

**EUGENE WATER & ELECTRIC BOARD
REGULAR SESSION
EWEB BOARD ROOM
500 E 4th AVENUE
March 3, 2020
5:00 P.M.**

Commissioners may pose questions to staff prior to the scheduled board meeting. To view Commissioners' pre-meeting questions and staff responses, visit <http://www.eweb.org/about-us/board-of-commissioners/2020board-agendas-and-minutes>.

Commissioners Present: Steve Mital, President; Mindy Schlossberg, Vice President; John Brown, Sonya Carlson, Dick Helgeson, Commissioners

Others Present: Frank Lawson, General Manager; Lena Kostopulos, Chief Human Resources Officer; Elliot Mainzer; Administrator and CEO at Bonneville Power Administration; Karl Morgenstern, Environmental Supervisor; Rod Price, Chief Engineering and Operations Officer

Vice President Schlossberg called the Regular Session to order at 5:02 p.m.

Agenda Check

There were no changes or additions to the agenda.

Bonneville Power Administration Update

Mr. Lawson offered that Bonneville Power Administration (BPA) provided approximately 70% of EWEB's electricity supply via BPA's federal marketing and managing of electricity. He added the aforementioned electrical supply was mostly hydroelectric.

Mr. Mainzer offered those present an update on current BPA operations, specifically: BPA's Strategic Plan, resource adequacy, and salmon issues in the Columbia River.

Commissioner Carlson wondered if BPA was expecting any new power products that were more renewable-focused, or would it remain the regional blend of power products that BPA currently employed.

Mr. Mainzer replied that BPA currently had a team spread out across the region, talking to customers about what power products they would be looking for, as per their customers' power requests, in the next rounds of BPA contracts. He said BPA would take that feedback and try to deliver the requested power products, while maintaining affordability and deliverability.

Commissioner Brown asked, if the curtailment of coal power plants was accelerated, what regional affects that would have on power availability.

Mr. Mainzer offered the region was experiencing tremendous change in power generation resources, and with the phasing out of coal plants, regional power providers were looking for power to replace that, which in the past, came from coal. He offered BPA was part of a regional team project that, through the Northwest Power Pool (NWPP), was addressing what the load/resource balance of the region would look like in the near future.

Commissioner Carlson asked what resource efficiency looked like from BPA's perspective, and what EWEB could do to help achieve that efficiency.

Mr. Mainzer asserted that BPA's energy efficiency program was done in partnership with its customers, using an incentive mechanism with which BPA rates were made higher, and the additional revenue generated by the rate increase would go back to the customer to help fund their efficiency program(s).

Commissioner Helgeson asked how BPA expected the regional capacity constraints to progress, and if time-of-day rates might be a solution to said constraints.

Mr. Mainzer said the main innovations in rate design—including time-of-day rates—would happen at the retail utility level.

Vice President Schlossberg asked how climate change factored into BPA's generation planning.

Mr. Mainzer said that BPA was constantly working to get new, renewable sources onto the power grid. He said while there had not yet been a fundamental phase change with respect to power sources, that is something BPA was always watching for.

Commissioner Brown asked Mr. Mainzer if BPA had any long-term projections in the event of the Cascadia Subduction Zone earthquake.

Mr. Mainzer replied infrastructure on the west side of the BPA system would almost certainly be destroyed by that kind of earthquake. He added BPA's resiliency plan included moving operations to Spokane, in the event of natural disaster.

Commissioner Carlson asked about BPA making payments to the private sector to stabilize rates.

Mr. Mainzer returned that, in 1980, there was a piece of regional legislation codified called the Northwest Power Act that set BPA's obligations and responsibilities with respect to energy efficiency and local wildlife preservation. He said the Northwest Power Act made it so smaller, investor-owned utilities could take advantage of the lower rates associated with federal power access.

Public Input

Jim Neu of Eugene thanked the EWEB staff and Commissioners who provided the recent meeting to 350 Eugene et al. at which there were presentations on energy and carbon. He wondered if residential and commercial photovoltaic, and thermal solar would be included in the upcoming electrification impact analysis and report.

Items from Commissioners and General Manager

Commissioner Brown said that recently, the smart meter installation group from EWEB was doing work in his neighborhood, and they did a very good job. On the topic of the most recent ratepayer survey, he noticed that Cost Containment, although it's of the highest priority, had the lowest level of public satisfaction; he posited that efforts to reach the public should be intensified.

Commissioner Brown mentioned the old Hynix building on the west side of the city, and said it was going up for sale, with a minimum bid of \$1.1 million. He offered the property would make an excellent energy research facility.

