



# MEMORANDUM

EUGENE WATER & ELECTRIC BOARD  
GENERAL MANAGER'S DIVISION

*Rely on us.*

TO: Commissioners Menegat, Simpson, Lanning, Farmer, Brown  
FROM: Ken Beeson  
DATE: January 25, 2007  
SUBJECT: Roosevelt Building Project Review

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## ***Issue Statement.***

This memo provides background for the January 31, 2007 Board review of the Roosevelt Building Project.

## ***Background.***

We have been working since August 2006 on final design for the Roosevelt project. Based on our schedule, we expect in March to provide the Board with a final cost estimate for consideration for project financing.

In mid-December, we advised the Board the project estimate had increased from \$72 million to \$98 million, primarily as a result of revisions in assumptions of construction escalation and project contingencies. As might be expected, this increase has raised questions about overall affordability and how the cost might be reduced.

Given the increase in the estimate as well as where we are in our current design work, we believe a Board Work Session devoted to detailed review of the project design, cost estimate and development plan would be helpful. Such a session will also allow review of possible alternatives to our present development plans and schedule. PIVOT Architecture and Lease Crutcher Lewis will be present to help with the discussion and answer questions.

This memo provides background material for the Work Session and includes the following attachments:

- Attachment A - Proposed agenda for the Work Session;
- Attachment B – Summary description of the Roosevelt material and component requirements (organized by site, operations building, fleet building, and warehouse);
- Attachment C – Roosevelt Project cost estimate (as presented in December);
- Attachment D – Roosevelt cost estimate comparison (includes cost estimates for (1) present plan with construction 2007-08, (2) delay one year and construct 2008-09, and (3) build on downtown site); and
- Attachment E – Status review of the project development

## ***Discussion.***

The basic objectives for the Work Session are to (1) provide the Board with a detailed review of the development plan, design and cost estimate, and (2) review possible alternatives to our present plan.

***Current Design and Development Plan.*** In the first half of the Work Session, we want to provide a overview of the design and cost estimate and leave ample time for Board comment and questions. The architect and the

construction manager will assist in this discussion.

The foundation for the current design and development plan is the schematic design work completed in November 2005 and accepted by the Board in February 2006. This schematic (or 30%) design provided a basis for the Board decision in February 2006 that we proceed with design work allowing for relocation of electric and water operations and engineering functions to the new Roosevelt site in west Eugene.

This plan includes an Operations Building (127,000 sq ft), a Warehouse (40,000 sq ft), a Fleet Services Building (25,000 sq ft), and site improvements that include an operations yard, employee parking, entrance road and landscaping and replanting work associated with the wetlands that are part of the site. Based on detailed program review and evaluation completed in 2005 for each section of the utility, the Roosevelt facilities are being designed to accommodate 335 employees (year 2020). In addition, various sustainability and efficiency measures are being included not only to provide life cycle cost savings but also consistent with long term EWEB values related to sustainability and energy efficiency.

Attachment B provides a summary breakdown of the various material and components required for construction of the site and the buildings. For each building, the required material is listed by structure, exterior, interior, roof, HVAC, plumbing, and electrical. Taken as a whole, this list is intended to provide the Board with a more detailed understanding of the project construction and cost. I encourage you to take a few minutes to review this list.

Attachment C is the current cost estimate for the Roosevelt project and is consistent with the estimate that I presented to you in December. The estimate includes (1) base construction cost broken down by site and buildings; (2) construction overheads and contingencies; (3) various owner costs including equipment and furniture, project management costs, permits and fees, design and engineering, and related contingency; and (4) project contingency and administrative overhead. Brief explanation of the line items is included.

Attachment C also includes (at the bottom) a breakdown of the project estimate by various categories including base construction cost; escalation; construction fees; equipment and furniture; owner's costs; fees; and permits; design and engineering; and contingencies.

