



MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

Rely on us.

TO: Commissioners Brown, Carlson, Barofsky, McRae, and Schlossberg
FROM: Rod Price, Assistant General Manager and Deborah Hart, Chief Financial Officer
DATE: June 29, 2022
SUBJECT: SD20 Annual Enterprise Risk Management (ERM) Update
OBJECTIVE: Information Only

Issue

Board Policy SD20 requires a periodic report on the status of Enterprise Risk Management(ERM) activities. This memo provides ERM information for the past year.

Background

Board Policy SD20 outlines EWEB's commitment to an enterprise-wide approach to risk management. As a practice, ERM supports the achievement of operational and strategic objectives, including safety, reliability, responsible stewardship of our customer-owners' financial and natural resources, and regulatory compliance. Managing risk is an integral part of decision-making across EWEB and is not a stand-alone activity. EWEB's risk management efforts include the Safety program, Cyber Security program, Dam Safety program, Physical Security program, the Water Division's Risk and Resiliency Assessment and Mitigation Plan, and the Power Risk Management Committee. ERM staff coordinates EWEB's risk management efforts, which includes identifying and analyzing existing risks, monitoring emerging risks, creating and implementing mitigation strategies, and reviewing those strategies to ensure that decisions are risk-informed, and the risk retained is acceptable.

Discussion

At the end of 2021, an updated risk analysis was completed by Staff and Management to determine which risks ERM should focus on from an organization-wide perspective. Top risks were selected based on projected impact and likelihood of occurrence after mitigation strategies were applied. These risks were determined to be resilience, alignment, and modernization. These are the same top risks identified in last year's annual SD20 report, although the ways these risks are being experienced and mitigated have changed.

Resilience

As a provider of community-critical utilities, EWEB has an obligation to prepare for the unexpected. While we cannot see the future, we can create an organization that is flexible and adaptable to the risks of today and the potential risks of the future.

The effects of the pandemic are still being felt most strongly in staffing, our customers' ability to pay, and supply chain constraints. Other risks threatening EWEB's resilience include employee-related matters, contracting, natural disasters, dam safety, water quality, capital planning and equipment failure, data governance, and security of our physical and digital assets.

Employee-related risks rise to the top, as recruitment and retention of qualified staff is key to accomplishing our goals and objectives. Leaders must be developed, as not every stellar employee will naturally become a compelling leader. While staff transitions are inevitable, bench strength, succession plans, and documented processes for knowledge transfer are imperative to maintain quality of work during staff transitions. Investment in employees is crucial, from teaching new skills and use of modern technologies to supporting physical and psychological safety.

Contract risk remains a top priority for resilience as well. Well-written project RFPs lead to higher quality results, which benefits both staff and the community. Providing staff with the tools and resources to proactively manage contracts is also an area of opportunity. Grant management (including finding grants, applying, managing grant obligations, and fulfilling reporting requirements) is an emerging risk due to increased number of grants for which EWEB may qualify.

There is much work underway to address these risks. Workforce Services staff are proactively supporting internal staffing capacity with creative recruiting methods. A Strategic Program manager was hired to focus on coordinating operational resiliency programs and projects. Work is underway for a second water treatment plant. Electric staff are on track toward adoption of a wildfire mitigation plan this July. A new Grants Specialist is paying particular attention to the growing grant-related opportunities and risks. There are increasing opportunities to intentionally carve out time for training and development of frontline staff and leadership, both hard and soft skills.

Privacy of employee and customer personal information remains a high priority. Annual identity theft prevention training, required for staff whose jobs require access to personal information, includes a strong focus on physical and cyber security. Teaching users to know when something does not look right is an integral piece of the ongoing cyber security strategy, and phishing tests have become part of this education. The Privacy Committee continues to investigate and respond to potential breaches of personal information. Over the past year one potential event was reported, and an investigation revealed no personal information was compromised.

Alignment

One key method to achieve effective resilience is with an aligned staff. Our shared mission, vision, and objectives don't always translate into alignment on big questions such as prioritization of resources across divisions, management and use of data, and leadership's philosophy on taking risks. The way these big questions are approached can, and should, change with adjustments in leadership direction, Board membership, and the environment we operate within, and it can be hard for staff to continually adapt their processes in response.

There is a need for cohesiveness across the organization and alignment to guiding principles. This disconnect is also felt between departments. One example is the occurrences of "shadow IS", when a department engages in technology solutions outside of EWEB and without the guidance from Information Services. Issues such as this may arise from a lack of desire to collaborate or a lack of awareness the stakeholders. Risks arising from inaccurate stakeholder identification and engagement did come up in interviews several times. In general staff want to communicate and collaborate with the right people, but siloed work coupled with our current dynamic workforce environment means that many of us haven't seen one another face to face in two years or more.

Supporting an aligned culture is being accomplished in a variety of ways. The Executive Team has been intentionally focused on Diversity, Equity, and Inclusion (DEI), and there is work underway at the Board level to adopt an actionable Board Diversity, Equity, and Inclusion policy. Continuous Improvement (CI) staff are

gearing up to play an active role in supporting the upcoming EWEB Enterprise Solutions project to replace legacy information systems. ERM continues to spend time with each new employee within their first six months at EWEB to provide an overview of ERM areas and supporting a cultural narrative that risk issues can and should be escalated and addressed. Workforce Services is expanding the new employee orientation program to include similar exposure to other areas of policy, compliance and cultures. Finally, in April, a new Business Continuity division was created to consolidate enterprise-wide focused departments and functions to provide a framework that will identify and provide solutions to maintain the security and continuity of our organization, both in the short and the long term. Bringing dispersed functions together under a focused leadership will optimize EWEB's ability to maintain security, manage risks, and provide support to Managers and Supervisors for the continuity of their operations.

Modernization

EWEB experiences risks outside of our direct control including changes in power markets, legislation, and weather and consumption pattern shifts. There are many big decisions that will have impacts for years to come, including watershed recovery and protection, decisions on the future of the lower McKenzie River hydroelectric projects, a Willamette drinking water treatment plant, wildfire mitigation planning, Integrated Resource Plan, transition to a customer portal, and the EWEB Enterprise Solutions (EES) project. EWEB must modernize to maintain relevance and industry influence. Making big decisions and responding to outside influences requires a modernized approach toward asset and data management to make these decisions. These changes will also change the way staff performs their work, including new tools, new processes, and new expectations.

As EWEB modernizes and takes on numerous big projects, the need to effectively manage our resources to implement them efficiently and successfully is imperative. A new Strategic Program Management Office (SPMO) was formed last year and is in the process of building project management standards and resources as well as developing a framework to plan and prioritize multiple EWEB enterprise projects.

Transitions like modernization can be disorienting and uncomfortable. Stacking numerous changes together has the potential to induce change fatigue. Although we refer to it as the soft side of change, managing the people side of change is often the most challenging and critical component of organizational transformation. Increasing the change management in our project work is now included in the SPMO group and improving the management of the people side of organizational efforts will pay off in the end in terms of EWEB's success and avoiding the numerous costs that plague poorly managed change. Leveraging a structured process of project management and set of tools for leading the people side of change will be critical to achieve the desired outcome.

A modern approach also includes an intentional focus on DEI. As mentioned above, the Executive Team has had a recent focus on how to operationalize these ideals. There are further opportunities to review our customer programs and employee policies through a DEI lens, and this work is in the discovery and planning stages.

