



The following questions have been posed by Commissioners prior to the scheduled Board Meeting on June 4, 2019. Staff responses are included below, and are sorted by Agenda topic.

**Strategic Plan Opportunities** – (LAWSON) I would like to have an in depth discussion on the open issues Frank poses. I agree that "customer confidence" is hard to measure and quantify. Since it's one of the key components to the strategic plan, it would be good to flesh out what it means.

I am also interested in hearing what other's think about EWEB's role in the community good. I tend to think of it in terms of the ways in which EWEB contributes to the community good is really just a type of dividend or return on investment. Just as IOU's are responsible to shareholders and need to give a good financial return, we, as a publicly owned utility, also give a return, but ours is in the form of a social good. I'm curious to see what others think or to have a discussion about this. I don't mean to say that EWEB is responsible for solving all our community's problems or that we are loose with our money, but I do think we have a responsibility to the community in ways that a corporation doesn't.

**RESPONSE:**

*Management supports regular ongoing review of the strategic plan, and the details that drive decisions. As a starting point, the initial questions posed for the upcoming meeting include: 1) Is there strategic context that Management can provide to assist with go-forward alterations, recommendations, or considerations? 2) What strategic changes might the Board like to explore? Additional information will be presented as part of the June 2019 Board Meeting, including around how we might prioritize and refine our understanding of the organizational values.*

**Consent Calendar**

**CONTRACTS**

**Halvorson Contracting – for the Roosevelt Operations Center Consolidation and Interior Remodel Construction Services** - (PRICE) The consent calendar item indicates EWEB sent an invitation to bid in June of 2018. Did this process take almost a year from the time of request to getting it through and processed?

Also, approximately how many square feet of office space is being remodeled and is the total of \$2,770,000 just for the offices, or does it include the parking areas? I recall we had a separate contract for parking of approximately \$900,000 and am trying to get a handle on the total costs.

**RESPONSE:** *The Halvorson consent item is to cover, in advance, expected change orders resulting from the updates in scope from the original bid and approval brought to the board a year ago as we anticipate the changes will impact the total previously approved amount by 25%. The changes to the scope are the results of moving more people from HQ, including adding the call center and Dispatch, as well as the various changes due to as-built discoveries during the remodel process from prints to reality. We are remodeling approximately 22,289 square feet which is resulting in around \$124/sq. ft. The Halvorson contract work did not include the parking lot, which was approved by the Board in June 2018 (\$320,000), and was completed for \$331,000.*

**RESOLUTIONS**

**Resolution No. 1908, Authorizing the General Manager to enter into a Purchase and Sale Agreement and Termination of a Power Purchase Agreement for Foote Creek Wind I** – (ACKERMAN) We state that selling Foote Creek will create a positive effect from an environmental and social perspective - is the rationale

because it's wasted power when EWEB owns it and doesn't need the power and BPA will then be able to use the wind power and increase its renewable portfolio? I don't have any objections, I'm just trying to understand the rationale. If this is the case, I think we need to be very clear in messaging this as it is likely to be seen as EWEB dumping a renewable.

**RESPONSE:** *EWEB supports efforts to add renewable resources to the region. Given the short remaining useful life of the project, the best environmental choice is for EWEB to sell our share of the project to PacifiCorp (PAC), which clears the way for them to repower the project extending the life of the site with fewer, more efficient turbines. The Foote Creek Wind Project went in to service in 1999. Repowering the site supports PAC's need for additional renewable energy to meet their RPS requirements and uses existing transmission facilities. While this action takes about 2.5aMW of wind out of EWEB's load serving portfolio, it's quite beneficial for the region to rebuild an existing site.*

*If the Board receives public testimony expressing concern around the sale of EWEB's interest in Foote Creek Wind, Management recommends that Commissioners pull the consent calendar item to provide an opportunity for staff to clarify, for the public record, the positive economic, social and environmental impacts of this proposed transaction.*

## **OTHER**

**Proposed US Census Bureau Promotional Bill Stuffer – (GONZALEZ) Will customers with electronic billing and auto pay receive this information if the Board approves the distribution?**

**RESPONSE:** *Customers using electronic bill pay receive an email containing links to the monthly bill stuffer.*

**Secondly, since the Supreme court has yet to decide on the immigration question on the Census questionnaire, is there a concern that if the court says the question can be asked, and EWEB ties supporting participation in the census to an EWEB process, do we risk alarming the non-English speaking community of having to participate since support came along with the utility bill?**

**RESPONSE:** *As presently requested by Board Consent Action, independent of the form of the Census, EWEB will limit our communication efforts to providing factual information on how to participate, and the purpose of the data gathered through the Census process.*

## **CORRESPONDENCE**

**State Legislative Update - (HEUSER) Please provide a brief update on the legislation that would add a tax on drinking water.**

**RESPONSE:** *Things changed considerably since the composition of the most recent Legislative Update Memo, when there had been no news on the DHS Drinking Water Fee Proposal (SB 27) for several months.*

*SB 27 had a hearing January 21st at the Senate Health Care Committee. Drinking Water Providers strenuously objected, including in-person testimony from EWEB staff. An amendment was adopted that limited any future increase of the fees to 3 percent annually, and limited the use of those funds to utilization around the State Drinking Water Program. Drinking Water Providers noted that this amendment improved the bill, but that they could not support without additional measures for cost containment and representation of drinking water providers in the oversight of revenue collected from utility ratepayers, as well as a commitment from the state to an equitable ratio of state general fund revenue to funds collected under the fee.*

*On February 18th the Senate Health Care Committee approved SB 27 as amended and referred it to the Joint Ways and Means Committee, which immediately referred the legislation to the Ways and Means Subcommittee on Health Services. The bill had received no consideration by the Subcommittee since being referred on February*

*18th. Meanwhile, the state approved in early April a onetime appropriation that would fund cyanotoxin testing at Oregon DEQ for the next biennium. It was presumed then that SB 27 might not advance and that instead an interim work group would be convened to seek consensus on a long term solution to funding the Drinking Water Program.*

*On May 28th, with 24 hour notice, the Ways and Means Subcommittee on Health Services approved SB 27 and referred it to the full Joint Ways and Means Committee, without taking any public testimony. EWEB and other Drinking Water Providers are readying letters of opposition to submit to the full committee and on the House and Senate floors. It doesn't appear there will be any further public testimony taken other than letters.*

*A preliminary impact to EWEB from the fee proposed in SB 27 is estimated at \$40,000 annually.*