*Construction Cost Comparables.* Several times in the development process there has been reference to comparable costs for construction. In December, I told the Board that I expected to be able to provide you with comparable costs for your review and, to that end, I have developed the following information:

<b>TABLE 1</b> <b>EWEB Roosevelt Project</b>	<b>sq ft</b>	<b>Construction Cost</b> <b>(without overheads)</b>		<b>Cost / sq ft</b>	<b>Construction Cost</b> <b>(with overheads)</b>		<b>Cost / sq ft</b>
<b>Building and site</b>							
Site (includes canopies)	35,729	\$	15,200,000		\$	20,093,526	
Operations Building	127,252	\$	29,500,000	\$	232	\$	38,997,302
Warehouse	39,676	\$	5,100,000	\$	129	\$	6,741,906
Fleet	24,976	\$	5,800,000	\$	232	\$	7,667,266
	227,633	\$	55,600,000	\$	244	\$	73,500,000
Ops, Warehouse and Fleet only (no site cost, no canopies)	191,904	\$	40,400,000	\$	211	\$	53,406,474
<b>Public Sector Comparables</b>							
Composite	568,479	\$	156,295,951	\$	275		

Notes on Table 1: "Construction cost Comparables"

- The composite square footage and construction cost figures are the sum of comparable figures from

eight local public sector construction projects (e.g., City Fire Station at 13<sup>th</sup> and Willamette, UO Lillis Business School, LTD headquarters, City of Eugene Public Safety Facility at 2<sup>nd</sup> and Chambers, Springfield Justice Center)

- All of the comparable cost information we have obtained has been represented to us as “construction costs” from which we have calculated “construction cost per square foot”.
- It is not known what overheads have been included in the comparables; I assume there are no contingencies for those projects that have been completed.
- For the EWEB project, we have tried to show all viable combinations.
- The square footage reference (35,729) under “site” is for the vehicle canopies.
- I would observe that the EWEB construction cost / square foot is comparable to local costs when the buildings are considered (either together or apart).

*Estimated Rate Impacts.* I have included below the table I shared with you in December that shows the estimated overall rate impacts related to this development work.

<b>Item / Time Frame</b>	<b>2006 - 2007</b>	<b>2008 - 2012</b>	<b>2013 +</b>
<b>Design and Planning</b>	\$ 8,000,000	\$ -	\$ -
<b>Roosevelt Building Construction</b>	\$ -	\$ 90,000,000	\$ -
<b>Downtown Site Sale</b>	\$ -	\$ -	\$ -
<b>Totals</b>	\$ 8,000,000	\$ 90,000,000	\$ -
<b>Rate Impact</b>	0.32%	2.18%	3.65%
<b>Adjust Project Estimate by \$5 million</b>	0.00%	0.14%	0.22%

Notes on the Table 2: “Rate Impact Estimates.”

- These rate impact estimates represent a combination of electric and water. Assuming a split of 86% electric and 14% water, the electric rate would be slightly less than the amounts shown above and the water rate would be approximately twice the amounts shown above.
- The rate impacts shown in the three successive time frames are inclusive. The 0.32% for 2007 includes principal and interest and assumes issuance of debt by fall of 2006. The 2.18% for 2008-2012 assumes debt issuance of \$90 million in mid-2007 with interest-only debt service payments through 2012. Continuation of debt service on the original \$8 million issue is included. It is also assumed the current bonds on the HQ building are taken out. The 3.65% for 2013 and beyond assumes principal and interest payments on the total debt.
- There is no credit included in this table for proceeds from any sale of downtown property.
- Staff is currently reviewing the Roosevelt design and cost estimate to more specifically determine electric and water shares of the project cost and these rate estimates will probably be adjusted to reflect that analysis.

*Alternatives to Current Development Plan and Schedule.* In the work session we also want to review possible alternatives to our current plan and schedule.

