

EUGENE WATER & ELECTRIC BOARD
REGULAR BOARD MEETING
EWEB BOARD ROOM
SEPTEMBER 6, 2005
7:30 P.M.

Commissioners present: Ron Farmer, Sandra Bishop, John Simpson, Mel Menegat and Patrick Lanning.

Others Present: Randy Berggren, Debra Smith, Mark Freeman, Dick Varner, Jim Origliosso, Jim Wiley, Lance Robertson, Marty Douglass, Tom Buckhouse, Dick Helgeson, Jean Meyers, Dawn Howard, Mike Logan, Nancy Cook, Jennifer Joule, Laurie Muggy, Krista Hince of the EWEB staff; Rich Dickman, consultant for Voluntary Employees' Beneficiary Association (VEBA); Rick Lindholm and Cathy Hamilton, Lindholm Consulting; Tom Snyder, presenting on "Live Steam Museum;" Ruth Atcherson, Minutes recorder for the City of Eugene; and members of the public.

President Farmer convened the Regular Board Meeting of the Eugene Water & Electric Board (EWEB) at 7:45 p.m.

AGENDA CHECK

There were no changes to the agenda.

PUBLIC INPUT

Brad Myers, 2490 Lincoln Street, explained that he worked as a civil engineer. He felt some erroneous statements had been made in regard to the College Hill Reservoir. He averred that the assertion that the reservoir provided drinking water to one quarter of the population of Eugene's valley floor was misleading. He felt people would surmise from this that it supplied one quarter of the drinking water to the population of the entire City, which was untrue. He disputed the notion that the College Hill Reservoir was the only reservoir that was as yet unsecured from the public. He had driven to the two large reservoirs located at 27th Avenue and City View Street and found them to be accessible. He noted that one Commissioner had said that the water utility served 75,000 households. He had determined that it served 48,000 households. He said given that the topic of the College Hill Reservoir would be brought before the Board on October 18, it was important that decisions to be made regarding the reservoir be founded on factual evidence.

Eric Myers, 2490 Lincoln Street, stated that EWEB was chartered by the City to provide a reliable supply of water and electricity to the citizens of Eugene. He thought it was in the best interest of the taxpayers and EWEB to ensure its money allocated to the College Hill Reservoir was used in the best way.

Mr. Myers discussed the Governor's Advisory Group on global warming, convened in 2004. He said the group had outlined four principal strategies:

1. Investment in energy, land use, and materials;
2. Replacement of greenhouse gas emitting energy resources with cleaner technologies;

3. Increase the use of biological sequestration, i.e. use of farm and forest for carbon capture and storage;
4. Promotion and support of education and research in alternative energies.

He related that he was aware of EWEB's support of educational opportunities around the City of Eugene. He wanted EWEB to continue spending its money in a more "future-looking and cyclical way." He thought EWEB had an opportunity to create a showcase or an educational demonstration project to set and change trends and that the College Hill Reservoir could be the "perfect place to show this community what the future of energy independence could look like."

Sally Myers, 2490 Lincoln Street, thanked the Board for their consideration of public input. She felt the Board needed a greater understanding of the scope of the problem at the College Hill Reservoir and should conduct further studies to gain a body of research to support potential changes EWEB could make to the area. She suggested an analysis of its use be conducted using observation of the reservoir over the course of 3 to 12 hours on several different days. She urged the Board not to do something when doing nothing was wiser.

Charles Biggs, 540 Antelope Way, wanted the utility to tell the public that the new hospital would not meet the needs of a move to a new site without the issuance of bonds. He found it troubling that this "cropped back up" in long-term planning. He observed that there was a large disparity between what it would cost to move and how much McKenzie-Willamette/Triad Medical Group had offered.

President Farmer closed the Public Input portion of the meeting and called for comments from Commissioners.

Commissioner Simpson expressed appreciation for the testimony regarding the reservoir. He said the Board continued to look at proposals and staff continued to explore the options. He indicated the Board would take up the matter on October 18.

Vice President Bishop also thanked those who testified for representing their neighborhood for College Hill Reservoir. She liked the suggestion to conduct some analysis and asked staff to clarify facts on the Fact Sheet.

