

**EUGENE WATER & ELECTRIC BOARD  
EXECUTIVE SESSION  
4200 ROOSEVELT BOULEVARD / VIRTUAL  
APRIL 4, 2023**

**Commissioners Present:** Sonya Carlson, President; John Barofsky, Vice President; Mindy Schlossberg, and John Brown Commissioners

Commissioners Absent: Commissioner Matt McRae recused himself.

**Others present:** Frank Lawson, General Manager; Rod Price, Assistant General Manager; Sarah Gorseger, Business Continuity Manager; Deborah Hart, Chief Financial Officer; Julie McGaughey, Chief Customer Officer; Owen Morgan, IT Support Specialist; Travis Knabe, Chief Information Officer; Brian Booth, Chief Energy Resources Officer; Holly Shugart, Administrative Assistant; Paul Nelson, IT Support Specialist; Ken Baldwin, Physical Security Supervisor; Aaron Orłowski, Communications Specialist; Anne Kah, Administrative Services Manager; Thomas Grim and Kevin Kiely of Cable Huston

**EXECUTIVE SESSION**

The Executive Session was called to order at 5:00 p.m.

**Pursuant to ORS 192.660(2)(h)**

To consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed.

President Carlson adjourned the Executive Session meeting at 5:30 p.m.

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Assistant Secretary

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President

**EUGENE WATER & ELECTRIC BOARD**  
**REGULAR SESSION**  
**April 4, 2023**  
**5:45 P.M.**

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

**Others Present:** Frank Lawson, General Manager; Kelly Hoell, Climate Policy Analyst & Advisor; Travis Knabe, Chief Information Officer; Julie McGaughey, Chief Customer Officer; Deborah Hart, Chief Financial Officer; Rob Freytag, General Accounting & Treasury Supervisor; Megan Capper, Energy Resources Manager; Ben Ulrich, Power Planning Supervisor; Aaron Bush, Resource Analyst; Aaron Orlowski, Communications Specialist; Karen Kelley, Chief Operations Officer; Mike Masters, Water Operations Manager; Susan Fricke, Water Resources & Quality Assurance Supervisor; TiaMarie Harwood, Financial Services Manager; Aaron Balmer, Fiscal Services Supervisor; and Alicia Voorhees, Lead Financial Analyst; and Julie Desimone and Sydne Jacoby of Moss Adams

**Call to Order**

President Carlson 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**

**Public Input [4:04]**

**Sandra Bishop** shared concerns regarding the safety barrier at the E. 40<sup>th</sup> water storage construction site, she thanked the project manager and contractor for responding promptly to her complaint.

**Mark Robinowitz** shared concerns about EWEB testimony pertaining to House Bill 2215.

**BOARD ACTION ITEMS**

**Approval of Consent Calendar – A, Minutes and Routine Contracts [13:38]**

**MINUTES**

1. a. March 7, 2023 Regular Session
- b. March 21, 2023 Executive Session

**CONTRACTS**

2. **Davey Tree Surgery Company** – for Utility Line Clearance Services. \$7,000,000 (over 2 years).

3. **Osmose Utilities Services, Inc.** – for additional funds for Pole Inspection, Test & Treat, and NESC and Joint Use Inspections. \$230,000 this request (original contract amount \$560,000; resulting cumulative total \$790,000 over 5 years).

4. **Pacific Excavation** – for additional funds for Concrete Removal and Replacement Services. \$700,000 this request (original contract amount \$192,000; additional previously approved \$308,000; resulting cumulative total \$1,200,000 over 5 years).

Commissioner Barofsky asked to pull Item 4, Pacific Excavation, from the Consent Calendar.

**Action:**

**MOTION:** Commissioner Brown moved to adopt Consent Calendar A. The motion passed unanimously, 5:0.

**Action:**

**MOTION:** Commissioner Barofsky moved to adopt Item 4 of Consent Calendar B as presented. The motion passed unanimously, 5:0.

**Approval of Consent Calendar – B, Non-routine Contracts and Other Consent Items [19:04]**

**CONTRACTS**

5. **Altec Industries, Inc.** – for the use of a national cooperative contract for the purchase of a 60' Digger Derrick. \$265,000 (one-time).

6. **Oregon Woods, Inc.** – for the purchase of Vegetation Management Services. \$650,000 (over 5 years).

7. **Quantum Recruiters, Inc.** – for the use of a City of Eugene cooperative contract for Temporary Staffing Services. \$500,000 (over 3 years).

**Action:**

**MOTION:** Commissioner Brown moved to adopt all remaining items on Consent Calendar B as presented. The motion passed unanimously, 5:0.

