

EUGENE WATER & ELECTRIC BOARD
REGULAR BOARD MEETING
EWEB BOARD ROOM
JANUARY 16, 2007
7:30 P.M.

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

Others present: Randy Berggren, Dick Varner, Tom Buckhouse, Debra Smith, Jim Origliosso, Jim Wiley, Marty Douglass, Lance Robertson, Jason Heuser, Jay L'Estrange, Andy Talabere, Gale Banry, Suzanne Pearce, and Krista Hince of the EWEB staff; Kimberly Young, City of Eugene minutes recorder; and members of the public.

President Menegat convened the Regular Meeting of the Eugene Water & Electric Board (EWEB).

AGENDA CHECK

President Menegat determined that there were no changes to the agenda.

PUBLIC INPUT

President Menegat reviewed the rules of the public input period.

Eric Meyers, 4360 Fox Hollow Road, provided a lengthy summary of his involvement in the issue. He thanked the board for the decision it reached at the work session regarding the College Hill Reservoir. He said that many had benefited from the open space at the site. He suggested that EWEB form a citizen committee to work on the "looming energy crisis" and move toward energy independence. He recommended that the board follow the recommendations of the Friendly Area Neighbors (FAN) and staff, and use the opportunity to create an educational demonstration project. He asked the Commissioners to "pay heed" to his comments.

Brad Meyers, 2490 Lincoln Street, thanked the board for its earlier discussion on the College Hill Reservoir. He asked the board to keep in mind the recreation opportunities offered by the reservoir. He emphasized the importance of keeping security in mind without acting fearfully. He asked the Commissioners to consider the least restrictive use for this "neighborhood treasure."

Nancy Ellen Locke, 1130 West 25th Avenue, shared a petition signed by 262 individuals asking that the reservoir remain open to the public. She noted that Portland had fenced all its reservoirs and then took the fences down. She suggested the Commissioners approach the City of Eugene about the potential of seeking historic status for the reservoir. She thanked the Commissioners for working with FAN.

Jean Marie Moore, representing the Lane Independent Living Alliance (LILA), PO Box 12106, Eugene, called the Board's attention to a letter it had received from LILA expressing support for continued access to the reservoir. She averred that rest rooms would not be required by

the Americans With Disabilities Act (ADA) if access were provided. She offered LILA's assistance in the future.

Gary Rayor, 2373 Washington Street, suggested the Carmen Smith relicensing project was not going well. While he thought staff did a good job of meeting with the regulatory agencies, he asserted that it was "very hard" for the regulatory agencies to require screening of the downstream passage on Trail Bridge. He maintained it was "very stressful to get EWEB to do the right thing." He said the draft application, which the regulatory agencies commented upon, included a fish ladder but the final application included a trap and haul facility, which the agencies did not like and which he did not like. He also did not like the price tag mentioned in the final application as half was life extension and most of that was new runner blades. It was being "sold" as environmental enhancements, but only half of the price tag was intended for that purpose. He indicated his intent to offer his comments to the Federal Energy Regulatory Commission (FERC). He also felt the application was lacking in detail.

Rick Grosscup, 2540 Lincoln Street, expressed appreciation to the Board and staff for their work on the College Hill Reservoir issue. He encouraged the Board to take a cost-benefits look at the problem. He thought surveillance cameras could solve many of the concerns that had been raised about continued access to the reservoir. He hoped the Board went beyond Option 2, and suggested the neighborhood watch be involved as it could provide web cams. The neighborhood watch, of which he was a member, would like to work closely with EWEB in keeping an eye on the reservoir. He suggested that the neighbors could complete the ramp with licensed contracts, and offered to work with EWEB on the project.

Greg Giesy, 42 West 19th Avenue, supported continued access to the reservoir and emphasized the residents' willingness to install an ADA access ramp or assist with its installation. He offered his professional expertise to the project, and said residents were willing to work with EWEB to improve reservoir security.

Jerry Oltion, 750 Brookside Drive, thanked the Board for listening to the public and noted the support for continued access from local astronomy society. He thought the Board was moving toward an option that all could be happy with. He recommended that instead of a staircase, a ramp be built instead as he anticipated it would be used by many residents, not just the disabled.