Staff believes, in addition to the present plan, there are two basic alternatives: (1) delay the project at least one year and review the project assumptions related to design, quality and sustainability in an effort to determine if we can complete development of this facility for less than \$98 million; and (2) if it is determined that the Roosevelt site development is not affordable, examine how we might rebuild on the downtown site.

Attachment D provides our current cost estimate and also cost estimates for the two alternatives described

above. These three estimates are intended to provide context and perspective for Board review and discussion on whether we should proceed with our current plan and schedule or, given expressed concern about affordability, if we should consider a less expensive alternative.

Following are some basic assumptions behind each of these estimates.

Option 1. Current plan – Roosevelt construction 2007 – 2008.

- Based on 2005 schematic design as well as additional organization review accomplished in August – October 2006.
- Assumes program (space, adjacencies) requirements as defined by the organization in 2005 – 2006.
- Costs have been recently updated to reflect 2006 construction costs (construction costs without overheads).
- Estimate includes additional escalation to reflect starting construction in 2007.
- Includes various contingencies (contractor, estimating, owners, overall project) reflective of where we are in the design process. As discussed with the Board in December, these contingencies will either disappear or will be absorbed into construction costs as we progress further in the process.
- I have included a credit of \$15 million related to future sale of downtown property.
- This is the base estimate that the project design group is using at this time; I expect that the March estimate will be comparable.

Option 2. Delay Roosevelt construction until 2008 – 2010; review cost estimate.

- Assumes the same construction costs as current plan; this estimate is approximately \$8 million higher due to added escalation costs (estimated at 7%) for a 2008 construction start; and adjustments to some of the fees and design costs to cover project review and possible redesign. (Note: This estimate is \$4 million higher than the present estimate if 2% is assumed for escalation related to a 2008 construction start.)
- A credit of \$15 million related to future sale of downtown property has been included.

This option 2 estimate is intended to provide a starting place for discussions on how to proceed if the Board determines that the current Roosevelt plan is too expensive. Under this option, we would delay construction at least one year and, as mentioned above, complete a comprehensive review of the project. Although staff believes that the basic program assumptions (space and adjacencies) we have developed over the past two years remain valid, we could under this option complete a comprehensive review of the quality and sustainability assumptions for the project to determine if we can reduce the costs.

As you will note, Option 2 does not assume a reduction in construction costs. Based on further Board direction, and changes to the underlying assumptions (regarding project quality and/or sustainability), it's possible that cost reductions could be identified that would offset all or part of the assumed cost escalation. Trying to identify the opportunity for cost reductions before the review would be purely speculative.

Not only would the delay allow time for the comprehensive review, it would also allow more time to provide information to the community, EWEB customers and employees about the need for and the scope of this proposed development.

Options 3. Build New Facilities Downtown.

- This option provides a *very preliminary* estimate of potential costs to rebuild downtown.
- It assumes those functions in the Equipment Repair Shop (Electric/Water Meter shops,

- Transformer shop, and Substation, Communication and Relay shops) would all remain in place.
- New Operations, Warehouse and Fleet Buildings would be constructed.
  - Construction cost assumptions are based on the current Roosevelt cost estimates for the respective buildings.
  - We have assumed site reconstruction costs would be approximately 50% of the Roosevelt site costs.
  - A credit of \$2.3 million reflecting sale of the Roosevelt property has been included.

***Recommendation.***

Although there is no formal recommendation at this time, I would like to obtain Board concurrence for us to continue with our current design work and plan to bring the Board the final estimate in April. At that time, if the estimate is believed to be too high and not affordable, the decision could be made to delay the project by one year and review our basic approach to the proposed development.

***Recommended Action.***

No formal action is requested.

