

EUGENE WATER & ELECTRIC BOARD
SPECIAL BOARD MEETING
EWEB BOARD ROOM
NOVEMBER 15, 2007
1:00 P.M.

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

Others present: Randy Berggren, Marty Douglas, Debra Smith, and Krista Hince of the EWEB staff; and Kimberly Young, City of Eugene Minutes Recorder.

MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN EWEB AND THE CITY OF EUGENE REGARDING THE RIVERFRONT PROPERTY

President Menegat called the Special Meeting of the Eugene Water & Electric Board (EWEB) to order. He said that Commissioner Patrick Lanning would not be present and Commissioner Farmer was expected to arrive soon.

Property Manager Mark Oberle recalled the recent Work Session the Commissioners held on the topic of the Memorandum of Understanding (MOU) between EWEB and the City of Eugene and the five questions posed by Commissioners at that time. He called attention to the meeting packet for the meeting, which included a memorandum responding to the questions. He reviewed the questions and answers, noting he had worked with EWEB's legal counsel and City staff to clarify those issues and the MOU was modified appropriately.

- 1. Does the term "mixed use" as used in the MOU require more than one activity in a building?*

Mr. Oberle reported that the definition had been modified in the MOU to make it clearer that the mixed use could occur in a single building as well as across the entire property, as well as almost any combination in between.

- 2. Can we get creative, such as carry paper on the sales of the property and thereby increase our yield, or does it have to be a straight cash sale?*

Mr. Oberle reported that EWEB could do more than a straight cash at closing sale with the qualification that EWEB would have to do due diligence as to the buyer. There were credit and interest rate risks EWEB would have to examine before it used that approach. He said that would be worked out later in the process, and not through the MOU.

Commissioner Farmer arrived.

- 3. Clarify who pays for City staff time spent on the Master Plan.*

Mr. Oberle indicated that the MOU had been modified to make it clear the City would not charge EWEB for staff time spent on the Master Plan.

4. How do ex- parte rules affect Board and the Citizen Advisory Team (CAC)?

Mr. Oberle said the Commissioners would not have a decision making role in the land use decision or in the approval of the plan, so the rules would not apply. The Commissioners could interact with the CAC freely. He confirmed, in response to a follow-up question from Vice President Simpson, that the City Council could *not* interact with the CAC. Commissioner Brown asked if the Commissioners could have interaction with the City Council. General Manager Randy Berggren did not think the Commissioners were constrained in that regard.

5. Are there are any communication limits on the CAC?

Mr. Oberle said the CAC was only advising the EWEB Board so there were no restrictions on communications.

Mr. Oberle invited questions.

Commissioner Brown asked if the MOU included a sunset provision that could be triggered if a certain time period, for example, five years, was exceeded because of the community process. Mr. Oberle said there was no such sunset provision because the Board had the ability to stop the planning process at any time. He reminded the Board, however, that EWEB would have to have an approved master plan to sell the property. There was nothing in the MOU that obligated the City to approve the master plan before any particular time. Commissioner Brown asked if the Board could decide, once it agreed an impasse had been reached, to ask the private sector if they could master plan the property. Mr. Oberle said yes. The master plan was tied to the future land use actions. Commissioner Brown wanted the record clear that the Board could hand the master planning process off to the private sector. Mr. Oberle concurred.

Vice President Simpson commended the work done by Mr. Oberle and was pleased to see the refinements, which he supported.

Commissioner Farmer indicated his questions were answered in the background materials.

President Menegat said the issue was on the City Council's November 22, 2007, agenda, and City staff would recommend that the Council authorize the City Manager to sign the MOU. He asked the Board to take action to authorize Mr. Berggren to sign the MOU on behalf of EWEB.

Commissioner Brown, seconded by, Commissioner Farmer, moved to authorize the general manager to sign the MOU with the City of Eugene on behalf of EWEB.

Commissioner Brown asked if the Board cared who signed the MOU first and if would be

procedurally better to present the MOU to the City Council. Mr. Berggren said he would not sign the MOU until the council authorized the City Manager to sign it; he believed a simultaneously signing could be arranged. Commissioner Farmer did not care who signed first, but he wanted to ensure that the MOU that went forward was the one the Board had before it; otherwise Mr. Berggren was not authorized to sign it.

The motion passed unanimously, 4:0.

President Menegat called for other items from the Commissioners.

Commissioner Brown reported that the building his business was located in at 100 East Broadway had lacked steam heat for a week and the question of conversion was a big economic issue. He asked if the Board could accelerate its decision about the needed repairs to the steam plant. Mr. Berggren said the Board could accelerate its policy decision but it would not allow the Board to have a full examination of all the options. Commissioner Brown acknowledged Mr. Berggren's comments and hoped a decision could be made soon.

President Menegat adjourned the meeting at 1:15 p.m.

Assistant Secretary

President