



MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

Rely on us.

TO: Commissioners Barofsky, Schlossberg, Brown, Carlson, and Morris

FROM: Frank Lawson, CEO & General Manager; Anne Kah, Administrative Services Manager

DATE: February 26, 2025 (March 4, 2025, Board Meeting)

SUBJECT: Annual Board Policy Review and Management Recommended Updates

OBJECTIVE: Review/Discussion

Issue

Annually, Commissioners and Management review Board Policies for ongoing effectiveness.

Background

The Board has a policy manual consisting of Governance Process, Board-Staff Linkage, Strategic Direction, and Executive Limitations policies. Beginning in 2021, Commissioners agreed that following any substantial revision, policies should be reviewed approximately one year later to ensure the desired effects are being achieved. Furthermore, an annual holistic board policy review demonstrates the Board's commitment to fulfilling these policies, particularly;

Board Policy GP1 Governing Style, the Board will be an initiator of policy, and will direct, evaluate, and inspire the organization through the careful establishment of written policies reflecting the Board's values and perspectives about desired results. The Board's major policy focus will be on the intended long-term effects inside and outside the organization.

Board Policy GP2 Board Job Description outlines Commissioner responsibilities which include determining and reviewing the Mission (purpose), Vision, Operating Principles, Policies, and Strategic Goals of EWEB.

Board Policy GP4 Agenda Planning states the Board will follow an agenda that periodically focuses on policy review.

The last review was conducted in January 2024. Outside of this process, Board members can request a policy discussion or propose an amendment any time.

Discussion

A copy of the board policy manual, including Management's proposed amendments, is included herein for Commissioners' review. An agenda item is scheduled for March 4, 2025, as an occasion for the Board to discuss their assessments, propose amendments, provide direction to staff, and/or request a future in-depth board discussion for any policy they determine has opportunity for improvement.

For reference, the following board policies were newly added or amended in 2023 and 2024.

1. [Resolution No. 2403 - Board Policy Revisions \(PDF\)](#) – Various amendments resulting from the Board’s 2024 annual review; affected policies were:
 - GP3 Board Strategic Plan Development
 - GP4 Agenda Planning
 - GP5 Role of Board President
 - GP7 Board Parliamentary Procedures (also amended in 2023 [Resolution No. 2304 \(PDF\)](#))
 - GP8 Meetings and Executive Sessions
 - GP9 External/Commissioner Communications
 - GP10 Public Input
 - GP12 Board Committees, Outside Appointments, Liaisons to Staff Projects & Advisory Committees
 - GP13 Board Role in Legislative Sessions
 - GP14 Litigation Reporting
 - GP16 Travel Policy for Board Commissioners
 - BL1 Global Board – General Manager Linkage
 - BL2 Unity of Control
 - BL3 Accountability of the General Manager
 - BL4 Delegation to the General Manager
 - BL5 Evaluating the General Manager’s Performance
 - BL6 Board – Staff Working Relationship
 - SD2 Environmental Policy
 - SD3 Customer Service Policy
 - SD7 Purchasing Policies
 - SD8 Power Risk Management Policies
 - SD10 Power Cost Recovery Policies
 - SD14 Real Property Policies
 - SD15 Climate Change Policy (also amended in 2023 [Resolution No. 2303 \(PDF\)](#))
2. [Resolution No. 2415 \(PDF\)](#) - Strategic Plan Update including SD1 Mission, Vision, Values, and Legacy
3. [Resolution No. 2313 \(PDF\)](#) - SD22 Resiliency Policy
4. [Resolution No. 2318 \(PDF\)](#) – SD23 Diversity Equity & Inclusion Policy

Management recommends administrative edits to several of the policies to provide clarity and to better reflect current practices, several potential areas of improvement are also suggested for the Board’s consideration. Additionally, two new policies are proposed; Water System Development Charge (SDC) Methodology Policy and Organizational Planning & Governance Policy.

The proposed language appears in red-lined text in the attached document, and some of the recommendations are explained in greater detail below.

Potential Adjustment to Board Meeting Protocol

The Board has an established practice of using a time clock to assist with meeting time management. During regular meetings, the timer displays three minutes for each commissioner’s

round of discussion. At the June 2024 board meeting, a commissioner suggested the timer be paused during staff's response to questions, resulting in more time for commissioner comments.

The Board may wish to revisit its approach to timing rounds as suggested above or consider eliminating the incremental timing of rounds and only track the total number of minutes allocated to the agenda item in its entirety. Staff is flexible to adjust on a trial or permanent basis at the Board's direction. There is currently no Board Policy directive on this matter aside from GP6 Rules of Conduct which states "Commissioners will be respectful of limited meeting time; board priorities will take precedence over individual priorities".

Proposed New Policy: Water System Development Charge (SDC) Methodology

Management recommends the development of a new Board Policy that aligns and clarifies the legalities, purpose, and priorities used in the development and implementation of SDCs. Board Policy, by definition, survives a single Board and is an effective mechanism for establishing long-term direction, as is the case with SDCs which are typically revisited every 5 to 10 years.

Management also recommends that the policy be used to revise the results and recommendations presented in September 2024 for alignment with the 10-Year Water Master Plan, planned for publication in 2025.

A new Water System SDC Methodology policy is being developed based on Commissioners' feedback at the November 2024 public board meeting. The draft policy will be presented to the Board for feedback at the April 2025 board meeting.

Proposed New Policy: GP18 - Organizational Planning & Governance

This proposed new policy aims to provide continuity in governance by preserving the intent, requirements or drivers, revision frequency, and the Board's role of the Utility's foremost organizational plans. Also, a minor related clarification was made to ***GP2 - Board Job Description***.

Potential New Policy: Urgent Procurement

At the July 2024 board meeting, a commissioner inquired if EWEB should consider an urgent procurement policy which would preauthorize a spending limit for emergent time sensitive spending. The suggestion stemmed from a consent calendar item related to spending that needed to take place expeditiously, in advance of the board meeting. The circumstances arose from a change in specifications from EWEB's regulator and prompt response was necessary to meet a compliance deadline.