Regarding Mr. Biggs testimony, Vice President Bishop stated that the utility was in the middle of a design process, which would play itself out at the end of the year and no decisions on moving, or selling would be made prior to this.

Commissioner Menegat commented that he had erroneously stated that EWEB served 70,000 households at another meeting. He clarified that EWEB actually served 58,400 households, including those who were served by water districts served by EWEB. He apologized for his mistake.

APPROVAL OF CONSENT CALENDAR

President Farmer stated that the Board was trying to move forward with substantive corrections to meeting minutes made in the Items Removed from the Consent Calendar and more rudimentary corrections, such as grammar and spelling mistakes, made to the meeting minutes via e-mail prior to the meeting. He said three corrections to the August 2 minutes had been distributed to the Commissioners.

President Farmer noted that the contract with American Tower was missing from Board packets and had been distributed for Commissioners' review before the meeting.

CONSENT CALENDAR

Minutes

1. Minutes of the July 19, 2005, Regular Board Meeting and Budget Workshop, the August 16, 2005, Executive Session, the July 26, 2005, Regular Board Meeting, and the August 2, 2005, Work Session and Regular Board Meeting.

Business Service Agreements

1. American Tower – Microwave Radio Communications System, Building & Tower Lease – Electric Division - \$192,000
2. Groundwater Solutions, Inc. – Technical & Engineering Services in Support of Water Rights for the Confluence Well Field – Water Division - \$13,000
3. Premium Efficiency – Residential Heating System Duct-Sealing Services – Energy Management Services – Power Resources Division - \$337,500
4. Portland Energy Conservation, Inc. (PECI) – “Savings with a Twist” Program – Energy Management Services – Power Resources Division - \$26,194
5. Strategic Safety Associates, Inc. – MoveSMART Safety Training Modules – Safety – Corporate Services Division - \$38,400
6. Silke Communications – Microwave Radio Communications System, Building & Tower Lease – Electric Division - \$132,000
7. Technical Systems, Inc. – Leaburg Hazard Mitigation – Electric Division - \$65,350
8. Quality Enterprises, Inc. – Carmen 115kv Right of Way Tree Removal and Brush Clearing – Electric Operations - \$73,500

Land Management

9. Resolution No. T/L 17-04-01-34-03502 for Easement on EWEB Property – Madison Middle School – Qwest requests a three-foot by three-foot easement on EWEB property for communications facilities to serve new Madison Middle School on Wilkes Drive in Eugene.

Vice President Bishop pulled the minutes from the August 2, 2005 Regular Board Meeting.

Commissioner Menegat, seconded by Commissioner Simpson, moved to approve the Consent Calendar with the exception of the minutes from the Regular Board Meeting held on August 2, 2005. The motion passed unanimously, 5:0.

ITEMS FROM BOARD MEMBERS

Commissioner Menegat reported that he attended the quarterly meeting of the Western Generation Agency (WGA), the partnership between EWEB and the Clatskanie Peoples' Utility District (CPUD), convened at the offices of the engineering firm, CH2MHill, in Portland on August 31. He stated that the WGA had approved distribution of \$299,537 to each of the partners for operations through June 30, 2005. He said the WGA also moved to investigate a possible refunding of the Wauna Co-Gen project bonds. He explained that approximately \$40 million in bonds were outstanding. Merrill Lynch had agreed to act as a broker and had indicated a willingness to purchase the re-funded bonds. He noted that the current interest rate ran from 7.1 to 7.4 percent and a tentative offer had been made of 5.18 percent, a savings of \$300,000 to \$400,000 per year in debt service. He related that the WGA planned to update its mill-risk analysis and its engineer's opinion. He added that the WGA had approved of hiring Seattle Northwest to be its financial consultant in the process.

Commissioner Menegat stated that the Compensation Subcommittee had been meeting, most recently with attorneys. He indicated that the subcommittee and staff would bring the information about basic contract provisions to the Board by the October 19 meeting for review. He said the subcommittee was also working on developing the salary range and would submit this information to the Board as well.