Other Functions:

ERM staff are responsible for compliance with public records archival and request laws, claims, insurance procurement, and responses to subpoenas. In 2021 EWEB addressed 34 public record requests and EWEB has received 20 so far in 2022. Most liability and recovery claims EWEB experiences are within the \$2 million self-insurance threshold and are resolved internally. EWEB maintains a broad portfolio of insurance policies to cover a variety of other exposures. This portfolio is evaluated at least annually to ensure the types and levels of coverage purchased continue to be adequate to mitigate risk. ERM staff report quarterly to Management

on compliance activities, helping to ensure current conversations on compliance opportunities. ERM staff also manage the Contract Governance program, designed to address non-standard contracts developed outside the Purchasing department. Presently, nearly 270 active contracts are being tracked. Training continues to be a strong focus, including comprehensive ethics training for all new hires and refresher ethics training for all employees.

Requested Board Action

This item is information only and accordingly there is no requested Board action.



MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

Rely on us.

TO: Commissioners Brown, Carlson, Barofsky, McRae, and Schlossberg
FROM: Megan Capper, Energy Resources Manager, Matthew Schroettig, Power Planning Supervisor
DATE: July 1, 2022
SUBJECT: 2022 Annual IRP Update
OBJECTIVE: Information Only

Issue

The intent of this 2022 Integrated Resource Plan (IRP) update is to provide high-level context and an annual update to the action items established in the 2011 IRP.

Background

Integrated Resource Plans are tools to assist utilities in making long-term generation resource decisions under various scenarios. EWEB completed its last IRP in 2011. Since then, staff have updated the Board annually on the resulting action items. In 2020 and 2021, the Board decided that an electrification study would be the focus of the utility's near-term planning efforts. Staff completed the electrification study in fall of 2021, and the information gathered in it is being used in EWEB's load forecast as well as the 2022 IRP. Staff have begun analytical work on the 2022 IRP and will release an initial draft for Board feedback in December.

Discussion

Summary of 2011 Action Items and 2021 Update

In the 2011 IRP, EWEB concluded it had no immediate need for new resources, recommending reliance on conservation programs to meet future customer load growth, augmented by market purchases in the event of a new large load. The only instance in which EWEB was forecast to have a potential supply shortage over the 20-year study period was during an extreme (one-in-ten) weather event.¹ Below, we highlight the most relevant changes from our last update. Based on the 2011 IRP framework, EWEB's portfolio remains adequate to meet our needs and continues to utilize the market to manage financial risk.

The wholesale energy market continues to be liquid, though prices have risen substantially in recent months and are forecast to remain high through 2023 due to significant price increases in natural gas. EWEB is engaged in the Northwest Power Pool's (NWPP) Western Resource Adequacy Program (WRAP) development, intended to ensure sufficient capacity is available to serve regional load in the face of increasing coal retirements and shifts toward renewable energy in the West. Frank Lawson serves on a small executive team and EWEB is also represented on the Steering Committee and at the Committee level.

The WRAP program has moved to the non-binding implementation phase, and both EWEB and BPA

¹ Peak demand due to cold temperatures.

have signed on as participants. EWEB will need to make a decision on whether to join the binding phase of the WRAP program by the beginning of 2023. If EWEB joins the binding phase of the WRAP, the utility will be required to demonstrate that it has sufficient resources to meet a one-in-two peak load event plus a planning reserve margin or face financial penalties.

Update to Action Items since 2011 IRP

Below is a summary of each adopted action item with discussion of adaptations to fit with current industry, market, and affordability trends.

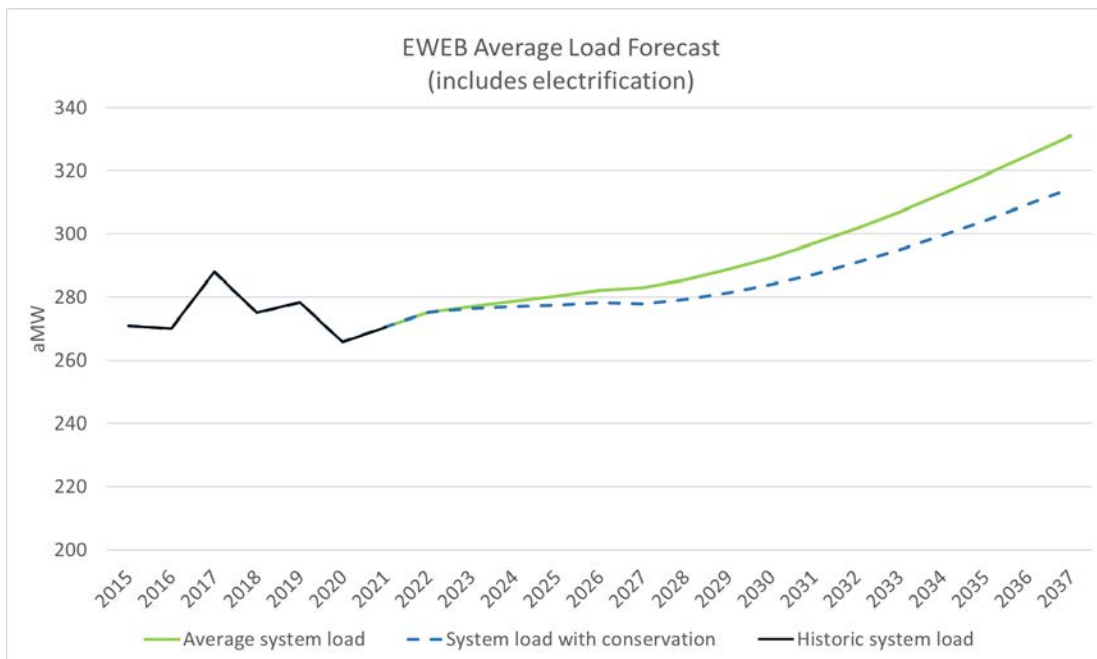
2011 IRP Action Items:	2022 IRP Update:
Meet load growth with conservation.	We have been meeting this action item.
Work with our customers to avoid peaking power plants by using new demand-side management programs.	If the regional generation supply continues to tighten, EWEB will look at both supply-side resources and demand-side opportunities to serve peaking needs.
Continue to cultivate regional partnerships.	We continue to work with regional partners to influence regulatory and policy outcomes that reflect customer interests.
Enact new large load strategy, if needed.	We have a tariff in place for any new large load.
Annually update key planning assumptions and look for material changes.	The update of assumptions is ongoing. We are configuring and implementing new planning models and adopting best practices to address recent industry changes as part of the 2022 IRP.

Meet Forecast Load Growth with Conservation

EWEB continues to meet all load growth with conservation. Annual conservation targets are based on our 5-year average load growth forecasts. Since 2011, EWEB has experienced flat or declining loads. As a result, updates to the load forecast have reduced forecasted conservation targets significantly since the 2011 IRP. EWEB continues to fund conservation measures which meet the level of activity required to be reimbursed for our conservation investment in BPA. In addition, EWEB targets conservation measures that help reduce EWEB’s peak load.

EWEB’s load decreased in 2020 due to impacts of COVID-19 and rebounded in 2021 as unemployment rates stabilized. EWEB expects that with increasing rates of electrification, load growth could outpace current levels of conservation by the late 2020’s. Conservation will be treated as a resource in the 2022 IRP and staff will provide information on cost effectiveness and resource potential as part of the IRP process.

