

EUGENE WATER & ELECTRIC BOARD
SPECIAL BOARD MEETING
VALLEY RIVER INN – ROGUE ROOM
1000 VALLEY RIVER WAY
JULY 24, 2007
8:00 A.M.

Commissioners present: Mel Menegat, President; John Simpson, Vice President; Patrick Lanning, Ron Farmer, John Brown, Commissioners.

Others present: Randy Berggren, Jim Wiley, Tom Buckhouse, Marty Douglass, Dick Helgeson, Dick Varner, Jim Origliosso, Ken Beeson, Debra Smith, Dean Ahlsten, Patti Boyle, Jay Bozievich, and Krista Hince of the EWEB staff; Eric Gunderson, Harriet Cherry, PIVOT Architecture; Matt Pearson, Lease Crutcher Lewis; Ruth Atcherson, City of Eugene minutes recorder.

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

AGENDA CHECK

There were no changes to the agenda.

PUBLIC INPUT

There were no members of the public who wished to speak at this time.

APPROVAL OF CONSENT CALENDAR

Minutes

1. April 17, 2007, Regular Board Meeting.

Business Service Agreements

2. Trout Unlimited – Carmen-Smith Relicensing – Electric Division \$25,000
3. Vendor Unknown – Willamette Substation Switchgear Building (pre-approval for approximately \$600,000)– Electric Division - \$600,000
4. Vendor Unknown – Lloyd Knox Water Board Park Visitor’s Shelter – Electric Division - \$250,000

Commissioner Brown, seconded by Commissioner Lanning, moved to approve the Consent Calendar.

Commissioner Farmer said he would vote to approve this but he did not want to set a precedent. He stated that the Board had a fiduciary responsibility not to approve items for which the vendor was unknown. He acknowledged that the unknown vendor items were on the Consent Calendar because the Board would not meet in the first part of August, but he wanted staff to think of ways to handle such items differently, such as a conference call vote once the vendors were known.

The motion passed unanimously, 5:0.

ROOSEVELT PROJECT BUDGET

Roosevelt Project Manager Ken Beeson said he was before the Board to gain authorization to amend the budget and proceed with the schematic design. He stated that staff would be returning with a final cost estimate in January 2008.

Commissioner Farmer asked Mr. Beeson for a recap of the memorandum he had sent on July 20 for the record. Assistant Secretary Krista Hince noted that the memorandum was on the Web site. Mr. Beeson stated that the last memorandum had focused on questions that had come up at the previous Board meeting. He had reiterated the rationale for supporting the two proposed additions, to revert to planning for building on the original site and for the efficiencies. He said it was difficult to conduct a pure hard cost benefit around where to site the building. He related that EWEB would save \$260,000 because it would not have to pay into the wetland mitigation fund. It would allow stormwater to be retained on the site longer as well and would reduce the impact on the public infrastructure. He believed that the location would provide better site security and that it would increase the property value. He stated that the other additional energy efficiency measures that he had asked for \$1.7 million for had not been specifically identified at this point. He related that the team had reviewed what measures could be added to move from a Leadership in Energy and Environmental Design (LEED) silver certification to a gold certification. He stated that they had made an estimate of the base energy consumption at the conceptual level and had figured out what additional energy could be saved in electricity and gas. They had calculated on a 25-year basis what the value of those savings would be. He said his best estimate was a savings of \$1.2 million.

Mr. Beeson related that the memorandum also addressed the contractor recommendations that had arisen from the peer review. He said it was appropriate to look at the recommendations during the design process.

Commissioner Brown thanked staff for addressing his concerns. He said he was happy with the current proposal. He felt he would be able to take the proposal before the public with confidence. Regarding specifics, he indicated that his preference for radiant floor heat as it would increase the comfort of the people working on vehicles. He said items such as that were worth an extra expenditure. He supported moving forward with the project as proposed.

Commissioner Lanning echoed Commissioner Brown's support for the staff work. He felt EWEB had gotten the work validated through the peer review process.

Vice President Simpson concurred. He was interested in moving forward and approving the revision to the project budget. He commented that he had been intrigued by options to adjust the thickness of asphalt and to explore the possibility of having areas with no asphalt, such as where the poles were stored. He said he did not want to see any excessive cost reduction that would impact staff's ability to service the vehicles, such as curtailing the expense for cranes in the buildings.

President Menegat supported the recommendation. He also appreciated the additional work that had gone into the plan. He believed the cost estimate to be reasonable.

Commissioner Farmer said he would not support the recommendation. He stressed that this did not mean he did not support the project. He explained that he could not support the additions because it made for an \$8 million difference in cost but it only saved \$1.5 million.

Vice President Simpson, seconded by Commissioner Lanning, moved that the Eugene Water & Electric Board approve revision of the Roosevelt Project to \$83.5 million and to direct staff to proceed with schematic design work. The motion passed, 4:1; Commissioner Farmer voting in opposition.

President Menegat adjourned the Special Board Meeting at 8:50 a.m.

Assistant Secretary

President