

**EUGENE WATER & ELECTRIC BOARD
REGULAR SESSION
March 1, 2022
5:45 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/2022board-agendas-and-minutes>.

Commissioners Present: John Brown, President; Sonya Carlson, Vice President; John Barofsky, Matt McRae, Mindy Schlossberg, Commissioners

Others Present: Anne Kah, Administrative Services Manager; Frank Lawson, General Manager

President Brown called the Regular Session to order at 5:45 p.m.

Agenda Check

There were no changes or additions to the agenda.

Items from Board Members and General Manager

Vice President Carlson reported that she had attended the most recent general Lane Council of Governments (LCOG) meeting. She said that she was serving on: the Budget Committee, the Audit Committee, and the Executive Committee of LCOG. Vice President Carlson mentioned that Emerald People's Utility District (EPUD) was looking into a generator rebate program similar to what EWEB has already been doing.

President Brown announced the day prior, he and General Manager Lawson had a meeting with the Springfield Mayor and Springfield City Manager; he said the meeting was very productive, and they discussed a second water source, and land-use challenges.

Mr. Lawson reported briefly on the erosion of the 42nd Street levy in Springfield. He said the City of Springfield was initiating a planning process shortly, and that they were looking into available federal funding. He concluded that EWEB and the City of Springfield would be partnering on these issues for years to come.

Commissioner Barofsky reported that he had recently attended the McKenzie Watershed Council's monthly meeting, at which they discussed restoration projects and local ecology.

Public Input

Tana Shephard of Eugene, and representing Eugene School District 4J, thanked EWEB for their partnership with the 4J school district. She reported the virtual salmon

tours were very successful, and the students are requesting a similar program surrounding climate change. Ms. Shephard also said they were looking forward to the Solar Challenge this year, saying that so far, 25 teachers across three school districts have already signed up.

The Commissioners thanked Ms. Shephard for her work in bringing 4J and EWEB together.

Vice President Brown wondered if the students in Lane County not in public schools could also benefit from these programs.

Mr. Lawson said EWEB did not currently have any programs for area private schools. He said that was something the Board would have to weigh in on in the future. Mr. Lawson said he would look into it.

Commissioner Barofsky said he was interested in knowing if there are public schools in EWEB's service territory, such as Bethel and McKenzie, that are not covered by the school grant program.

Mr. Lawson said Bethel and McKenzie School Districts were included in EWEB programs already.

Approval of Consent Calendar – A, Minutes and Routine Contracts

MINUTES

- 1. a. February 1, 2022 Executive Session**
- b. February 1, 2022 Regular Session**

CONTRACTS

2. capSpire, Inc. – to plan and implement an upgrade of EWEB's Energy Trade and Risk Management (ETRM) system Allegro, to Allegro Horizon codebase. \$1,460,000 based on a Formal Request for Proposals.

Commissioner Schlossberg moved to adopt Consent Calendar – A. The motion passed unanimously 5:0

Approval of Consent Calendar – B, Non-Routine Contracts and Other Consent Items

CONTRACTS

3. General Pacific, Inc. – for the purchase of Single Phase Padmounted Transformers. \$1,534,000 based on Formal Invitation to Bid.

4. McKenzie Watershed Alliance – to design, source large wood, and implement large wood instream restoration projects on tributaries with severely burned landscapes after the Holiday Farm Fire. \$800,000 based on Direct Negotiation.

5. Northwest Youth Corps - for Vegetation Management in the McKenzie River Restoration effort. \$750,000 (over 5 years) based on Direct Negotiation.

6. Royal Switchgear Manufacturing Company – for 115kV Air Switches. \$200,000 based on Formal Invitation to Bid.

7. Stella-Jones Corporation – for the purchase of Wood Poles for use in EWEB’s overhead distribution system. \$1,100,000 (over 5 years) based on Formal Invitation to Bid.

RESOLUTIONS

8. Resolution No. 2206 – Annual Price Adjustment for Dark Fiber Lease Pricing.

9. Resolution No. 2208 – Environmental Product Line Pricing.

Vice President Carlson moved to approve Consent Calendar – B. The motion passed unanimously 5:0.

EWEB/City of Eugene Joint Initiatives Agenda

Commissioner McRae expressed his desire to address electrification.

President Brown clarified that the EWEB/COE joint initiatives agenda is generated by the Board, rather than by staff.

Mr. Lawson said EWEB did not see this agenda with the City of Eugene as a one-time thing, but rather evolving topics and a partnership.

Commissioner McRae recommended the EWEB Board of Commissioners set a little time aside on its meeting agendas in the future to discuss its joint work with the City.

In response to a question from Commissioner Carlson, Mr. Lawson said to his knowledge, the target was to meet with City leadership after the month in which EWEB’s quarterly reporting is done.

Regarding electrification, Commissioner Schlossberg suggested the Board Liaisons ask City Leadership direct questions that could facilitate action.

