



MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

Rely on us.

TO: Commissioners Simpson, Brown, Helgeson, Manning and Mital
FROM: Sue Fahey, Finance Manager; Susan Eicher, General Accounting & Treasury Supervisor
DATE: January 22, 2016
SUBJECT: Sale of Stock
OBJECTIVE: Approval of Resolution No. 1603

Issue

Management wishes to liquidate stock received as partial settlement of amounts owed to EWEB from bankruptcy proceedings of a power trading counterparty.

Background

The ownership of this stock dates back to the post-energy crisis bankruptcy of a power trading counterparty, Enron Power Marketing. In 2002, EWEB filed a claim with the Enron Bankruptcy Estate to recover as much as possible of the approximately \$400 thousand owed to EWEB. While the entire amount was not recovered; in 2006, EWEB did receive partial payment of approximately \$100 thousand in cash and 92 shares of stock in Portland General Electric (PGE), which Enron owned at the time of their bankruptcy. At that time, the process and expense to sell was deemed to be a greater than the stock value. The stock is currently worth \$4,800. Management now wishes to sell the stock and close the account.

Requested Board Action

Management requests approval of Resolution No. 1603 authorizing the sale of PGE stock and closing the account with American Stock & Trust Company.

**RESOLUTION NO. 1603
FEBRUARY 2016**

**EUGENE WATER & ELECTRIC BOARD
AUTHORIZING STOCK SALE AND CLOSURE OF ACCOUNT**

WHEREAS, The Eugene Water & Electric Board (EWEB) received shares of stock as a partial settlement of amounts owed by a counterparty to whom EWEB sold power,

WHEREAS, The Eugene Water & Electric Board (EWEB) desires to sell said stock and close the account wherein it is held,

WHEREAS, the holder of the account, American Stock Transfer & Trust Company requires a resolution of the Board of Commissioners to authorize a representative of EWEB to sell the stock, and close the account,

NOW, THEREFORE, BE IT RESOLVED, that the Eugene Water & Electric Board authorizes the Assistant Treasurer to give instructions to American Stock & Trust Company to sell stock and close the account holding the stock.

DATED this 2nd day of February, 2016.

THE CITY OF EUGENE, OREGON
Acting by and through the
Eugene Water & Electric Board

President

I, ANNE M. KAH, the duly appointed, qualified and acting Assistant Secretary of the Eugene Water & Electric Board, do hereby certify that the above is true and exact copy of the Resolution adopted by the Board in its February 2nd, 2016 Regular Board Meeting.

Assistant Secretary