Vice President Bishop announced that there would be an article in the September 7 *Register Guard* on the government standards and practices complaint that had been filed against her. She underscored that she did not have and had never had a conflict of interest, but the complaint would have to run its course nonetheless.

Commissioner Lanning reported that he, President Farmer, and several staff members had met with Mayor Kitty Piercy, City Councilor David Kelly, and City staff. He felt the meeting was productive.

Commissioner Lanning thanked Human Resource Generalist Laurie Muggy for taking the time to brief he and Commissioner Menegat on the Voluntary Employee Beneficiary Association (VEBA) options that were being considered at a previous meeting he had not been able to attend.

Commissioner Simpson related that Vice President Bishop had sent an email summarizing the most recent Mayor's Sustainable Business Initiative Task Force meeting. He observed that the task force had begun its initial work on an economic basis, though it had appeared, in planning, to focus on environmental factors. He wished to express his support for the process and said it was good to see it was underway and that EWEB was participating.

Commissioner Simpson said the General Manager Compensation Subcommittee had accelerated its meeting schedule as the year was drawing closer to its end. He related that the subcommittee sought to ensure its work was comprehensive and complete prior to bringing it before the Board.

Commissioner Simpson also announced that he was planning on attending the fall meeting of the Northwest Energy Coalition (NWECC). He noted that Vice President Bishop was the primary contact for the NWECC.

President Farmer reported on the meeting with the Mayor, which had included Assistant City Manager Jim Carlson. He felt the meeting was an educational process and that he had left the meeting with a sense that there were common goals around water rights that would be beneficial for EWEB and, ultimately, the citizens of Eugene. He noted that the meeting had been summarized in a backgrounder for the Board.

President Farmer related that he had toured the College Hill Reservoir and he encouraged the other Commissioners to do so as well. He advised them to ask for a knowledgeable staff member to accompany them.

Additionally, President Farmer asked Vice President Bishop to preside at the October 4 meeting, as he would be out of town.

CORRESPONDENCE

General Manager Randy Berggren reported the following:

- He reiterated that a memorandum regarding the meeting with City officials had been included in Board packets, along with an attached copy of a resolution which was the current foundation of City Water Policy regarding extension of extra-territorial water service.
- Intergovernmental Affairs Coordinator Deborrah Brewer sent a memorandum to the Board regarding the City Club presentation on riparian zones along the river, scheduled for September 30.
- Treasurer Jim Origliosso included a memorandum in Board packets regarding the City's discussion on creation of a City Auditor position, in response to questions from Vice President Bishop, to affirm that a City Auditor would not have purview over EWEB operations.
- Assistant Treasurer Cathy Bloom sent a brief memorandum regarding the Request for Proposals (RFP) for EWEB's external auditors. He noted that Commissioners were welcome to participate in the RFP process.
- Board packets included a corrected version of EWEB counsel, Win Calkins,' confidential memorandum on litigation.

- Relative to EWEB's inability to accept the Army Corps of Engineers (ACOE) permit to work on the chevrons in the river, EWEB has filed a formal appeal for reconsideration of requirements placed in the permit by the Department of Environmental Quality (DEQ) relative to turbidity levels.

Mr. Berggren asked the Commissioners to confirm a date at which the presentation of the 30 percent design results would be made. He noted that everyone had indicated availability on November 14 with the exception of Vice President Bishop. Vice President Bishop stated that she would consult with Assistant Secretary Krista Hince and confirm her availability.

It was determined that the best day for Vice President Bishop to attend the four-hour presentation on the 30 percent design work would be November 21 and the meeting was scheduled for 5:30 p.m. to 9:30 p.m. on that day.

BOARD AGENDAS

Mr. Berggren reviewed the *Eugene Water & Electric Board Agenda Report for September 6, 2005*. He noted that the next governance session was scheduled for October 4 and asked President Farmer if he thought the governance work should continue in his absence.

President Farmer indicated that he had no objections to the work proceeding without him. Commissioner Lanning averred that the whole board should be present for governance work.

Assistant to the General Manager Debra Smith stated that governance work would focus on parliamentary issues. President Farmer said he would review the work and let her know if there were items that he would prefer to defer for consideration by the full board.

