



# MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

*Rely on us.*

TO: Commissioners Helgeson, Brown, Carlson, Mital and Simpson  
FROM: Sue Fahey, Chief Financial Officer; Sarah Gorsegner, Purchasing & Warehouse Supervisor  
DATE: December 22, 2017  
SUBJECT: Board Appointed Consultants  
OBJECTIVE: Board Direction on Appointment Process for Board Appointed Consultants

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## **Issue**

EWEB Public Contracting Rule 6-0130 designates Board Appointed Consultants as personal services that are not subject to competitive bidding requirements. The Board reviews and ratifies contracts with consultants awarded under Rule 6-0130 annually. The Board has asked for a review of the process and the associated contracts.

## **Background**

EWEB's Board may appoint and retain consultants to independently advise them and provide professional direction without regard to management's position or interpretation. In the past, EWEB invoked Rule 6-0130 for many consultants and did not use a competitive procurement process. Several years ago the Board directed staff to complete formal solicitation processes for these contracts.

In January 2017 the Independent Auditor and Certified Public Accountant contract was the only contract presented to the Board for appointment, as all other contracts were awarded using standard procurement and approval processes.

## **Discussion**

The Board has asked staff to focus the Board ratification process on consultants used primarily by the Board. Occasionally, consultants provide reports to the Board; however, consultants used primarily by the Board are limited. Consultants used primarily by staff are subject to Public Contracting Rules and may require a competitive process. The Board requires legal counsel and occasionally other consulting services.

Management is proposing to change the process for Board appointed consultants. Once the Board determines a service is required, staff will support the Board in selecting a provider(s) and negotiating the contract. Each fall the Board will review their direct appointment contracts to determine which contracts are still required and meet performance standards. Staff will send a list of proposed contracts for the following year to the Board for ratification.

The Board does not have any current contracts that used this exemption. Accordingly, no contracts require approval at this time. However, the Board may wish to initiate this process for "general legal counsel" going forward, which will establish contract(s) for Board-related services that are separate from those used by staff subject to public contracting rules.

**Recommendation and Requested Board Action**

Management requests feedback on the proposed Board appointed consultant process, and requests that the Board identify potential provider(s) for general legal counsel that will support the Board directly as Board Appointed Consultant(s).