

EUGENE WATER & ELECTRIC BOARD
REGULAR BOARD MEETING
EWEB BOARD ROOM
OCTOBER 18, 2005
7:30 P.M.

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

Others Present: Randy Berggren, Dick Varner, Dick Helgeson, Debra Smith, Lance Robertson, Tom Buckhouse, Jim Wiley, Mel Damewood, Ken Beeson, Jim Origliosso, Deborrah Brewer, Marty Douglass, Dick Varner, Jay Bozievich, and Krista Hince of the EWEB staff; 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).

AGENDA CHECK

Vice President Bishop asked, given the number of interested parties in the audience, that the Public Input section of the agenda be inserted after the presentation on the College Hill Reservoir. The Board was amenable to the change.

APPROVAL OF CONSENT CALENDAR

Minutes

1. Minutes of the September 20, 2005 Work Session

Business Service Agreements

2. SelecTemp – Temporary Meter Reading Services – Meter Reading Department – Credit/Customer Services - \$23,400
3. Moss Adams - Audit Services – General Accounting – Credit/Customer Services Division - \$581,500

Commissioner Menegat, seconded by Commissioner Lanning, moved to approve the Consent Calendar with the exception of the Minutes (September 20, 2005 and Item 3 (Moss Adams)). The motion passed unanimously, 5:0.

ITEMS FROM BOARD MEMBERS

Commissioner Menegat reported that the Compensation Subcommittee met earlier in the day and had arrived at a draft General Manager contract, to be presented to the Board on November 1. He said a backgrounder would be submitted to the Board on October 26.

In response to a question from President Farmer, Commissioner Menegat stated that the draft would be presented in the regular session.

Vice President Bishop read aloud a letter from the Oregon Government Standards and Practices Commission that indicated that allegation made against her of a conflict of interest had been unfounded.

CORRESPONDENCE

General Manager Randy Berggren reported the following:

- Assistant to the General Manager Debra Smith sent a memorandum on October 13 that sought to begin to define the next steps after the 30 percent design work had been completed.
- Customer Response Manager Chuck Dalton sent a memorandum to the Board regarding activity in the Low Income Energy Assistance Program (LIEAP).
- Five Commissioner presentations had been lined up and Intergovernmental Affairs Coordinator Deborrah Brewer planned to speak to the Neighborhood Leadership Council (NLC) in order to facilitate opportunities to talk to more neighborhood groups. Currently presentations were scheduled, as follows:
 - 10/26 Downtown Neighborhood Association
 - 10/27 Cal Young Neighborhood Association
 - 11/8 Jefferson/Westside Neighbors
 - 11/16 Harlow Neighbors
 - 12/15 Trainsong Neighbors

Mr. Berggren said staff would continue to update the list as more public relations opportunities were scheduled.

BOARD AGENDAS

Mr. Berggren reviewed the *Eugene Water & Electric Board Agenda Report for October 18, 2005*.

Vice President Bishop reiterated that the December 20 Work Session would feature another regional update.

COLLEGE HILL RESERVOIR

Water & Steam Division Director Tom Buckhouse asked Senior Water Engineer Jay Bozievich to speak about this issue.

Mr. Bozievich reminded the Board of the mission and legacy statements, to supply the area with reliable and potable water, to be sensitive to community needs, and to meet the customers' needs.

Mr. Bozievich explained that the 1906 typhoid fever epidemic had spurred the creation of the water board. He provided a power point presentation that included slides of the original filtration plant and the Hayden Bridge power plant. He also showed pictures of some of the recreational sites that EWEB had included in its facilities. Included in the presentation were slides of four different reservoirs. He stressed that security needs had changed and the utility had been in the process of fencing its off-site facilities. He noted that in addition to fencing, the filtration plant was also protected by internal security cameras and other intrusion protection devices.

