



MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

Rely on us.

TO: Commissioners Carlson, Barofsky, McRae, Schlossberg, and Brown
FROM: Anne Kah, Administrative Services Manager
DATE: January 3, 2024 (January 9, 2024 Board Meeting)
SUBJECT: Amended Minutes for November 7, 2023 Board Meeting
OBJECTIVE: Approval

Issue

The listing of consent calendar items was inadvertently omitted from the November 7, 2023 board meeting minutes.

Discussion

An account of items approved by the Board via Consent Calendar A and Consent Calendar B at the November 7, 2023 meeting has been added to the minutes for the record. No other changes have been made. A redline and clean copy of the minutes are attached herein for the Board's review; the amended minutes will be submitted on the January 9, 2024 Consent Calendar for approval.

Recommendation/Requested Board Action

Approval of November 7, 2023 minutes as amended.

EUGENE WATER & ELECTRIC BOARD
REGULAR SESSION
November 7, 2023
6:15 P.M.

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

Others Present: Frank Lawson, EWEB General Manager; Brian Booth, Chief Energy Resource Officer; Aaron Bush, Resource Analyst; Jonathan Hart, Power Planning Supervisor; Deborah Hart, Chief Financial Officer; Aaron Balmer, Financial Services Manager; Daniel Davidson, Senior Financial Analyst; Janice Lee, Senior Financial Analyst; Jason Heuser, Public Policy/Government Affairs Program Manager; and Alicia Voorhees, Budget and Rates Supervisor.

CALL TO ORDER

President Carlson called the meeting to order at 6:15 p.m.

Agenda Check

There were no changes to the agenda.

Items from Board Members and General Manager [0:29]

Commissioner Brown attended the Northeast Neighborhood meeting with Mr. Lawson. He praised EWEB crews for their excellence conducting ongoing construction projects.

President Carlson shared that EWEB is holding their Run to Stay Warm on November 19, 2023.

Vice President Barofsky reported on his attendance at recent McKenzie Watershed Council meetings. He said progress is being made on the Quartz Creek project and they replaced a bridge. Collaboration between the council and the trust is moving that project forward.

City of Eugene Liaison Update [4:39]

President Carlson provided an update about their meeting with the City of Eugene. Topics discussed included: the headquarters building purchase, billing for the City of Eugene, EWEB climate guidebook, Hilyard water transmission line, replacement of College Hill reservoir, secondary water source, coordinating with the City of Eugene on the upcoming water transmission line, and the 2024 rates forecast.

Vice President Barofsky commented that it was a positive meeting with the Mayor and Council President.

Mr. Lawson emphasized that EWEB stressed to the City the importance of keeping the Public Facilities Service Plan progressing. Being a little behind schedule, they requested anything that the City can do to keep that moving. He reported that the City may approach EWEB again for potential billing mechanisms for some of their fees. At the meeting, there was discussion around both parties' potential interest in EWEB owning the fire hydrants. He pointed out that the City and EWEB are collaborating well together.

Correspondence [8:23]

Mr. Lawson outlined three items. Item #1. Analysis of EWEB and Sacramento Municipal Utility District Programs, which was a follow-up for Commissioners around energy efficiency. Mr. Lawson complimented Julie McGaughey, Anna Wade, and Jennifer Connors on their comprehensive analysis, which provided a reasonable benchmark. Regarding Item #2. November 2023 Legislative Policy Update, Mr. Lawson said staff will bring an update to the board in December about the legislative position and agenda for this year. Regarding Item #3. Procurement Process and Requirements for Board Approval; As a follow-up to Vice President Barofsky asking about the process for EWEB bids, he said Deborah Hart and Quentin Furrow put together the history of how EWEB conducts different types of bids and/or proposals, and what the thresholds and requirements are. Mr. Lawson added that all the individuals who put together the correspondence are available for Commissioners comments or questions.

Public Input [9:26]

The following testimony was provided to the EWEB Commissioners: The Board neither endorses or opposes, or is responsible for the accuracy of content, of testimony including any links or references provided.

Written Testimony:

Victoria Koch of the Jefferson Westside neighborhood in Eugene, Oregon expressed her support of transitioning to clean electricity, stating the need to stop our dependence on fossil fuels.