Management has made reference to this requested issue for purposes of follow-up but does not recommend creation of a new policy as there are alternate means to accomplish emergency approvals; for example, a brief virtual board meeting, or the Board granting delegated authority to the General Manager.

Administrative Revisions and Recommended Amendments

GP7 Parliamentary Procedures

Staff included context for the use of resolutions and amended listing of Board actions requiring use of resolutions.

PUBLIC MEETINGS

As the use of technology evolves, the Board may wish to consider the implications of text messages and other means of electronic communication in the context of public meetings. For example, if an electronic communication (email or text) is received by a commissioner during the course of a public meeting, and it relates to the conduct of EWEB business being addressed or expected to be addressed, it is considered a public record and the contents subject to a public request. The Board may wish to establish a practice for handling a substantive electronic communication whereby the receiving commissioner declares receipt and makes identifiable reference of the message for the benefit of other commissioners and public meeting record.

Should the Board wish to address this issue in board policy, commissioners may direct Management to provide draft language for the Board's consideration.

GP8 Meetings and Executive Sessions

The policy currently states that meetings shall be conducted in accordance with ORS 192.610-690. Management recommends expanding the policy statement to include ORS 192.610-705 which also encompasses ORS 192.695 Prima facie evidence of violation required of plaintiff; ORS 192.700 Annual training requirements; and ORS 192.705 Filing written grievance; required response. The full text of these statutes can be found at [LINK: oregonlegislature.gov/bills_laws/ors/ors192.html](http://www.oregonlegislature.gov/bills_laws/ors/ors192.html).

Representatives of news media are allowed to attend executive sessions, with some exceptions (ORS 192.660), however the statute does not define "news media" or "representatives of news media". The Attorney General determined that local governing bodies may adopt policies that act as screening criteria for "representatives of the news media" so long as those policies are consistent with ORS 192.660(4) and comport with the meaning intended by legislature.

In 2020 EWEB implemented a Tier 1 Organizational Policy to aid staff in recognizing news media organizations and representatives of new media who are allowed to attend Executive Sessions. Management recommends promoting these guidelines from an internal policy to the Board Policy Manual. Given that attendance directly affects the Board, we believe it is appropriate to transfer governance of this policy to commissioners. Additionally, including it in the Board Policy Manual provides transparency and makes the information more easily accessible to the public. Proposed amendments to GP8 Meetings and Executive Sessions are included in the attached redlined policy.

GP17 Board Use of Email

Management recommends updating this policy to include all forms of electronic communication.

BL1 Global Board – General Manager Linkage

Staff added guidance to consult legal counsel in the event of an alleged unlawful act or conduct warranting investigation. Minor edits were also made to improve clarity.

BL4 Delegation to the General Manager and SD22 Resiliency Policy

Proposed edits clarify the Board does not approve the Long-Term Financial Plans or Capital Improvement Plans themselves; rather the assumptions in these Plans inform the annual budgets which are approved by the Board.

SD2 Environmental Policy and SD15 – Climate Change Policy

No changes are recommended at this time, however, Board Policies SD2 and SD15 will be updated and merged into a single policy as we work with the Board to accomplish our 2025 organizational *Goal 7 - Improve the effectiveness of EWEB's environmental and climate change policies in response to new external standards and practices, including Climate Registry's Electric Power Sector Protocol, and EWEB's situational status.* Staff may discuss potential edits to this goal at an upcoming Board meeting.

SD9 Rate Setting Policy

EWEB ratemaking principles are codified in several separate board policies. In August 2024, Management provided the Board proposed revisions to SD9 which would reference the Rate Design Principles more explicitly in a single section of board policy. The draft amendment incorporates EWEB's current principles of Rate Sufficiency, Equity, Efficiency, Cost Basis, Affordability, and Gradualism as well as other clarifications and edits for the Board's consideration. The memorandum for that discussion can be found at [Link - Rate Design Memo \(PDF\)](#).

During subsequent public board meetings in October and December 2024, the Board expressed a preference for structuring rates around a dual philosophy of cost-based and behavior-based principles rather than only on socially driven goals or outcomes. The related memorandums are available at: [Link - Rate Design – Initial Priorities/Drivers \(PDF\)](#) (October) and [Link - Rate Design Priorities – Record of Board Direction \(PDF\)](#) (December).

Management suggests proceeding with the August recommendation to incorporate the existing principles with the understanding that, as we work with the Board on the Rate Design Project in the coming years, we will evaluate and potentially refine these principles to ensure alignment with the core values and objectives that will guide the rate design process. This includes examining potential impacts on affordability and equity, especially for vulnerable populations affected by future rate designs. The principles will serve as a foundation, ensuring consistency and adherence to the utility's mission and public service commitments.

SD20 Enterprise Risk Management Policy

Addition to EWEB's stated framework.

SD22 Resiliency Policy

Staff has proposed language to emphasize resiliency of decision-making when the future is uncertain. Additional edits may be proposed as staff works with outside resiliency consultants,

EL1 Financial Controls

Proposed language has been incorporated to establish expectations for managing an actual budget overage at the end of the fiscal year. This mechanism provides guidance for addressing an overage that was not identified in time to be resolved through a budget amendment.

Additionally, Management recommends changing the definitions for Type I and 2 capital projects.

Recommendation/Requested Board Action

Management requests Commissioners' feedback on the board policy manual including the recommendations reflected in this memorandum and attachment. Items of general concurrence may be approved via resolution in April. At the Board's request, future agenda item(s) can be scheduled for any policies that require deeper discussion following the March 4, 2025, board meeting. No action is requested at this time.

Attachment:

1. EWEB Board Policy Manual – including proposed changes displayed in redlined text.

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~~Note: Draft policies are not included here, although they are included in the numbering scheme.~~

Governance Process Policies (GP Policies)

GP1 **Governing Style**
Effective Date: **December 5, 2017**

The Board will govern with an emphasis on (1) outward vision, (2) encouragement of diversity in viewpoints, (3) strategic leadership, (4) clear distinction of Board and General Manager Roles, (5) collective decisions, (6) future, and (7) proactive measures.