Commissioner Carlson announced she had recently attended the following: the 350 Eugene carbon reduction meeting, the Blacks in Government dinner, the NAACP dinner, and the Lane Council of Governments (LCOG) dinner.

Commissioner Helgeson said in a recent trip to Salem, he discussed the four bills brought up by Mr. Heuser at a previous EWEB Board meeting, which are of interest to the utility. He agreed with Commissioner Brown about the recent customer survey.

Approval of Consent Calendar

MINUTES

1. February 4, 2020 Regular Session

CONTRACTS

- 2. Anixter, Inc.** - for 3-phase pad-mounted voltage regulators. \$290,000.
- 3. CH2M Hill Engineers, Inc. dba Jacobs** - for Task Order D-2, engineering services for the Carmen-Smith downstream fish passage facilities at Trail Bridge Powerhouse. \$1,455,325 (Resulting cumulative Task Order total \$3,393,462).

INTERGOVERNMENTAL AGREEMENTS

- 4. U.S. Department of Interior, U.S. Geological Survey (USGS)** - for monitoring and consulting services for source water protection. \$175,000.

RESOLUTIONS

- 5. Res. No. 2012** - Amendments to Water Bond Master Resolution

Commissioner Brown moved to approve the Consent Calendar. The motion passed unanimously 4:0 President Mital had not yet arrived for this vote

Items removed from the Consent Calendar

None

Amendment to Goal #6, Electricity Supply Planning

President Mital entered the meeting at 6:13 p.m.

Mr. Lawson offered the Board a report on the proposed amendment to the utility's electricity supply planning goal.

Commissioner Helgeson moved to modify EWEB's 2020 Organizational Goal #6 to focus on an electrical impact analysis and report as proposed. The motion passed unanimously 5:0.

Break

President Mital called for a break at 6:27 p.m. The meeting resumed at 6:38 p.m.

Annual Drinking Water Source Protection Update & State of the McKenzie Watershed Report

Mr. Morgenstern and Mr. Price offered the Board an update and PowerPoint presentation on drinking water source protection, and a report on the state of the McKenzie watershed.

Commissioner Brown asked if EWEB was currently monitoring Keizer Slough.

Mr. Morgenstern said that although the monitoring has not officially begun yet, all the equipment for the monitoring had been procured.

Commissioner Brown wondered why the Oregon Department of Fish & Wildlife (ODFW) killed EWEB's proposed 52nd Street stormwater project.

Mr. Morgenstern answered it was because ODFW was requiring fish passage and a constructed wetlands before they would sign off on the stormwater project.

Commissioner Brown asked if staff was planning on doing a repeat of an earlier pollution study of the McKenzie River.

Mr. Morgenstern said that study helped EWEB justify their septic assistance program, and since that program launched successfully, there was no plans currently to revisit that study.

President Mital asked if EWEB had any legal recourse to fight ODFW's decision about EWEB's 52nd Street stormwater project.

Mr. Morgenstern offered EWEB staff was pushing to bring this issue before the ODFW Board in order to get a fish waiver for the project, but staff was reluctant to sink a lot of resources into a legal fight with ODFW at this time.

President Mital asked what exactly the utility could do with the advanced warning system in place to detect pollution near the water treatment plant.

Mr. Morgenstern replied the personnel at the water treatment plant had plenty of advanced notice of inbound pollution, and they had more time to mitigate it, whereas before the early warning system, the operators would just have to deal with the pollution when it was already at the treatment plant. He said the warning system triggered EWEB to do additional monitoring, to ensure an even higher quality product.

Commissioner Carlson suggested EWEB could reach out to State legislators concerning the 52nd Street stormwater project.

Commissioner Brown asked—in the event of the Cascadia subduction zone earthquake—how EWEB would deal with all the effluent stored in ponds on the International Paper property, just upriver from EWEB's intakes, spilling in the river.

Mr. Morgenstern said that they would let it flow by the intake until its diluted enough that EWEB could treat it.

President Mital said, in the future, he would like to see information pertaining to how much EWEB should be investing in technical engineering solutions at the treatment plant itself.

Mr. Lawson offered the Source Protection Group under Mr. Morgenstern's leadership, is part of a larger, overarching water quality group that monitors water from source to tap.

Quarterly Strategic & Operational Report for Q4 2019

Mr. Lawson offered the Board a strategic and operational report and PowerPoint presentation for Q4 2019.

