

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a contract with **Murray Smith Associates for Engineering Design Services for the E. 40th Ave Storage Tank project.**

Board Meeting Date: August 4, 2020
Project Name/Contract #: E. 40th Ave Storage Tank – Engineering Services/ #20-121-Q
Primary Contact: Rod Price Ext. 7122

Contract Amount:

Original Contract Amount: \$400,000 (over 2.5 years)
Additional \$ Previously Approved: \$0
Invoices over last approval: \$0
Percentage over last approval: 0%
Amount this Request: \$400,000 (over 2.5 years)
Resulting Cumulative Total: \$400,000 (over 2.5 years)

Contracting Method:

Method of Solicitation: Formal RFP process
If applicable, basis for exemption: N/A
Term of Agreement: August 5, 2020 – December 31, 2022
Option to Renew? No
Approval for purchases “*as needed*” for the life of the Contract Yes No
Proposals/Bids Received (Range): 2 / (QBS process, pricing not requested in Step One of evaluation)
Selection Basis: Qualification Based Selection (QBS)

Narrative:

Operational Requirement and Alignment with Strategic Plan

The board is being asked to approve a new Personal Services Contract with Murray Smith Associates of Portland, OR for engineering and related services for the design of a new 7.5 million-gallon (MG) storage tank on the EWEB owned E. 40th Avenue site. This storage tank is the first of a series of large Base Level storage tanks to be constructed over the next ten years as part of the ‘Distributed Storage’ approach from the 2015 Water System Master Plan.

These new storage tanks will replace existing structures at College Hill, Hawkins Hill, and Santa Clara and provide for a much more resilient storage system for the water utility.

Contracted Goods or Services

The consulting services provided as part of this contract include civil, mechanical, and structural engineering services as well as bid and construction period services.

Prior Contract Activities

EWEB Contract No.	Project Name (Description)	Board Approval Date	Project Duration	Original Contract Amount	Final Contract Amount
20-010-Q	E. 4 th St Main Replacement	N/A	1/22/20 – 3/1/20	\$13,700	\$13,700
19-2764Q	Transmission System Modeling	N/A	5/5/19-8/5/2019	\$13,942	\$13,942
005-2011	Willamette River Pipeline Crossing	4/5/11	4/6/11 – 4/5/14	\$189,624	\$292,100
007-2011	Terry St. to Greenhill Pipeline	N/A	11/9/11 – 1/31/12	\$68,000	\$68,000

On these past projects, Murray Smith has demonstrated reliable adherence to budget and schedule requirements and delivered high quality products that have met the expectations of EWEB staff. The Willamette River Pipeline Crossing scope and fee were increased at the request of EWEB staff to obtain permits and obtain ODOT approval.

Purchasing Process

In June 2020, in accordance with public contracting rules, EWEB issued a formal Request for Proposals (RFP) using the Qualifications Based Selection (QBS) process for engineering services. The solicitation was publicly advertised on ORPIN. Selection for this solicitation is based on a two-step process. Step One is the qualification-based selection and the criteria scored included Project Approach (30 points), Project Experience (25 points), and Project Team Experience (30 points). Step Two allows for scoring of pricing of up to three proposers and was worth a maximum of 15 points.

After evaluating and scoring Step One, Murray Smith was selected as the most qualified consultant, consistent with the evaluation criteria (scoring 3 points higher than DOWL). Pricing proposals were evaluated in Step Two for both Murray Smith and DOWL. Murray Smith remained the highest ranked proposer after combining scores for Step One and Step Two.

Murray Smith’s response was clear and detailed, reassuring EWEB that the final deliverable will provide a thorough basis for design and construction. Members of the proposed team provide an above-average mix of skillsets for quickly resolving the potential complexities of the project; the project team includes known experts, with solid track records working on EWEB projects.

Vendor Name	City, State	Offered Price	Ranking
Murray Smith Associates	Portland, OR	\$397,921	1
DOWL	Eugene, OR	\$353,155	2

Competitive Fair Price (If less than 3 responses received)

Not applicable to the Qualification Based Selection Process.