Carlos Barrera, 2852 Willamette Street, #103, spoke of the importance of people having open space close to their homes and encouraged continued access to the reservoir so residents of the area had an open space to visit. He suggested the Neighborhood Matching Grant Program might have funds available for the purpose of maintaining access.

Vice President Simpson, and Commissioners Brown, and Lanning all expressed appreciation for the input offered.

APPROVAL OF CONSENT CALENDAR

Minutes

1. Minutes of the November 21, 2006, Work Session

Resolutions

2. Resolution No. 0710 – 2007 Legislative Session

3. Resolution No. 0702 – EWEB Greenpower Product Authorization. Request for Board Approval and Authorization to Implement New EWEB Greenpower Product Offering— Power Resources Division
4. Resolution No. 0703 – Appointment of Commissioners to Board Liaison Assignments
Business Service Agreements
5. Dex Media West, Matrix (Global Crossing), Verizon, FSH Communications, UCN, Qwest - \$264,236

Vice President Simpson pulled the minutes of November 21, 2006.

Commissioner Farmer, seconded by Vice President Simpson, moved to adopt the Consent Calendar with the exception of Item 1 (the minutes of 11/21/06 Work Session). The motion passed unanimously, 5:0.

ITEMS FROM BOARD MEMBERS

Commissioner Lanning announced the upcoming Lane Council of Governments Recognitions Awards Ceremony behind held in Cottage Grove on January 25 and encouraged any of the Commissioners who wanted to attend to contact him.

Commissioner Brown noted the potential negative impact from pending Ballot Measure 37 on the water quality from the McKenzie River, and noted that Lane County had significantly reduced its waterside setback. He hoped that EWEB would become involved in Ballot Measure 37 claims because of the potential impact on water quality. He also indicated interest in discussing the merits of the secondary water source selected by EWEB.

CORRESPONDENCE

There was none.

AGENDAS

General Manager Randy Berggren reviewed the *January 16, 2007, Eugene Water & Electric Board Agenda Report*.

CARMEN SMITH.

Mr. Berggren introduced the item, first reporting that FERC required EWEB to provide life extension measures.

Electric Division Director Jim Wiley, Generation Manager Jay L'Estrange, and Staff Ecologist Andy Talabere presented a PowerPoint presentation entitled *Trail Bridge Dam Up Stream Fish Passage* that provided information about the options that existed for Trail Bridge Upstream Passage, including trap and haul, a gravity fed ladder, and pumping water into the ladder. Mr. Wiley reminded the Commissioners that the original application included the trap and haul option. Staff's conclusion in regard to engineering was that dam safety risks could be addressed through engineering design and

construction for fish ladders. Detailed design, construction methods, schedules, engineering, and biological risks remained to be analyzed. Staff's conclusion in regard to the biological evaluation was that there were few uncertainties about the workability of a gravity fed ladder and more uncertainties in regard to the workability of trap and haul.

Commissioners asked questions clarifying the details of the information presented.

President Menegat asked how staff determined which entrance worked best with which ladder. Mr. Talabere indicated he would first look at the biological uncertainties associated with an entrance. For example, fish might have a false attraction to the spawning channel versus going into the ladder, which was acceptable because not all the fish would be attracted to the channel. The ladder starts at the current barrier, making for a longer ladder and a long ladder increased the amount of time it took a fish to go up, and there was also the potential the water could warm in a longer ladder. Significant changes between the water temperature in the water and the ladder would mean the fish would not use the ladder.

Commissioner Brown asked why a constant flow of 30 CFS was needed if the fish do not spawn year-round. Mr. Talabere explained that bull trout move year-round. Other fish species also move year-round and would use the ladder. Commissioner Brown determined from Mr. Talabere that there were ways to screen the ladder from solar. Responding to a follow-up question from Commissioner Brown regarding the costs of operation and maintenance for the ladder, staff estimated \$300,000 to \$400,000 over four years. It would probably require one to two FTE to maintain the ladder.

Vice President Simpson determined from Mr. Talabere that clogs in the ladder set off an alarm, which prompted a maintenance response. Commissioner Simpson asked if the fish attracted to the spawning channel would eventually find the fish ladder. Mr. Talabere said that as part of the natural migration pattern, fish would explore side channels such as the spawning channel and eventually find their way out; the primary impact was a delay in the fish "getting where they were going." A fish might spawn where they were not intended, but that was also part of the natural process of salmon colonizing new areas and keeping the gene pool mixed up.