Attachments



## ATTACHMENT A

### EWEB Roosevelt Building Project Board Work Session Agenda – January 31, 2007

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Introduction and Overview (5 minutes)

Review current plan (60 minutes)

- Semi-detail on site, buildings, sustainability, quality
- Assumptions and principles from the 30% design
- Schedule
- Permits

Cost Estimate (30minutes)

- Components
- Process over next few months

Rate impacts (electric and water) (20 minutes)

Alternatives (30 minutes)

- Continue with Roosevelt development, current plan and schedule
- Continue with Roosevelt but delay one year, find reduction in construction cost
- Stay on downtown site

Discussion (40 minutes)

revised: January 22, 2007

Roosevelt Building Project

ATTACHMENT B

Construction Estimate Detail

SITE		(52 acres, 15 acres paved)	Notes
	\$ 1,700,000	excavation	
	\$ 3,200,000	rock	
	\$ 500,000	asphalt	drive, employee parking
	\$ 2,500,000	concrete	yard; this cost for pavers; 10" concrete is ~\$3.5 million
	\$ 2,000,000	utilities	
	\$ 175,000	traffic signal	access at northeast corner
	\$ 100,000	fencing	yard only
	\$ 900,000	canopies	36,000 sq ft of these
	\$ 250,000	pedestrian bridge	no cover in current design
	\$ 1,300,000	landscaping	primarily wetlands
	\$ 1,600,000	electric, comm, lighting	
	\$ 14,225,000	total site	
<b>OPERATIONS BUILDING</b>		<b>(2 story; 127,252 sq ft)</b>	
Structure			
	\$ 5,300,000	structural steel	
	\$ 1,200,000	shear walls	
	\$ 510,000	footings	
	\$ 380,000	metal decking	
	\$ 730,000	slab on metal deck	2nd floor and roof
	\$ 360,000	slab on grade	ground
	\$ 400,000	fire proofing	
	\$ 200,000	stairs	
	\$ 9,080,000		
Exterior Walls			
	\$ 520,000	masonry walls (CMU veneer)	
	\$ 450,000	metal walls, insulation	
	\$ 270,000	louvers	operable louvers and sunshades
	\$ 180,000	framing, sheathing	
	\$ 170,000	operable OH doors	sectional overhead doors, aluminum frame, upward acting, glazed and insulated
	\$ 2,000,000	glass	operable windows, sunshades as needed
	\$ 3,590,000		
Roofing			
	\$ 955,000	green roof	assume 3" plant medium, plants; metal roof about 2/3 this cost
	\$ 500,000	membrane	leak proof!!
	\$ 240,000	metal	
	\$ 60,000	skylights	
	\$ 1,755,000		
Interior Construction			
	\$ 670,000	doors	
	\$ 230,000	handrail	
	\$ 445,000	finish carpentry, casework	
	\$ 940,000	drywall/plaster	
	\$ 120,000	accoustic ceilings, panels	
	\$ 135,000	masonry walls	
	\$ 260,000	carpet tiles	
	\$ 100,000	tile	
	\$ 120,000	elevator (freight)	
	\$ 600,000	access flooring	2nd floor
	\$ 260,000	paint	
	\$ 3,880,000		
HVAC			
	\$ 1,450,000	controls	
	\$ 1,670,000	equipment and TAB	
	\$ 1,100,000	distribution ducts and boxes	
	\$ 4,220,000		
Plumbing			
	\$ 1,800,000	plumbing	
	\$ 380,000	fire sprinklers	

