

EUGENE CITY COUNCIL
JOINT WORK SESSION WITH
EWEB BOARD OF COMMISSIONERS
EUGENE CITY HALL—MCNUTT ROOM
777 PEARL STREET—EUGENE, OREGON
NOVEMBER 19, 2008
12:00 Noon

Commissioners Present: John Simpson, Ron Farmer, Jon Brown, Mel Menegat and Bob Cassidy.

Councilors Present: Andrea Ortiz, Chris Pryor, Betty Taylor, Bonny Bettman, Jennifer Solomon, Mike Clark, Alan Zelenka. City Councilors Absent: George Poling

Her Honor Mayor Kitty Piercy called the Joint Work Session meeting of the Eugene City Council and the Eugene Water & Electric Board (EWEB) Commissioners to order at 12:00 p.m.

President Simpson introduced Commissioners-elect Joann Ernst and Rich Cunningham. President Simpson noted that Ms. Ernst would be taking his place on the EWEB Board in January.

Mayor Piercy acknowledged the efforts of President Simpson and thanked him for his years of service to the community in various capacities.

President Simpson acknowledged the efforts of outgoing City Councilor Bonny Bettman and thanked her for her years of service to the community.

Mayor Piercy expressed her appreciation for the opportunity for further discussion with EWEB and said the City Council understood the importance of the riverfront site to the community.

RIVERFRONT MASTER PLANNING PROCESS-STATUS REPORT AND UPDATE ON THE PUBLIC ENGAGEMENT PROCESS.

EWEB Property Manager Mark Oberle presented an update of the Riverfront Master Plan (RMP) project, noting that the Community Advisory Team (CAT) created by the Council and the EWEB Board to study the RMP had met for the first time on July 10, 2008 and that regular meeting of the CAT had taken place since that time.

Mr. Oberle noted that Staff was nearing completion of the Request for Qualifications (RFQ) documentation necessary to proceed with the next steps of the RMP. He noted that the closing date for bids in response to the RFQ would be November 26, 2008. He noted that two site tours had already been conducted for about 50 different consultants to familiarize them with the area.

Mr. Oberle commented that while Staff had attempted to discover what other firms had done in the past with similar sites, they were highly focused on defining the nature of the RMP within the scope of the significant community involvement expected for the project rather than allowing a pre-conceived project to be brought in by a consultant or developer.

CAT member Pat Johnston informed the Board and Council that the CAT's largest disagreement in its dealings with Staff was that the CAT was committed to moving forward with the RMP on a consensus model.

Ms. Johnston briefly noted, for the benefit of the Board and Council, the CAT's expectations of any consultants that might be hired to address the RMP.

CAT member Dave Hauser commented that the CAT was a high functioning group and was taking the job that the Board and Council had charged it with very seriously. He noted that the CAT had been working with City representatives such as Carolyn Weiss and Tom Larson to gather input on the Millrace and local transportation issues. He added that the CAT was becoming fully equipped to provide thoughtful suggestions and background information to EWEB and the City of Eugene.

Ms. Johnston noted that the CAT had also been collaborating with University of Oregon students and faculty to determine the best course of action regarding the RMP. She added that collaborations with and solicitations for input from members of the community would be initiated once the CAT had chosen its consultants.

Mr. Oberle distributed a copy of the RFQ schedule, noting that public hearings regarding the RMP would be scheduled once the CAT had hired consultants to help them design the public input process.

Mayor Piercy noted that, on advice from City Attorney Glen Klein, both the Board and the Council would be somewhat limited as to how detailed a discussion they could conduct regarding the RMP as any such discussion would most likely involve future land use issues and concerns. Mr. Klein added that the Council, the Board and the CAT members were welcome to discuss the process of the RMP but that they should not discuss any matters of specific substance.

Mr. Klein, responding to a question from City Councilor Mike Clark, commented that a discussion of substance would involve any specific references to what the RMP would actually look like. He noted that such substantive discussions would most likely affect any Metro Plan amendment that might come before the Council and as such would not be appropriate for the Joint Work Session between the City and EWEB.

Mr. Clark thanked the EWEB Board, Staff and the CAT members for their efforts regarding the RMP.