Mr. Bozievich showed slides of the College Hill Reservoir, including pictures of some of the damage done to it by recreational use. Several pictures also focused on some of the repairs that staff had made to seal cracks and joints.

Mr. Bozievich reviewed the five criteria listed on page two of the memorandum entitled *College Hill Reservoir Site Public Access and Security*. He hoped the Board would be able to balance the criteria and the creative tensions between community needs and security needs. He pointed out the list of *Alternatives Proposed for Access and Security for the College Hill Reservoirs*. He noted that the Board was not expected to review this list and choose an alternative at the present meeting.

Mr. Buckhouse underscored that staff needed guidance. He also welcomed any other criteria the Board would choose to apply to the situation.

Vice President Bishop asked staff to provide the State and Federal rules to the Board. President Farmer pointed out that a memorandum had been provided to the Board that addressed this.

Mr. Bozievich stated that a full segment of the Oregon Administrative Rules (OAR) that applied to public drinking water suppliers and several could be applied to this case. He said generally the utility was charged with preventing contamination of the public drinking water supply. He related that it specifically provided construction standards, though they might not necessarily apply in this case, which dictated the utility, should provide prevention measures to avoid such contamination.

President Farmer stated that the memorandum on the OARs and Federal regulations was included in August Board packets. He related that it had indicated that if the utility were building a new reservoir it would have to be fenced. He said the utility was required to do its due diligence to keep the water supply safe but an existing facility was not required to be fenced, though if significant modifications were made to it this it could be called into question. He added that the Board packets were on the Website.

Vice President Bishop opined that it was difficult to hold this discussion without a hard copy of those governing rules. Commissioner Simpson wished to have a copy as well.

Commissioner Menegat commented that EWEB was not in the parks and playground business. He stressed that the utility was charged with supplying the community with water and electricity. He did not believe the utility had the authority to move into the business of providing recreational facilities to the community, nor did he think it was prepared to assume the risks (The Lloyd Knox Water Board Park was created as part of the relicensing agreement of the Leaburg and Walterville.) He emphasized that his concern lay primarily with the utility's ability to provide a safe and reliable water supply and that keeping that supply safe was its most important endeavor.

Commissioner Menegat noted that one proposal was that the utility conducts an engineering study of the reservoir to determine how best to fix it. He underscored that it was not the utility's business to have people on the reservoir. He wondered if EWEB should ask the City of Eugene and interested parties to pay for a study to maintain accessibility. He expressed concern that a study paid for by EWEB would be tantamount to asking all of the ratepayers to shoulder the financial responsibility for one facility. He stressed that he had spoken to many people and had visited the site. He maintained that for him the bottom line was that EWEB had to "do what we do and do it well."

Commissioner Lanning agreed with Commissioner Menegat's comments. He reiterated that EWEB's primary responsibility was to provide safe drinking water. He thought one of the best predictors of the future was to look to the past. He asked staff whether there were any incidences of contamination at the College Hill Reservoir. He said without clear data he was uncertain how to proceed. He believed the College Hill Reservoir to be a community resource. He felt the societal piece was also critical and this was where the tension lay.

Commissioner Simpson thanked all of the audience members for showing up. He averred that EWEB had a responsibility to the public, first and foremost to bring its products to the community – steam, water, and electricity – in a reliable and consistent manner. He said in doing so EWEB had built systems: pumps, reservoirs, meters and so on. He felt the College Hill Reservoir was a "very special place," an open space at which many people spent quality time. He noted he had attended at College Hill meeting at Washington Park Community Center and he felt personally the creative tension between the two uses of the reservoir.

Commissioner Simpson stated that he and Mr. Buckhouse had walked the neighborhood to meet with the public and better understand the situation. He recognized that one perception was that the fence would look like those shown in Mr. Bozievich's slides. He averred that he would not let this happen. He hoped that the Commissioners would keep esthetics in mind if a fence were installed. He noted that there had also been some discussion of decommissioning one of the two reservoirs at the site and fencing the other.