Figure 1. EWEB Historic Average Loads and Forecast



Partner with Customers to Avoid New Peaking Power Plants

EWEB has previously conducted seven demand response (DR) demonstration projects (four residential and three commercial/industrial). These projects demonstrated that control technologies generally work well, but metering, telemetry, and validation methods are required. After concluding these DR demonstration projects, staff determined that weak wholesale market price signals, both to justify upfront costs and to incentivize meaningful customer behavior, made DR a suboptimal solution at that time. Staff will be discussing demand response treatment in the 2022 IRP at the August Board meeting. As needed, markets continue to be a near-term solution in lieu of a peaking power plant.

Resource-Specific Decisions

Several EWEB-owned resources have been rendered non-operational in recent years (Leaburg) or are scheduled to retire in the next several years (Trailbridge). Best available information about retirement dates or operational availability will be included in the 2022 IRP. Generation staff are currently working in collaboration with the Board and the McKenzie Valley Community to set the direction of the Leaburg Hydro Electric Project toward either a power producing asset or a storm water conveyance asset.

Continue to Leverage Regional Partnerships

EWEB staff continues to advocate on behalf of customer owners to preserve and enhance the value of our power portfolio, consistent with our community's values. Building upon decades of successful partnership, EWEB influences BPA decision-making through regular input at the policy and rate case levels. As a key focus area, EWEB staff are actively participating in the development of the BPA 2028 contract framework. Additionally, staff engages with decision makers at the state, regional, and federal levels on energy and transmission policy.

Pursue New Large Load Strategy, if Needed

A key discussion in the 2011 IRP was how to serve a new large load, since it is unlikely conservation could ramp up quickly enough to offset such load growth. The IRP recommendation was to rely on

existing resources, conservation (where possible), and market purchases to meet the increased demand. That recommendation will continue to be the best approach for the utility.

Annually Update Key Planning Assumptions

As part of the 2022 IRP process, staff have been revisiting all major assumptions for long-term planning. This includes load forecasting updates, including the electrification study, best-available information on energy efficiency and demand response potential and products, as well as potential new resource options for the utility in the future. Staff plan to present a list of supply-side resource options to be considered in the 2022 IRP to the Board in August.

2022 IRP Update – Next Steps

Management is providing this annual update as part of its commitment to the 2011 IRP. Staff will continue to exercise the flexibility inherent in the 2011 IRP to meeting its objectives, including supporting EWEB's affordability goals. Staff are actively conducting analysis and modeling for the 2022 IRP and will be engaging with the Board throughout the remainder of 2022 on specific topics.

Requested Board Action

This update is for informational purposes only.



MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

Rely on us.

TO: Commissioners Brown, Carlson, Barofsky, McRae and Schlossberg
FROM: Frank Lawson, General Manager; Anne Kah, Administrative Services Manager
DATE: June 29, 2022 (July 5, 2022, Regular Board Meeting)
SUBJECT: Potential Update to Board Policy GP15 New Commissioner Orientation
OBJECTIVE: Information/Guidance

Issue

During the Board's annual business meeting in January, three policies were selected for further review and refinement; GP7 Board Parliamentary procedures, GP15 New Commissioner Orientation, and SD3 Customer Service Policy. Additionally, the Board committed to establishing a new Diversity, Equity, and Inclusion Policy.

Background

Board Policy GP15 New Commissioner Orientation provides a roadmap to prepare new Board members for their role at EWEB. The policy was last revised August 7, 2018.

Discussion

During the January 2022 board meeting, Commissioners identified an opportunity to update Board Policy GP15 to better reflect recent practices. A copy of the current policy, with proposed amendments, is attached herein for the Board's consideration.

Additionally, Management is interested in Commissioners perspective of past orientations. The Board is invited to provide suggestions and opportunities for improvement which will be incorporated into the Board Policy and/or the GM Office procedures.

Recommendation/Board Action

No action is requested at this time. Management requests guidance on potential policy amendments which will be presented to the Board as a consent calendar item at the August 2, 2022 meeting.

Attachments:

Board Policy GP15 New Commissioner Orientation – potential updates for consideration



Governance Process Policies (GP Policies)

GP15 New Commissioner Orientation
Effective Date August 7, 2018 (July 5, 2022 Edits for Consideration)

The ~~Board President or their designee~~ Office of the General Manager is responsible for coordinating the orientation of new Commissioners. The General Manager or their delegate shall consult the Board President to determine their desired level of participation in the orientation process and obtain general guidance around the priorities for the orientation.

The purpose of the New Commissioner Orientation is to create familiarity with policy, provide an overview of EWEB operations, and make introductions to management and primary contacts at EWEB. New Commissioners have distinct backgrounds and inspirations for being on the Board, as well as diverse learning styles, varied schedules, and availability. Therefore, orientations will be tailored for each new Commissioner.

The investment involved with providing a substantive overview and discussion of EWEB's operations, as well as Commissioner roles, will reap future benefits. New Board members will be well informed and better prepared to participate effectively in the Board's governance role.

During the election process or pre-appointment period, information requests from candidates will be granted in accordance with Oregon Public Records and Public Meetings Laws. A meeting with the General Manager to gain a better understanding of the Board's role and to obtain general information about EWEB will be scheduled upon the candidate's request. All such requests for information, as well as questions regarding public meetings, and scheduling matters should be directed to the Office of the ~~General Manager's Executive Assistant~~.

After the general election or appointment, but prior to a new Commissioner's oath of office, the Office of the General Manager will commence the orientation with intent to complete the process as soon as practical and within an amount of time that is acceptable to the Board President, General Manager, and new Commissioner(s). Unless specified, the elements of the orientation may take place before or after the oath of office.

In the event that a Commissioner Nominee will run uncontested, the orientation may begin prior to the general election, at the discretion of the Board President, General Manager, and the Nominee.

ELEMENTS OF THE ORIENTATION:

Prior to the oath of office, the General Manager will invite the Commissioner Elect, Nominee, or Appointee to:

- Attend Board meetings as an observer with the opportunity to be introduced to EWEB personnel.
- Attend Board workshops and retreats as an observer.

During the orientation process, the Office of the General Manager will:

- Provide information to the Commissioner Elect, Nominee, or Appointee, including:



- Board Policy Manual
- General information about EWEB
- Inform the Commissioner Elect, Nominee, or Appointee about upcoming association meetings and/or Public Power orientations and workshops. (Expenses associated with these opportunities shall only be paid by EWEB after the new Commissioner has taken the oath of office; prior to that time, the attendee shall be responsible for costs incurred.)
- Design a series of orientation sessions for the new Commissioners.
 - Informational meetings with, or introductions to:
 - Board President
 - Experienced Board members
 - General Manager
 - Executive Team members
 - [Operations Managers](#)
 - Program Managers
 - Tours of major projects and facilities
- Provide written information pertinent to the Board and identify the highest priority areas. Common resources include:
 - Board Policy Manual and Bylaws
 - Relevant policies and protocols
 - [Strategic Plan](#)
 - [Quarterly Strategic & Operational Reports](#)
 - Annual Financial Reports
 - Website review
 - Organizational chart and list of key personnel
- Support new Commissioners' endeavor to strengthen their connection to the public.
 - Invite new Commissioners to attend community meetings with the appointed Board liaison and make appropriate introductions.
 - Impart relevant information about industry trends and public power and water needs in our community.
 - Familiarize the new Commissioner with EWEB's priorities, strategies, essential operations and major initiatives which will help them become knowledgeable representatives.