Mr. Clark asked for an update on EWEB's long-term plans for its current administration building with respect to its new Roosevelt Operations Center currently under construction. EWEB General Manager Randy Berggren responded that there was still no specific schedule for moving EWEB's administrative operations from its current location. Mr. Berggren added that it was currently uncertain how EWEB's present headquarters might be retrofitted once construction of the Roosevelt Operations Center had been completed. He added that EWEB was beginning the process of working with its consultant partners to determine the best way to proceed regarding the current administration facility.

Mr. Clark noted that he had at one time suggested that the current EWEB building be retrofitted into a new city hall facility for the City of Eugene, but that there had not been a great deal of support for the idea from the rest of the Council. He asked if EWEB might have any interest in continuing a discussion along those lines. Mr. Berggren felt it would be inappropriate for him to comment directly on any positions EWEB might have regarding turning the building into a new city hall, but noted that the EWEB board would most likely be willing to continue the discussion.

Mr. Simpson commented that the RMP and the inter-agency collaboration between EWEB and the City represented a unique opportunity for cultural and economic growth in the community.

Mr. Oberle, responding to a question from Mr. Zelenka, noted that the steam plant would continue to be designated for EWEB for the foreseeable future, although that determination might be revised in the long term.

LEGISLATIVE ISSUES

Metal Theft

President Simpson noted that metal theft had become an increasing issue of concern over the last several years to both the City and EWEB. He noted that the EWEB board of commissioner had visited the State Legislature in Salem to lobby for revised legislation regarding the issue. He proceeding to brief the Board and the Council on recent strategies that EWEB had undertaken to prevent metal theft.

The City's Intergovernmental Relations Manager Brenda Wilson briefly described the impacts and history of metal theft in the community. In describing the impacts of metal theft on both City and EWEB resources, Ms. Wilson elaborated upon how metal theft impacted the financial health of the community and the personal safety of its citizens.

Joint Work Session
City of Eugene/EWEB
November 19, 2008
Page 4

Ms. Wilson noted that wire theft was a widespread community issue and that the ease and availability with which metal theft was committed perpetuated substance abuse throughout the region.

Ms. Wilson commented that the State legislature had recently adopted revised legislation to combat the problem of metal theft. She noted that some of the revised legislation had helped the problem, but some of the legislation had actually proved to be an encumbrance to local law enforcement agencies in their efforts to curtail metal theft.

EWEB Legislative Representative Jason Heuser reported that metal theft had become an increasing problem both nationally and locally due to the fact that it continued to be a very easy crime to commit and also that commodity metal supplies were generally on the decline everywhere. Mr. Heuser went on to describe how and why metal theft had become an issue of increasing concern in the community.

Mr. Heuser noted that while the State legislature had recently adopted a consensus bill in 2007 to address the metal theft problem and which included provisions for metal and recycling yards to strengthen their reporting procedures, the bill was ultimately seen as having only limited effectiveness in that it only provided for metal theft strategies that were revenue neutral. He noted that with the generally unfavorable current economic climate, any newly adopted legislation regarding metal theft would need to be revenue neutral as well.

Mr. Heuser noted that several strategies were being considered to address the metal theft problem including a ban on cash transactions for metal recycling, a ban on burnt or similarly altered materials, and required commercial accounts and business licenses for certain forms of metal recycling.

Mr. Heuser commented that, with respect to the legislative initiatives being considered by stakeholders such as EWEB and the City of Eugene, a four part approach had been formed consisting of efforts to 1) reduce the ease and opportunity of metal theft; 2) strengthen public and/or private assets that might become metal theft targets; 3) strengthen law enforcement efforts to curtail metal theft; and 4) improve drug abuse treatment efforts for those who might use metal theft as a means to finance substance addictions.

Mr. Cassidy asked Mr. Heuser and Ms. Wilson to elaborate on their earlier statement that the State legislature's efforts to curtail metal theft had hindered local efforts to do the same. Ms. Wilson answered that the State's legislative efforts had restricted local government entities from imposing stricter criminal penalties on metal theft and had also prevented local efforts to prohibit or restrict the buying and selling of metal in certain communities. Ms. Wilson indicated that California's and Washington's state laws regarding metal theft had proved to be much stronger than Oregon's.

Mr. Heuser, responding to a question from Councilor Taylor, indicated that legitimate metal collectors and resellers included private property owners and local businesses such as EWEB.

Councilor Pryor indicated that his previous employers had been victims of significant metal theft and hoped that state and local strategies could be improved to address the problem as lucrative and pervasive as metal theft.