Greg Miller of the Jefferson Westside neighborhood in Eugene, Oregon shared comments related to carbon aware demand response, including encouraging load shifting not only to times of low demand, but to times of low carbon intensity on the grid and when it can help integrate higher penetrations of variable renewable sources such as wind and solar. He suggested obtaining real time information about the consumed carbon intensity through the US Energy Information Administration's Hourly Electric Grid Monitor, and from emissions data platforms such as Singularity Energy, Electricity Maps, and WattTime.

Patricia Hine of Lane County, Oregon shared her comments relating to reducing fossil fuels by offering a suggestion to take advantage of the Inflation Reduction Act Funds to develop publicly owned local renewable energy generation, such as utility-scale solar and storage, virtual power plants, and geothermal.

Debra McGee of Lane County, Oregon expressed comments related to the transition off fossil fuels and her desire to protect low-income households by making it easier to access benefits, expand bill income eligibility, automatically enroll customers in bill assistance who have past due balances, and provide dedicated outreach funding to community-based organizations.

Andrew Simrin of Ward 7 in Eugene, Oregon provided input relating to the goal of reducing fossil fuels by urging EWEB to work with the City of Eugene to support electric heat pump retrofits and expand weatherization projects. He encouraged EWEB to create a web page to help navigate incentives for weatherization and electrification available through local, state, and federal programs. He added that EWEB should eliminate the \$8,000 maximum for aggregated income-based rebates allowing all customers to access both rebates and zero-interest loans.

Verbal Testimony:

Curtis Blankenship of Springfield shared comments relating to his support of rooftop solar, suggesting that parking lots provide an opportunity to utilize covered parking by placing solar panels on roofs.

BOARD ACTION AND GENERAL BUSINESS ITEMS

Approval of Consent Calendar – A, Minutes and Routine Contracts [32:30]

MINUTES

1. October 3, 2023 Regular Session

CONTRACTS

2. Hyundai Corporation USA - for Three-Phase Padmounted Transformers. \$3,000,000 (over 5 years) based on Formal Invitation to Bid.

3. Western Utility Telecom Inc. - for Tubular Steel Pole Structures for use in EWEB's Thurston to McKenzie River Crossing Transmission Line. \$725,000 (over 5 years) based on Formal Invitation to Bid.

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

Approval of Consent Calendar – B, Nonroutine Contracts and Other Consent Items [32:55]

CONTRACTS

4. Carollo Engineers, Inc. – for engineering services to complete EWEB's 2025 Water System Master Plan Update (WSMP). \$952,000 based on Formal Request for Proposals – QBS Process.

5. HDR Engineering, Inc. - for Hydraulic Modeling Services. \$500,000 based on Formal Request for Proposals.

6. Wildish Building Company - for Turbine Runner Removal at the Leaburg Powerhouse. \$296,000 based on Formal Invitation to Bid.

RESOLUTIONS

7. Resolution No. 2320 - Trojan Annual Operating Budget.

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

Items Removed From Consent Calendar [33:00]

There were none.

Upcoming Year (2024) Proposed Budgets and Prices [33:33]

Chief Financial Officer Deborah Hart, Financial Services Manager Aaron Balmer, and Budget and Rates Supervisor Alicia Voorhees provided the 2024 proposed budgets and prices.

Ms. Hart offered an overview of the financial planning calendar. She noted that November is midway through the planning process. In October they reviewed the updated long term financial plans and sought direction from the board on the 2024 draft budgets. In November they present the detailed draft document. In December they will seek board action on 2024 budgets and price proposals.

Mr. Balmer said that each budget is the max level of expenditure authorized in the budget process. The following figures correspond to line items for totals in attachment 1 of the 2024 proposed budget document. Operations and Maintenance: Water = \$32.3 million; Electric = \$314.7 million. Capital and Debt Service: Water = \$38.9 million; Electric = \$85.7 million.

The 2024 water budget includes plans to build a water treatment plant on the Willamette River to improve the resiliency of the water supply. It also includes meter technology upgrades, among other items.

The 2024 O & M electric budget includes funding for purchase power costs including rising costs of power supplied by Bonneville Power Administration. It supports broad community services through contributions in lieu of tax payment (CILT), and work to assess readiness for regional organized energy markets. It furthers programs for wildfire safety and prevention, electrification, energy efficiency greenhouse gas reduction, bill assistance programs, and contains funding to address structural vulnerabilities of the Leaburg canal as well as supports continued compliance management efforts related to public utility commission standards and NERC reliability audit preparations and staff training.