ACTION REQUESTED:

Management requests the Board approve a Personal Services Contract with **Murray Smith Associates** for engineering services. Approximately \$12,500,000 was included in the Capital Plan for these services plus the construction of the storage tank through the end of 2022. The Water Five Year Capital Plan totals approximately \$118,000,000. 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 a new Intergovernmental Agreement with the **City of Eugene for construction project coordination.**

Board Meeting Date: August 4, 2020
Project Name/Contract #: City of Eugene Construction Project Coordination / 20-106-IGA
Primary Contact: Rod Price Ext. 7122

Contract Amount:

Original Contract Amount: \$5,000,000 (estimated over 5 years)
Additional \$ Previously Approved: \$0
Invoices over last approval: \$0
Percentage over last approval: 0%
Amount this Request: \$5,000,000 (estimated over 5 years)
Resulting Cumulative Total: \$5,000,000 (estimated over 5 years)

Contracting Method:

Method of Solicitation: Direct Negotiation
If applicable, basis for exemption: Exemption – Intergovernmental Agreement
Term of Agreement: July 31, 2020 until terminated with 30 days' notice by either party
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: Direct Negotiation-Intergovernmental Agreement

Narrative:

Operational Requirement and Alignment with Strategic Plan

To reduce EWEB costs and lessen the impact to Customers it is often advantageous to include certain EWEB work in City street improvement contracts. This work includes:

- Adjustments to valve boxes, manholes, and water meter boxes,
- Surface restoration i.e. paving of EWEB trenches, and
- Water main replacements.

Combining this work into the City's contracts can result in fewer contractors working in an area for a shorter length of time thus lessening the construction impact to our customers. In addition, cost savings are realized due to the minimization of duplicate efforts such as mobilization/demobilization and traffic control.

Combining EWEB work into City contracts is a common practice that was previously completed under past Intergovernmental Agreements with the City. The proposed Agreement updates and revises the procedures for completing the work. The proposed Agreement now allows for larger projects to be completed in conjunction with the City contract. While previous Agreements were focused on smaller tasks such as valve box adjustments and minor paving, the proposed Agreement expands the scope to allow for larger projects such as main replacement projects. Joint City and EWEB project plans vary in scope with the EWEB portion ranging from \$250,000 to \$1,000,000 per year. Efficiencies of EWEB using the same contractor the City uses can result in savings of up to 50% for EWEB as opposed to EWEB contracting separately.

Contracted Goods or Services

This IGA covers the cost of EWEB work that may be included in City of Eugene paving projects. The City will request a bid item from their contractor for any item of EWEB work that is included in their project's scope of work. The bid cost is then approved by EWEB before the contractor can move forward with the work.

Prior Contract Activities

The total amount spent on IGAs for similar work, not including main replacements, from 2008 to 2020 is \$975,000. Our previous IGA limited our use of the joint bid process so the historical amounts do not reflect anticipate spend under this contract, but we expect to use the new IGA to more fully leverage savings in future projects.

Purchasing Process

Exemption – Intergovernmental Agreement

ACTION REQUESTED:

Management requests the Board approve a new Intergovernmental Agreement (IGA) with **City of Eugene** for incorporating EWEB work into City street improvement contracts. The majority of this work is planned for in the water main replacement budget in the Water Capital Plan. This budget totals approximately \$3.5 million per year. The Water Five Year Capital Plan totals approximately \$118 million. In addition, approximately \$55,000 was planned for these goods or services in the 2020 Water Division Operations and Maintenance budget of \$14 million. Variances will be managed within the budget process and Board policy.



MEMORANDUM

EUGENE WATER & ELECTRIC BOARD



TO: Commissioners Mital, Schlossberg, Helgeson, Brown and Carlson
 FROM: Julie McGaughey, Chief Customer Officer
 DATE: July 23, 2020
 SUBJECT: Resolution No. 2022, Customer Policy Revisions
 OBJECTIVE: Board Action

Issue

Management periodically reviews Board policy and recommends revisions to align with updated laws, regulations, conditions in the field, and/or strategic direction. Based on conversations by Executive Team and guidance from legal counsel around increasing the psychological safety of EWEB’s field staff, Management reviewed EWEB’s Customer Service policies and is recommending revisions.