FALL RATE PROPOSALS

Fiscal Services Supervisor Dick Varner reviewed the *Fall 2005 Rate Proposal*. He explained that it was time for the semi-annual review of the Bonneville Power Administration (BPA) rates. He said it appeared that EWEB had another opportunity to pass through a rate decrease. He attributed the decrease to the Slice True-Up, forecasted to be \$57.2 million. He stated that this amount was close to what EWEB had built into its rates at present. He noted that the BPA had not factored in debt optimization. He predicted that the amount would drop to circa \$32 million if debt optimization happened as currently planned. He explained that the staff recommendation for the rate decrease was based on factoring in this debt optimization and went forward with rates that included all information from the BPA and not just its official forecast for the Slice True-Up.

Regarding the Load-Based Cost Recovery Adjustment Clause (LB CRAC) scheduled to go into effect in October, Mr. Varner stated that the new rate, 24.5 percent, was down from the last one, 26 percent, but this followed a general pattern of lower numbers during the summer. He said this factor was largely based upon how much augmentation to the system was completed and how many megawatt hours (MWh) the BPA had to "spread it over." He noted that this applied to both the Slice

and the Block product and provided savings to both.

Mr. Varner stated that currently there was no Safety Net Cost Recovery Adjustment Clause (SN CRAC). He said the Financial Based Cost Recovery Adjustment Clause (FB CRAC) was set at 11.2 percent. He related that the latest estimate of the combination of the two was that it would fall somewhere between the 5.1 and 7.1 percent marks. He had hoped to have definitive numbers, but the BPA had postponed its announcement of them and so numbers were based on 7.1 percent. He did not think it would fall as low as 5.1 percent as that would require the administrator to exercise discretion and take more risk around treasury repayment probability.

Mr. Varner delineated the *Source of the November 2005 Rate Reduction*. He noted that it worked out to be a savings of \$.00163 per Kilowatt-hour (KWh). He explained that the rate reduction was greater for larger customers than residential customers because the fixed cost of delivery comprised less of their overall bill.

Mr. Varner predicted that the BPA pass through in the spring would be in conjunction with the general rate change proposal that was planned to occur. He thought it would be a minimal change, perhaps plus or minus one or two percent for a pass through in the spring. He said at this point he was uncertain what the rates for fall, 2006, would be.

Commissioner Simpson asked if the inexpensive pre-subscription contract was the same item as the Slice contract. Mr. Varner responded that it was not. He recalled that in 1999 EWEB had been presented with a choice to take part of its BPA entitlement under a relatively fixed cost with a price, between \$18 and \$22 per MWh. He said the Board at that time had chosen to take a 25 MWh increment under that "relatively unknown" cost and the rest of its power under the regular subscription. He stated that Central Lincoln People's Utility District (CLPUD) had taken all of its power under pre-subscription and had been paying this amount of money per MWh to the BPA while EWEB had been paying \$30 for MWh under its Slice and Block contract. He projected that this portion of EWEB's power purchase would be increased to "something in the low-30s" in the fall of 2006.

President Farmer recalled that Mr. Varner had been quoted in the local paper as projecting the rate in 2006 to be much higher than the one percent he spoke of. He asked if this was a misunderstanding on the part of the media. Mr. Varner replied that this included the need to address elements of the increases in internal costs and for the increase for debt service predicted over the next year or two as well as the BPA pass through. He predicted this would fall in the five to six percent range for a rate change in the spring either plus or minus the BPA pass through.

President Farmer stressed the importance of keeping the whole rate structure as a context for rate proposals.

Regarding the Slice True-Up, President Farmer asked what impact it would have had if the debt optimization had not changed the amount from \$57 million to \$32 million. He wondered how big the risk of this not happening was, so that the Board was not passing on a rate decrease that it could not afford to support. Mr. Varner responded that the impact would be, at the outside, \$1.25 million, and added that he felt there was a low probability that the BPA would not seek to optimize its debt. He predicted that it would only involve \$200,000 or \$300,000 of risk to EWEB. In response to a follow-up question from President Farmer, Mr. Varner suggested that the odds of EWEB coming up short from the decrease and placing itself at a risk of covering the aforementioned amounts were approximately 30 percent.