revised: January 22, 2007			
Roosevelt Building Project			<b>ATTACHMENT B</b>
<b>Construction Estimate Detail</b>			
	\$ 300,000	living machine	less cost that sanitary connection plus SDC
	\$ 300,000	solar water heating	5 - 7 year payback
	\$ 2,780,000		
	Electrical		
	\$ 690,000	lighting	
	\$ 500,000	convenience power	
	\$ 480,000	wiring	
	\$ 940,000	service and distribution	
	\$ 650,000	emergency power	
	\$ 160,000	security system	
	\$ 550,000	voice and data	
	\$ 900,000	solar pv's	not cost effective
	\$ 130,000	fire alarm	
	\$ 5,000,000		
	\$ 30,305,000	<b>total Ops building</b>	
	<b>WAREHOUSE (39,676 sq ft including canopies)</b>		
	Site		
	\$ 100,000	rain water cistern	actually serves Operations building
	\$ 160,000	walks, curbs, gutters	
	\$ 260,000		
	Structure		
	\$ 950,000	structural steel	
	\$ 200,000	footings	
	\$ 70,000	metal decking	
	\$ 240,000	masonry walls (CMU veneer)	
	\$ 140,000	slab on metal deck	roof
	\$ 160,000	slab on grade	
	\$ 80,000	fire proofing	
	\$ 1,840,000		
	Exterior Walls		
	\$ 160,000	cmu veneer standard	
	\$ 200,000	metal wall panels, insulation	
	\$ 115,000	framing, walls, sheathing	
	\$ 120,000	operable doors	sectional overhead doors, aluminum frame, upward acting, glazed and insulated
	\$ 40,000	glass	
	\$ 635,000		
	Roofing		
	\$ 410,000	green roof	assume 3" plant medium, plants
	\$ 210,000	membrane	
	\$ 130,000	metal	
	\$ 60,000	skylights	
	\$ 810,000		
	Interior Construction		
	\$ 120,000	masonry walls	
	\$ 25,000	paint, wall coverings	
	\$ 30,000	signage	
	\$ 30,000	dock equipment	
	\$ 14,000	counters, casework	
	\$ 130,000	other	
	\$ 349,000		
	HVAC		
	\$ 50,000	controls	
	\$ 250,000	equipment and TAB	
	\$ 60,000	distribution ducts and boxes	
	\$ 360,000		
	Plumbing		
	\$ 160,000	plumbing	
	\$ 140,000	fire sprinklers	
	\$ 300,000		

revised: January 22, 2007

Roosevelt Building Project

ATTACHMENT B

Construction Estimate Detail

	Electrical		
	\$ 35,000	lighting	
	\$ 40,000	convenience power	
	\$ 85,000	wiring	
	\$ 90,000	service and distribution	
	\$ 25,000	emergency power	
	\$ 30,000	security system	
	\$ 55,000	voice and data	
	\$ 50,000	fire alarm	
	\$ 410,000		
	\$ 4,964,000	total Warehouse	
	<b>FLEET BUILDING</b>	<b>(24,976 sq ft)</b>	
	Site		
	\$ 22,000	foundation drain and gutter	
	\$ 22,000		
	Structure		
	\$ 760,000	structural steel	
	\$ 230,000	footings	
	\$ 60,000	metal decking	
	\$ 460,000	masonry walls	
	\$ 120,000	slab on metal deck	
	\$ 120,000	slab on grade	
	\$ 65,000	fire proofing	
	\$ 1,815,000		
	Exterior Walls		
	\$ 140,000	cmu veneer standard	
	\$ 190,000	metal wall panels, insulation	
	\$ 90,000	louvers	
	\$ 110,000	framing, walls, sheathing	
	\$ 200,000	operable doors	sectional overhead doors, aluminum frame, upward acting, glazed and insulated
	\$ 160,000	glass	
	\$ 890,000		
	Roofing		
	\$ 340,000	green roof	assume 3" plant medium, plants
	\$ 180,000	membrane	
	\$ 70,000	metal	
	\$ 70,000	skylights	
	\$ 660,000		
	Interior Construction		
	\$ 260,000	masonry walls	
	\$ 38,000	floors	
	\$ 50,000	paint, wall coverings	
	\$ 30,000	signage	
	\$ 30,000	dock equipment	
	\$ 40,000	counters, casework	
	\$ 130,000	other	
	\$ 578,000		
	HVAC		
	\$ 125,000	controls	
	\$ 230,000	equipment and TAB	
	\$ 80,000	distribution ducts and boxes	
	\$ 435,000		
	Plumbing		
	\$ 560,000	plumbing	
	\$ 140,000	fire sprinklers	
	\$ 700,000		
	Electrical		
	\$ 40,000	lighting	
	\$ 55,000	convenience power	



