



MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

Rely on us.

TO: Commissioners Schlossberg, Brown, Carlson, Barofsky and McRae
FROM: Frank Lawson, General Manager
DATE: May 26, 2021 (June 1, 2021 Board Meeting)
SUBJECT: Headquarters Buildings and Associated Real Property Disposition
OBJECTIVE: Guidance

Issue

On June 1, 2021, Management will be asking Commissioners for general guidance and direction related to the potential future disposition of EWEB's HQ buildings and associated property (HQ Site).

Background

On November 6, 2018, Resolution No. 1826 declared the HQ buildings and associated property surplus for utility purposes, directing the General Manager to negotiate the terms and conditions for the potential transfer or sale of the HQ Site. Following the declaration, the City Manager expressed interest in acquiring the property under the provisions of City Code 2.196 that creates a 5-year timeline for EWEB and the City to fulfill agreed-to terms. Limits to the terms and conditions of sale were provided to the General Manager during executive session, as permitted under ORS 192.660(2)(e)

On December 3, 2019, Resolution No. 1939 authorized the General Manager to negotiate and execute the terms and conditions of the potential post-remediation transfer of real property south of the former EWEB steam plant and substation, referred to as the "MGP Site" property to the City of Eugene under the guidance provided by the Board in executive session.

On April 21, 2021, EWEB executed a Purchase and Sale Agreement (PSA) with the City of Eugene for the sale of the "MGP Site". Consistent with Board direction, the PSA includes a provision, subsequent to other provisions, whereby the City of Eugene waives its exclusive right to negotiate the potential purchase of the HQ Site as provided under City Code 2.196. Additionally, the PSA stipulates certain changes be made by the Eugene City Council to City Code 2.196 as a condition of closing.

Discussion

At this time, it is anticipated that the conditions of the MGP Site PSA will be met, and that the City of Eugene will thereby be releasing/waiving their exclusive right to negotiate for the sale/transfer of the HQ buildings and property. This permits EWEB to keep or dispose of the HQ buildings and property without further restriction. However, according to EWEB Property Management Policies, if the City of Eugene waives their exclusive right to negotiate, EWEB will initially explore the interest of other public agencies in the surplus property.

Requested Board Action

Management is requesting guidance and direction from Commissioners as to the potential disposition of the headquarters property.