

**EUGENE WATER & ELECTRIC BOARD
SPECIAL MEETING
EWEB BOARD ROOM
500 EAST 4TH AVENUE
April 10, 2018
12:33 P.M.**

** Audio file available to the public upon request.*

Commissioners Present: John Brown, President; Sonya Carlson, Vice President (via teleconference); Dick Helgeson, Steve Mital (via teleconference), John Simpson, Commissioners

Absent: None

Others Present: Gretchen Barnes, Cable Huston LLP (via teleconference), Frank Lawson, General Manager

President Brown called the Special Meeting to order at 12:33 p.m.

Status of Riverfront Property Sale

General Manager Lawson stated that on April 10, 2017 EWEB and the Urban Renewal Agency of the City of Eugene executed a Purchase and Sale Agreement (PSA) for the Riverfront Property. The terms of the Agreement require a closing date no later than today. Mr. Lawson reported that deadline will not be met. He then shared a report of changes which have occurred since the PSA was executed and the current status of negotiations. He asked for specific Board direction and provided three options including authorization for an extension to the deadline; authorization to let the PSA expire or to let the PSA expire and to authorize the General Manager to draft a replacement PSA.

Commissioner Carlson moved to authorize the General Manager to approve an extension of the closing date to one week from today. Ms. Carlson clarified that she will not approve another extension and in the event of renegotiation she will not vote for anything less than market value.

President Brown moved to amend the motion to state that if an extension is granted EWEB requests \$50,000 nonrefundable earnest money which will be applicable to the purchase price at closing and if the transaction does not close, it will be forfeited to the seller.

Ms. Barnes stated that any action must be agreed upon by both parties in writing, and delivered today to avoid termination of the PSA.

Commissioner Helgeson voiced support of option one, offering that including additional terms would further complicate the short time frame.

President Brown called for a vote; the amended motion failed 4-1 with President Brown in favor.

The Board addressed the original motion moved by Commissioner Carlson to authorize the General Manager to extend the closing to one week from today which is April 17.

Commissioner Mital asked Ms. Barnes in her opinion, would it be possible to resolve the issues on the table by Friday?

Ms. Barnes replied yes, however as a courtesy to the title company, who puts the documents together, one week is more reasonable.

Commissioner Mital proposed an amendment to reduce the extension to this Friday the 13th. Discussion ensued.

President Brown called for a vote on motion number 1 as amended to close on April 13, 2018. The motion failed 3-2 (Commissioners Brown and Mital in favor).

The Board returned to the main motion; to authorize the General Manager to approve an extension of the closing date to next Tuesday, April 17.

President Brown called for a vote, the motion passed 4-1, Commissioner Mital opposed.

General Manager Lawson commented that the City Manager must also agree to this extension.

Commissioner Helgeson noted the importance of easements due to very large water transmission lines and high voltage transmission on the property.

President Brown commented that he does not think interpretation of easement is negotiable.

General Manager Lawson stated that the extension is not only for that particular issue. We believe all issues need to be resolved to mutual satisfaction.

President Brown thanked the General Manger, Staff and Legal Counsel for their efforts in this matter.

President Brown adjourned the meeting at 12:53 p.m.

Assistant Secretary

President