Background

The current exceptions allowed to Smart Meter deployment, listed in Section 4.2, do not allow EWEB to mandate a Smart Meter in the event of speech or conduct by a customer that is harassing or discriminatory, unless it is objectively not safe. EWEB is proposing an additional condition that allows for greater utility discretion around required Smart Meter installation

Discussion

Management is proposing the following two edits to the Customer Service Policy - All Utilities. Below is the existing policy and the proposed change in red:

<p>4.2 Advanced Meter Deployment With a few exceptions, any Account Holder can Opt Out of an advanced meter Deployment by contacting EWEB’s Customer Service department. Customers who chose to Opt Out will not have access to advanced services that require communicating meters. Advanced services include, but are not limited to, automated power outage reporting, water leak detection, detailed Consumption information, time-of-use metering, or prepaid services. Exceptions to the Opt-Out option are if any of the following conditions apply:</p> <ol style="list-style-type: none"> 1. Customer or Account Holder has Tampered with EWEB Facilities or Diverted Utility Services. 	<p>4.2 Advanced Meter Deployment With a few exceptions, any Account Holder can Opt Out of an advanced meter Deployment by contacting EWEB’s Customer Service department. Customers who chose to Opt Out will not have access to advanced services that require communicating meters. Advanced services include, but are not limited to, automated power outage reporting, water leak detection, detailed Consumption information, time-of-use metering, or prepaid services. Exceptions to the Opt-Out option are if any of the following conditions apply:</p> <ol style="list-style-type: none"> 1. Customer or Account Holder has Tampered with EWEB Facilities or Diverted Utility Services.
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<p>2. Customer or Account Holder has not provided safe and necessary access to meters.</p>	<p>2. Customer or Account Holder has not provided safe and necessary access to meters.</p> <p>3. A condition on the property or conduct of the Customer, or anyone under the Customer’s reasonable control, significantly affects an employee’s ability to perform work related functions due to a protected status such as, but not limited to, race or sex.</p>
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If a Customer meeting the third exception wants to Opt Out of Smart Meter deployment, and EWEB agrees, EWEB would have the right to estimate usage instead of sending a meter reader to the property. In this case, section 2.1 would need to be changed slightly as noted below:

<p>2.1 General Billing Information EWEB will issue bills on a periodic basis based on actual Consumption. Reference to “one month’s service” relates to the billing period but does not necessarily correlate to a calendar month. EWEB reserves the right to read meters and present bills for longer or shorter periods. In the event that a meter is inaccessible for any reason, EWEB reserves the right to estimate the water and/or electric Consumption and to issue bills calculated upon estimated usage and applicable fees. Opening and closing bills will be prorated to reflect actual usage.</p>	<p>2.1 General Billing Information EWEB will issue bills on a periodic basis based on actual Consumption. Reference to “one month’s service” relates to the billing period but does not necessarily correlate to a calendar month. EWEB reserves the right to read meters and present bills for longer or shorter periods. In the event that a meter is inaccessible for any reason, or the Customer has opted out of advanced meter services and the meter cannot be read for any reason, EWEB reserves the right to estimate the water and/or electric Consumption and to issue bills calculated upon estimated usage and applicable fees. Opening and closing bills will be prorated to reflect actual usage.</p>
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The proposed revisions have been reviewed and suggested by legal counsel.

Recommendation and Requested Board Action

Management recommends approval of Board Resolution No. 2022 to revise the Customer Service Policy.

Attachments:

Customer Service Policy - All Utilities (with proposed revisions, redlined)



2.0 BILLING

2.1 General Billing Information

EWEB will issue bills on a periodic basis based on actual Consumption. Reference to “one month’s service” relates to the billing period but does not necessarily correlate to a calendar month. EWEB reserves the right to read meters and present bills for longer or shorter periods. In the event that a meter is inaccessible or the Customer has Opted Out of advanced meter services and the meter cannot be read for any reason, EWEB reserves the right to estimate the water and/or electric Consumption and to issue bills calculated upon estimated usage and applicable fees. Opening and closing bills will be prorated to reflect actual usage.

An Automatic Hookup Agreement (AHU) is available to Property Owners at EWEB’s discretion. The AHU contract authorizes Utility Services to be billed to the verified Property Owner(s) as determined by County records during tenant vacancies. In the absence of an AHU, the Owner may be charged for disconnection of services on any three-phase service.

EWEB does not provide Utility Service in the absence of an Account Holder. In the event that utility Consumption is detected at a service location for which there is no active Account Holder, the Property Owner will be responsible for the related Consumption and fees, including Consumption caused by theft of services, as determined by EWEB. In the event of the death of an Account Holder, responsibility for billing must be assumed by the estate or a personal representative.

Price Schedules are applied to locations and services according to use and occupancy at the time of application. The applicable Price Schedule for a location is subject to change by EWEB, based upon review of actual Consumption. If the use of a location changes, the Customer must notify EWEB and EWEB may apply the applicable Price Schedule as of the date of the change of use.