Revised: January 20, 2007				<i>ATTACHMENT C</i>	
<b>Roosevelt Project Cost Estimate</b>		<b>Building Square Feet</b>	<b>Estimated Cost</b>	<b>Notes</b>	
	Site	35,729	\$ 15,200,000	includes canopies (35,700 sf)	
	Operations Building	127,252	\$ 29,500,000		
	Warehouse	39,676	\$ 5,200,000		
	Fleet	24,976	\$ 5,900,000		
<b>Subtotal - Construction (without overheads)</b>		<b>227,633</b>	<b>\$ 55,800,000</b>	<b>2006 costs</b>	
	General Conditions		\$ 4,000,000		
	Contractor Contingency	2.50%	\$ 1,530,000		
	Contractor Fee	2.15%	\$ 1,345,000		
	Estimating Contingency	7%	\$ 4,475,000		
	Escalation (start construction 2007)	10%	\$ 6,390,000	assume construction start mid 2007	
<b>Subtotal - Construction (with overheads, contingencies)</b>			<b>\$ 73,540,000</b>		
	Owners contingency	5%	\$ 3,677,000		
	Equipment, Furniture Procurement		\$ 3,400,000		
	Owner services		\$ 1,275,000	project management, communication, etc	
	Permits and Fees		\$ 1,875,000		
	Architects and Engineers		\$ 6,310,000		
	Other services		\$ 1,410,000		
	Contingency (on permits, fees, services)	5%	\$ 547,745		
<b>Subtotal (with design, permits, owner costs)</b>			<b>\$ 92,034,745</b>		
	Project contingency	5%	\$ 4,601,737		
	EWEB Overhead	2%	\$ 1,932,730	administrative overhead	
<b>Total Project</b>			<b>\$ 98,569,212</b>		
<b>Project Estimate by Category</b>					
		<b>% of Total Cost</b>	<b>Cost</b>		
	Base Construction Costs	57%	\$ 55,800,000		
	Escalation (start const 2007)	6%	\$ 6,390,000		
	General Conditions	4%	\$ 4,000,000		
	CM/GC Fee for construction	1%	\$ 1,345,000		
	Equipment, Furniture	3%	\$ 3,400,000		
	Fees, Permits, Owner's Costs, Admin OH	7%	\$ 6,492,730		
	Design	6%	\$ 6,310,000		
	Contingencies	15%	\$ 14,831,482		
	<b>Total</b>		<b>\$ 98,569,212</b>		