The electric capital budget ensures upgrades to the Carmen-Smith hydroelectric project, rebuilding of substations to increase capacity and improve reliability, underground cable replacements to help with reliability and wildfire prevention, ongoing investments to upgrade meter technology to improve service, upgrades to legacy IT systems, and the Bertelsen expansion project.

Overall revenue requirement increases are 7.8% for water and 5.7% for electric.

Ms. Voorhees provided a multiyear cost of service analysis (COSA) review. She explained that in 2021, staff provided a multi-year COSA based on the projected information at that time. The goal was to employ gradualism for each customer class over three years. 2024 is year three of that analysis. They have updated assumptions, revenue, and expense forecasts in both utilities long-term financial plans.

Ms. Voorhees referenced a PowerPoint slide detailing the largest customer classes for each utility and compared the compounded rate increases initially proposed over those three years with the rates implemented in 2022 and 2023 and the rates proposed for 2024. The slide also reflected inflation rates for water and electric. She pointed out that when the initial three year rate trajectory was presented to the board, staff was asked to smooth out the trajectory rate to avoid double digit rate increases. The graph is reflective of those efforts as indicated by an 8% lower overall revenue requirement. As 2024 is the final year of the three year rate proposal, EWEB will present a new three year rate proposal next year. She outlined both water and electric COSA results and proposed prices noting that as this and future years financial outlook signal rate increases, commitment to affordability is even more critical. She highlighted that compared with other Oregon cities, EWEB customers benefit from relative affordability, with the average electric and water utility costs just 3.5% of their median household income. She explained that with the new rate increases, the average customer can expect a \$3/month rate increase for water and an \$11/month rate increase for electric. Given the economic pressures facing so many EWEB customers, they will continue to look for opportunities to control costs.

Discussion ensued between the board and staff about aspects of the budget and the importance of a solid communications plan.

Public Hearing on Upcoming Year (2024) Proposed Budgets and Prices [50:30]

President Carlson opened the public hearing at 7:06 p.m. and closed the public hearing at 7:06 p.m.

Resolution No. 2317, New PURPA Standards for Electric Vehicles and Demand Response [1:30:56]

Chief Energy Resources Officer Brian Booth, Resource Analyst Aaron Bush and Power Planning Supervisor Jonathan Hart introduced new PURPA standards for Electric Vehicles and Demand Response.

Mr. Bush provided analysis of the recent Public Utility Regulatory Policies Act (PURPA) process and timeline, review of public comment, and staff analysis and recommendations. The process began September 5, 2023. Public comment opened September 8, 2023 and closed October 14, 2023. Mr. Bush explained for reference that the goal of the standards is to promote the use of demand response and promote transportation electrification. He reported that in the robust public comment process they received 42 public comments primarily revealing two themes: general support for the standard and concern about rate impacts and the use of customer dollars. Staff responded that comments raised are valid and will be considered prior to implementation. He said EWEB will incorporate considerations such as utility values, cross subsidies across customer class rates, and adopted policies (e.g. DEI) in the decision-making process.

He noted three main areas in the staff recommendation: appropriateness (appropriate for EWEB/PURPA?), implementation (how to implement), and clarifications (EWEB specific). He outlined staff recommendations in relation to the three areas and recommended the board approve Resolution 2317.

Staff responded to questions from the board of commissioners.

MOTION: Commissioner Schlossberg moved to approve Resolution 2317 adopting the staff analysis and recommendation on PURPA's demand response and electric vehicle charging standards. The motion passed unanimously, 5:0.

Quarterly Operational & Strategic Goals Report for Q3 [1:56:22]

Mr. Lawson provided a summary of the 79-page quarterly operational and strategic goals report for quarter three. He said they passed a major milestone in the EWEB Enterprise Solutions (EES) project, moving onto the "build" phase, and even receiving an "innovation and vision" award in the process. He reported that they have a solid year-to-date financial performance, they secured an additional \$3.3 million energy efficiency reimbursement from BPA, and have made much progress on major projects and board actions. He informed the board of a multitude of strategic goals that are currently in progress.

Staff responded to questions from the board of commissioners.

Future Board Agendas [2:15:20]

Mr. Lawson introduced the topic of future board agendas.