Specifically,

The Board will cultivate a sense of group responsibility. The Board will be responsible for excellence in governing. The Board will be an initiator of policy. The Board will use the expertise of individual members to enhance the ability of the Board as a body. The Board will allow no officer, commissioner, or committee of the Board to hinder or be an excuse for not fulfilling board commitments.

The Board will direct, evaluate, and inspire the organization through the careful establishment of written policies reflecting the Board's values and perspectives about desired results. The Board's major policy focus will be on the intended long-term effects inside and outside the organization.

The Board will establish and adhere to the standards needed to govern with excellence. Standards will apply to matters such as attendance, preparation, policy-making principles, respect of roles, and ensuring continuance of governance capacity. Continual board development will include orientation of new commissioners in the Board's governance process and periodic board discussion of process improvement.

The Board will monitor and discuss the Board's process and performance annually. Self-monitoring will include comparison of board activity and discipline to policies in the Governance Process and Board-GM Linkage categories.

Source: Patrick Lanning, Board, Approved 05/16/06; Revised 12/15/09, Resolution No. 0930; Revised 12/05/17, Resolution No. 1737.

Governance Process Policies (GP Policies)

GP2

Board Job Description

Effective Date

~~April 19, 2005~~ Proposed March 4, 2025

The job of the Board is to represent EWEB's customer/owners in determining and assuring appropriate organizational performance.

Accordingly, the role of the Board includes:

- Providing a conduit with the community
- Representing the community to EWEB and representing EWEB to the community
- Determining and reviewing the Mission (purpose), Vision, Operating Principles, Policies, and Strategic Goals of EWEB (within the context of the City Charter and statutory mandates) and approving designated staff's plans (GP18) to implement all of the above
- Establishing clarity around board decisions
- Delegating authority and responsibility to the General Manager for utility operations (within legal parameters and in accordance with the Bylaws)
- Assuring accountability and measurement of success, on an ongoing basis

Source: Working Definition Developed by Board 05/08/03; Board Ratified 04/19/05.

Governance Process Policies (GP Policies)

GP3	Board Strategic Plan Development
Effective Date	February 6, 2024

The role of the Board includes approval and oversight of the utility's strategic plan.

Prior to approving the strategic plan as submitted by staff, the Board will evaluate the plan's consistency with and potential effectiveness in advancing EWEB's adopted Mission, Statement of Legacy, established Board Policies, strategic priorities, and values. In addition, the Board will consider and balance the needs and points of view of EWEB's served community.

In order to provide effective oversight, the Board will require submittal of high-level performance measures in support of the strategic plan. Throughout each year, staff will provide periodic updates on strategic plan progress and the Board will direct changes in focus and priority as appropriate.

Source: Debra Smith/SMUD, Board Approved 10/03/06; Revised 02/06/24, Resolution No. 2403.

Governance Process Policies (GP Policies)

GP4 Agenda Planning
Effective Date February 6, 2024

BACKGROUND: The Board will follow an agenda that periodically:

- Focuses on policy review and
- Continually improves board performance through board education and enriched input and deliberation.

Accordingly, the following additional assumptions and procedures apply regarding agenda planning and board background material preparation:

Assumptions:

- The Board owns its agendas.
- Board agendas will emphasize policy development, goal status and the future direction of the utility.
- The Board President and Vice President set the agendas with the General Manager (GM).
- The GM has the authority to schedule agenda items.
- Board priorities take precedence over individual Commissioner priorities.

AGENDA FORMATION:

- Regularly scheduled board items established by Charter, Bylaws, or Board Policy (i.e. budget development, budget amendments, rate setting) can be both board and staff driven.
- Informational or review items initiated by the Board (i.e. policy discussion, revision, or review).
Note: With the exception of the President and the General Manager, it takes a majority of board members to place an item on the agenda.
- Informational, policy updates or review items (i.e. customer survey results, interim reports) that are staff driven.
- Consent calendar is a group of routine items that have either been discussed previously or do not need discussion before a vote of the Board. Board members can elect to remove an item for discussion by notifying the Board President prior to voting.
- Backgrounders are content based documents, prepared by staff, which support an agenda item in order to inform and educate the Board. Backgrounders are often in response to:
 - Board requests
 - Agenda items initiated by staff

- Agenda items that require interim or status reports
- Unusual items appearing on the consent calendar, i.e. budget amendments

AGENDA FORMAT: Generally, the agenda for regular EWEB board meetings will include the following:

- Agenda Check
- Items from Commissioners and General Manager
- Correspondence
- Public Input
- Board Action Items
- General Business Items
- Board Agenda Calendar
- Board Wrap up

Commissioners reserve the right to add or delete items as needed or change the order of the agenda as necessary. Public input and public hearings will occur near the published time.

ORGANIZATIONAL MEETING: During the first meeting of each calendar year, an election of board officers and other routine annual business will be performed.

AGENDA MANAGEMENT:

- The President, Vice President and the GM will collaborate prior to each board meeting to develop and prioritize agenda items.
 - The Office of the General Manager will maintain a list containing potential future background and agenda items.
- Agenda management will be broken out as a regularly occurring agenda item.
 - The time will be used to gauge the Board's interest in topics raised by commissioners or staff and to discuss the trade-offs involved in using board time for that issue.
- Board Agenda Reports: An agenda report is kept and provided with each board agenda and tracks the status of outstanding and future agenda items. The report is made up of the following components:
 - Changes to meeting agenda since last publication
 - Items that may be added to future board agendas or correspondence
 - Annual agenda calendar including recurring and other known agenda items
- Public Notice: All board agendas, including all backgrounders, correspondence, and other supportive documentation for regular meetings, special meetings, and work sessions shall be made available to the Board in hardcopy or other suitable form; and all non-confidential supportive documentation will be made available to the public via EWEB's website at least four full business days in advance of the meeting unless mitigating circumstances prevail. If an

emergency meeting is necessary, notice shall be given to the Board and the public at least 24 hours prior to the meeting unless emergency circumstances prevail.