- Promote productive communication:
 - Discuss the board-staff working relationship (Board Policy BL6), including lines of communication and appropriate contacts for particular information.
 - Determine the new Commissioner's preferred method of communication and use that style to the extent practical.

After the Oath of Office:

- After the new Commissioner(s) has^{ve} taken the oath of office, the Board President or General Manager should maintain ongoing communication by initiating contact with new Commissioners. Examples include:
 - Encourage new Commissioners to ask questions and seek information prior to Board meetings; offer to meet with them prior to the meetings during the first several months.
 - Establish an e-mail address and include them in routine communication.
- Encourage new Commissioners to seek educational opportunities.
 - Notify new Commissioners of upcoming state and national conferences.
 - Establish an expectation for new Commissioners to attend conferences and explain how to obtain travel support.
 - Strengthen partnerships and teamwork by arranging for the General Manager and/or other Board members to accompany new Commissioners to conferences and introduce them to others.

DEFINITIONS:

Commissioner Elect: Individual has completed the election process (primary and general elections) and has won the seat in the general election. Individual has not been sworn into office.

Nominee: Individual has won in the primary election and will either run uncontested in the general election or will run against another candidate.

Appointee: Individual has been selected to fill a vacant or soon to be vacant seat but has not been sworn into office.

Source: Board Approved 07/06/04, Ratified 04/19/05, Revised 08/07/18, Resolution No. 1823.



MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

Rely on us.

TO: Commissioners Brown, Carlson, Barofsky, McRae and Schlossberg
FROM: Rod Price, Assistant General Manager
DATE: June 29, 2022 (July 5, 2022, Regular Board Meeting)
SUBJECT: DEI Board Policy Development Background Information
OBJECTIVE: Information

Issue

Based on Board feedback from the February 15, 2022, Board Work Session, this memo seeks to provide examples of Diversity, Equity, and Inclusion (DEI) policy development at peer agencies and provide background information about DEI work done by EWEB to date, in support of development of a DEI policy at EWEB.

Background

In 2021, as part of Commissioners' annual policy review, along with work on revisions to SD15 Climate Change policy, it was recognized that "equity considerations" were not included within EWEB Board policy. Simultaneously, beginning in the second half of 2021, EWEB management engaged in facilitated discussions of what diversity, equity, and inclusion could mean to the organization. Consistent with best practice, it was determined that diversity, equity, and inclusion are interrelated and should be considered holistically.

In support of 2022 Organizational Goal #2(e), *"build and inspire the workforce necessary to fulfill ongoing business obligations and strategic initiatives amidst a challenging and changing labor and social environment by: (e) developing and nurturing an environment based on the principles of diversity, equity, and inclusion (DEI),* Commissioners and Management wish to develop a guiding DEI Board Policy.

In advance of the February 15, 2022 Board work session, Management recommended potential definitions for the terms: diversity, equity, and inclusion. Additionally, after researching other organization's policies and best practices, management suggested that DEI policies should include at least the following components:

- A. Rationale/Vision – Why is it important to have a DEI policy? What's the aspiration or commitment? How does it relate to the mission, vision, and values of the organization?
- B. Purpose – What is the objective (or primary use) of the DEI policy?
- C. Definitions
- D. Directives/Accountability – many DEI policies classify areas of attention and work, and provide direction in the following areas:
 - a. Education
 - b. Recruitment & Selection
 - c. Compensation and Benefits
 - d. Work Environment (conditions, culture, training, advancement, discipline, etc.)
 - e. Decision Considerations & Process (e.g. Triple Bottom Line (TBL) Methodology)
 - f. Community Outreach/Impacts
- E. Transparency and Reporting (Feedback and Status Methodology)

At the February 15, 2022 Board Work Session, an initial discussion was held about the Board's desired outcomes of a DEI Policy at EWEB. Commissioner feedback expressed a desire to invest time and resources in an on-going journey of continual improvement to embed DEI components into the organization at both the Board and the staff levels. There was a desire to include both internal (staff and culture) and external (customer and community) focus areas within the utility. There was a desire to seek professional consulting support in the areas of DEI governance and policy development. The Board requested that staff provide guidance on what best practice DEI policy looks like in other organizations and provide a status update on current DEI activities happening at EWEB. This memo is designed to address those requests. Eventually, a desire for benchmarking baseline performance and development of metrics and reporting was expressed, but there was acknowledgment that this process would take time to develop.

Discussion

This memo serves to provide the Board with background information related to two topics:

1. A summary of the actions taken among EWEB's peer agencies and best practice leaders in the region related to diversity, equity, and inclusion policy and program development.
2. A summary of actions related to diversity, equity, and inclusion work taken to date at EWEB.

Peer Agency Review

Peer agencies reviewed for this Board correspondence were pulled from two groups: local organizations that, like EWEB, are members of the Equity and Community Consortium (ECC) and other regional peers in the utility industry and government that showcase work done in this area.

Overall, this peer agency review identified the following take-aways:

- Non-utility Lane County area government agencies are further along in their development of diversity, equity, and inclusion programs compared to public electric and water utilities.
- Organizations that have engaged in this work for some time, have addressed the components A through E that are listed above in the Background section of this memo in organizational written policy. The organizations that are the furthest along in their efforts to embed DEI concepts into their organization have done the following:
 - o Woven the concepts of diversity, equity, and inclusion into the mission, vision, and values of the organization. (Example: City of Springfield.)
 - o Have expressed their values in specific resolutions (Examples: City of Eugene, Lane County.)
 - o Articulated the value the concepts of diversity, equity, and inclusion bring to their organization and outlined the purpose of the DEI policy. (Example: LTD.)
 - o Defined the language they use (diversity, equity, inclusion, access, etc.) to enable a common language and understanding. (Examples: LCC, LTD, 4j, State of Oregon.)
 - o Outline the scope of work that is expected to be completed and provide direction to staff (Example: LTD.)
 - o Have identified key staff to lead and coordinate actions taken across the organization (Examples with dedicated FTE: Lane County, 4j, City of Eugene is actively hiring.)
 - o Have engaged with outside consulting support or training programs (Examples: 4j, LTD, Lane County)
 - o Integrated DEI programs and an equity approach and/or an equity lens across the organization into all aspects of an organization's culture and services. This is similar to efforts to apply a sustainability or triple bottom line (TBL) approach to organizational culture, services, and decision-making. DEI programs can support the TBL approach by diving deeper into the social

equity component to better understand the ways that culture, services provided by the organization, and decision-making in an organization either perpetuate or break-down historical and institutional discriminatory practices. Terms like environmental justice help convey the overlap between institutional discrimination and environmental issues. (Examples: Lane County and 4j have an equity lens).

The Equity and Community Consortium (ECC) is an information and resource sharing and coordination forum about equity and service to our community for agencies and jurisdictions that provide governmental and public services in the Eugene-Springfield metropolitan area. There are 12 members of the ECC including: Lane Community College (LCC), Lane Council of Governments (LCOG), Lane County, Lane Education Service District (Lane ESD), Lane Transit District (LTD), City of Eugene, Eugene School District 4J, Eugene School District Bethel, Eugene Water & Electric Board (EWEB), City of Springfield, Springfield School District, University of Oregon.

Following is a list of the ECC members and representative DEI related programs, policies, and information.