He noted that the Leaburg Decommissioning Action Plan has been moved from December 2023 to January 2024 and staff will be working to inform the public of the change.

There was consensus to change the next EWEB Board of Commissioners meeting from January 2, 2024 to January 9, 2024; contingent on the meeting space being available. Staff will report back on availability.

Board Wrap-up [2:20:14]

President Carlson requested feedback regarding the current practice for evaluating the board of commissioners. Mr. Lawson added that per policy the Board of Commissioners needs to do a self-evaluation on an annual basis. He said historically, staff has created a survey and sent it out to the commissioners.

Vice President Barofsky made a request for staff to list relevant page numbers alongside agenda items for easy reference in the meeting packet.

Adjourn

President Carlson adjourned the Regular Session at 8:38 p.m.

Recorded by Terah Van Dusen, LCOG

Assistant Secretary

President

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BOARD ACTION AND GENERAL BUSINESS ITEMS

Approval of Consent Calendar – A, Minutes and Routine Contracts [32:30]

MINUTES

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CONTRACTS

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

Approval of Consent Calendar – B, Nonroutine Contracts and Other Consent Items [32:55]

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RESOLUTIONS

7. **Resolution No. 2320** - Trojan Annual Operating Budget.

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

Items Removed From Consent Calendar [33:00]

There were none.

Upcoming Year (2024) Proposed Budgets and Prices [33:33]

Chief Financial Officer Deborah Hart, Financial Services Manager Aaron Balmer, and Budget and Rates Supervisor Alicia Voorhees provided the 2024 proposed budgets and prices.

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He noted three main areas in the staff recommendation: appropriateness (appropriate for EWEB/PURPA?), implementation (how to implement), and clarifications (EWEB specific). He outlined staff recommendations in relation to the three areas and recommended the board approve Resolution 2317.

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Adjourn

President Carlson adjourned the Regular Session at 8:38 p.m.

Recorded by Terah Van Dusen, LCOG

Assistant Secretary

President

EUGENE WATER & ELECTRIC BOARD
REGULAR SESSION
December 5, 2023
5:30 P.M.

Commissioners Present: Sonya Carlson, President; John Barofsky, Vice President; John Brown, Commissioner (online); Matt McRae, Commissioner; Mindy Schlossberg, Commissioner.

Others Present: Frank Lawson, EWEB General Manager; Rod Price, Assistant General Manager; Brian Booth, Chief Energy Resources Officer; Aaron Bush, Resource Analyst; Jonathan Hart, Power Planning Supervisor; Deborah Hart, Chief Financial Officer; Aaron Balmer, Financial Services Manager; Daniel Davidson, Senior Financial Analyst; Janice Lee, Senior Financial Analyst; Jason Heuser, Public Policy/Government Affairs Program Manager; Lisa Krentz, Generation Manager; Laura Ohman, Chief Dam Safety Engineer; and Alicia Voorhees, Budget and Rates Supervisor.

CALL TO ORDER

President Carlson called the meeting to order at 5:30 p.m.

Agenda Check

There were no changes to the agenda.

Items from Board Members and General Manager [1:20]

Vice President Barofsky attended the November McKenzie Watershed Council meeting. He noted that habitat restoration on the McKenzie River is one of the council's biggest budgets to date, and a positive thing for our watershed.

President Carlson toured the municipal wastewater treatment plant. She participated in the EWEB Run to Stay Warm event on November 19, 2023. She conducted a presentation to Eugene Rotary on November 28, 2023. President Carlson highlighted two upcoming events: Eugene's 70th Annual Celebration of Business on January 30, 2024, and Lane Council of Governments (LCOG) Celebration Dinner on March 8, 2024, at the Cottage Grove Armory.

General Manager Frank Lawson reported that he will provide a summary of financial returns for the Run to Stay Warm event in the next General Manager's report. He said EWEB's Communications Team received two national awards from the American Public Power Association for videos they produced about the Leaburg Dam Project and daily energy consumption. He referenced a link to the video, which was shared with Commissioners.

Correspondence [6:02]

Mr. Lawson highlighted three correspondence items: preparing for election of officers

and appointment of liaisons at the upcoming January board meeting, EWEB's local banking participation, and 2023 year-end audit planning.

Public Input [9:00]

The following testimony was provided to the EWEB Commissioners: The Board neither endorses or opposes, or is responsible for the accuracy of content, of testimony including any links or references provided.