revised: January 19, 2006										<b>ATTACHMENT D</b>			
<b>EWEB Roosevelt Building Project</b>													
<b>Project Alternative Comparisons</b>													
		<b>Option 1: Roosevelt construction 2007-08; based on 2005 schematic design (Current Plan)</b>				<b>Option 2: Delay Roosevelt construction until 2008-2010; review cost estimate</b>				<b>Option 3: Build new Operations facilities downtown</b>			
		Area		Cost		Area		Cost		Area		Cost	
		(Roosevelt)				(Roosevelt)				(Downtown)			
	Site		35,729	\$	15,200,000		35,729	\$	15,200,000			\$	8,000,000
	Operations Building		127,252	\$	29,500,000		127,252	\$	29,500,000		84,000	\$	19,700,000
	Warehouse		39,676	\$	5,200,000		39,676	\$	5,200,000		39,676	\$	5,200,000
	Fleet		24,976	\$	5,900,000		24,976	\$	5,900,000		24,976	\$	5,900,000
	added remodel												
	<b>Subtotal - Construction (without overheads)</b>		<b>227,633</b>	<b>\$</b>	<b>55,800,000</b>		<b>227,633</b>	<b>\$</b>	<b>55,800,000</b>		<b>148,652</b>	<b>\$</b>	<b>38,800,000</b>
	General conditions			\$	4,000,000			\$	4,000,000			\$	3,500,000
	Contractor Contingency	2.50%		\$	1,530,000			\$	1,530,000			\$	1,200,000
	Contractor Fee	2.15%		\$	1,345,000			\$	1,345,000			\$	1,100,000
	Estimating Contingency	7%		\$	4,475,000			\$	4,475,000			\$	3,700,000
	Escalation (start construction 2007)	10%		\$	6,390,000			\$	6,390,000			\$	5,200,000
	<b>Subtotal - Construction (with overheads, contingencies)</b>			<b>\$</b>	<b>73,540,000</b>			<b>\$</b>	<b>73,540,000</b>			<b>\$</b>	<b>53,500,000</b>
	Added escalation (if construction starts in 2008)	7%		\$	-			\$	5,147,800			\$	3,745,000
	<b>subtotal - construction (with escalation for 2008 start)</b>			<b>\$</b>	<b>73,540,000</b>			<b>\$</b>	<b>78,687,800</b>			<b>\$</b>	<b>57,245,000</b>
	Owners contingency	5%		\$	3,677,000			\$	3,934,390			\$	2,862,250
	Procurement (Equipment and Furniture)			\$	3,400,000			\$	3,400,000			\$	2,400,000
	escalation (assume 2008 start)	7%		\$	-			\$	238,000			\$	168,000
	<b>Subtotal</b>			<b>\$</b>	<b>80,617,000</b>			<b>\$</b>	<b>86,260,190</b>			<b>\$</b>	<b>62,675,250</b>
	owner services			\$	1,275,000			\$	1,350,000			\$	1,275,000
	permits and fees			\$	1,875,000			\$	2,040,000			\$	1,200,000
	architects and engineers			\$	6,310,000			\$	8,000,000			\$	9,000,000
	other services			\$	1,410,000			\$	1,600,000			\$	1,600,000
	contingency	5%		\$	547,745			\$	650,000			\$	653,750
	<b>subtotal (with design, permits, owner costs)</b>			<b>\$</b>	<b>92,034,745</b>			<b>\$</b>	<b>99,900,190</b>			<b>\$</b>	<b>76,404,000</b>
	project contingency	5%		\$	4,601,737			\$	4,995,010			\$	3,820,200
	EWEB Overhead	2%		\$	1,932,730			\$	2,097,904			\$	1,604,484
	<b>Total Project without credits</b>			<b>\$</b>	<b>98,569,212</b>			<b>\$</b>	<b>106,993,103</b>			<b>\$</b>	<b>81,828,684</b>
	Credits												
	Riverfront property sale			\$	(15,000,000)			\$	(15,000,000)				
	Roosevelt Property sale											\$	(2,300,000)
	<b>Total Project with property sale credits</b>			<b>\$</b>	<b>83,569,212</b>			<b>\$</b>	<b>91,993,103</b>			<b>\$</b>	<b>79,528,684</b>

***Attachment E  
Roosevelt Building Project Review  
January 24, 2007***

***Roosevelt Project Status***

Project design started in August and consists of (1) Design Development (completion expected in April/May 2007) which includes completion of substantial design of structures and yards, completion of cost estimate in mid-March for use in construction funding decision; and (2) Construction Documents (completion expected in February 2008) which includes final drawings and specifications for construction.

*Operations Building Design.* Work area locations, adjacencies and space needs are set. Detailed design work (architectural, structural, electrical, civil, mechanical) is proceeding. The Operations Building is approximately 127,000 square feet (approximately 12,200 square feet larger than the 30% design program).

*Warehouse and Fleet Buildings, Operations Yard.* The Warehouse and Fleet building dimensions are set and the detailed design work (as described above) is proceeding on schedule. Space assumptions for warehouse, fleet and yard remain consistent with 30% design assumptions.