- Lane Community College
 - [Lane Community College \(LCC\)](#): Defines equity, inclusion, and access
- Lane Council of Governments (LCOG)
 - [Transportation Equity](#)
- Lane County
 - [Equity, Access & Inclusion website](#) and [Racial Equity Plan](#)
 - [Resolution in support of Black Lives Matter](#)
 - [Resolution in acknowledging destruction of first black neighborhood](#)
 - [Resolution denouncing White Nationalism](#)
 - [Resolution endorsing recommendations for advancement of health equity](#)
 - [Resolution reaffirming Lane County's values](#)
- Lane Transit District (LTD):
 - [Diversity, Equity, and Inclusion Policy](#)
- City of Eugene:
 - Resolution condemning white nationalism and seditious activities and extremist groups: [Resolution 5274 Condemning White Nationalism and Alt-Right Activities and Groups \(00319956-4\).DOCX \(eugene-or.gov\)](#)
 - Hiring a Human Rights and Equity Analyst: [Human Rights & Equity Analyst | Eugene, OR Website \(eugene-or.gov\)](#)
- Eugene School District, 4J
 - [Equity, Inclusion & Instruction](#)
- City of Springfield
 - [Inclusion Resources](#)
- Eugene School District, Bethel
 - <https://www.bethel.k12.or.us/departments/equity/>
 - http://bethel.k12.or.us/wp-content/uploads/2020/07/Bethel_Final-Approved-Resolution-.pdf
- Springfield School District (DEI values and policy sprinkled throughout their documents)
 - [Family Support](#)
 - [Programs & Services Overview website](#)
 - [Student Handbook](#)
- Lane Education Service District (ESD) (DEI values and policy sprinkled throughout their documents)
 - [Lane ESD Strategic Plan and Bold Steps, Actions, & Outcomes](#)
 - <https://www.lesd.k12.or.us/strategic-plan/index.html#step3>
 - [Lane African American/Black Student Success](#)

- <https://policy.osba.org/laneesd/AB/ACB%20D1.PDF>
- University of Oregon:
 - [About DEI | Equity and Inclusion \(uoregon.edu\)](https://uoregon.edu/about/dei)

Other groups from the broader utility industry or regional government that might be related to EWEB’s context and or interest to the Board include:

- Portland General Electric
- <https://portlandgeneral.com/about/who-we-are/diversity-equity-and-inclusion> Portland Water Bureau
 - <https://www.portland.gov/water/about-us>
- State of Oregon
 - [Diversity, Equity, and Inclusion website](#)
 - [Diversity, Equity, and Inclusion Action Plan](#)
- Oregon State University (OSU)
 - [Institutional Diversity website](#): Includes links to the following resources - Diversity Strategic Plan, Initiatives, Community Diversity Relations, Diversity Education, Bias Incident Response
- These organizations do not have formal DEI content on their websites (as of June 2022), but are organizations that have joined the [Government Alliance on Racial Equity \(GARE\)](#) and are exploring bringing a racial equity component into their operations: CA state agencies (Department of Water Resources, Department of Transportation, etc.), CA Air Resources Board, CA State Public Utilities Commission, East Bay Municipal Utility District, Sacramento Municipal Utility District, Snohomish County Public Utility District, Alameda County Water District, Orange Water and Sewer Authority, NC, Santa Clara Valley Water District, CA. Locally, Lane County and LTD are also GARE members.

Summary of actions related to diversity, equity, and inclusion work by EWEB

Enhancing EWEB’s culture to continuously improve diversity, equity, and inclusion is an ongoing commitment and we acknowledge there are many opportunities for improvement. At the same time, we appreciate the actions being taken to strengthen these values in the organization and the employees who strive to do their best and continue to learn and grow. Following are examples of steps EWEB has taken to date.

- EWEB is a member of the Equity and Community Consortium (ECC), which meets monthly to seek shared opportunities for its members related to DEI work. The group is emerging to new levels of action. This summer, EWEB will participate in the ECC bi-annual meeting to discuss the development of their upcoming two-year work plan. <https://www.eugene-or.gov/4276/Equity-Consortium>
- In 2021, the Organization’s values were updated to include the psychological health and safety of our workforce and the public. This statement emphasizes the importance EWEB places on creating a culture that fosters the emotional wellbeing of our internal and external human resources. Activities, conversations, and informal focus groups across the Utility highlighted many differences in the interpretations of the term psychological safety. Management believes there is opportunity to clarify the intended scope of this value in the next update to the Strategic Plan and Board Policy SD1 Mission, Vision, and Values.
- EWEB requires Implicit Bias training for all employees who participate on an interview panel. The training was designed to equip panelists with the skills necessary to perform an impartial evaluation of candidates as well as recognize and address bias in everyday situations. Past trainings have been highly attended and well received by employees. These trainings were hampered by the pandemic; therefore many new employees have not yet had an opportunity to attend.

- EWEB recently renewed its membership with [Cascade Employers Association](#) (CEA), a human resources company with offerings such as consulting, training, and support for compensation and benefits programs. Workforce Services is partnering with CEA to conduct an audit of the Utility's recruitment and hiring practices, including a review of position descriptions, hiring processes, policies, and other workforce resources. The consultant is in the process of evaluating EWEB's current practices and documentation to help us ensure equitable treatment and the use of neutral and welcoming language that does not exclude any group. EWEB is also in discussion with one of Cascade's consultants to obtain their expertise around potential opportunities and next steps for the organization's DEI journey. Additional information will be provided in the upcoming Quarterly Report.
- Earlier this year, the Executive Team completed several workshops to help understand racism and its impacts on policy and culture.
- EWEB's Diversity Team has been in existence for many years, and its membership and focus has shifted over time. In recent years the Diversity Team has largely operated as an affinity group, focused on personal growth, supporting one another, and sharing learning activities with the organization. Bi-monthly diversity films and TED Talks followed by facilitated discussions led by DT members were popular prior to the pandemic, although attendance was subject to flexibility of employee's schedules and work locations. These group gatherings were paused when social distancing became necessary due to covid. In 2021 TED Talks were reinstated in a virtual format; attendance vastly increased with remote accessibility and scheduling prior to open of business. Attendees explore topics such as inclusion, allyship, microaggressions, how to have challenging conversations, and implicit bias.
- The Diversity Team will soon reevaluate its mission and vision statements which currently state:
 - Our Mission: Using the strengths and diversity of EWEB Employees we aim to develop the skill sets needed to create an environment in which all people are safe, respected and included.*
 - Our Vision: The Diversity Team is a group committed to enhancing EWEB's culture by raising awareness, inspiring curiosity, and creating opportunities for education and personal growth.*
- Under the leadership of AGM Price, the Diversity Team is looking to expand its membership and evolve its purpose to include additional focus areas which may include enterprise business support, DEI related education, employee advocacy/activities/affinity groups, and community outreach. One example of an expanded role for the Diversity Team is a sub-group which was formed to help review and support staff and the Board in creating a Board level policy. Overall, this transformative work is in an early exploratory stage.

Recommendation/Requested Board Action

No formal action is being requested at this time as this memo was designed to provide background information to prepare commissioners for a deeper discussion in August. The Board will be asked in August to discuss perspectives and provide input, guidance, and direction on next steps in development of a diversity, equity, and inclusion policy at EWEB.



MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

Rely on us.

TO: Commissioners Brown, Carlson, Barofsky, McRae and Schlossberg
FROM: Kelly Hoell, Climate Policy Analyst & Advisor
DATE: July 5, 2022
SUBJECT: EWEB's Role in Eugene's CAP2.0
OBJECTIVE: Information only

Issue

Consistent with EWEB Board Policy SD15, Climate Change Policy, management is providing an update to the Board on EWEB's role and effectiveness in Eugene's Climate Action Plan, CAP2.0.