Source: Board Approved 10/20/03; Revised 02/13/04; Revised 04/19/05; Revised 12/15/09, Resolution No. 0931; Revised 03/01/11, Resolution No. 1112; Revised 01/06/15, Resolution No. 1503; Revised 12/01/15, Resolution No. 1537; Revised 05/07/19, Resolution No. 1911; Revised 02/06/24, Resolution No. 2403.

Governance Process Policies (GP Policies)

GP5
Effective Date

Role of Board President
February 6, 2024

The Board President assures the integrity of the Board's process and is the only person authorized to speak for the Board unless there is formal designation by the President or board majority. Specifically,

- The President shall preside over all meetings of the Board.
 - Meetings shall be conducted in accordance with Board Policies (including GP7). If the Board is unable to resolve procedural issues, the President shall implement the use of Robert's Rules of Order.
 - The President's role shall be primarily procedural, and the President shall have no greater vote on substantive matters than other members of the Board.
 - The Board President is responsible for setting board meeting agendas with the General Manager and for facilitating board meetings in a way that encourages the Board to remain proactive, forward looking, and value-added in its deliberation.
 - The Board President will explain at outset of public input about the process for board comment and response per Board Policy GP10.
 - The Board President may call special meetings of the Board as required.
- The President will assume other responsibilities as determined by Board Policies or Bylaws.
 - The Board President or their designee will sign written communication concerning board decisions or positions consistent with Board Policy GP9.
 - The Board President has no individual authority to supervise or direct the General Manager.
 - The Board President or their designee is responsible for orientation of new commissioners per Board Policy GP15.
 - The Vice President will assume the responsibilities of the Board President in the event the President is absent or unable to serve.
 - The Board President and Board Vice President will be elected at the annual meeting in January, in accordance with the Bylaws.

Source: John Carver/Patrick Lanning, Bylaws, Board, Board Approved 10/03/06; Revised 02/06/24, Resolution No. 2403.

Governance Process Policies (GP Policies)

GP6
Effective Date

Rules of Conduct
October 3, 2017

The Board of Commissioners adopts as its own the following rules of conduct:

- Commissioners will treat each other with courtesy, civility, and respect despite differences of opinion; commissioners will treat staff with the same level of respect.
- In public, commissioners will talk positively about the organization, fellow board members, management, and employees.
- Commissioners and the General Manager will keep each other informed about all situations, which may directly affect them, or the organizational status of the utility.
- Commissioners will be respectful of limited meeting time; board priorities will take precedence over individual priorities.
- Commissioners will be active team members, be prepared for the various board decision issues and fulfill their responsibilities to participate in decisions.
- Commissioners will listen, discuss, and try to understand one another's views.
- Once a decision is reached, commissioners will support the Board decision even though they might hold a minority viewpoint.
- Commissioners will speak only for themselves unless authorized to speak for the Board.
- Commissioners may send a written statement to the Board Secretary/Assistant Secretary in advance of a meeting from which they will be absent if they wish to have their opinions, concerns, and perspectives on a board agenda item included. The Board President will read the provided written statement into the record. This action will not be recorded as a vote for or against any proposal before the Board.
- Commissioners will attempt to understand their legal obligations and if unclear, will seek the advice of legal counsel.
- Personal issues between commissioners will be dealt with individually and privately, and if needed, a third party will be used to help with the issue.
- Commissioners shall not use or attempt to use their official position or office to obtain financial gain or avoidance of financial detriment as required by state law. In the administration of any federal grant awarded to EWEB, commissioners shall neither use their position, nor permit interested parties or immediate families to use their positions, for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest or of personal gain contrary to applicable federal law.

Source: Board Approved 09/02/03; Ratified 04/19/05; Revised 10/06/15, Resolution No. 1526; Revised 10/03/17, Resolution No. 1723.

Governance Process Policies (GP Policies)

GP7

Board Parliamentary Procedures

Effective Date

~~February 6, 2024~~ Proposed March 4, 2025

The Board shall conduct meetings in accordance with Board Policies. If the Board is unable to resolve procedural issues, the Board shall use Robert's Rules of Order. The following policies and procedures shall apply:

PRESIDENT'S ROLE: The President presides over all meetings of the Board. The President's role shall be primarily procedural, and the President shall have no greater vote on substantive matters than other members. The President will also represent the Board as required within the community and coordinate among the Board as necessary in the conduct of board functions.

VICE PRESIDENT'S ROLE: The Vice President's role is to perform the duties and responsibilities of the President in their absence or as agreed upon by the Board.

GENERAL MANAGER - SECRETARY ROLE: The General Manager - Secretary reports to the Board as a whole and is responsible for implementing policies and directions established by the Board.

MEETINGS: Meetings will be conducted in accordance with Board Policy GP8 Meetings and Executive Sessions.

QUORUM: A quorum shall consist of a majority of members of the Board.

BOARD ACTIONS: In order to pass a resolution, motion, or other measure, an affirmative vote of a majority of the ~~entire b~~ Board is required.

VACANCY ON THE BOARD: Should a vacancy occur on the Board; the office of the General Manager shall administratively assist the Board with their pursuit of a qualified replacement. Public notification and an application process will commence as soon as possible. Applicants must meet residency requirements, and shall provide information including, but not limited to; occupational background (paid or unpaid), educational background, prior experience and qualifications that bring value to the EWEB Board, and professional references. All applications will be provided to the current board members for consideration. Interviews may be conducted during a public meeting upon request by two or more current commissioners.

A qualified elector shall be appointed by vote of the current board members within 90 days. The appointment shall be made in accordance with all provisions of the EWEB Bylaws, Eugene City Charter¹, and Eugene City Code².

BOARD ATTENDANCE: In-person or virtual attendance at all regular meetings of the Board is required of commissioners. Prior notification of absence should be given to the Board or the Secretary whenever

¹ Eugene City Charter Section 24. Vacancies - Filling

² Eugene City Code 2.968 Elections – Eugene Water & Electric Board - Composition

possible. Consistent with City Code, the Board shall have the power to declare vacant the office of a member who is absent from three consecutive regular meetings without an excuse satisfactory to the Board³.