*Sustainability Design Measures.* Specific work includes:

- *Site Storm Water.* Final civil engineering design review indicates that we may not be able to handle all water on the site in a “worse case, high rainfall” scenario, and that some outfall to the City storm system (probably the Roosevelt channel on the north side of the property) will be needed. If that is the case, there will be some resulting SDC costs and other infrastructure requirements. It remains true that most of the storm water runoff will be handled on site (green roofs, bio swales, drainage to wetlands). This will be resolved within the next several weeks as this portion of the design is completed.
- *Site Sanitary Sewer.* We are completing detailed review of possible installation of a “Living Machine” that would allow all sanitary effluent to be handled on site and no connection to city sanitary sewer (saving construction connection costs, SDC costs, and monthly discharge costs). We have reviewed with the City and it appears that we would be able to complete this installation in compliance with existing code requirements. Benefit/cost analysis will be completed.
- *Solar Photovoltaics.* The current estimate includes approximately \$900,000 in installed solar PV’s. We need to determine what amount of PV’s we think we can justify and install (i.e., available roof space, generation/output assumptions, estimated net-metering credits, are tax credits available, etc.).
- *Independent Commissioning Authority.* We have completed our selection process for an Independent Commissioning Agent and plan to request Board authorization for a contract in early February. The CA will help ensure the building mechanical, electrical, and safety systems are properly installed and functioning when the building is completed. They will also provide EWEB building operations personnel with a “systems manual” that describes operation and maintenance protocols for all systems. Employment of this firm is required as part of the LEED certification process.
- *EWEB EMS Coordination.* EWEB Energy Management Services staff is working with the architects and engineers on energy efficiency measures and analysis. One focus of this work is to enable EWEB to take advantage of available Business Energy Tax Credits (BETC), Energy Trust of Oregon (ETO) credits, and any EWEB conservation credits.

*Permitting Status.* Significant permits required include:

- *Building Permit (City of Eugene).* City permitting is required to allow commencement of (1) earth / site work August 1, 2007, and (2) building construction work in early 2008.
- *Joint Removal-Fill Permit (Oregon Department of State Lands (DSL), Corps of Engineers and Oregon Department of Environmental Quality (DEQ)).* Permits allows for removal and fill needed for construction of operations buildings and yard, construction of employee parking, and restoration of wetlands. Joint permit application filed August 31, 2006. DSL posted their permit for public comment through end October and no comments were received; final approval decision expected by end March 2007. Corps and DEQ have completed their public review processes. We are currently working with the agencies to make minor revisions in our application resulting from minor changes in the yard design. We continue to expect to secure these permits by June 2007 to allow for site work starting August 2007.

Prior to issuing a final fill permit, DSL will require that EWEB provide (1) a receipt showing purchase of credits in the West Eugene wetlands bank consistent with our permit application (approximately 13 acres at \$50,000 / acre), and (2) an “Instrument of Protection” approved by the Board showing that EWEB has set aside certain wetlands on our site consistent with our permit application. Staff expects to request Board approval of a Resolution in March providing authorization for this instrument and authorization for the wetlands credit purchase.

*Traffic Signal on Roosevelt.* The Traffic Impact Analysis (TIA) regarding installation of a traffic signal at the EWEB site entrance and Roosevelt Boulevard (northeast corner of site and across from existing entrance to subdivision on north side Roosevelt) has been submitted to the city.

*Building Advisory team (BAT).* The BAT continues to meet every three weeks with meetings planned through February. Meeting agendas include (1) review of design and current design questions, and (2) review of special design questions or issues (i.e., art selection, on-site fueling decision, site security, project budget / cost estimate review process, communication plan, LEED, project schedule, etc.)

*Communication Plan.* We are planning a public briefing here at EWEB in mid- to late February. In addition we want to hold a neighborhood meeting in late February. We are also planning to conduct “brown bag” or noon hour discussions to review the project with employees.