President Farmer asked Mr. Varner to indicate the monetary impact between the latest BPA estimates of 5.1 percent and 7.1 percent on the FB CRAC. Mr. Varner replied that the rate impact at 5.1 percent would be \$75,000.

PUBLIC HEARING ON FALL RATE PROPOSALS

President Farmer opened the public hearing.

Charles Biggs, 540 Antelope Way, commented that it appeared to him that the last time the rates were increased, the residential customers bore the brunt of the increase. Now, to him, it seemed the rate decrease was granted mostly to the larger customers. He felt the “little guys” always got the “shorter end of the stick.” He appreciated that the Board was discussing a decrease in rates, but something in the decrease did not seem right to him.

Shawn Boles, 105 North Adams Street, speaking as a concerned citizen, recommended that EWEB explore other ways to generate power. He also questioned whether EWEB was adequately prepared for an emergency. He encouraged staff and the Board to think about emergency preparation. He said he looked forward to the Board’s decision regarding the rates, adding that one was “bound to be surprised by the future, but a person does not have to be dumbfounded.”

President Farmer closed the public hearing.

President Farmer suggested that Mr. Biggs consult with Mr. Varner for further clarification on how the rate structure works for different classes.

Vice President Bishop stated that EWEB rates were cost-based and that it cost more to deliver power to residential customers.

LIVE STEAM MUSEUM

Tom Snyder, a museum professional, presented his idea for conversion of the Steam Generation Plant into a museum as outlined in the attachment he circulated entitled *Eugene Live Steam Museum*. He hoped that the proposal to build a hospital on the EWEB site would not go through. He did not believe that it was a good fit for the site. He suggested that the steam generation

facility be converted to a museum in order to further tourism and provide educational opportunities for local residents. He highlighted similar museums in cities such as Spokane, Washington, and Minneapolis, Minnesota.

Vice President Bishop noted that the Lane County Historic Museum could possibly need to relocate. She asked if Mr. Snyder had spoken with Jim Johnson, President of the Board for the historic museum. Mr. Snyder replied that he had.

Commissioner Simpson spoke enthusiastically of the idea's potential. He felt that it fit in with his vision of how the steam facility would be handled. He noted that EWEB needed to have an energy park and suggested that a steam museum could tie into such a park. Should the utility move forward with this vision, he recommended that the modern third of the plant be razed.

Vice President Bishop appreciated Mr. Snyder's patience. She noted he had first presented his idea in the public comment portion of the meeting nearly one year earlier. She enjoyed his vision of a museum.

VEBA TRUST AUTHORITY

Human Resource Generalist III Laurie Muggy explained that her purpose at this meeting was to revisit the resolution to authorize participation in the VEBA trust. She reviewed the questions asked by Commissioners, answered in the memorandum entitled ***VEBA Resolution***. She noted that sitting next to her was Rich Dickman, a consultant for VEBA and he could respond to questions.

In response to a question from Vice President Bishop, Ms. Muggy affirmed that an employee could opt to participate in one, two, or all three of the funding methods based on eligibility.

Commissioner Simpson asked if employees could vote in two of the funding methods and not the third. Ms. Muggy replied that they could.

President Farmer wondered if, when looking at the VEBA trust as a whole, many employers provided three options for funding methods. Ms. Muggy responded that staff researched how other employers handled the funding methods and based the recommendation on this information.

In response to a question from President Farmer, Ms. Muggy explained that the cost on the options was the match EWEB provided under the first option. She noted that the total sick leave payment for retirees in 2004 had been slightly less than \$90,000. She said EWEB had agreed to contribute 50 percent of the employment tax savings, approximately \$3,400. She stated that the second option, assuming that all employees participated and a one percent contribution was voted in,

the employer match would be \$111,000 or 100 percent of the employment tax savings. She pointed out that EWEB would otherwise pay this money in taxes. The last option, she said, was the sick leave contribution. She clarified that employees would vote on the number of sick leave days to contribute and that a two-day contribution would be equivalent to approximately \$42,000.