Vice President Simpson asked what factors determined which was the best intake location. Mr. Talabere indicated that staff was leaning toward the intake in the tail race as it represented the shortest route. In response to a question from Vice President Simpson about whether fish would go down the ladder and if EWEB should care, Mr. Talabere said that it was not an issue in the case of a gravity-fed ladder; a pump ladder was a different situation as in that case water flowed into the reservoir. Fish would go down the ladder because EWEB was seeking the free movement of fish. In response to a follow-up question from Mr. Simpson, Mr. Talabere defined "fallback" as when a fish moved over a dam up a ladder or through trap and haul and then decided they did not want to be there and moved back downstream at the dam through whatever downstream passage route was available.

Vice President Simpson asked if the ladder required habitat enhancement. Mr. Talabere said no; the ladder was built to federal criteria that were species-specific. In this case, the two target species were bull trout and Spring Chinook, but the ladder would also accommodate species such as native trout and white fish.

Vice President Simpson thought it “scary” to cut into a dam and asked if there were any serious drawbacks to the right bank option. Mr. Berggren did not know, as staff had not done all the needed design work. Vice President Simpson asked if cutting through the dam present a lesser risk than the right bank location option even with all the unknowns. Mr. Berggren suggested it depended on who you were; if you were a dam operator, the seal would be the only thing between you and a dam catastrophe, giving you a natural resistance to that approach. He said that EWEB had all the specifications for the dam and more engineering data for the through-the-dam option than for the right bank option because of a lack of geological data for the right bank option. He thought some might argue there was higher cost certainty to the through-the-dam option, but he was reluctant to disturb the clay core. Until there was more design information about the right bank option, he would argue there was more volatility about the cost of that option.

Mr. Berggren emphasized that a supermajority of staff supported the fish ladder option as the best solution. Either fish ladder option, if well-designed, would be effective; then the issue became cost. Mr. Berggren said that staff believed there were two viable options regarding the location of a fish ladder, one through the dam, and one through the right bank. At this time, he did not recommend a specific location given the need for more information.

Responding to a question from Commissioner Farmer, Mr. Talabere said that salmon would spawn close to where they hatched, but not necessarily in the same place. He termed the spawning process an exploratory process for fish by which they entered and rejected various tributaries until they reached one that seemed right. Salmon are very adaptable and will colonize new areas very readily. It might take five years for a big population to grow in the spawning channel, but he had no doubt that salmon would begin to use the ladder in the first year. Commissioner Farmer asked if the salmon spawning above Trail Bridge were landlocked. Mr. Talabere clarified those were hatchery fish moved to the area and they were intended to provide a source of food for the bull trout. The adult salmon die shortly after they spawn.

Responding to a question from Commissioner Farmer, Mr. Talabere said that staff had not evaluated the construction impact from the ladders but they would be similar to the impacts that would occur from constructing the downstream screens. The reservoir could be drained, or a coffer dam installed; both would have an impact, but draining the reservoir would have the most impact from a biological perspective, but it would not wipe out the fish populations.

Commissioner Farmer wanted more information about the biological impact of construction before selecting an option. Mr. Berggren indicated that EWEB might not have that information for the upstream option for some months as he anticipated it would be part of the settlement negotiations and the option most likely prescribed by the regulatory agencies. He indicated staff would provide that information about the downstream impact.

Mr. Wiley clarified that staff was seeking permission to include the fish ladder in the settlement negotiations.

Commissioner Farmer asked why EWEB had not examined upstream and downstream passage when ordered to do so by FERC in 2003. Mr. Berggren indicated that EWEB did not have the resources to complete an analysis and meet the regulatory agency deadlines, although all the information had been close to being available. He termed it a lost opportunity. He thought that EWEB could have met the deadlines if the last-minute issues had not come up.