RECORD OF BOARD MEETINGS: With the exception of Executive Sessions, audio with video recordings will be made of all Regular and Special Meetings of the Board barring technical malfunction. Additionally, a written record will be prepared, in the form of action-based minutes. The action-based minutes will include:

- Members of the governing body present
- Names of individuals who provide public testimony, the subject of their comments and their position on the matter
- If testimony is accompanied by a physical or digital file, it should be noted in the meeting minutes; however the actual file or hyperlink should not be included
- Names of management and other presenters including consultants who address the Board
- An account of all agenda items with the corresponding timestamp
- Reference to documents or presentations discussed at the meeting
- Motions, proposals, resolutions, and orders proposed and their disposition
- Results of all votes
- Direction given by the Board
- Agreements made by the Board and General Manager

Should a special occasion call for additional statements to be recorded in the meeting minutes, a board member or the General Manager may indicate that a statement is “for the record”.

Written minutes shall be reviewed and approved by an affirmative vote of the Board, consistent with the Bylaws.

Recordings and approved minutes will be made publicly available on EWEB’s website for at least 12 years and will be retained in EWEB’s permanent records in accordance with public meeting law.

MINUTE CORRECTIONS AND ADDITIONS:

Corrections: Individual board members may make suggested corrections to the minutes of prior meetings if the proposed meeting minutes are factually incorrect. The meeting recording will be used to determine the appropriateness of the request. If there is disagreement as to the accuracy of the requested correction, a verbatim transcription of that portion of the recording will be requested and used to determine the appropriateness of the request. If a majority of the Board agrees that the requested correction is accurate, the minutes will be corrected without use of a verbatim transcription.

If the minutes accurately reflect what was said, regardless of the accuracy of the statement itself, the minutes will not be corrected. In this instance, a Commissioner may ask that a clarifying statement be entered into the minutes of the current meeting.

³ Eugene City Code 2.205 Eugene Water & Electric Board Meetings

Additions: If a special circumstance calls for an important statement to be recorded in the meeting minutes, a Commissioner may request that a point of discussion or statement made during the meeting covered by the minutes be entered into the minute's record. The meeting recording will be used to determine the appropriateness of the request. If there is disagreement as to the accuracy of the requested statement or fact, a verbatim transcription of that portion of the audio recording will be requested and used to determine the appropriateness of the request. If a majority of the Board agrees that the requested inclusion is accurate, the minutes will be edited, and the additional information included without use of a verbatim transcription.

USE OF RESOLUTIONS FOR BOARD ACTIONS:

A resolution is formal documentation used to memorialize the Board's decision. Appropriate use of resolutions may include a discrete event without any intent to establish precedent for future similar circumstances, or to adopt a continuing directive for certain subject-matter, such as a policy. The resolution should clearly convey the desired intent.

While an oral motion and decision can be effective and document a Board decision on the record, a written resolution tends to provide more clarity for future enforcement and may include "Whereas" clauses to establish context if future interpretation may be necessary. When approving a resolution, the Board coalesces around the decision and/or direction as well as the basis thereof as reflected in the whereas statements.

Formal resolutions will be required when the Board takes actions of the following types:

- Rate, fee, or price increases or decreases
- Approval of contracts for purchased power requiring board approval per Board Policy SD8 (SD8) with a term of more than one year
- ~~Adoption of the following multi-year plans:~~
 - ~~○ Integrated Resource Plan or update~~
 - ~~○ Water Supply Plan or update~~
 - ~~○ Water Master Plan or update~~** For the purpose of the three aforementioned Plans, adoption is defined as the acknowledgment of the analytical results and approval of recommended actions.*
- Generation asset sales or purchases (SD8)
- Declaring EWEB owned real property as surplus
- Purchase or sale of real property requiring board approval (EL2)
- Plans/Documents requiring board approval (including but may not be limited to plans specified in GP18 e.g. Natural Hazard Mitigation Plan)
- Documents or directives that have a potential continuing effect beyond the current Board composition (including but not limited to those specified in GP18)
- Approval Adoption of new or revision of Board Policies
- Bylaw amendments
- Approval of substantive changes to EWEB Customer Service Policies (SD3)
- Approval of substantive changes to EWEB Procurement/Public Contracting Rules (SD7)
- Approval of substantive changes to EWEB Financial Policies
- Updates to the EWEB Section 457 Deferred Compensation Plan Committee Charter
- Approval of the annual budgets and budget amendments
- Trojan annual operating budget

- Reserve transfers
- Financial institutions designated as depositories
- Annual Investment Policy review
- Issuance of bonds or other debt instruments
- Committees created and adopted by the Board (GP12)
- Outside appointments adopted by the Board (GP12)
- Liaison appointments adopted by the Board (GP12)
- Advisory assignments adopted by the Board (GP12)
- Adoption of EWEB's State Legislative Agenda (GP13)
- Determination on appropriateness and implementation of PURPA Standards
- Annual Appointment of the Supplemental Retirement Plan Committee
- Appointment of Assistant Secretary, Treasurer, and Assistant Treasurer
- Western Generation Agency (WGA) board appointment
- Other documents requiring formal Board approval by EWEB, and/or external regulatory bodies and governing bodies

All other actions can be taken in accordance with the Bylaws using a simple motion and affirmative vote.

Source: Bylaws, Board Discussion, Board Approved 11/01/05; Revised 12/15/09, Resolution No. 0932; Revised as per Bylaws 07/19/11, Resolution No. 1122; Revised 01/06/15, Resolution No. 1503; Revised 05/07/19, Resolution No. 1911; Revised 07/05/22, Resolution No. 2214; Revised 01/03/23, Resolution No. 2304; Revised 02/06/24, Resolution No. 2403.

Governance Process Policies (GP Policies)

GP8

Meetings and Executive Sessions

Effective Date

~~February 6, 2024~~ Proposed March 4, 2025

Regular Meetings:

The regular meeting of the Board will be held at 5:30 p.m. on the first Tuesday of each month, unless that Tuesday falls on or generally conflicts with a national holiday. In such cases the meeting may be held on the next business day, on another Tuesday within the same month, or on another day agreed upon by the Board. If an additional regular meeting is required, the general preference will be to hold that meeting at 5:30 p.m. on the third Tuesday of the month. The Board President⁴ and the General Manager-Secretary may reschedule these meetings, schedule additional meetings, or cancel any meeting of the Board by mutual agreement.