Commissioner Simpson asked if a person who voted 'no' for the first two options was outnumbered by 'yes' votes was bound to the contribution options. Mr. Dickman affirmed that he or she would be, according to the Internal Revenue Service (IRS) rules that govern the trust.

Regarding the second option, Commissioner Menegat asked whether there would still be costs involved in the sick leave should employees not choose the option. Ms. Muggy replied that sick leave would remain in an employee's "bank" of sick leave. Commissioner Menegat surmised that the second option posed a potential liability that EWEB might not have to otherwise pay. He observed that the other two funding options were essentially a "wash."

Mr. Berggren pointed out that EWEB experienced approximately 50 percent usage of sick leave.

Ms. Muggy explained that the staff had the ability to make the administrative decision to require a simple majority, a major majority, or a super majority. She added that staff had the ability to roll decisions over from year to year, but for the present staff recommended holding an annual election. Mr. Berggren recalled that the executive management staff intended to ask employees if an annual election was desired.

Commissioner Menegat asked if participation could be modified. Ms. Muggy responded that funding options and voting protocols could be changed. Mr. Dickman added that staff could make administrative changes for the non-represented employees.

President Farmer asked how the VEBA trust would be implemented for Union employees. Ms. Muggy related that the bargaining team began meeting with the Union team and would go through the bargaining process over the next few months. She said when agreement was reached, based on those negotiations, the contract would become effective and implementation would occur.

In response to a question from Vice President Bishop, Mr. Dickman stated that the plan documents referred to in the resolution were to be filed with the IRS, to fulfill federal requirements. The documents were to be signed by trustees to be elected by participants. He clarified that the plan documents contained the definition of the trust, how it worked, and what kind of contributions it consisted of.

Mr. Berggren clarified for Vice President Bishop that the plan was executed by the General Manager but was voted on by employees.

President Farmer felt it seemed that bargaining would guarantee the VEBA trust for union employees but not for the non-represented employees. He recommended this issue be squared away prior to negotiations.

Commissioner Menegat said he was comfortable with the resolution and with the possibility that the bargaining unit could have somewhat different terms. He thought the utility would either determine that the VEBA trust was the “greatest deal in the world” or that no one liked it. He surmised that in the latter case, the non-represented employees would vote it out at the end of one year and the Union would vote it out after two. He did not think this was a major issue.

Commissioner Simpson moved to approve Resolution No. 0510, a Resolution authorizing the establishment of a Health Reimbursement Arrangement/Voluntary Employees’ Beneficiary Association Plan. Commissioner Menegat provided the second. The motion passed unanimously, 5:0.

CUSTOMER SERVICE CREDIT/COLLECTIONS SATISFACTION SURVEY

Mark Freeman, Credit, Collections, and Customer Services Manager, provided a power point presentation of the results from the recent Customer Service Credit/Collections Satisfaction Survey, conducted by Lindholm Consulting. He stated that the goal of the survey was to talk to customers with money problems that prevented them from paying their bills in a timely fashion. He related that 75 percent of the respondents were either satisfied or very satisfied with their experiences with the staff people they were in contact with.

Rick Lindholm, Lindholm Consulting, reviewed the survey process. He explained that 400 telephone interviews were conducted and only people who received collections and/or disconnect notices were in the pool of respondents. He averred that the phone list was accurate and the response rate was good. He underscored that the utility rated surprisingly high in customer satisfaction, given the pool of respondents.

Cathy Hamilton, also a consultant with Lindholm Consulting, discussed the use of the word ‘helpful’ versus the words ‘courteous,’ ‘friendly,’ and ‘nice.’ She explained that helpful related more to a professional judgment but the latter three words were considered a personal judgment. She said the open-ended questions that were asked mostly resulted in positive responses.

President Farmer noted that 65 percent of the responses were not from open-ended questions. Ms. Hamilton offered to provide a copy of the report that included all of the comments.

Commissioner Simpson asked if Ms. Hamilton considered ‘helpful’ meant the person surveyed felt the staff person provided a solution. Ms. Hamilton replied that a lot of the respondents expressed sincere appreciation for the staff person that helped them with their problem. She extrapolated from the survey that the courteous or friendly staff person was less likely to provide a solution and more likely to be merely compassionate about a person’s situation.