Written Testimony:

Stephanie Tidwell of Eugene, Oregon shared comments related to the clean energy transition including to expand energy efficiency financial aid programs and continue adding more solar to our grid.

Theresa Brand of Eugene, Oregon expressed opposition to high utility rate increases, specifically citing that she is concerned about the 5.7% electric increase and 7.8% water increase. She suggested a modest increase of 2% for each utility. She cited concern about senior houselessness.

Drew Simrin of Eugene, Oregon expressed support of weatherization and heat pumps, specifically citing there is much to be done to meet the City's goals to reduce fossil fuel consumption by 50% of 2010 levels by 2030 and urging EWEB to work with the City of Eugene to support electric heat pump retrofits and expand weatherization programs.

Joanne Fanucchi of Eugene, Oregon expressed support of sustainable energy, specifically working in partnership with the City of Eugene to realize our childrens' goals for the future.

Patricia Hine of Eugene, Oregon shared comments related to removing barriers to electrification, including urging EWEB to prioritize making the transition easy and affordable to all.

Benton Elliott of Ward 1 expressed support of investing in programs that reduce greenhouse gas emissions and protect vulnerable communities from the impacts of the climate crisis.

Verbal Testimony:

Mark Robinowitz of Eugene, Oregon shared comments related to utility legislative priorities. He referenced an article from The Nation titled "The Green New Deal Is The Opiate of the Masses." A written copy of the testimony was also provided to the Board.

Stacy Koos of Eugene, Oregon shared comments related to EWEB's local banking participation including her thanks for EWEB's continued support by depositing with Summit Bank. She said deposit dollars are vital to community banks like Summit Bank.

BOARD ACTION AND GENERAL BUSINESS ITEMS

Approval of Consent Calendar – A, Minutes and Routine Contracts [16:50]

MINUTES

1. a. November 7, 2023 Executive Session #1
- b. November 7, 2023 Executive Session #2
- c. November 7, 2023 Regular Session

CONTRACTS

2. **EC Electric, L.R. Brabham, and OEG** – for electrical services \$1,200,000 (over 5 years between 3 contracts) based on a formal invitation to bid (ITB).

3. **Key Line Construction, Potelco Inc., and Wilson Construction Company** – for electric line crew services \$5,000,000 (over 5 years between 3 contracts) based on a formal invitation to bid (ITB).

MOTION: Commissioner Schlossberg moved to adopt Consent Calendar A minus Item 2.

The motion passed unanimously, 5:0.

MOTION: Commissioner McRae moved to adopt Consent Calendar A Item 2 – EC Electric, L.R. Brabham, and OEG. Commissioner Brown abstained from voting.

The motion passed, 4:0.

Approval of Consent Calendar – B, Nonroutine Contracts and Other Consent Items [19:39]

CONTRACTS:

4. **Diversified Workplace Solutions** – for audio-visual solutions and a technology upgrade in the ROC training room \$180,000 (one-time) based on the use of a cooperative contract.

RESOLUTIONS:

5. **Resolution No. 2321** – authorize General Manager to amend and extend Power Sales Agreement and Joint Operation Agreement with International Paper.

6. **Resolution No. 2322** – Water Utility 2023 Capital Budget Amendment.

MOTION: Vice President Barofsky moved to adopt Consent Calendar B.

The motion passed unanimously, 5:0.

Items Removed from Consent Calendar [20:25]

There were none.

Upcoming Year (2024) Proposed Budgets and Prices [20:27]

Chief Financial Officer Deborah Hart presented the upcoming year (2024) proposed budgets and prices via PowerPoint presentation. She was joined by Financial Services Manager Aaron Balmer and Budget and Rates Supervisor Alicia Voorhees. Following the presentation they answered questions from the Board.

Vice President Barofsky noted that Commissioners take rate increases seriously and consider all options when making a decision as they understand the impacts to customers.

Resolution No. 2326 – EWEB’s 2024 State Legislative Agenda [37:45] (Board Policy GP13)

Mr. Lawson and Public Policy/Government Affairs Program Manager Jason Heuser introduced Resolution No. 2326 – EWEB’s 2024 State Legislative Agenda (Board Policy GP13) and provided information via PowerPoint presentation and answered questions from the Board.

MOTION: Commissioner McRae moved to adopt Resolution No. 2326.