Ms. Piercy maintained that metal theft had a significant negative impact on non-profit entities in the community such as Kidsport and Food For Lane County.

President Simpson noted that the ratio of the street value stolen metal to the amount necessary to repair or replace metal theft incidents was enormous and that an amount of stolen metal that would net perhaps only fifteen dollars might cost as much as \$20,000 for the City or EWEB to repair.

Councilor Zelenka hoped that the City and EWEB could work with their intergovernmental partners to come up with an alternate plan in the event that the State legislative efforts ultimately proved insufficient.

Mayor Piercy noted that the metal theft issue had recently been discussed at the City of Eugene's City Hall Day.

Ms. Wilson commented that it would not be easy to balance the state and local legislative issues and hoped that the discussion would continue in a productive manner.

Western Climate Initiative (WCI)

Mr. Heuser provided an "Overview of the Western Climate Initiative (WCI)," and with the assistance of a slide presentation demonstrated how the WCI had been formed to examine strategies for reducing carbon emissions and addressing other global warming concerns.

Mr. Heuser noted that the WCI had been formed as a collective of western United States and Canadian climate control initiatives in response to the general lack of federal action to address global warming and its chief causes.

Mr. Heuser noted that due to the significant differences in the legislative and decision making processes between the western United States and Canadian provinces that were participating in the WCI, it would be necessary to create a model carbon cap and trade proposal on which to proceed.

Mr. Heuser briefly listed the WCI partners for the benefit of the Board and Council.

Mr. Heuser briefly described the primary adopted goal of the WCI as a 15% reduction in the amount of six recognized green house gases from 2005 levels by no later than 2020.

Mr. Heuser provided an overview of the definition and various market-based implementation strategies of the carbon cap and trade model that would need to be created in order for the WCI to meet its goal. Mr. Heuser proceeded to describe in greater detail how carbon credits, allowances and offsets would be utilized under the cap and trade model in order to encourage public and private entities to reduce harmful emissions.

Mr. Heuser presented a slide detailing the specific architecture of the carbon cap and trade model for the benefit of the Board and Council.

Mr. Heuser noted there was ongoing discussion within and without the WCI as to whether the cap and trade model he was illustrating was truly a market-based mechanism for affecting climate change and provided an example of how a business such as an industrial firm might utilize the cap and trade model.

Mr. Heuser briefly discussed the advantages and disadvantages of the carbon cap and trade model, noting that while it created a quantifiable market incentive for businesses to reduce emissions, it also might require the creation of an administrative infrastructure that could prove challenging to maintain and enforce.

Mr. Heuser noted that the direct benefits to EWEB from the WCI were currently indeterminate, but it appeared that the WCI would allow EWEB to further its commitment to conservation, efficiency and renewable energy resources.

President Simpson thanked Mr. Heuser and Ms. Wilson for the presentations and opened the meeting to further general discussions.

Councilor Clark asked how EWEB's efforts to secure the safety and quality of local water sources were progressing. He noted that he had heard comments from community members about fuel and septic tanks along the McKenzie River that had given him cause for concern. EWEB General Manager Randy Berggren responded that EWEB's watershed management program had been very active addressing not only the concerns that Councilor Clark had raised, but also the issue of removing pesticides and other harmful chemicals from the local watershed along the McKenzie River. Mr. Berggren added that EWEB had recently begun discussions with its Board about significantly expanding the efforts of their watershed management program.

Commissioner Brown noted that, as a longtime advocate of clean water in the region, he was aware of the fuel and septic tank concerns along the McKenzie River and noted that EWEB was engaged in several proactive efforts to address those problems.

Joint Work Session
City of Eugene/EWEB
November 19, 2008
Page 8

EWEB Vice President Ron Farmer noted a concern for the fact that the Eugene/Springfield area was one of the few communities of its size that did not have a backup water source. He noted that while EWEB had historically been willing to accept the risk of having no backup water source, EWEB had also begun to incorporate plans to address that risk as part of its ten-year financial plan. Mr. Berggren added that the matter for a backup water source for the Eugene/Springfield area was not only problematic for financial reasons, but for reasons of availability as well in that no new water rights had been assigned in the region for many years.

Mayor Piercy adjourned the Joint Work Session meeting at 1:27 p.m.

President Simpson adjourned the Joint Work Session meeting also at 1:27 p.m.

Assistant Secretary

President