Background

Passed in 2014 and updated in 2016, Eugene's Climate Recovery Ordinance (CRO) has 4 goals; 2 of which are focused on the community, and 2 which focus on City operations. The two community goals include:

- Reduce community fossil fuel use by 50% of 2010 levels by 2030
- Reduce total community greenhouse gas emissions to an amount that is no more than the city of Eugene's average share of a global atmospheric greenhouse gas level of 350 parts per million (ppm) by 2100, which was estimated in 2016 to require an annual average emission reduction level of 7.6%

In summer 2020, Eugene adopted its Climate Action Plan 2.0 (CAP2.0) which lays out a set of action items to help meet the operational and community goals of the CRO. Over the two-year CAP2.0 development process, Eugene engaged with other community systems-level entities, including EWEB, to understand what high impact practices and system-level changes were happening or planned for the next 5-10 years. Formerly called Large Lever Shareholders, and now called Eugene Climate Collaborative (ECC) partners, EWEB, along with 10 other community organizations identified action items to include in CAP2.0. This process identified where the community was making progress and identified gaps that remained towards emissions reduction goals.

ECC partners are organizations with significant oversight and impact on community-wide fossil fuel use and GHGs, or that have the ability to affect systems that will enable community adaptation and preparation for climate change. ECC Partners include: Bethel School District, City of Eugene, Eugene Chamber of Commerce, Eugene Water & Electric Board (EWEB), Lane Community College (LCC), Lane County, Lane Transit District (LTD), Metropolitan Wastewater Management Commission (MWMC), Northwest Natural, PeaceHealth, and University of Oregon.

CAP2.0 identifies action items in 3 "buckets" of emissions: transportation, building energy, and fugitive emissions. Additional action items include opportunities to reduce emissions from consumption, to apply an equity lens to climate activities, and to make our community more resilient to the impacts of climate change. There are nearly 200 action items in CAP2.0 and EWEB is listed in the document more than 95 times.

The goals of the CAP2.0 process align with EWEB’s Climate Change Policy, SD15. In January 2022, EWEB’s Board updated SD15 to state: *“Consistent with EWEB’s Vision, Mission, and Values (SD1), the Board supports EWEB taking an active role in combating and mitigating the impacts of climate change, within the context of and while executing our strategy and ongoing operations.”* In SD15, the Board authorizes, delegates, and directs EWEB’s General Manager to act in the following five areas: Power Generation, Climate Policy, EWEB Operations, Customer Decarbonization, and Impacts on EWEB (resiliency).

Since the publication of CAP2.0, significant events (COVID-19 pandemic, Holiday Farm fire) have altered staff responsibilities. In May 2022, EWEB hired its first Climate Policy Analyst & Advisor, Kelly Hoell. Ms. Hoell is assisting EWEB with evaluating its role in CAP2.0, reporting progress on action items, and identifying new opportunities. This document outlines the framework and approach EWEB is taking in this evaluation.

The link to the full CAP2.0 document including appendices is [here](#).

Discussion

EWEB conducted a thorough review of CAP2.0 and the full suite of action items related to climate change currently underway across the utility via interviews with more than 35 EWEB staff members. These interviews also identified gaps and opportunities for further work. As part of this effort, EWEB staff developed a framework for how to describe the work that is being done and the opportunities for further improvements. This framework is represented by the 2x2 matrix in Figure 1, below. Actions are identified as being included in CAP2.0 or not and differentiated by whether EWEB staff is taking action currently or not.

For the action items in CAP2.0 where current work is underway (upper left quadrant), EWEB staff will plan to communicate results to the Board and the community via the Strategic & Operational Quarterly Report. Similarly, for action items not in CAP2.0 but where work is underway (upper right quadrant), EWEB staff will communicate results to the Board periodically as appropriate.

For action items in CAP2.0 where no current work is being done (lower left quadrant), EWEB staff will continually evaluate the opportunity in the context of other organizational priorities. For action items that are not in CAP2.0 and where no work is being done, EWEB staff will identify new opportunities and conduct the necessary analysis to understand if, when, and how it fits into the organizational work plan.

Figure 1: EWEB Climate Action Framework

	In CAP2.0	Not in CAP2.0
Current Work	Communicate results quarterly	Communicate results periodically
No Current Work	Continually evaluate and consider	Identify opportunities/conduct reconnaissance

Direct vs. Indirect action items: As an ECC partner, EWEB staff submitted several action items to the plan that relate to programs or initiatives EWEB agreed to undertake. These action items are considered “direct” and usually name EWEB in the CAP2.0 document. Additionally, as the water and electricity provider for the broader community, there are further action items in CAP2.0 that indirectly impact EWEB through policies, programs, or changes to the electricity or water demand of EWEB customers. These are considered “indirect” action items for EWEB and represent opportunities for collaboration with ECC partners.

In the subsequent pages, identified action items related to transportation, building energy, fugitive emissions, and resiliency are plotted on a matrix like Figure 1. Direct actions are in plain text, indirect actions are in italicized text, and if the action item is from CAP2.0 the corresponding action item number is referenced.

Transportation Action Items

Legend:

Plain text = Direct action for EWEB

Italicized text = Indirect action for EWEB

Numbers in parentheses represent action item numbers from CAP2.0 (e.g., T24)

	In CAP2.0	Not in CAP2.0
Current Work	<p>Communicate results quarterly</p> <ul style="list-style-type: none"> a. EV marketing & awareness (T24/T36) b. EV infrastructure incentives (T37) c. EV support to underserved communities (T38) d. EWEB operational GHG reduction goals for owned fleet (T40) 	<p>Communicate results periodically</p> <ul style="list-style-type: none"> a. EWEB-owned direct current fast charging (DCFC) infrastructure installation for public charging b. Provide leadership on bulk renewable diesel purchasing by managing community contract c. Electric bike incentive program d. Hybrid work environment for staff
No Current Work	<p>Continually evaluate and consider</p> <ul style="list-style-type: none"> a. EWEB Small House Incentive (T12)¹ b. <i>CoE to require employers of a certain size and type to prepare, implement, and monitor Transportation Options Plans (T2)</i> 	<p>Identify opportunities/do reconnaissance</p> <ul style="list-style-type: none"> a. Get internal alignment on carbon accounting methods and carbon intensity figures; update factors annually; educate community b. Develop a carbon value white paper to be updated annually; use this to set value of internal programs and educate community c. Research new low-carbon, electro-based fuels (e.g., hydrogen, etc.) to identify opportunities for transportation decarbonization d. Identify appropriate lead and support development of an ECC transportation working group to enhance local coordination/adoption of low-carbon transportation issues e. Enhance coordination between ECC partners on community EV adoption goal setting and progress measurement to reduce potential duplication of effort and standardize calculation methods f. Define “underserved communities” and coordinate with other ECC partners enhance understanding and reduce potential duplication of effort in identification and mapping

¹ Ask Eugene about how T12 relates to transportation and what was meant for this action item. Should this be located under Building Energy? EWEB doesn't have a small house incentive although we do have other energy efficiency / conservation incentives.