All regular and special meetings of the Board shall be held whenever possible within the utility service district.

Meetings shall be conducted in accordance with ORS 192.610-~~705~~690, and the Engagement directives contained in Board Policy SD23 Diversity, Equity, and Inclusion Policy.

Consistent with the Board Bylaws, and except as otherwise provided by law; all meetings of the Board shall be open to the public and all persons shall be permitted to attend, no quorum of the Board shall meet in private for the purpose of deciding on or deliberating toward a decision on any matter.

Executive Sessions:

~~a~~An executive session may be held only for those purposes allowed by law. ORS 192.660 provides a list of purposes for which an executive session may be held, including but not limited to:

- Employment of Public Officers, Employees and Agents
- Discipline of Public Officers and Employees
- Performance Evaluations of Public Officers and Employees
- Labor Negotiations
- Discussions Regarding Exempt Public Records
- Discussions with Legal Counsel on Pending or Threatened Litigation
- Real Property Transactions

At the General Manager's discretion, invited EWEB staff, legal counsel, and consultants may be granted access to an executive session.

Subject to approval of both the Board President and General Manager non-EWEB attendees, such as commissioner elects, may be granted access to an executive session when their presence is substantiated by a business purpose relevant to the subject matter being discussed in executive session.

⁴Eugene City Code 2.205 – Eugene Water & Electric Board - Meetings

News Media attendance in Executive Sessions:

Representatives of the news media are expressly allowed to attend executive sessions, with some exceptions (ORS 192.660), however the statute does not define “news media” or “representatives of news media”. The purpose of this policy is to assist the Eugene Water & Electric Board with identifying representatives of the news media who are entitled to attend executive sessions. This policy is intended to follow Oregon Attorney General Opinion No. 8291. Additional information may be found in the Attorney General’s Public Records and Meetings Manual (2019).

A. Definitions – as applied to this policy:

1. “General Manager” means the General Manager of the Eugene Water & Electric Board or the General Manager’s designee.
2. “News media” means channels, methods, or systems of communicating recent events or new information of interest to the recipients.
3. “News media organization” means an entity that is formally organized for the purpose of gathering and disseminating news.
4. “Representative of a news media organization” means an individual who gathers news and who has a formal affiliation, as an employee, contractor or agent, with a news media organization.

B. News media organizations

A representative of a news media organization may attend executive sessions, with some exceptions. The General Manager has determined that the following entities are news media organizations.

- | | |
|--|---|
| <ul style="list-style-type: none">• <u>The Register-Guard</u>• <u>Eugene Weekly</u>• <u>The Oregonian</u>• <u>The Oregon Daily Emerald (UO)</u>• <u>The Torch (LCC)</u>• <u>The Associated Press</u>• <u>Eugene Daily News</u>• <u>KLCC</u>• <u>KMTR</u>• <u>KVAL</u>• <u>KEZI</u>• <u>KLSR</u>• <u>Any general or associate member of the Oregon Newspaper Publishers Association</u> | <ul style="list-style-type: none">• <u>A broadcast member of the Oregon Association of Broadcasters</u>• <u>KRVM</u>• <u>KKNU</u>• <u>KMGE</u>• <u>KUJZ</u>• <u>KZEL</u>• <u>KEPW</u>• <u>KUGN</u>• <u>KPNW</u>• <u>KOPB</u>• <u>KORE</u>• <u>KKNX</u> |
|--|---|

C. Recognition of other news media organizations

The General Manager will determine whether other organizations are news media organizations using the following criteria. A news media organization must be an established entity that:

1. Regularly and continuously publishes, broadcasts, transmits, or otherwise disseminates news to the public; and

2. Is formally organized for the purpose of gathering and disseminating news. Criteria that tend to show that an entity is formally organized for the purpose of gathering and disseminating news are the following:
 - a. A formal business structure, which may include registration as an entity with the Oregon Secretary of State;
 - b. The existence of multiple personnel with defined roles within the entity's organizational structure;
 - c. Regular publication, transmittal or dissemination of the news.

An entity that seeks to be recognized as a news media organization shall provide a written letter of application to the General Manager that demonstrates that the entity meets the criteria set forth above. The General Manager may issue a verbal or written decision. If the General Manager grants or denies an application verbally, the General Manager shall subsequently issue a written decision within seven calendar days. The General Manager's decision may be appealed to the EWEB Board of Commissioners by submitting an appeal in writing to EWEB's Enterprise Risk Supervisor within seven calendar days of the date of the General Manager's written decision. The Board of Commissioners shall consider the appeal at its next regular meeting, so long as the written appeal has been received three business days before that regular meeting. Appeals received less than three business days before a regular meeting will be considered at the following month's regular meeting. The Board of Commissioners may consider the letter of application, the General Manager's written decision, the criteria set forth in this policy, and guidance from legal counsel. The Board of Commissioners' decision shall be the final decision of the Eugene Water & Electric Board.

D. Representatives of a News Media Organization

A person may establish that the person is a representative of a news media organization by demonstrating that the person is a news gathering employee, contractor, or agent of a news media organization. The General Manager has determined that the following persons are representatives of a news media organization: (1) a news gathering employee of any news media organization identified in Part B of this policy, and (2) a student who gathers news for the Oregon Daily Emerald or The Torch. Otherwise, a person who seeks to be recognized as a representative of a news media organization must demonstrate (1) that the person is a news gathering employee, contractor, or agent of a (2) news media organization recognized by EWEB per Part B or C of this policy. Criteria that tend to demonstrate a person is a representative of a news media organization are the following:

- i. a press badge or identification issued by the recognized news media organization; or
- ii. recently published news article(s) in the recognized news media organization's publication or broadcast with the person's byline, or a masthead showing the person's name as a member of the news gathering staff of the news media organization; or
- iii. a letter on letterhead from an editor of the recognized news media organization in which the editor states the reporter is covering the meeting for the news media organization.
- iv. EWEB may request proof of identity (e.g. government issued photo identification)

The same process for making these determinations shall apply as set forth in Part C of this policy.