Regarding the service items, Mr. Lindholm reported that respondents shared EWEB’s view

of what was important. He stated that helpfulness and courteousness, knowledge of EWEB policies and procedures, and the keeping of promises and commitments were the key drivers of satisfaction with customer services representatives.

Mr. Lindholm underscored that when asked about the satisfaction level with the support respondents received, 69 percent indicated that they did not perceive that anything could be done differently in their situation.

Ms. Hamilton remarked that there were some comments suggesting that the wait time on the phones could be shortened and that flexibility in payment plans should be increased.

Regarding the perceptions of fairness, Ms. Hamilton stated that it was clear that the people contacted were expected to have problems, given the reasons for their contacts with EWEB.

Mr. Lindholm noted that approximately half of the people came to EWEB in person and the other half contacted EWEB by phone. He divided those people by demographic and zip codes and surmised that people who came in person to the EWEB building could be working in the downtown area. Ms. Hamilton felt this could weigh in on the discussion of a partial or complete move.

Mr. Freeman noted that most customers were instructed to come to EWEB in person.

Regarding time spent waiting on the telephone, President Farmer asked if statistics did not indicate that 25 percent waited on the phone for four minutes or longer. Ms. Hamilton replied that the numbers were taken from people's personal recollections or best guesses of how long they were on the phone. Ms. Howard interjected that the average wait on the telephone was 1.6 minutes.

Mr. Lindholm stated that the last element surveyed was whether customers preferred the EWEB offices to be located in the downtown area or not. He reported that central and south Eugene residents were more likely to prefer the downtown location while residents in west and north Eugene preferred a west Eugene location.

Mr. Lindholm observed that demographically, the respondents were older than had been anticipated and two-thirds were women. By zip code, there were more respondents from the Bethel-Danebo area.

Mr. Freeman extrapolated from the survey that the customers made it clear what was important to them. He said taking into consideration the 'Rely on Us' service strategy, the customers had related that they relied on EWEB to provide someone personable and knowledgeable and staff would keep these things in mind.

Commissioner Lanning remarked that he felt encouraged by the results of the survey. He asked for a copy of the in-depth analysis of the survey results. He averred that one of the most important elements of being a Commissioner was to listen to customers. Mr. Freeman said he would provide the larger analysis to Commissioners who were interested via email.

External Communications Coordinator Lance Robertson stated that the analysis of this survey had been considerably larger than analyses of the general customer satisfaction survey conducted on an annual basis.

President Farmer observed that a high percentage of the customers who participated in this survey were struggling financially. He said he did not see anything in the data that would indicate to him that the programs and referral sources that EWEB had were a factor in mitigating the circumstances that customers faced. Ms. Hamilton responded that some comments were made regarding the Energy Share program.

Mr. Freeman noted that when the survey had been conducted the Energy Share program had ended for the year and money the customers had received was not in the forefront of their minds.

Commissioner Simpson said it seemed there was no concept of resourcefulness in the survey, though elements of helpfulness and courtesy were encoded. Mr. Robertson replied that one question asked if customer service representatives presented options.

Commissioner Menegat shared his amazement at the responses. He commented that all of the respondents were experiencing trouble yet they responded to the survey positively. He said he was impressed and it seemed that whatever the customer serviced representatives were doing they were "doing it right."

President Farmer remarked that every board packet included the comments made on the backs of bills and the survey presented a very different perspective from those comments.

Mr. Freeman shared President Farmer's surprise at the positive nature of the results, given the circumstances the respondents were in.

ITEMS REMOVED FROM THE CONSENT CALENDAR

President Farmer asked for a motion to approve the minutes from the August 2, 2005, Regular Board Meeting as amended.

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Commissioner Lanning, seconded by Vice President Bishop, moved to approve the minutes from the Regular Board Meeting held on August 2, 2005, with the corrections provided by General Manager Berggren. The motion passed unanimously, 5:0.

President Farmer adjourned the meeting at 10:25 p.m.

Assistant Secretary

President