Commissioner Simpson agreed that the criteria supported EWEB's mission to provide safe water and services to the public. He was open to options that met the five criteria. He said if covering the cracks with metal or putting a new surface on the lid of the reservoir would meet the criteria he would be in support of it. However, he wished to point out that the public must realize

that some of the options in the list were much more expensive than a fence. He stated that he would consider everyone's testimony prior to making a decision on the issue. He acknowledged that a loss of access to the reservoir would mean a lot to some people. He stressed that many more people were not even aware that the reservoir existed and that, depending on which way the water flowed, the reservoir served between 60,000 and 85,000 households.

Vice President Bishop did not believe there was anything in the OARs that required a fence. She felt the criteria presented to the Board were open to interpretation.

Mr. Bozievich explained that one administrative rule prohibited building anything that could jeopardize the water supply. He related, as an example that Alternative 8 suggested catchment's systems be built below the joints. He stated that the proximity of potentially contaminated water to safe drinking water was clearly against the law.

President Farmer related that he had lived for nearly ten years on Hawkins Hill. He said the reservoir up there had been heavily used by the neighborhood and when EWEB sought to fence it the neighbors, including him, he had opposed fencing it. He recalled that there had been "some fuss" in response to the fence around the reservoir on top of Skinner's Butte. He wanted to ensure that EWEB was treating all of the neighborhoods equally. He remarked that he would have a difficult time going back to his old neighborhood and justifying a decision not to fence the College Hill Reservoir.

Mr. Buckhouse surmised that the Board was generally amenable to the criteria as set forward in the memorandum but that there was concern regarding how community needs would be balanced. He said staff would give its "best shot" at finding that balance in the criteria. He asked the Board whether or not it wanted to expand its public involvement.

Commissioner Lanning asked if the intent was to advertise more broadly than just the Friendly Area Neighborhood Association (FAN). Mr. Buckhouse replied that the commitment he had made directly to area residents was that he would bring the item back to the FAN.

Commissioner Lanning noted that he lived approximately 11 blocks away and, though he technically did not live in the Friendly area neighborhood, he could walk to the College Hill Reservoir and had occasionally spent "quality time" there. He hoped that the issue would be advertised to surrounding areas as well. He also thought there should be one or two Board members present to listen at public input meetings. He noted that the Board had done so for other issues.

Vice President Bishop asked if she had understood correctly that the Water Division would not be conducting an analysis of the reservoir structure. Mr. Buckhouse replied that the money had not been budgeted to do so and was also not in the budget for the next year. He said the Board could direct staff to include money for this in the budget. He stated that it was his intent to provide staff's assessment of the situation. Mr. Berggren clarified that staff could partially assess the situation but no money had been budgeted for an outside consultant. Mr. Buckhouse added that there was no one

on staff who had the expertise specific to the structural engineering of the reservoir.

Vice President Bishop opined that the utility was “setting us up” by not hiring an expert to analyze the situation. She was inclined to direct staff to do so.

Commissioner Lanning asked how more analysis would be different from the analysis conducted in 1999. Mr. Bozievich responded that the 1999 analysis was specific to earthquakes. He said the analysis determined that the College Hill Reservoir internal columns would fail and it would collapse in on itself. He stated that the analysis determined at what level the shaking would cause a catastrophic collapse and the estimated costs to modify it. He indicated that the cost to bring the structure to subduction zone standards was \$2 million.

Vice President Bishop recalled that it had been reported anecdotally that the cover of the reservoir had been flexing under the weight of a large crowd, like the crowd that watched fireworks on the 4th of July.

Mr. Berggren remarked that the debate was largely centered on whether the reservoir would be a public facility. He thought the Board should consider budgeting for a greater analysis.

Commissioner Simpson asked what the study would provide. He wondered if the study would give EWEB an idea of the occupancy load the reservoir could handle. Mr. Buckhouse responded that it would indicate whether the reservoir would come down in a 2.7 earthquake or one that was greater on the Richter Scale.