E. EWEB requests advance notification of a news media representative's intent to attend an executive session.

F. Recording Devices Prohibited

Cameras and other audio/video recording devices shall not be used by representatives of news media in executive sessions.

G. Nondisclosure of Confidential Information

Representatives of news media are specifically directed not to report on any of the deliberations during the Executive Session, except to state the general subject of the session as announced by EWEB.

H. Nothing in this policy is meant to provide rights or privileges greater or lesser than what is provided for in Public Meetings Laws found in ORS 192.610-705.

Source: Bylaws/Debra Smith, Board Approved 05/17/05; Revised 02/02/21, Resolution No. 2104; Revised 02/06/24, Resolution No. 2403.

Governance Process Policies (GP Policies)

GP9 **External/Commissioner Communications**
Effective Date **February 6, 2024**

It is the policy of the Board to use the following guidelines in communicating with members of the public, other government agencies and the media:

- Day to day communications about the Eugene Water & Electric Board are the responsibility of the General Manager often by/through the Public Affairs/Communications Department. All oral and written communication should be developed and coordinated through the General Manager and/or designated staff.
- As a rule, the General Manager and/or designated staff are responsible for all communication. Exceptions apply when individual commissioners are communicating about their specific positions on utility issues or when an individual commissioner disagrees with board actions.
- As the elected body that leads the utility, the Board of Commissioners has a strong role to play in the communication efforts of the utility. Such communication can include, but not be limited to planned presentations, response to media inquiries, or comments received from customers.
- When a Commissioner engages in communication of any type, they must recognize that, in the eyes of the public, board members are likely to be perceived as speaking as an EWEB representative, and as such, their communication will reflect on and impact the other board members and utility staff.
- The General Manager and/or designated staff will coordinate interactions with the news media. Such interactions may involve commissioners or other utility staff members. Individual board members may be approached directly by the media to comment on a particular issue. In these instances, the individual board member should work with the General Manager and/or designated staff, and follow the protocol listed in this policy.
- The General Manager and/or designated staff will handle communications with customers on nearly all issues, including account inquiries, utility projects, and general utility activities and will assist commissioners with responding to customer inquiries about a commissioner's specific statements or positions on an issue.
- Communications about board decisions or positions on issues are generally prepared and coordinated by the General Manager and/or designated staff. In some instances, communications will need to be approved by the General Manager and/or the full Board of Commissioners. Such procedures are applicable in the drafting of "letters to the editor" and op-ed responses to newspaper editorials and the preparation of positions to other entities. The Board may also designate a commissioner to represent the Board on a particular issue.
- A commissioner may issue communications about which the Board has not taken a position, or which is in opposition to the Board's position. In this case, the commissioner may request staff

time to review the communication for accuracy.

- Any communications issued by a commissioner which espouses an individual viewpoint should be represented as the commissioner's own viewpoint, and not represented as a position of the Board.
- The General Manager and/or designated staff will coordinate public appearances by individual commissioners, including logistical planning, contact with the public group, and preparing talking points and other materials to be used in the presentation.
- The Board shall review this policy periodically, in conjunction with review of other board governance policies.

Source: Board Approved 06/01/04; Ratified 04/19/05; Revised 02/06/24, Resolution No. 2403.

Governance Process Policies (GP Policies)

GP10
Effective Date

Public Input
February 6, 2024

Public Input is a routine feature of every regular meeting of the Board of Commissioners, which generally occurs on the first Tuesday of each month. Public Input will be conducted in accordance with the engagement directives contained in Board Policy SD23 Diversity, Equity, and Inclusion Policy. All persons should share their views and opinions in a manner that is productive, respectful, and not disruptive.

The agenda item customarily appears near the beginning of the agenda, with up to thirty minutes reserved for public comments unless the presiding officers allocate additional time prior to the meeting during agenda planning. Members of the public wishing to speak about EWEB topics are asked to complete a Request to Speak form. Individuals are called by the presiding officer in the order forms are received.

Prior to opening Public Input, the presiding officer makes a brief announcement describing the process and sets a time limit for individual input. Each speaker usually has up to a maximum of three minutes to share their views. When numerous speakers wish to address the Board, the presiding officer may adjust the time offered to each speaker to correspond with the amount of time scheduled for the agenda item or may extend the time allowed for public testimony with the majority concurrence of the Board. At the officer's discretion, the public comment period may be divided equally among all speakers. Alternatively, the officer may afford a maximum number of total minutes to the speakers, in the order forms are received, considering equity of speaking request format (in person or via telephone), until the amount of time posted on the meeting agenda has lapsed.

Commissioners do not interact with the speakers during the Public Input period. The presiding officer may ask clarifying questions, but commissioners refrain from engaging in a dialogue with the speakers while they are addressing the Board.

At the conclusion of the Public Input agenda item, individual board members have an opportunity to address any point that was made during Public Input. Board member comments may include direction to the General Manager to further investigate a specific issue, clarification from the General Manager regarding a specific issue, or simply a response to a public comment just presented.

In certain instances, particularly at public hearings, the Board may direct staff to respond to specific questions posed by the public, those responses which are for the public good will be posted on EWEB's internet site.

Source: Marty Douglass, Public Affairs, Draft Provided to Board 11/11/04; Board Approved 07/05/05; Modified 11/01/05, Revised 08/06/19, Resolution No. 1920; Revised 10/05/21, Resolution No. 2112; Revised 02/06/24, Resolution No. 2403.

Governance Process Policies (GP Policies)

GP11 **Use of Bill Stuffers**
Effective Date **April 19, 2005**

It is the policy of the Board that the content of the bill stuffer (see note) must reflect material directly related to EWEB business. An exception to this policy is the City of Eugene stuffer inserted into EWEB bills once per year reflecting City sewer and storm water rate information.

Exceptions to this policy will only be allowed with specific approval by the Board of Commissioners.