**GENERAL BUSINESS ITEMS**

**Prior Year-End (2022) Audited Financial Statements and Management Letter [19:29]**

Deborah Hart, Chief Financial Officer; Rob Freytag, General Accounting & Treasury Supervisor; and Julie Desimone and Sydne Jacoby of Moss Adams, offered the Board a report and PowerPoint presentation outlining the audit process and findings and answered questions from Commissioners.

**City of Eugene Liaison Agenda [41:49]**

The decision by consensus was to add expansion of EV charging, resiliency, and College Hill to the list of Liaison Agenda topics.

**Prefunding/Funding Options for Leaburg Hydroelectric Project [1:00:06]**

Deborah Hart, Chief Financial Officer; TiaMarie Harwood, Financial Services Manager; Aaron Balmer, Fiscal Services Supervisor; and Alicia Voorhees, Lead Financial Analyst, offered the Board a report and PowerPoint presentation outlining the prefunding options and answered questions from Commissioners.

**Break 7:35 [1:50:49] 10 minutes****State of the Watershed Annual Presentation/Q&A [2:00:26]**

Karen Kelley, Chief Operations Officer; Mike Masters, Water Operations Manager; and Susan Fricke, Water Resources & Quality Assurance Supervisor, offered the Board a report and PowerPoint presentation outlining the state of the watershed and answered questions from Commissioners.

**General Manager's Annual Performance Evaluation and Merit Discussion for prior year [2:30:55]**

EWEB Board of Commissioners

**Action:**

**MOTION:** Commissioner Brown moved to present General Manager Frank Lawson a merit award equivalent to 2.18% of his annual salary, to be presented as a lump sum or the equivalent in accrued vacation. The motion passed unanimously, 5:0.

**Correspondence & Board Agendas [2:41:55]**

Frank Lawson, General Manager

The Board and General Manager agreed to place correspondence earlier on the agenda going forward.

**Board Wrap Up [3:11:45]****Adjourn [3:13:15]**

President Carlson adjourned the Regular Session at 8:58 p.m.

*Recorded by Angela Kern, LCOG*

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Assistant Secretary

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President

**EUGENE WATER & ELECTRIC BOARD  
WORK SESSION  
April 18, 2023  
5:30 P.M.**

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

**Others Present:** Frank Lawson, General Manager; Kelly Hoell, Climate Policy Analyst & Advisor, Rod Price, Assistant General Manager

**Call to Order**

President Carlson called the Work Session to order at 5:45 p.m.

**2023 Organizational Goal #2 - Diversity Equity & Inclusion (DEI) [0:0:57]**

**1. DEI Efforts at EWEB to Date (Attachment A)**

Rod Price gave a PowerPoint presentation and answered questions.

The Board responded to the question of where they hoped to see EWEB in ten years.

**2. Suggested Road Map for Completion of DEI Board-Level Policy by Dec. 2023 [9:38]**

Rod Price and Kelly Hoell presented and asked the Board for feedback on the proposed elements of the policy. The consensus was that the road map had a good framework.

Ms. Hoell presented a slide introducing the Phase 1 Consulting Partner, Hathaway Munro, and explained that they would be helping with DEI training.

The Board was asked if they had any specific learning objectives. Those offered were:

- Pronouns
- Generational poverty
- How the policy would apply to real world issues
- A glossary including the definitions and genesis of terms

The Board was asked if training should include managers. The decision by consensus was that it should not.

**3. Why does DEI matter at EWEB? [1:03:11]**

Mr. Price asked the Board to share personal reasons that DEI mattered to them.

The Board was asked to brainstorm ways in which DEI mattered at EWEB.

**4. Examples of DEI Statements, Policies and Definitions [1:39:06]  
(Attachments B, C, D and E)**

Mr. Price and Ms. Hoell asked the Board what stood out in the policy examples and what they wanted to see included in EWEB's DEI Policy.

Commissioner Schlossberg wanted a shared language established before continuing. Vice President Barofsky wanted definitions of equity and equality. Commissioner Brown wanted the caveat of being able to amend definitions as needed. President Carlson wanted training before establishing definitions.

The Board was asked about the example definitions of Diversity, Equity and Inclusion.

The consensus was that the definition of diversity should be neither too narrow nor too broad.

Mr. Lawson requested that the language of the definitions use the word "facilitate" rather than "ensure."

**Adjourn [1:59:55]**

President Carlson adjourned the Work Session at 7:30 p.m.