The motion passed unanimously, 5:0.

Annual Dam Safety Program Update [1:00]

Generation Manager Lisa Krentz and Chief Dam Safety Engineer Laura Ohman provided an annual Dam Safety Program update via PowerPoint presentation and answered questions from the Board.

Vice President Barofsky requested additional information regarding the Board’s responsibilities related to the dam safety program. Ms. Krentz said she would provide this information to Commissioners.

Upcoming Year (2024) Proposed Budgets and Prices [1:35:00]

Public Hearing on Upcoming Year (2024) Proposed Budgets and Prices [1:35:30]

President Carlson opened the public hearing on 2024 proposed budgets and prices at 7:05 p.m. President Carlson closed the public hearing on 2024 proposed budgets and prices at 7:05 p.m.

Resolution No. 2323 – 2024 Budget
Resolution No. 2324 – Electric Prices
Resolution No. 2325 – Water Prices

MOTION: Vice President Barofsky moved to approve Resolution No. 2323, Resolution No. 2324, and Resolution No. 2325.

The motion passed unanimously, 5,0.

President Carlson adjourned the Regular Session at 7:07 p.m. and called for a break.

WORK SESSION

President Carlson called the Work Session to order at 7:17 p.m.

2024 Organizational Goal Development [1:47:30]

Mr. Lawson and Assistant General Manager Rod Price introduced the topic of 2024 Annual Organizational Priorities and provided information via PowerPoint presentation. They received feedback from the Commissioners about 2024 priorities and goals.

Future Board Agendas [2:24:30]

Mr. Lawson described future board agendas.

Board Wrap Up [2:26:30]

President Carlson engaged the board in a board wrap up.

Adjourn

President Carlson adjourned the Work Session at 7:59 p.m.

Recorded by Terah Van Dusen, LCOG

Assistant Secretary

President

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a new contract with **Avail Switchgear Systems** for **Control House and Switchgear Equipment** (two units).

Board Meeting Date: January 9, 2024
Project Name/Contract #: Control House & Switchgear for Danebo Substation / Contract 23-161-G
Manager: Tyler Nice Ext. 7419
Executive Officer: Karen Kelley Ext. 7153

Contract Amount:

Original Contract Amount: \$2,266,000
Additional \$ Previously Approved: NA
Spend over last approval: NA
Amount this Request: \$2,266,000
% Increase over last approval: NA
Resulting Cumulative Total: **\$2,266,000**

Contracting Method:

Method of Solicitation: Formal Request for Proposals
If applicable, basis for exemption: NA
Term of Agreement: Completion by December 31, 2025
Option to Renew? No
Approval for purchases "as needed": Yes No
Proposals/Bids Received (Range): 4 (\$1,130,791 to \$1,411,418 for one unit only)
Selection Basis: Highest Ranked Proposer
Narrative:

Operational Requirement and Alignment with Strategic Plan

Danebo Substation has been selected for a new control house with integrated switchgear and HVAC, which will replace the existing metal-clad control house, medium voltage distribution equipment, and substation controls. All this equipment is beyond its useful life and much of it is obsolete and no longer conforms to EWEB's operational or design standards. Metal-clad control houses have poor temperature regulation, even when equipped with heating and cooling, which poses safety risks to EWEB employees working during peak summer/winter temperatures and can be detrimental to maintaining manufacturer specified equipment conditions, resulting in premature failure.

A second house is being purchased to be used for the Coburg substation expansion per EWEB's long term capital plan. In order to meet the project deadline ordering under this project is the most efficient and economical to avoid project delays and increased reliability risk. Starting with Holden Creek Substation, which was constructed in 2017-2018, EWEB began purchasing fully assembled manufactured buildings that are factory integrated with all the equipment listed above instead of attempting to retrofit original buildings (typically 40-50 years old). The old

buildings are not constructed to seismic standards and result in substantial renovation and retrofit costs to accommodate modern equipment. These new buildings are energy efficient, fully assembled and tested at the manufacture location and greatly speed up EWEB field crew installation time.

Contracted Goods or Services

One time purchase of two (2) prefabricated control houses with integrated medium voltage switchgear and substation control equipment. This contract covers the design, fabrication, delivery, field assembly, and field testing of these buildings and the equipment enclosed. No other services are included with this contract.