EWEB strives to produce accurate and timely billing. In the event that EWEB bills too much or too little for Utility Service, EWEB will provide the Account Holder with notice of the circumstances, period of time affected (if known), and the amount of any adjustment. In no event will a billing error be adjusted for a period of more than three (3) years. Late Fees or interest will not apply to billing adjustments for such errors.

An Account Holder may enter into a mutually acceptable Payment Arrangement for repayment of an under-billing. EWEB may waive rebilling for under-charges when the cost to EWEB is not economical. No billing adjustment will be available if a meter is found to be accurate, after testing, per the conditions set forth in Section 4.3, Meter Inaccuracies and Tests.

2.2 Bill Payment and Financial Assistance



Bills are payable upon presentation and past due after the due date stated on the bill. EWEB allocates payments across all unpaid charges, paying oldest charges first and (absent contractual arrangement with the applicable jurisdiction) does not allocate payments to include or exclude specific charges. EWEB is responsible for billing and collection of the liquid and solid waste fees on behalf of the City. EWEB is not in position to waive those fees or enter into a contractual arrangement contrary to the City rights (Charter Sec 44(5)). Late Fees and charges apply in accordance with EWEB's "Charges & Prices" schedules. Payment must be in the form of United States currency.

For Customer convenience, EWEB offers a "*Budget Payment Plan*" for qualifying Account Holders. The Budget Payment Plan is a pre-determined, annual Payment Arrangement, therefore additional Payment Arrangements are not available while a Budget Payment Plan is in effect.

Account Holders unable to pay the full amount of their EWEB bill may be able to enter into a mutually acceptable Payment Arrangement to include all current billings. Acceptance of partial payments in the past does not preclude EWEB's right to require full payment. An Account Holder who has not kept prior payment commitments may be prohibited from entering into a new Payment Arrangement.

If EWEB is notified that a payment cannot be processed, the attempted payment will be considered as a Non-Sufficient Funds (NSF) event, and the Account Holder will be charged accordingly. EWEB may require payment with Verifiable Funds after an NSF event.

Payments cannot be accepted by EWEB if a Collection Agency has filed an action in court for collection on the account.

Financial assistance for EWEB bill payment is made via referrals to various community service agencies which offer information and programs designed to assist with payment of utility bills or directly via EWEB bill assistance, when available. It remains the Account Holder's responsibility to fully and timely pay all service bills, and to apply for payment assistance when appropriate.

2.3 Appeals

An EWEB Account Holder in disagreement with a utility bill, supplemental charge or fee, demand notice, or other charge has the right to file an appeal with the EWEB appeals committee. On all collection notices, the Account Holder will be notified in writing of the right to appeal, as required by law. The appeals committee may also consider appeals for water usage or service installation during mandatory curtailment declarations.

Pending resolution of the appeal, the obligation to pay undisputed and subsequent charges continues. The EWEB service(s) under appeal will continue during the appeal process provided that:

- No evidence of Fraud, Tampering or Diversion is discovered
- A Legitimate and Valid appeal exists in which the facts asserted support continued service
- Service has not already been disconnected



Eugene Water & Electric Board

Customer Service Policy

If an Account Holder fails to accept or comply with the appeals committee's decision, EWEB may proceed with immediate collection efforts without further notice including, but not limited to, disconnection of the Utility Service. The written decision of the appeals committee is final when issued.

Appeal forms are available on EWEB's website and upon request from EWEB's Customer Service staff. Appeals are only viable and considered when submitted in writing, signed and dated, by the Account Holder or their Authorized Agent.



4.0 METERING

4.1 General Information

EWEB will own, install and maintain all necessary meters for measuring the amounts of Utility Services consumed by Customers. Under certain circumstances, un-metered Utility Service may be provided at the option of EWEB (see Electric Utility Operational Policy, Electric Service Conditions, and Water Utility Operational Policy, Water Service Conditions).

For a Customer-requested meter change, the Customer will pay the cost based on EWEB's current Price Schedules. All meters serving a Customer's Premises will be considered separately and the readings not combined. When an additional meter(s) is installed to serve a Customer's Premises, each additional meter will be served under the same Price as the existing meter if such meter serves Load that is an integral part of the Customer's existing use and is of the same phase and voltage. Applicable basic charge(s) or minimum charge(s) will apply to each meter.