*Recorded by Angela Kern, LCOG*

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Assistant Secretary

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President

## EWEB Board Consent Calendar Request

*For Contract Awards, Renewals, and Increases*

The Board is being asked to approve a new construction contract with **Emery and Sons** for the **Construction of Two 0.5 million-gallon (MG) Glass-Fused-to-Steel Water Storage Tanks at EWEB's Shasta 975 Storage Site.**

Board Meeting Date:	May 2, 2023	
Project Name/Contract #:	Shasta 975 Storage Tanks / 23-049-PW	
Manager:	Mike Masters	Ext. 7549
Executive Officer:	Karen Kelley	Ext. 7153

### Contract Amount:

Original Contract Amount:	\$2,865,000
Additional \$ Previously Approved:	\$0
Spend over last approval:	\$0
Amount this Request:	\$2,865,000
% Increase over last approval:	%0
Resulting Cumulative Total:	<b>\$2,865,000</b>

### Contracting Method:

Method of Solicitation:	Formal Invitation to Bid
If applicable, basis for exemption:	NA
Term of Agreement:	One-time. Completion by May 29, 2024
Option to Renew?	No
Approval for purchases "as needed":	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Proposals/Bids Received (Range):	3 (\$2,865,000 - \$3,346,500)
Selection Basis:	Lowest Responsive and Responsible Bidder
Narrative:	

### Operational Requirement and Alignment with Strategic Plan

The Board is being asked to approve a contract for the construction of two 0.5 million-gallon (MG) glass-fused-to-steel water storage tanks at EWEB's Shasta 975 Storage Tank Site. The two new tanks will replace the existing 1.75 MG welded steel tank which was constructed in the 1960s. The existing facility provides water service to the Shasta 975 and Shasta 1150 service areas which are located around the Spring Blvd neighborhood in Eugene. Additionally, it serves as the redundant water supply to the Fairmount neighborhood, the Laurel Hill Valley, Lane Community College, and the Willamette Water Company.

During a routine inspection, it was discovered that the interior coating of the existing tank has failed and that the tank is showing signs of wear and corrosion. Staff completed a structural evaluation of the existing tank and found that the facility does not meet current seismic codes and needs extensive and expensive structural improvements in addition to the recoating work. Furthermore, during this evaluation staff determined that there was no way to take the existing tank offline to complete the needed repairs and maintain pressure for fire suppression in the area.

Staff determined that due to the high costs of improvements and the risks associated with taking this critical facility

offline two new tanks would provide a more reliable water source for the approximately 2,800 houses in the surrounding area for generations to come, while better preparing the utility for future challenges associated with decreasing water demands and climate change.

#### Contracted Goods or Services

If approved, Emery & Sons will construct two new 0.5 MG glass-fused-to-steel water storage tanks near 3648 North Shasta Loop. The work includes construction of two new tanks, new onsite potable water piping, new stormwater piping, demolition of the existing storage tank, and site grading and restoration work.

#### Purchasing Process

Purchasing staff issued a Formal Invitation to Bid in March 2023. The solicitation was publicly advertised on the State of Oregon's Procurement Site, OregonBuys and the Portland Business Tribune. Three (3) bids were received ranging from \$2,865,000 - \$3,346,500. Emery & Sons submitted the lowest bid and was deemed to be responsive and responsible.

#### Bids Received

Vendor Name	City, State	Offered Price	Ranking (for RFPs)
Emery & Sons	Salem, OR	\$2,865,000	NA
Pacific Excavation	Eugene, OR	\$3,079,000	NA
The Saunders Co	Newberg, OR	\$3,346,500	NA

#### Competitive Fair Price (If less than 3 responses received)

NA

#### Prior Contract Activities

EWEB Contract	Project Name (Description)	Board Approved	Project Duration (Start to Close)	Original Amount	Approved/Amended Amount to Date (Total)	Reason Code
037-2012	Willamette River Pipeline Crossing	9/4/12	9/5/12– 6/30/14	\$1,813,000	\$1,877,456.87	UC/AW /AM
Reason Code: AM = Additional Materials, AW = Additional Work, EW= Emergency Work, SD = Staff Directed, UC = Unforeseen Conditions, Other						

037-2012 Five change orders were issued throughout the project for a combination of unforeseen conditions, additional work and additional materials needed to complete the project.

#### **ACTION REQUESTED:**

Management requests the Board approve a contract with Emery & Sons for the construction of two 0.5 million-gallon (MG) glass-fused-to-steel water storage tanks at EWEB's Shasta 975 Storage Tank Site. The bulk of the proposed work will occur in 2024. Approximately \$800,000 is included in the 2023 Water Capital Budget of \$32 million to complete this year's work. Funding for the balance of the work will be included in the 2024 Water Capital CIP to be presented to Board this summer. Variances will be managed within the budget process and Board policy.