Purchasing Process

On August 7, 2023, staff issued a Request for Proposals (RFP) for a substation control house and switchgear. The solicitation was advertised on the State of Oregon’s public procurement site, OregonBuys. Four (4) proposals were received from Crown Technical Systems, Avail Switchgear Systems, States Manufacturing, and Myers Power Products. All were deemed responsive and responsible, except Crown Technical Systems’ proposal (which was deemed incomplete.) Evaluation criteria and points were as follows:

Minimum Qualifications	Pass/No Pass
Compliance with EWEB’s Specifications	50 points
Degree of Proposed Changes to Contract	10 points
Client References	10 points
<u>Pricing</u>	<u>30 points</u>
Total	100 points

The proposals were evaluated by an EWEB evaluation team, including Engineering and Operations staff, and after evaluating the proposals based on the above criteria, Avail Switchgear System’s proposal earned the highest overall score due to a combination of compliance with EWEB specifications and offering a competitive price. Customer references were also very positive and reassuring. An Intent to Award was issued. Avail appears to offer product that is economical, efficient, and in the best interest of EWEB’s rate-paying customers. EWEB will purchase two units from Avail for a total of \$2,266,000, which includes an additional discount for the second unit and the cost of performance bonds.

Proposals Received (Price proposals are for the price of one unit.)

Vendor Name	City, State	Offered Price	Ranking (for RFPs)
Avail Switchgear Systems	Fulton, Mo.	\$1,137,000	1
States Manufacturing	Minneapolis, MN	\$1,130,791	2
Myers Power Products	Ontario, Ca.	\$1,411,438	3

Prior Contract Activities

Avail Switchgear Systems is a new vendor to EWEB. Reference checks were part of the scoring criteria. Avail’s clients were very positive about their performance overall and they scored a 9 out of 10 possible points.

ACTION REQUESTED:

Management requests the Board approve a contract with Avail Switchgear Systems for control house and switchgear equipment (two units). Funds for these control houses are accounted for in the 2024 Electric Capital budget of \$69.9 million. Variances will be managed within the budget process and Board policy.

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a new contract with **Carter & Company, Inc.** for **Repairs and Seismic Improvements for the McKenzie River Bridge at the Carmen-Smith Project.**

Board Meeting Date: January 9, 2024
Project Name/Contract #: Carmen Bridge Seismic Retrofit and Rehab / 23-255—PW
Manager: Lisa Krentz Ext. 7450
Executive Officer: Karen Kelley Ext. 7153

Contract Amount:

Original Contract Amount: \$560,000
Additional \$ Previously Approved: NA
Spend over last approval: NA
Amount this Request: \$560,000
% Increase over last approval: NA
Resulting Cumulative Total: **\$560,000**

Contracting Method:

Method of Solicitation: Formal Invitation to Bid
If applicable, basis for exemption: NA
Term of Agreement: Completion by September 2024
Option to Renew? No
Approval for purchases “as needed”: Yes No
Proposals/Bids Received (Range): 7 (\$559,537 to \$937,138)
Selection Basis: Lowest Responsive and Responsible Bidder

Narrative:

Operational Requirement and Alignment with Strategic Plan

The Board is being asked to approve a construction contract with Carter & Company for repairs and seismic improvements for the McKenzie River bridge at the Carmen-Smith Project. This bridge provides access to critical facilities including the Carmen Campus, Carmen Powerhouse, Smith Dam, and the Smith Ridge communications tower. Following a 2017 structural assessment which determined that the bridge does not meet current seismic design criteria and was in need of several repairs, a bridge improvement project was added to the 10-year CIP to mitigate the risk of further deterioration and ensure adequate performance through the current FERC license period. These seismic improvements and repairs are critical to maintaining safe and reliable operations at the Carmen-Smith Project in alignment with EWEB’s strategic objectives.

Contracted Goods or Services

If approved, Contractor will perform the following work during the Spring & Summer of 2024:

- Install new shear restraints to resist lateral seismic loading
- Construct two new four-foot diameter drilled shafts and shaft caps to improve anchorage of the south side of the bridge

- Repair a damaged joint on the north side of the bridge
- Minor concrete repair near the base of two of the supporting piers
- Install a multi-layer polymer concrete overlay on the bridge deck
- Repair asphalt on both bridge abutments
- Repair and replace damaged sections of the guard rail

Purchasing Process

Staff issued a formal Invitation to Bid on November 21, 2023. EWEB sent notification of the bid directly to twelve (12) companies as well. The bid was posted on the bid site for the state of Oregon (OregonBuys), as well the Portland Daily Journal of Commerce. Eight (8) companies attended the voluntary pre-bid meeting.