Commissioner Simpson observed that one alternative was to build a cover over the reservoir. In this event, he surmised that no one would be affected should the reservoir collapse. Mr. Berggren replied that any structure would have to be built to greater seismic standards.

Ms. Brewer asked if the Board objected to providing broader noticing of public input meetings. The Board indicated its support for broader noticing.

President Farmer called for a two-minute break.

PUBLIC INPUT

President Farmer reviewed the rules of the Public Input portion of the EWEB agenda.

Laramie Palmer, 259 West 23rd Avenue, said she had lived in the reservoir area since 1970. She said her children learned to ride bicycles on top of the reservoir. She averred that the reservoir had enjoyed a long history of recreational use. She thought fencing was an expensive solution to a non-existent problem and she opposed it.

John Wolfe, 2495 Charnelton, stated that he had grown up in Eugene and had been on top of

the reservoir many times. He thought even a nice fence around it would negatively impact the reservoir area and its wider environs. He urged the Board to find a way to meet the criteria to protect the water supply without constructing a fence. Regarding the neighbors on Hawkins Hill, he thought President Farmer's former neighbors would support leaving this reservoir unfenced, as "two wrongs don't make a right."

Neil Mann, 2470 Lawrence Street, indicated that he had been a neighbor of the reservoir for a long time. He opposed fencing the reservoir. He asked that security issues be addressed at the points of concern, e.g. the places where it was cracked. He averred that it was not just the Friendly area neighborhood that used the facility.

Polly Nelson, 2470 Lawrence Street, asked the Board to withhold putting any money in the budget for construction of anything on the reservoir until the structural analysis and all of the criteria discussions had been finalized. She urged the Board to allocate money in the budget to conduct the appropriate structural analysis and any analyses of whatever proposal was decided upon.

Roger Phillips, 10 Crest Drive, explained that he taught astronomy at Lane Community College. He called the reservoir an "absolute treasure" for the City. He maintained that it was the only place that was high enough and dark enough to see the sky at night. He related that he took his students on top of the reservoir every year. He hoped that the City would not "lose that treasure."

Jerry Oltion, 750 Brookside Drive, called the fencing of the reservoir a city-side issue. He felt EWEB had been digging itself a "public relations hole." He maintained that people all over the city did not want the reservoir fenced and the Board was just not listening. He urged the Board to think of other solutions. He opined that some staff people just wanted to fence the reservoir to "get it out of their hair." He remarked that he had always been happy with EWEB and had felt that it represented him well prior to this but now he felt that it was "us versus them." He predicted a fence would be the beginning of a public relations nightmare.

Karen Adela asked the Board to consider other ways of securing the College Hill Reservoir besides a fence. She did not believe a fence would deter acts of vandalism or terrorism or any seismic activity. She felt if the goal were truly to protect the water, the fence would not meet this goal. She asked the Board to come up with a low-cost plan that would address the specific issues of the reservoir and the neighborhood needs. She related that she had used the site for over 30 years. She averred that the reservoir was a welcoming part of the neighborhood it was located in. She urged the Board not to take community access away. She stated that she had always valued EWEB and asked the Board to continue being involved with the community on this issue.

Machiko Shere, 2755 Washington Street, supported having the quality of water but not at the expense of the quality of life. She shared that she had enjoyed many activities on the College Hill Reservoir. She related that she led a Tai Chi practice there every year on New Year's Day. She averred that the reservoir was the most "perfect wonderful place" to do so. She said the Tai Chi practitioners faced the sunrise and wished for peace.

Carlos Ferrera, 2470 Olive Street, stated that he was a member of the Board of the Friendly Area Neighborhood Association. Regarding the statement that EWEB was not in the park business, he asserted that EWEB had designated the reservoir as such in 1940.

