



MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

Rely on us.

TO: Commissioners Simpson, Brown, Helgeson, Manning and Mital
FROM: Lance Robertson, Public Affairs Manager
DATE: March 11, 2016
SUBJECT: Review and revisions to EL3 – Public Requests for Board Expenditures
OBJECTIVE: Board review and approval of modifications to governance policy EL3

Issue

As part of the Board's regular review of its governance policies, Management reviewed Executive Limitations 3, which relates to public requests for donations, sponsorships, grants and other requests for expenditures of public funds for community support.

Background

A governance policy was first adopted in 1987 to guide the Board in approving requests for donations, sponsorships, in-kind services and other community requests for utility funds. The policy was last revised in 2005. Additional background materials on the draft modifications to EL3 were provided in a memo that was part of your March 1 regular meeting agenda.

Discussion

An initial draft policy revision was presented to commissioners at your March 1, 2016, meeting. Commissioners provided Management with feedback and guidance for changes to that policy. The final draft language of the policy incorporates that Board guidance. It sets a \$10,000 limit on board considerations, establishes clearer guidelines for board consideration of donation and sponsorship requests, and requires Management to provide the Board annually with a summary of all community grants, donations and sponsorships requested, approved and denied by staff and the Board.

Requested Board Action

Approval of Board Resolution No. 1605 and the revised Board Executive Limitations Policy No. 3 (Public Requests for Board Expenditures).

Policy Number: EL3
Policy Type: Executive Limitations
Policy Title: Public Requests for Board Expenditures
Effective Date: ~~April 19, 2005~~ April 5, 2016

The Board authorizes ~~may authorize~~ the expenditure of funds or in-kind services for purposes of research, community support, sponsorships, education programs and other activities as part of the annual budget-setting process. The General Manager, or appropriate division manager, is authorized to expend these funds as needed. Utility Management also has established a Community Investment Team to accept, review and authorize requests for sponsorships, donations and in-kind services that align with EWEB's mission, vision and values, in accordance with authorized annual budgets.

However, the Board may wish to review individual community sponsorship requests that are made outside of utility programs (such as Education Grants, Watershed Protection and Greenpower) that are funded through the annual budgeting process. In doing so, the Board shall consider such requests for funding under the following guidelines ~~In considering such requests, the Board's decisions will be guided by:~~

- The request is in excess of \$10,000. Requests of \$10,000 or lower will be considered by staff as part of the utility's normal operational procedures.
- For requests above that amount, the Board must determine that the request for financial support meets EWEB's established Community Investment priorities, which focus on the social, environmental or economic benefit to the community.
- The General Manager will make a recommendation to the Board for approval or denial. The recommendation shall include a clear and detailed written description of the proposal, a description and quantification of benefits to EWEB or its utility consumers, and a description of how research findings or services will be distributed and used.
- ~~A determination that the proposed expenditure supports the purposes of EWEB pursuant to the Eugene City Charter, and~~
- ~~A determination that EWEB or its utility consumers can reasonably be expected to receive sufficient and readily accessible benefits from the proposal to justify the expenditure.~~
- ~~The Board must determine A determination that funds are available within the appropriated budget. If not, the Board may authorize additional expenditures through a Budget Amendment or other appropriate procedures. Requests will be considered as submitted.~~
- The Board is not obligated to consider requests in excess of the established limit. Any request may be referred to staff for consideration and approval.

~~The General Manager, who will recommend approval or disapproval, shall screen solicitations of funds or services by outside agencies or individuals. The General Manager is authorized to act on the Board's behalf for expenditures or in-kind value of up to \$2,000.~~

~~The General Manager shall require specific information from the proposers requesting EWEB funds or services. Such information should include a clear and detailed written description of the proposal, a description and quantification of benefits to EWEB or its utility consumers, the qualifications of the principals, plans for shared funding, and description of how research findings and services will be distributed and used, and by whom, etc.~~

At its discretion, the Board may impose additional requirements, including contractual agreements, upon any proposer as a condition of funding or continued funding.

The General Manager shall provide the Board with an annual report of all sponsorships, donations, grants and in-kind services provided to the community. The report shall include requests that were approved and denied by staff and the Board.

Source: Board Approved 04/13/1987; Ratified 04/19/2005; Revised and Ratified 04/05/2016

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Effective Date: April 5, 2016

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- The General Manager will make a recommendation to the Board for approval or denial. The recommendation shall include a clear and detailed written description of the proposal, a description and quantification of benefits to EWEB or its utility consumers, and a description of how research findings or services will be distributed and used.
- The Board must determine that funds are available within the appropriated budget. If not, the Board may authorize additional expenditures through a Budget Amendment or other appropriate procedures.
- The Board is not obligated to consider requests in excess of the established limit. Any request may be referred to staff for consideration and approval.

At its discretion, the Board may impose additional requirements, including contractual agreements, upon any proposer as a condition of funding or continued funding.

The General Manager shall provide the Board with an annual report of all sponsorships, donations, grants and in-kind services provided to the community. The report shall include requests that were approved and denied by staff and the Board.

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**RESOLUTION NO. 1605
APRIL 2016**

**EUGENE WATER & ELECTRIC BOARD
RESOLUTION APPROVING BOARD POLICY EL3 REVISIONS**

WHEREAS, the Eugene Water & Electric Board (EWEB) maintains a Board Policy Manual that contains governing policies for the Board of Commissioners; and

WHEREAS, the Board of Commissioners periodically reviews said policies and identifies required modifications or amendments to those policies; and

WHEREAS, the Board of Commissioners periodically determines that new policy is required to adequately document the work or intention of the Board with regard to governance, Board-staff linkage, strategic direction or executive limitations; and

WHEREAS, the Board of Commissioners has reviewed a modification to Board Policy EL3, Public Requests for Board Expenditures Policy and has determined that the modification is appropriate and necessary.

NOW, THEREFORE, BE IT RESOLVED by the Eugene Water & Electric Board that the Board of Commissioners hereby grants approval to the modification of EL3 which will be reflected in updated Board Policies.

DATED this 5th day of April 2016.

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

Acting 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 a true and exact copy of the Resolution adopted by the Board at its April 5, 2016 Regular Board Meeting.

Assistant Secretary