Seven (7) bids were received from the companies listed below and were found to be Responsive and Responsible. Carter and Company, Inc. of Salem, OR submitted the lowest bid and an Intent to Award was issued. The company is new to EWEB, so references were called and deemed acceptable. If approved, Carter and Company will provide construction services, as specified in the solicitation documents.

Bids Received

Vendor Name	City, State	Offered Price
Carter & Company	Salem, OR	\$559,537
Legacy Contracting, Inc.	Stayton, OR	\$663,873
HP Civil	Salem, OR	\$681,062
MJ Hughes	Vancouver, WA	\$699,807
Oregon State Bridge Construction	Stayton, OR	\$775,971
Stellar J	Woodland, WA	\$786,495
Wildish Standard Paving Co.	Eugene, OR	\$937,138

Prior Contract Activities

None

ACTION REQUESTED:

Management requests the Board approve a contract with Carter & Company for construction services. Approximately \$500,000 was planned for these services in the Generation Department’s 2024 Type 3 Capital budget of \$23.1 million. Variances will be managed within the budget process and Board policy.

EWEB Board Consent Calendar Request

For Cooperative Contracts

The Board is being asked to authorize the use of a cooperative contract for the **Purchase of One (1) Small Service Bucket Truck with Global Rental Company, Inc. (Altec Industries).**

Board Meeting Date:	January 9, 2024	
Project Name/Contract #:	Small Service Bucket Truck / Sourcewell 062320-ALT	
Manager:	Scott Milovich	Ext. 7408
Executive Officer:	Karen Kelley	Ext. 7153
Expected Spend:	\$185,000	

Narrative:

The Board is being asked to authorize the use of the Sourcewell Cooperative Contract 062320-ALT with Global Rental Company, Inc. (Altec Industries) for the purchase of one (1) small service bucket truck. Like other cooperative programs, this Sourcewell contract leverages the purchasing power of public entities across the country to deliver competitive pricing and sourced contracts to public entities like EWEB. This Sourcewell contract offers discounts ranging 3-5% off MSRP.

Operational Requirement and Alignment with Strategic Plan

EWEB requires the use of Small Bucket Trucks for its Electric Line Troubleshooters (First Responders) which are used for routine operation and maintenance activities as well as emergency response activities during storms or outages. This new unit will be replacing a small bucket truck that was damaged in September of 2023, and totaled as a result.

With the delays in new vehicle deliveries extending into a year 2027 delivery date, EWEB staff reached out to Sourcewell contract holders to see if they had available units which meet our minimum specifications. Global Rental Company, Inc. (Altec Industries) responded with a Small Bucket Truck, as their business model allows them to sell units slated for their rental business, and to be able to deliver them in a short time-period in situations such as our totaled bucket truck. This Small Bucket Truck meets our needs and the availability for delivery of this unit is within 30-days after receipt of PO, so it falls under the 2024 budget.

Purchasing Process

Sourcewell is a local government unit from the state of Minnesota that assists public agencies to contract more efficiently than as an individual entity. They establish competitively awarded cooperative purchasing contracts on behalf of itself and its participating agencies, including EWEB. Sourcewell follows the competitive contracting law process to solicit, evaluate, and award contracts for goods and services which facilitates the public procurement process and leverages governmental agencies purchasing power.

RFP 062320 was published on April 30, 2020, and closed on June 23, 2020, at 4:30 pm (CT). Eighteen (18) RFP responses were received by Sourcewell, including Altec Industries, Inc. (Global Rental Company, Inc.). Sourcewell Contract 062320-ALT was executed on August 24, 2020, with an initial expiration date of August 27, 2024. It may be renewed for one additional year.

ACTION REQUESTED:

Management requests the Board authorize the use of a cooperative contract for the Purchase of one (1) small service bucket truck with Global Rental Company, Inc. (Altec Industries). Approximately \$1.3 million was planned for vehicles and power operated equipment in the 2024 Electric Capital Budget of \$69.9 million. Variances will be managed within the budget process and Board policy.