Mr. Ferrera said the catchments alternative had only been suggested to be placed under seams to protect the water in the event the seams should fail. He thought the estimate for putting diamond plating over the seams had been \$60,000 while the estimate for the fence had been \$200,000. He did not think fencing the reservoir necessarily provided any protection to the water supply. He encouraged the Board to look for the most effective way to protect the water system.

Jeanne Marie Moore, 2470 Olive Street, said she currently served on Eugene's Human Rights Accessibility Committee. She had found the staff presentation on the reservoirs very interesting. She maintained that one of the fenced reservoirs was basically an open reservoir with a plastic cover on it. Regarding the Skinner's Butte Reservoir, she related that she had heard that the joints on that reservoir were different. She thought fencing reservoirs would likely cause tall grass to grow there and this would present a fire hazard. Ms. Moore suggested placing plates over the joints on the College Hill Reservoir that were only attached on one side in order to allow for expansion and contraction of the surface.

Noting that staff had pointed out dog feces had been found on top of the reservoir; Ms. Moore suggested that more public education on proper etiquette for dog owners might help.

Ms. Moore predicted the people were ready to organize and take up the issue of leaving the reservoir open.

Sally Myers, 2490 Lincoln Street, said she loved that this country guaranteed the right to express one's opinions. She hoped the outpouring of opposition would change current plans. She felt the joint situation was possibly attributable to poor design and not use.

Ms. Myers stated that the reservoir on 27th Avenue and City View Street was not fenced.

Regarding the improvements suggested by the 2003 vulnerability study, Ms. Myers noted that one suggestion had been to harden the exterior. She thought the Board should consider whether the whole building itself was structurally sound enough and whether it should perhaps just be decommissioned. She asked, given that staff had contemplated fencing the reservoir in 1999 and 2003, where the public involvement had been at those times.

Nancy Ellen Locke said while she had only been on top of the reservoir a few times, she had heard from many people that it was a community resource for them. She thought the group was hearing confusing information. She observed that staff had indicated that the reservoir could conceivably be grand fathered in and might not require fencing and that even if a fence was constructed it might not keep people out of the reservoir area. She asked that money that had been allocated in the budget be dropped from the budget until other avenues had been explored.

Ms. Locke thanked EWEB for the good water that she enjoyed every day. She also conveyed her pleasure at the number of people who had come to speak on this issue.

Brad Myers, 2490 Lincoln Street, said the water needed protection but wondered if a fence would serve that purpose. He thought the time had come to appropriately research the subject. He commented that the reservoir was not used for picnicking (as had been asserted in one staff memorandum). He believed that the reservoir served approximately 15,000 customers and not the larger number that had been suggested earlier. He recommended that the money allocated to secure the reservoir be spent on structural reinforcement of the reservoir itself.

Greg Giese, 42 West 19th Avenue, stated that he was on the FAN Executive Board. He noted that one criterion was to keep the water safe, but the drinking water had been kept safe for 66 years at this point. He averred that the reservoir was still producing safe drinking water though people had used the facility on nearly a daily basis for 66 years. He felt a fence would not stop a terrorist. He also disagreed that the reservoir presented a safety issue. He noted that no one had been seriously hurt on top of the reservoir in the length of time it had been open. He observed that the reservoir would be grand fathered in and not required to be brought up to standards spelled out in state guidelines. He submitted his testimony in writing.

Brian Kelly, 2232 McMillan Street, co-chair of FAN, thanked Vice President Bishop, Commissioner Simpson, Ms. Brewer, and Mr. Buckhouse for their attention in this issue. He related that the FAN had been one of the groups that raised the issue of accessibility for the reservoir. He had been surprised that EWEB's response had been to recommend fencing it. He opined that the reservoir was a local treasure and "one of the great things in the neighborhood." He noted that his children were adamantly opposed to losing access to the reservoir. He encouraged President Farmer not to think of keeping the College Hill Reservoir open as treating the neighbors there better than the neighbors of the Hawkins Hill Reservoir. Rather, he suggested that President Farmer consider that he had learned something from the utility's past mistakes.