Building Energy

Legend:

Plain text = Direct action for EWEB

Italicized text = Indirect action for EWEB

Numbers in parentheses represent action item numbers from CAP2.0 (e.g., B8)

	In CAP2.0	Not in CAP2.0
Current Work	<p>Communicate results quarterly</p> <ul style="list-style-type: none"> a. IRP(Guiding Policy) b. EWEB operational GHG reduction goals for owned facilities (B8) c. Electrification Impact Study (B9) d. Work with partners on smart meter / energy efficiency incentives (B10)² e. Energy conservation and education programs for limited income (B11) f. Meet load growth with conservation (B12) g. Advanced metering infrastructure (AMI) deployment & customer education (B13) h. <i>CoE to participate in EO 20-04 rule-making process (B24)</i> 	<p>Communicate results periodically</p> <ul style="list-style-type: none"> a. Advocate for climate policy / participate in legislative processes that align with EWEB’s mission and climate change policy SD15 b. Update technology systems that would allow for future innovative rate design c. Green program development: Live Green, Work Green, Move Green, Lead Green d. Participate in ECC group on energy efficiency e. Identify new grant opportunities for alternative funding streams
No Current Work	<p>Continually evaluate and consider</p> <ul style="list-style-type: none"> a. <i>CoE and NW Natural are working on new franchise agreement (B1)</i> b. <i>CoE Low-income energy efficiency program and funding strategies (B2)³</i> c. <i>CoE Potential regulatory options to increase energy efficiency and carbon reduction through rental housing standard (B3)</i> d. <i>CoE Develop Home Energy Score Program & Commercial Benchmarking Program (B4)</i> e. <i>CoE Updates to Green Building Policy (B7)</i> 	<p>Identify opportunities/do reconnaissance</p> <ul style="list-style-type: none"> a. Get internal alignment on carbon accounting methods & carbon intensity figures; update factors annually; educate community b. Educate customers about peak power and peak carbon intensity c. Develop a carbon value white paper to be updated annually; use this to set value of internal programs and educate community d. Publish carbon intensity of customer purchased products: electricity and water e. Research and understand customer load profiles and evaluate existing programs f. Research new low-carbon, electro-based fuels to identify optimal market opportunities g. Research rate design options (e.g., interruptible tariffs, solar + storage pricing, solar program, etc.) for decarbonization h. Expand tree planting programs on private lots in low tree canopy neighborhoods i. Evaluate EWEB operational GHG reduction goals for alignment with CRO goals

2 EWEB is working on smart meter & efficiency incentives. What opportunities exist to work with community partners?

3 What opportunities for collaboration with Eugene exist to help them meet action item B2 most effectively?

Fugitive Emissions

Legend:

Plain text = Direct action for EWEB

Italicized text = Indirect action for EWEB

Numbers in parentheses represent action item numbers from CAP2.0 (e.g., F5)

	In CAP2.0	Not in CAP2.0
Current Work	Communicate results quarterly	Communicate results periodically
No Current Work	Continually evaluate and consider a. <i>CoE to investigate the use of low-carbon construction materials such as asphalt and concrete (F5) 4</i>	Identify opportunities/do reconnaissance a. Identify opportunities for incentive programs for customer refrigerant capture and disposal

4 What are ways to partner with Eugene in this work to learn from each other and bring prices down?

Resiliency

Legend:

Plain text = Direct action for EWEB

Italicized text = Indirect action for EWEB

Numbers in parentheses represent action item numbers from CAP2.0 (e.g., R20)

	In CAP2.0	Not in CAP2.0
Current Work	<p>Communicate results quarterly</p> <ul style="list-style-type: none"> a. Natural Hazards Mitigation Plan (Guiding Policy) b. Install emergency water stations (R20) c. Pure Water Partners program (R21) d. <i>CoE to consider use of offsets for community emissions reduction goals (A2)</i> e. <i>CoE extreme weather safety awareness program (R2)</i> f. <i>Prioritize power to certain populations in power outages (E13)</i> 	<p>Communicate results periodically</p> <ul style="list-style-type: none"> a. Water and electric capital improvement plans b. Fund soil science carbon sequestration projects in coordination with UO c. McKenzie watershed restoration and recovery d. Carmen-Smith relicensing project e. Wildfire Mitigation Plan f. TBL approach to major capital projects g. Pledge to Prepare h. Participate in ECC group on sequestration and offsets i. Prioritize employee mental health and define “psychological safety” j. Identify opportunities to advance environmental justice and bring an equity lens to EWEB’s climate work, including setting a diversity, equity and inclusion Board policy
No Current Work	<p>Continually evaluate and consider</p>	<p>Identify opportunities / conduct reconnaissance</p> <ul style="list-style-type: none"> a. Define resilience for EWEB; provide education b. Research new low-carbon, electro-based fuels for back-up power opportunities c. Review policies related to batteries, net metering, generation, and interconnections d. Research rate design options (e.g., interruptible tariffs, solar + storage pricing, solar program, etc.) for resiliency e. Set peak load management goal and research opportunities, costs, and timeframes f. Educate customers about peak power, peak carbon intensity, and demand management g. Islanding studies: how could we integrate local generation sources in times of extreme need h. Identify opportunities for workforce resiliency i. Identify medically sensitive customers and research resiliency options or programs

Recommendation

Management recommends this framework to identify and evaluate where the CAP2.0 fits into EWEB's fulfillment of SD15, overall climate change strategy.

Requested Board Action

No formal action is requested at this time. The Board is asked to provide perspectives, feedback, input, or guidance on EWEB's proposed framework and approach to this work.

TO: Commissioners Brown, Carlson, Barofsky, McRae and Schlossberg
FROM: Mike Masters
DATE: June 22, 2022
SUBJECT: Lead and Copper Rule Revisions
OBJECTIVE: For Information

Issue

There are updated drinking water regulations regarding the Lead and Copper Rule Revisions that will impact several of the departments in Water Operations. The following is a summary of those revisions and how we are working across Water Operations to meet the new drinking water regulations.

Background

In December 2021 the Environmental Protection Agency finalized revisions to the Lead and Copper Rule. The requirements of this rule constitute the national primary drinking water regulations for lead and copper. The Oregon Health Authority (OHA) will have primacy over this rule in Oregon. This rule will become effective in October 2024.

Discussion

There are several different components to the revised Lead and Copper Rule including:

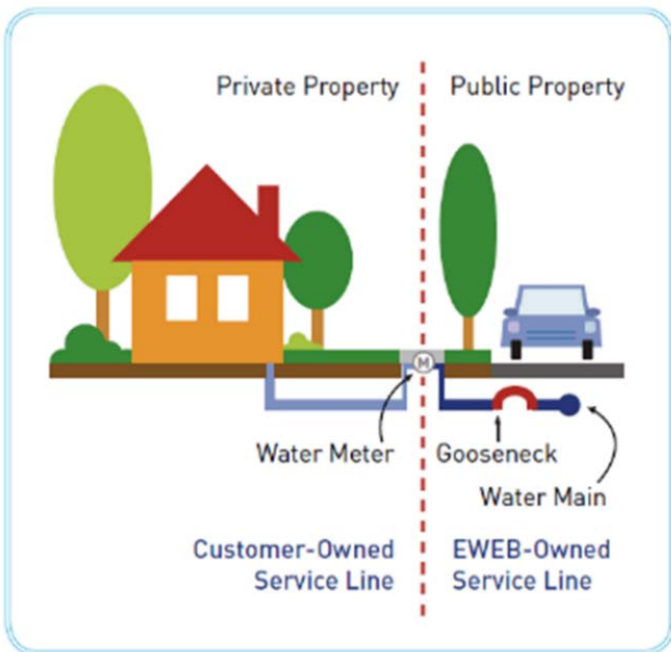
- Water service line inventory
- Sampling protocols
- Corrosion control
- Customer communications
- Regulatory reporting

Each of these components has multiple requirements and involves different departments within Water Operations. Water Operations has been meeting regularly and is working together closely to ensure compliance.