Referring to carbon reduction goals, President Brown said that EWEB could suggest a means to achieve the goal by using funds from EWEB’s Contribution in Lieu of Taxes (CILT).

Mr. Lawson said there were two resolutions concerning electrification currently going through the Eugene City Council, and they provided a mechanism to facilitate the work between EWEB and City of Eugene.

Commissioner Barofsky moved to adopt the EWEB/City of Eugene Joint Initiatives Agenda. The motion passed unanimously 5:0

State of the Utility Address & Prior Year-end Operational & Strategic Goals Report

Mr. Lawson offered the Board a report and PowerPoint presentation on the state of the utility, and prior year-end operational and strategic goals.

Commissioner Carlson expressed appreciation for the KPIs and reporting. Being cognizant of the amount of work EWEB has set out to accomplish this year and challenges such as supply chain issues and staffing constraints, she asked the General Manager to let the Board know if any adjustments need to be made.

Commissioner Barofsky said he found the use of the gas gauge graphic helpful, and due to it, he was able to get through the document easier, and was able to pay closest attention to the things marked as low on the gas gauge.

Commissioner Schlossberg thanked Mr. Lawson and staff for their hard work and thoroughness. She was especially grateful for staff's performance during the COVID pandemic.

Break

President Brown called for a break at 6:43 pm. The meeting reconvened at 6:53

Goal #8: EWEB Headquarters Property "RFP Process & Document Review"

Ms. Kah offered the Board a report and PowerPoint presentation on the Request for Proposal (RFP) process and document review for the EWEB headquarters property.

The first question generated by the presentation was: **Should EWEB reserve the right to place a deed restriction on the property to limit certain uses?**

President Brown offered if the utility were going to place a deed restriction on the HQ property, now would be the time to do it. He said it was important to make sure what goes in that space reflects the values of the community.

Mr. Lawson said he saw no problem if EWEB wanted to reserve the right to place deed restrictions on the HQ property, adding that he and staff would make sure Commissioners had a copy of the City of Eugene Code that deals with this type of real estate and the possible future uses of that real estate.

President Brown asked if future Boards could rescind any deed restrictions placed on the property now.

Mr. Lawson said that was correct.

President Brown warned against making deed restrictions at this time, saying it could negatively affect the marketability of the property. He offered that could be addressed

during negotiations with the top Proposers. He said the Board needed to have this conversation amongst themselves first, before having it with anyone else.

Vice President Carlson said there were deed restrictions EWEB could impose that were not discriminatory in any way, and would ensure the space is used in a way consistent with community values.

Commissioner Barofsky expressed interest in any potential buyer providing a timeframe that must be satisfied before the property could be resold.

The second question generated by the presentation was: **Does the Board wish to conduct a customer survey? If yes, what level of engagement does the Board desire?**

a. Phone + online, with optional engagement poll

b. Online survey only

c. Informal online survey

Commissioner Schlossberg felt the information received from a customer survey would not necessarily be meaningful to the HQ property issue, and she wondered if doing a survey would only open the issue up to more disagreement and controversy.

Commissioner Barofsky agreed with Commissioner Schlossberg about a potential survey.

Vice President Carlson said she believed there was value in getting community feedback about weighting the different Requests for Proposals (RFP). She said when EWEB had a final list of RFPs, that would be a good time for community feedback.

Vice President Brown wondered why the public hearing scheduled on this topic for the April Board meeting was only 10 minutes long.

Mr. Lawson assured Commissioners that the public would have ample opportunity to weigh in on the HQ property sale.

Correspondence & Board Agendas

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

Commissioner Barofsky said that he, President Brown, and EWEB staff had a meeting with Oregon Senator James Manning, and they asked Senator Manning to request funding from the state for a second water source facility, and he asked if there were any legislative updates pertaining to that request.

Mr. Lawson said that EWEB's Policy/Government Affairs Program Manager, Jason Heuser had mentioned that in passing, and he should have more information to pass along to Commissioners next week.

Mr. Lawson said EWEB staff had provided Senator Manning and some of the others on the various State Budget Committees several project levels and options for the second water source project.

President Brown wondered if the Board would get a report on the possible hydrogen project happening in west Eugene.

Mr. Lawson said he did not have an update at this time.

Commissioner McRae wondered if EWEB would consider changing the way it incentivizes power in its efficiency programs, to help local schools and businesses do the same.

President Brown agreed.

Mr. Lawson suggested some informal conversations with the Board in early- mid-summer, leading up to more formal agenda items in the fall.

Board Wrap-Up

Commissioner McRae thanked staff for the seamless nature of these hybrid meetings.

Commissioner Schlossberg said that she had heard some people viewing the meetings were having a hard time hearing what was being said.

President Brown reminded the Commissioners they had the General Manager's performance review coming up.

President Brown suggested a Board dinner, and the Commissioners agreed it would be a good idea.

President Brown adjourned the Regular Session at 7:37 p.m.

Recorded by Rodney Cimburke

Assistant Secretary

President