John Gregor, 483 West 23rd Avenue, said he used to live between the EWEB water tower and the reservoir. He felt very familiar with the facility. He averred that Eugene was an aging community with a greater need for exercise and the reservoir provided a level surface on which to do so. He related that he had witnessed people walking for exercise on the surface of the reservoir. He thought removing the reservoir from public access would reduce the quality of life for the community. He agreed that EWEB was the steward for this public property but did not think that EWEB should bar the public from using it. He urged the Board to review its responsibilities rather than "just dismissing the responsibilities" the Board might not feel it should take on.

Mr. Gregor stated that he had heard nothing over the years regarding any potential or actual contamination. He thought the utility had the staff expertise it would take to analyze the reservoir and come up with solutions that could meet all of the needs of all of the people. He opined that a decision to close the reservoir represented an example of rushing to judgment and taking things away from the public instead of looking for complementary solutions that would meet all of the needs of the community.

Rick Grosscup, 2540 Lincoln Street, explained that he lived four doors south of the reservoir. He highlighted a long relationship he had with EWEB, both as a worker and a utility customer. He echoed the sentiments that the reservoir was a public jewel and historic treasure. He said he looked forward to reviewing the list of alternatives. He requested the list be shared with the neighborhood. He related that he walked his dogs around the reservoir every day and, because of military service, he often thought of how reservoir security could be maintained. He averred that good neighborhood relations were the best form of security as the neighbors helped to keep track of activity at the reservoir.

Mr. Grosscup noted that there was no fence on the Water Board Canal or around the Water Board property. He believed the utility had an agreement with the neighbors there for recreational purposes. He hoped any future actions would be undertaken with the advice and consent of the College Hill neighbors.

Kate Burris, 483 West 23rd Avenue, said she had once lived between the two EWEB properties at 2495 Lawrence Street. She had witnessed the reservoir being used in many positive ways. She saw the property as a peaceful environment only occasionally marred by vandalism or graffiti.

Ms. Burris recalled five years earlier that EWEB had been in the process of consulting with a cell phone company to add cell towers to the water tower. She said during that time very little information had been shared with the neighbors. She remembered promises that the cell tower work would include good landscaping and would be an improvement to the neighborhood, when in fact plants that were installed had died for lack of maintenance and no one had mentioned an increase in decibels that accompanied the structure. She cautioned the Board to make sure that something ugly and terrible would not happen. She urged EWEB to be a good neighbor.

Kay Kruger-Hickman, 2395 Lincoln Street, said she had lived across from the reservoir for 12 years. She wished to confirm that people all over town used the reservoir. She reiterated that it was treasured. Regarding graffiti, she did not believe that a fence would prevent it. Rather she thought the fence would be a place for graffiti. She thought EWEB could mitigate litter and dog problems by placing garbage cans and signage around the reservoir. She echoed and underscored earlier statements regarding the security and oversight that the neighborhood provided. She averred that neighborhood use of the site was a resource for safety.

Saul Wold, 2390 Lincoln Street, thanked the Board for listening and also thanked Mr. Buckhouse and Commissioner Simpson for coming to the neighborhood. He said he and his child played Frisbee golf around the reservoir and he often took his telescope to the top of it to stargaze. He encouraged the Board to review the list of alternatives and keep the reservoir available for this and future generations to enjoy.

President Farmer stated that **Tom Conlin**, 1159 Tyler Street, had left due to illness and wished to have it read into the record that he opposed fencing the reservoir.

Commissioner Simpson read two email letters into the record, from Jen Thoennes and Merrie Sennett, both in opposition to closing the reservoir to the public. He thanked everyone for their testimony.