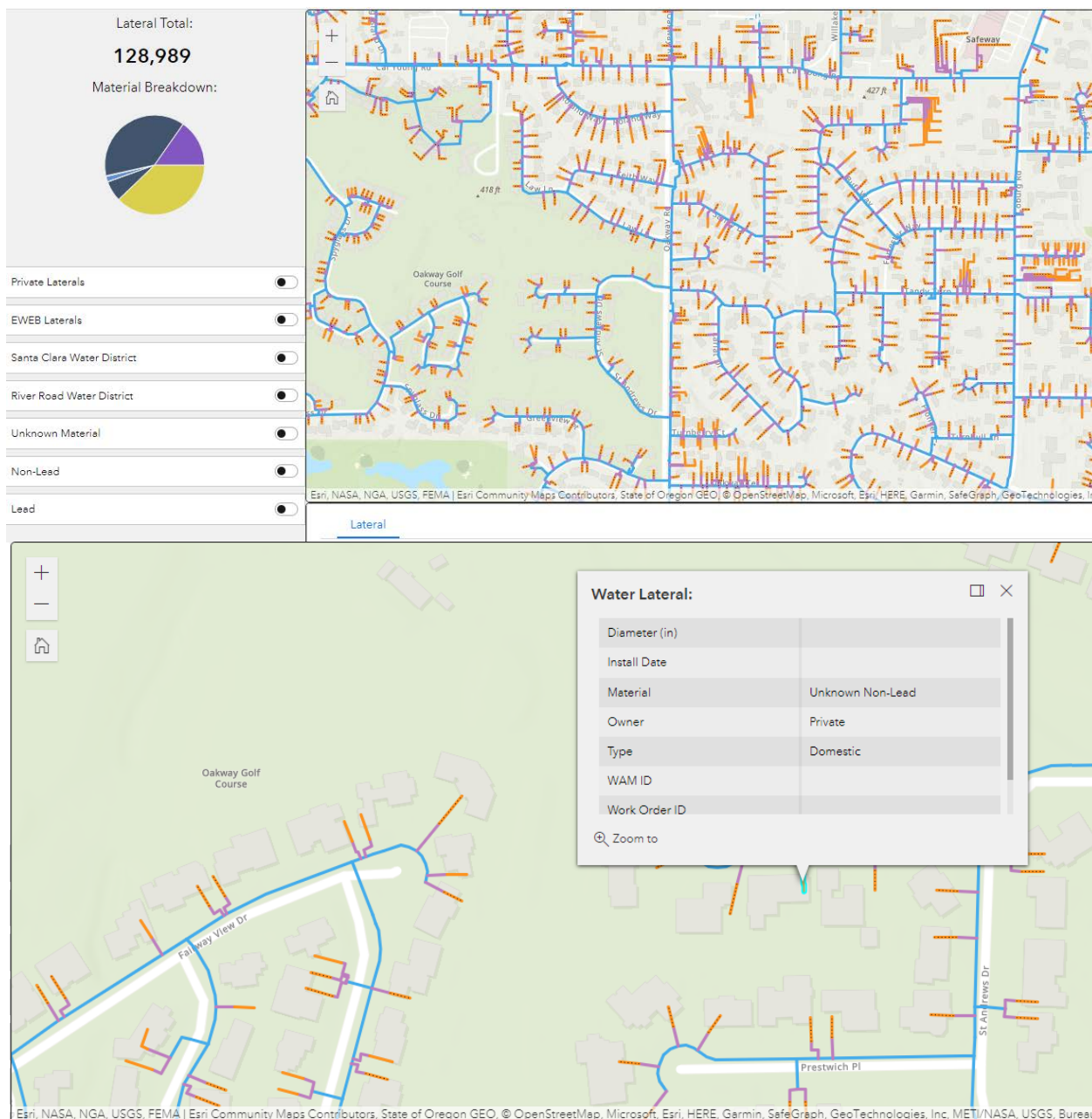
The initial phases of planning will focus on the significantly increased water service line inventory requirements. EWEB is now required to identify the material of all water service lines including **both the utility side of the meter and the customer, or privately owned, side of the meter**. We must submit an initial inventory to OHA by October 2024 along with a written plan outlining steps for finalizing the inventory. Due to the size of our system the inventory must be made publicly available.

EWEB has approximately 64,000 service lines in our distribution system with each line having 2 sides, both utility and customer.

Currently, we have 97% of our utility owned lines identified and 30% of the customer owned lines identified. EWEB has no known lead service lines.



The examples below show a new map application, built by EWEB's GIS department, that will enable us to comply with the service line inventory requirements. We will be able to enter water service line data, track both portions of the water service line, and make this map accessible to our customers.



As our water service line inventory continues to improve, we can use that information to develop the lead and copper sampling plan and the customer communications plan. The Water Operations Division, along with support from other areas of EWEB, will be working to comply with all parts of this revised rule for several years to meet the compliance deadlines.

Recommendation

This memo is for information and awareness only. As we work towards compliance, communication and collaboration with our customers will increase. We will keep the Board routinely apprised of progress.

Requested Board Action

No action requested as this is for information only.



MEMORANDUM

EUGENE WATER & ELECTRIC BOARD



TO: Commissioners Brown, Carlson, Barofsky, McRae, and Schlossberg
FROM: Deborah Hart, CFO; TiaMarie Harwood, Financial Services Manager
DATE: June 29, 2022
SUBJECT: Treasury Services Contract Update
OBJECTIVE: Information Only

Issue

The Board maintains several contracts with financial institutions to facilitate treasury functions. Contract thresholds require the request for proposal (RFP) process and present an opportunity to evaluate existing and potential service providers. Treasury service contracts are expiring in conjunction with vendor selection for the EWEB Enterprise Solution (EES) project which will change business and depository processes.

Background

Current contracts for US Bank and First Interstate Bank were executed in 2017, and together they represent primary depository operations. US Bank also provides trustee and custody account services separate from the primary depository contract. Other local depository relationships are maintained with Summit Bank and Oregon Community Credit Union. Financial institution relationships are outlined in the table below:

Financial institution	Service provided/ Purpose	Approx. amount of deposit
US Bank*	Primary depository/ Operations	\$ 20 million
First Interstate Bank*	Remittance and lockbox depository/ Operations	\$ 4 million
US Bank	Trustee services/ Debt service	\$ 7 million
US Bank	Custody account services/ Investing	\$ 145 million
Oregon State Treasury	Local Government Investment Pool/ Investing	\$ 51 million
Summit Bank	Local depository/ Investing	\$ 3 million
OCCU	Local depository/ Investing	\$ 1 million

* Primary depository operations

Discussion

Management is pursuing a one-year extension of US Bank and First Interstate Bank contracts to further evaluate capabilities with newly demonstrated financial systems as part of the EES project. Vendor selection for EES is anticipated in the coming months and will inform technical requirements and business processes with future banking relationships. Following vendor selection, requirements for the banking RFP will be refined, seeking to maintain the security and integrity of controls over cash deposits as well as emphasizing environmental, social, and governance factors of responsive financial institution's business practices to make sure they align with EWEB's core values.

Recommendation and Requested Board Action

There is no recommendation or requested Board action.