Commissioner Carlson wondered what she could do as an EWEB Commissioner to communicate more effectively with ratepayers as to EWEB's work and programs. She cited a recent community survey in which many respondents left phone numbers, and she wondered if there was a plan to reach out to those people via their phone numbers.

Mr. Lawson said that he would check on that, and report back to the Board.

Commissioner Helgeson asked how EWEB was going to use the technology (e.g. smart meters) they were currently putting in place.

Mr. Lawson responded that he would look into it, and divulge all pertinent information to Commissioners as soon as possible.

President Mital wondered about the processes by which EWEB's operational goals were selected.

Mr. Lawson said the Board approved the operational goals suggested by EWEB staff in the first part of 2019.

President Mital asked how often Mr. Lawson and his leadership team visit these operational goals throughout the year.

Mr. Lawson replied they routinely look at the goals, and share quarterly reports with the Board in which the goals are broken down to how the utility is approaching them.

Potential Presentation to City Council

Mr. Lawson asked if the Board should formally reach out to the Eugene City Council (ECC), and if so, in what way(s) should the outreach happen.

Vice President Schlossberg wondered if an orientation about EWEB in general might be in order, to help City Councilors understand the material, and to help them formulate relevant questions.

Commissioner Brown suggested EWEB try to get on some ECC Work Session agendas, at least quarterly, to ensure they are able to address the Council directly, and address their questions in a manner that cannot be done in the regular public comment format that ECC has adopted.

President Mital said he was in favor of sharing EWEB's State of the Utility address with ECC.

Commissioner Helgeson said an open dialogue with ECC was worthy of Board interest, but he would like to think about the relationship between EWEB and the ECC, and how to approach that relationship.

Correspondence & Board Agendas

Mr. Lawson offered the Board a report on correspondence and Board agendas.

Commissioner Carlson said she saw mention of an upriver meeting on April 23, but she had not heard anything else confirming this.

Mr. Lawson said that must have been a typo, the upriver meeting was in May 2020.

Commissioner Carlson said she noticed the November Board meeting was scheduled for Election Night, and she wondered if that meeting might be moved to the following Tuesday.

President Mital agreed with moving the meeting. He suggested everyone look at a calendar to see if moving the November meeting to the third Tuesday of the month would work; he said the Board could discuss this at the April meeting.

Mr. Lawson said he agreed with the sentiment, and he would check to see if there would need to be a change in Board policy to move the meeting from the first Tuesday of the month.

Commissioner Carlson posited it would be useful to have a joint meeting with Springfield Utility Board (SUB) in the near future.

Mr. Lawson said he was planning on sending Board members an off-cycle letter with the status of opportunities to meet/work with SUB.

Board Wrap Up

Commissioner Brown announced he and Mr. Lawson had a meeting scheduled with the SUB Board President on April 1, 2020.

Commissioner Carlson reported she had attended an LCOG meeting a few nights ago at which the Fleet and Purchasing Departments of EWEB received kudos for working with other entities in the region to bring the cost of fuel down.

Commissioner Carlson offered that she was starting to receive questions from her constituency about what EWEB was doing to prepare for the impacts of the coronavirus on the utility and the community.

Mr. Lawson said that EWEB did have a pandemic plan, and EWEB staff was upgrading said plan to be better equipped for the effects of the coronavirus.

Ms. Kostopulos said that earlier that day, staff had a call with Lane County's Incident Command System (ICS), and EWEB would continue working with their local partners to be better prepared. She said there was a Leader's Group starting up within EWEB that would begin meeting on Thursday, March 5 to discuss the triggers that would cause the utility to go into different levels of emergency response.

Commissioner Carlson asked if any of the supplies the utility relied on for normal operations were at risk.

Ms. Kostopulos said yes, but EWEB had procured a lot of supplies recently; she added the most concern at this time was being afforded to disinfectant. Finally, Ms. Kostopulos said staff would have a script for the Board President to read from at the open of the April meeting, reminding those present about best practices surrounding preventative measures.

Commissioner Brown asked if there had been extra cleaning measures taken in the customer service lobby.

Ms. Kostopulos said not at this time, but that was definitely on the aforementioned Leader's Group list.

Commissioner Helgeson offered that he had some possible scheduling conflicts coming up in April and May, and that he would discuss these further with the Board President and Vice President.

Vice President Schlossberg announced that the EWEB representative's next meeting with representatives from the ECC was coming up the day of EWEB's next scheduled Board meeting.

Adjourn

President Mital adjourned the Regular Session at 8:05 p.m.

Assistant Secretary

President