Responding to a question from Commissioner Farmer regarding the further analysis that staff

had needed to do, Mr. Wiley said that the dam safety issues had not been fully analyzed. Staff needed to assure itself of public safety before it was comfortable making a recommendation related to a fish ladder. Commissioner Farmer credited staff for the work it had done in regard to the additional analysis, but pointed out that he had asked staff specifically if there were any dams in the northwest that one could build a fish ladder over or through, and staff said no. He had asked if EWEB could build through the core safely, and he was told no. He had told staff, off-the-record, it better double-check the answer to make sure it was correct, and while he gave staff credit for doing so, he was struggling with the conflicting information. Commissioner Farmer wanted to avoid taking a position he would have to reverse in the future.

Mr. Berggren pointed out that FERC had changed its requirements for dam safety midway through the process.

Responding to a question from Commissioner Farmer about the meaning of the statement in the staff background indicating that staff would prefer to complete negotiations for any amendment to the license application submittal, Mr. Wiley said the regulatory agencies would want to know in detail what was being constructed in the license application. EWEB believed it would be better to work with the agencies in a collaborative manner through the settlement negotiations to identify the preferred option. Commissioner Farmer expressed concern about public perception if later events forced the Board to back away from a particular fish ladder option because it was not feasible from a safety standpoint.

Mr. Berggren thought the staff-prepared motion addressed and acknowledged the uncertainty of the options. He reiterated staff's belief that a fish ladder was superior to trap and haul. The only uncertainty regarded the cost of building a ladder as additional design work needed to be done. Mr. Berggren said he was recommending the Board provide staff with direction to pursue upstream fish passage using a ladder, acknowledging the settlement process, which would result in some proposal. He reminded the Board that the regulatory agencies had proscriptive rights.

Commissioner Farmer believed that dollars would not determine the outcome; rather, feasibility and safety would. He was concerned about the public perception if EWEB went forward with something that was not workable or safe. He thought it should be made clear that EWEB was pursuing a fish ladder through negotiations, and if it could find a way to do it feasibly and safety, it would, but otherwise, it was not committed to the option.

Vice President Simpson moved to table the item to February 7. The motion died for lack of a second.

Commissioner Lanning indicated support for the staff recommendation and indicated he would incorporate Commissioner Farmer's concern about feasibility and safety in the motion.

Commissioner Lanning, seconded by Vice President Simpson, moved to authorize staff to add volitional fish ladders as options for upstream passage in the settlement negotiation process, and reserves final selection of a specific upstream passage alternative until it considers for approval the total package that emerges from settlement negotiations, with an emphasis on the feasibility and safety of the project. The motion passed unanimously.

2007 GENERAL MANAGER GOALS AND STRATEGIC PLAN

Mr. Berggren called attention to the final draft of the 2007 Goals and Strategic Plan.

Commissioner Farmer proposed that the Board weight the goals differently. He believed that the two most important goals related to Carmen Smith and the new headquarters site, and suggested that those two goals be emphasized first. Rather than weighting everything equally, he proposed that 1A be assigned a weight of 15 percent, 2A be assigned a weight of 40 percent, 2B assigned a weight of 35 percent, and 2C assigned a weight of 10 percent. Commissioners agreed to the concept of weighting the goals differently, and accepted a suggestion from Commissioner Brown to weight the goals as follows: 1A—10 percent, 2A—40 percent, 2B—40 percent, and 2C—10 percent.

Vice President Simpson, seconded by Commissioner Farmer, moved to approve the 2007 General Manager Goals and Strategic Plan, assigning weight to the goals as follows: 1A—10 percent, 2A—40 percent, 2B—40 percent, and 2C—10 percent.

Responding to a question from Commissioner Lanning, Mr. Berggren indicated he did not think that he would be able to have a final agreement with the City of Eugene in regard to the headquarters site by July 1. The Board acknowledged the likelihood the agreement would not be signed by that date.

The motion passed unanimously, 5:0.

ITEMS REMOVED FROM THE CONSENT CALENDAR

Vice President Simpson said he pulled the minutes because he was incorrectly listed as being present.

Commissioner Lanning, seconded by Commissioner Farmer, moved to approve the minutes of November 21, 2006. The motion passed unanimously, 4:1:0; with Vice President Simpson abstaining from the vote because he was not present at the meeting.

The meeting adjourned at 9:46 p.m.

Assistant Secretary

President