Regarding the testimony about the cell phone tower, Commissioner Simpson agreed that anything put up could “get ugly” in short order. He also acknowledged that a fence would not stop a vehicle and assured everyone that EWEB would not merely fence the reservoir off and nothing more. He stressed that the proposed fence was simply to delay entry.

Commissioner Lanning commented that he had hoped to hear what the neighborhood could do to provide security and to assist EWEB in this endeavor. He asked the neighbors to consider what this would look like. He said this was one of the core issues the utility was addressing.

Vice President Bishop thanked all of the people who had spent time engaging EWEB on this issue. She also expressed appreciation to staff for providing information that was “as specific as possible.” She thought there was a common sense practical solution to the dilemma but that it had yet to be determined. She also appreciated that neighbors increased Board awareness of how they contributed to the security of the area with their watchfulness. She said 60-some years of use of this property with no problems caused her to question what had changed that had elevated this issue to the point where some other arrangement had to be made for the property.

Vice President Bishop said she was “stuck on the access issue.” She remarked that she had never intended to invite people to be on top of the reservoir. She averred that the utility entered a “whole other level of risk” because of this. She felt optimistic, however, that a solution other than a fence could be determined. She noted that there had been no budget item for this property at this point.

Mr. Berggren clarified that there was a placeholder for action because money needed to be available for some solution.

President Farmer also thanked the people for coming to the EWEB meeting and testifying. He challenged everyone to think in terms of a solution. He said a lot of opposition had been expressed in the testimony, but hardly anyone had provided fodder for solutions. He asked staff to provide a paragraph on the open space inventory in this neighborhood.

WAUNA COGENERATION BOND REFUNDING RESOLUTION – RESOLUTION NO. 0514

Energy Resource Projects Manager Ken Beeson provided a brief power point presentation in addition to the memorandum entitled *Wauna Project Bond Refunding* dated *October 11, 2005*. He highlighted the proposal, which sought to issue debt to allow EWEB to “do a refund.” He stated that EWEB was working with *Merrill Lynch*. He said the pricing at present was circa \$4 million. He indicated that in order for the refunding to go forward approvals from the EWEB Board and from the Clatskanie People’s Utility District (CPUD) Board were required, as was approval from the mill and “various legal opinions.” He also noted that EWEB was engaged in the Uniform Revenue Bond Act (URBA) process to allow the utility to issue bonds to take out the EWEB debt.

Mr. Beeson stated that the mill risk assessment had begun. He averred there were benefits to the agency and to the mill and he felt it would benefit EWEB as well. He said it would allow EWEB an increase in its current debt capacity and in its cash flow. He conveyed the staff recommendation, which was to approve the resolution.

PUBLIC HEARING ON WAUNA BOND REFUNDING RESOLUTION

President Farmer opened the public hearing. Seeing no one who wished to speak, he closed the public hearing.

WAUNA COGENERATION BOND REFUNDING RESOLUTION NO. 0514

Vice President Bishop moved approval of Resolution No. 0514, a resolution to refund the Wauna Cogeneration Bond. Commissioner Menegat provided the second. The motion passed unanimously, 5:0.

ITEMS REMOVED FROM THE CONSENT CALENDAR

Regarding the September 20, 2005 Work Session minutes:

Page 3, paragraph three: change the spelling of the work “Priuse” to “Prius”

Page 7, paragraph two: insert the work “determined” after the word “be” in the first line. It should read, “President Farmer asked how the correct amount of SDC reserves should be determined.

It was moved by Vice President Bishop, seconded by Commissioner Menegat, to approve the September 20, 2005 Work Session Minutes. The motion passed unanimously, 5:0.

Vice President Bishop moved, and Commissioner Menegat seconded, to approve the Consent

Regular Board Meeting
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Calendar Item No. 3, Moss Adams. The motion passed unanimously, 5:0.

President Farmer adjourned the meeting at 9:44 p.m.

Assistant Secretary

President