



The following questions have been posed by Commissioners prior to the scheduled Board Meeting on May 3, 2022. Staff responses are included below and are sorted by Agenda topic.

Quarterly Operational & Strategic Goals Report for Q1 2022

**GOAL 6a: Completing a plan for Willamette drinking water treatment, including project scope, schedule, and capital spending details, along with 2022-2023 land-use and permitting milestones – (KELLEY/MCCULLOUGH)**  
**The progress with our second water source. The strategic plans indicates that we are a bit behind schedule due to applying for use of stored water, but I would love to hear a bit.**

***RESPONSE:** More information on the Willamette Treatment Plant project will be presented as part of the quarterly reporting during the May 3<sup>rd</sup> Board Meeting. The application for access to federally stored water is unrelated to the status of the Willamette Treatment Plant but presents a related opportunity to supplement our Willamette water rights.*

*Presently, EWEB, City of Eugene, City of Springfield are working on the process to update the Public Facilities Services Plan (PFSP), which is used to amend the Metro Plan. This update, along with amendments to the Glenwood Refinement Plan, Springfield Development Code, and potential annexation are needed for EWEB to get the permits necessary to construct a treatment plant within the existing mixed-employment zoning in Glenwood. According to Springfield City Staff, EWEB should initiate the land use/permitting process by submitting a request for Development Issues Meetings (DIM). In the first quarter, Board President Brown and General Manager Lawson met with the Springfield City Manager and Springfield Mayor to discuss the process. The Mayor and City Manager agreed to schedule a work session with the Springfield City Council to highlight the process and EWEB's intentions, although the timing is still undetermined.*

**APPENDIX E - CAPITAL SPENDING SUMMARY:**

**Electric Meter Upgrade Project – (PRICE) What was the range of the initial modeling for the payback on the AMI project? It is more than \$10 million over budget, will it still have a positive NPV with these additional costs factored in?**

***RESPONSE:** The initial estimates identified in the EL-1 Report(s) were for the Opt-In partial-meter deployment scenario. When the EWEB Board approved the Opt-Out model in 2018, the additional scope and related budget of \$8.6 Million was needed for more meters, labor to install the meters as well as associated upgrades to our IS and radio communications infrastructure. If the financial, social, and environmental benefits are combined, there is still extensive positive "return", including optimizing power supply procurement/contracts, improved outage restoration, disaster recovery with limited supply, operational efficiencies (deployment, meter Routes, Move-Ins/Outs, troubleshooting, bill estimation), carbon footprint reduction (Generation & Operations), system design/flexible operation (voltage, pressure, microgrids), and Limited-Income/rental costs. For context, in 2013 just the "strategic benefit" of power demand-response was estimated at \$35 million. At today's power prices, that would be higher. EWEB has not run a complete analysis using today's updated assumptions but plans to do so as part of the project review. Updates to this modeling can be made with assumptions about final deployment timelines and assumptions about power resources and benefits being developed in the IRP process.*

**E. 40th Reservoir Project - Why is this project \$18 million over budget? (KELLEY)**

**RESPONSE:** When we originally scoped out the distributed storage approach, we used the 2015 master plan cost of \$9.37M for one 5 million gallon (MG) tank at the E. 40<sup>th</sup> location. When the project was first scoped, the cost went up due to inflation to \$10.25M. In a Master Plan update, we increased the tank size to 7.5MG and subsequently the price to \$12.5M to more closely align with demand projections and resiliency/reliability efforts. When the Board approved the addition of a second 7.5MG tank, the cost projection went to \$25M. The final project cost estimate of \$28M accounts for the rock blasting that needed to happen during excavation. Even in an inflationary contracting environment, the final cost should be approximately 5% over the budget.

Another way to look at this project is that the 2015 Water Master Plan had \$9,370,000 for a project cost for a 5MG tank at E. 40<sup>th</sup> or \$1.87/gallon. Apply this to 15MG which are currently constructing you get \$28M. While there are economies of scale, we are constructing the new tanks today for essentially the same price per gallon as in the 2015 Master Plan.

**Consent Calendar**

**CONTRACTS**

**Hamer Environmental – for Northern Spotted Owl Biological Analyses and Reviews – (KELLEY)** One of the criteria is called "staff rates" what does that mean? Is this staff pay, or something else entirely? If it is staff pay, I am curious how we score this item.

**RESPONSE:** Staff rates refers to the hourly rate for each category of staff that is expected to work under this contract. In this RFP we requested rates for the Project Manager, Staff Biologist, Field Biologist, and GIS analyst and assigned the points allocated to this category by splitting the response range into quartiles and awarding the points across the low and high of the range.

I would like to see a breakdown of the individual rankings by category by company.

**RESPONSE:** They are ranked only by the total but it's easy to compare by category from the chart below.

**RFP SCORING**

PROJECT: 22-054-PSC Biological Evaluation

Location on Questionnaire	CATEGORY	Potential Points per Category	Stillwater	Hamer	Turnstone	Mason Bruce Girard	West	Cafferata	ECT	ESI	WCSI
Section 3	Non-Scored Items PASS/NO PASS	N/A	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
	Scored items										
5.1	Project understanding & Technical Approach	30	27	25	25	24	24	23	20	23	18
5.2	Project Team Qualifications & Firm Experience	30	27	26	26	26	24	22	22	24	23
5.3	Rate Sheet Evaluation	20	9	19	13	13	14	15	5	16	19
	<b>80</b>		<b>62.75</b> #3	<b>70.00</b> #1	<b>63.25</b> #2	<b>63.00</b> #4	<b>62.00</b> #6	<b>60.50</b> #7	<b>46.50</b> #9	<b>62.50</b> #5	<b>60.25</b> #8

**CORRESPONDENCE**

**Board Policy Review/Recommended Update – GP7 Parliamentary Procedures – (LAWSON/KAH)**

Have we ever had a situation (in recent times) where we've had to name a new Commissioner because someone stepped down? If so, how did that go?

**RESPONSE:** Commissioner resignations are very rare; there are no good examples to learn from in recent history.

The only resignation in the past decade was Commissioner Cassidy who resigned from the Board as of August 9, 2012, approximately four and a half months prior to the end of his term. Dick Helgeson had already run unopposed in the May 2012 primary election and received 98 percent of the votes. He was appointed via resolution to fill the

*vacant Commissioner seat for Wards 2 & 3 on September 4, 2012, took his oath of office that evening, and served the remainder of Commissioner Cassidy's term. Commissioner Helgeson went on to win the November election and continued to serve.*

**Proposal for Monthly Smart Meter Opt-Out Fee for Residential Customers – (PRICE/MCGAUGHEY/HART)**  
**Is the proposed Smart Meter opt-out fee monthly or just one time?**

***RESPONSE:*** *The Opt-Out Fee is the monthly charge for operational costs, including manual meter reading.*