Common-use Facilities associated with multifamily structures comprised of more than four (4) Living Units will be served on the General Service Price Schedule and must be billed in the name of the Property Owner. Where a Master Meter is installed, EWEB will not furnish or read auxiliary or sub-meters used for the Customer's convenience, except under contractual agreement.

Meters registering no Consumption for 730 consecutive days may be removed, along with their associated service and related equipment.

4.2 Advanced Meter Deployment

With a few exceptions, any Account Holder can Opt Out of an advanced meter Deployment by contacting EWEB's Customer Service department. Customers who chose to Opt Out will not have access to advanced services that require communicating meters. Advanced services include, but are not limited to, automated power outage reporting, water leak detection, detailed Consumption information, time-of-use metering, or prepaid services. Exceptions to the Opt-Out option are if any of the following conditions apply:

1. Customer or Account Holder has Tampered with EWEB Facilities or Diverted Utility Services.
2. Customer or Account Holder has not provided safe and necessary access to meters.
- ~~2.3.~~ A condition on the property or conduct of the Customer, or anyone under the Customer's reasonable control, significantly affects an employee's ability to perform work related functions due to a protected status such as, but not limited to, race or sex.

Where Account Holders are eligible to Opt Out, advance notification will be provided prior to the initial Deployment of an advanced meter at a Premise. Prior notice may not be possible in some cases due to safety concerns for emergency restoration or if time is of the essence. In the cases where prior



notice cannot be provided, EWEB will provide follow-up notification and information with details about Deployment options.

Account Holders on a General Service Price Schedule may exchange a previously installed Deployed meter for a non-communicating meter. The General Service Account Holder will reimburse EWEB for the Actual Costs of exchanging the meter.

An Account Holder's Opt Out preference applies to all services on an account. An Account Holder's Opt Out preference is tied to a specific account. An Account Holder who moves to a new Premise and wishes to maintain their Opt Out preference will need to make a new Opt Out request through EWEB's Customer Service department.

If an Account Holder is in the collection process, has received a final non-payment notice, and chooses to Deploy an advanced meter, the non-pay disconnect charge will be waived. If the Account Holder subsequently chooses to Opt Out at the same premise, future disconnect charges will not be waived.

4.3 Meter Inaccuracies and Tests

Should any meter incorrectly register Consumption of Utility Services, the bill will serve as notification of the metering malfunction. Customers may submit a written request for a meter test for meter(s) supplying Utility Service to their Premises. Requests for meter tests must be received prior to testing. If a tested meter is found to be inaccurate by the limits set forth by the *American Water Works Association (AWWA)* for water or *Oregon Revised Statutes* and *Industry National Standards (ANSI)* for electric, the Customer's billing will be adjusted in accordance with this Policy (see Section 2.1, General Billing Information). In the event that a meter test determines that the meter is inaccurate, the meter test fee will be waived. Otherwise, a meter test fee will be billed to the Account Holder. If a meter is removed at an Account Holder's location for which an appeal per Section 2.3 has been filed but not resolved, the removed meter will be retained until the appeals process has concluded.

**RESOLUTION NO. 2022
AUGUST 2020**

**EUGENE WATER & ELECTRIC BOARD
RESOLUTION APPROVING REVISIONS TO CUSTOMER SERVICE POLICY**

WHEREAS, the Eugene Water & Electric Board (EWEB) is a customer-owned municipal utility chartered to operate and maintain the Water and Electric Utility systems;

WHEREAS, the Eugene Water & Electric Board (EWEB) maintains a Customer Service Policy that contains the full body of policies regarding provision of service to customers;

WHEREAS, in accordance with Board Policy SD3 the Board of Commissioners periodically reviews said policies and approves all substantive changes;

WHEREAS, EWEB values the psychological health and safety of its workforce and the public.

WHEREAS, the Board of Commissioners has reviewed modifications to the Customer Service Policy; foremost revisions include:

1. Additional condition where customers' ability to Opt Out of Advanced Meter Deployment is restricted
2. Additional condition where EWEB may be required to estimate water and/or electric consumption

NOW, THEREFORE, BE IT RESOLVED the Eugene Water & Electric Board hereby approves the revisions to EWEB's Customer Service Policy effective as of August 5, 2020.

DATED this 4th day of August 2020.

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 August 4, 2020 Board Meeting.

Assistant Secretary