Service;

**WHEREAS**, EWEB leases Dark Fiber via “indefeasible Right of Use Agreements” (IRUs) or “Intergovernmental Agreements” (IGAs) that make provision for annual escalation based upon updated Cost of Service Analysis (COSA) or the City of Portland’s Consumer Price Index (CPI) if no updated COSA was performed;

**WHEREAS**, EWEB’s current Dark Fiber Lease Schedule (DFL-1) contains mileage-based billing determinants;

**NOW, THEREFORE, BE IT RESOLVED** that the Eugene Water & Electric Board hereby authorizes the General Manager to adjust the Dark Fiber Lease Rate for public agencies and higher education institutions and the rate applied to existing leases for medical service providers to \$28.82 per strand-mile per month, adjusted annually thereafter based on updated Cost of Service Analysis or the City of Portland CPI if no COSA was performed, beginning with bills rendered on or after April 1, 2019.

**NOW, THEREFORE, BE IT RESOLVED** that the Eugene Water & Electric Board hereby authorizes the General Manager to adjust the Dark Fiber Lease Rate to for-profit commercial customers to \$57.64 per strand-mile per month, adjusted annually thereafter based on updated Cost of Service Analysis or the City of Portland CPI if no COSA was performed, beginning with bills rendered on or after April 1, 2019.

Dated this 5<sup>th</sup> day of March 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 March 5, 2019 Regular Board Meeting.

\_\_\_\_\_  
Assistant Secretary





# MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

*Rely on us.*

TO: Commissioners Carlson, Mital, Helgeson, Schlossberg and Brown  
FROM: Frank Lawson, General Manager  
DATE: February 21, 2019  
SUBJECT: Resolution 1909, Joint Use of EWEB Facilities for Telecommunications  
OBJECTIVE: Action

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## Issue

EWEB Management wishes to clarify with the Board EWEB's role in the telecommunications build-out in EWEB's service territory.

## Background

For decades, EWEB has supported the joint use of facilities for the general public good, and as predicated by law. As a result, power supplies, lights, signs, communications cables, antennas, and other equipment has been co-located on EWEB poles, facilities, and/or property. EWEB charges rent for this joint use in accordance with laws, industry standards, and costs.

## Discussion

The purpose of Resolution 1909, Joint Use of EWEB Facilities for Telecommunications, is to confirm and clarify EWEB's position regarding the sharing (joint use) of EWEB infrastructure. Not only is joint use required by law, it is standard practice by EWEB and other utilities across the country.

It is important to recognize that EWEB does not own or operate joint use equipment. We are obligated by law to provide power to this equipment if properly permitted. Depending on the type of apparatus, appropriate agencies regulate the safety and use of the equipment. In the case of cellular equipment, the Federal Communications Commission (FCC) regulates communications, is responsible for implementing and enforcing America's communications law and regulations, and sets safety standards for the devices it regulates, which includes radio frequency communications devices and equipment. As a result, EWEB's role is to confirm that the FCC has determined that the equipment is safe and meets its standards.

EWEB Management is requesting that, as a public utility, the EWEB Commissioners will continue to support the joint use of EWEB facilities for telecommunications purposes, provided such joint use:

- 1) is properly permitted and authorized by each public entity with jurisdiction over the affected facilities or area, where applicable,

- 2) equipment meets the requirements of the FCC, or other authorized agency with oversight or registration to certify (e.g. Underwriters Labs, Factory Mutual, NSF International) the proposed equipment meets all such requirements,
- 3) meets EWEB's engineering guidelines, including applicable requirements of the National Electric Safety Code (NESC),
- 4) will not disrupt EWEB electricity or water delivery or operations,
- 5) is managed by the terms and conditions of a signed agreement with EWEB.

**Recommendation**

EWEB Management recommends approval of Resolution 1909, Joint Use of EWEB Facilities for Telecommunications, clarifying EWEB's role and conditions related to the telecommunications build-out in our service territory.

**Requested Board Action**

Approval of Resolution 1909

**RESOLUTION NO. 1909**  
**MARCH 2019**

**EUGENE WATER & ELECTRIC BOARD**  
**JOINT USE OF EWEB FACILITIES FOR TELECOMMUNICATIONS**

**WHEREAS**, the Eugene Water & Electric Board, herein referred to as EWEB, is a municipal utility chartered under City of Eugene, Section 44, with the power of the city to generate, collect, and distribute electricity, steam, and other kinds of physical energy and maintain and operate the water utility and the electric utility of the city.

**WHEREAS**, EWEB manages assets and operates electricity and water systems in the City of Eugene and Lane County, Oregon.

**WHEREAS**, EWEB's mission is "to enhance our community's vitality by delivering drinking water and electric services consistent with the values of our customer-owners".

**WHEREAS**, in accordance with Oregon law, ORS Chapter 758 and 759, the Oregon Public Utility Commission has the authority to determine the manner and extent of the regulation of telecommunications services within the State of Oregon, and has the power to enforce joint use of facilities.

**WHEREAS**, The Federal Communications Commission (FCC) regulates communications, is the federal agency responsible for implementing and enforcing America's communications law and regulations, and sets safety standards for the devices it regulates, which includes Radio Frequency (RF) communications devices and equipment.

**WHEREAS**, Federal law, including Section 704 of the Telecommunications Act of 1996, bars state and local governments from regulating the placement, construction, and modification of cell phone and other personal wireless service facilities on the basis of the environmental effects of RF emissions to the extent that such facilities comply with the FCC regulations concerning such emissions.

**WHEREAS**, EWEB has an obligation to make certain facilities available for joint use on a non-discriminatory basis as required by applicable federal and state law.

**BE IT RESOLVED** that the Eugene Water & Electric Board directs the General Manager to continue to support the joint use of EWEB facilities for telecommunications purposes, provided such joint use:

- 1) is properly permitted and authorized by each public entity with jurisdiction over the affected facilities or area, where applicable,
- 2) equipment meets the requirements of the FCC, or other authorized agency with oversight or registration to certify (e.g. Underwriters Labs, Factory Mutual, NSF International) the proposed equipment meets all such requirements,
- 3) meets EWEB's engineering guidelines, including applicable requirements of the National Electric Safety Code (NESC),
- 4) will not disrupt EWEB electricity or water delivery or operations,
- 5) is managed by the terms and conditions of a signed agreement with EWEB.

DATED this 5 day of March, 2019

THE CITY OF EUGENE, OREGON  
Acting by and through the  
EUGENE WATER & ELECTRIC BOARD

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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 March 5 2019, Regular Board Meeting.