Note: The Eugene Water & Electric Board maintains a monthly billing system for its customers. The utility routinely includes an information brochure, or “bill stuffer” in each monthly bill. Bill stuffers serve as an excellent medium for communicating with customers, a conclusion validated by past customer surveys.

Source: Policy drafted by Marty Douglass based on Board Discussion 03/02/04; Board Approved 04/19/05.

Governance Process Policies (GP Policies)

GP12 **Board Committees, Outside Appointments, Liaisons to Staff Projects & Advisory Committees**

Effective Date **February 6, 2024**

The Board may use committees, outside appointments and liaisons to staff work as a means of gathering and disseminating information, representing the Board, and providing preliminary input to board decisions. Specifically,

- The Board may choose to appoint standing (permanent) and temporary committees.
 - All committees will be created and defined by Board Resolution and formally adopted by the Board. The resolution will state the purpose, composition, membership (term and succession), and in the case of temporary committees, the expected dissolution date. Committees may include members from outside the organization if the Board so chooses.
 - Committees will be used to discuss and refine information and to make recommendations to the full board.
 - All committee meetings (except where exempt under Oregon Revised Statutes) shall be open to the public.
 - When board committees are used, commissioners will be assigned so as to reinforce the wholeness of the Board's job and so as never to interfere with delegation from board to the General Manager.
- The Board may appoint a commissioner to an outside organization or entity.
 - All outside appointments will be made by Board Resolution and formally adopted by the Board. The resolution will state the purpose of the appointment, the nature of the commissioner's role, the term of the appointment and the succession if applicable.
 - As an appointee to an outside organization, it is the responsibility of the commissioner to represent policies and resolutions adopted by the Board. If an issue arises in which the Board has not previously taken a position, it is the responsibility of the commissioner to represent what they believe the Board majority would be. Should the majority of the Board decide that any action taken by an appointee did not represent the view of the majority; the Board can send a written notice modifying the previous action.
- The Board may designate commissioners to act as formal or informal liaisons to staff managed projects or work assignments.

- All liaison assignments will be made by Board Resolution and formally adopted by the Board. The resolution will state the purpose of the liaison assignment, the term of the assignment and the expected completion date.
- As a liaison to a staff managed project or work assignment, commissioners will participate as other project team members, with no more or less authority than other team members. It is the responsibility of the Commissioner to bring important information back to the full board and to represent the views of the Board, to the best of the Commissioner's ability.
- Commissioners assigned, as formal or informal liaisons will not direct staff or manage the work of the team or group. Decisions requiring action from the Board will be brought to the full board in accordance with the Bylaws.
- The Board may designate commissioners to participate in outside advisory committees whose purpose is to gather information from the community on projects or work currently engaged by or under consideration by the utility.
 - All advisory assignments will be made by Board Resolution and formally adopted by the Board. The resolution will state the purpose of the advisory committee, the term of the assignment and the expected completion date.
 - As a member of a community advisory committee, commissioners will participate as other committee members, with no more or less authority than other members. It is the responsibility of the commissioners to bring important information back to the full board and to represent the views of the Board, to the best of the commissioner's ability.

Source: John Carver/Patrick Lanning, Board, Board Approved 10/03/06; Revised 02/06/24, Resolution No. 2403.

Governance Process Policies (GP Policies)

GP13 **Board Role in Legislative Sessions**
Effective Date **February 6, 2024**

The primary objective of the Board as it relates to legislative activities is to develop, guide and enforce EWEB's position relative to legislation the utility attempts to influence and put into practice. Prior to the start of each session, the Board will adopt general policy directives with broad application. Those directives will be adopted by Board Resolution after presentation to and discussion with the Board. The adopted directives will guide the work of EWEB's lobby activities. When political considerations test the applicability of those directives, the General Manager will make a determination as to whether a fundamental shift in direction is required. The Board may be asked to reaffirm their policy or direct staff to make necessary adjustments.

During each legislative session, the General Manager or their designee will provide the Board with a periodic report of significant legislation, generally on a monthly basis. The report will include the type and number of bills being reviewed by staff, a prioritized sense of risk for the utility and a sense of timing for the resolution of key legislation. The report will also include staff contact information to allow commissioners to track specific areas of issue or concern.

At the close of each legislative session, the General Manager or their designee will provide the Board with a review of significant legislation with potential impact on the utility.

Source: Libby Henry/Debra Smith, Board, Board Approved 10/03/06; Revised 02/06/24, Resolution No. 2403.

Governance Process Policies (GP Policies)

GP14 **Litigation Reporting**
Effective Date **February 6, 2024**

The Board has a need to stay informed of significant litigation involving the utility. The types of litigation reported under this policy would be significant lawsuits as determined in the discretion of the General Manager and/or EWEB's General Counsel.

Accordingly, the General Manager or their designee will provide the Board periodic reports on significant litigation, generally on a quarterly basis, generally including the following:

- Caption or Title of Claim, including identity of main parties involved
- When filed or asserted
- Brief description of claim (one paragraph or less, including the amount of money or other legal exposure to EWEB raised by the suit)
- "Next steps" in the litigation process
- Expected trial or resolution date
- Such other information as the Board, General Counsel, or General Manager may deem appropriate

As new litigation is filed, the General Manager, General Counsel, or their designees will alert board members as to the fact of the filing and appropriate limited information, given time and information constraints.

The Board, from time to time, may request additional information to be provided in writing, or through meetings with legal counsel, regarding more details and/or analysis of pending or potential litigation.

Source: Win Calkins, Board Approved 06/15/04; Ratified 04/19/05; Revised 02/06/24, Resolution No. 2403.

Governance Process Policies (GP Policies)

GP15 New Commissioner Orientation
Effective Date August 2, 2022

The 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.

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 commissioners. 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 including but not limited to:
 - Board President
 - Experienced board members
 - General Manager
 - Executive Team members
 - Operations Managers
 - Program Managers
 - Safety Program Representative(s)
 - Diversity Team Representative(s)
 - 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 commissioners have 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; Revised 08/02/22, Resolution No. 2217.

Governance Process Policies (GP Policies)

GP16 **Travel Policy for Board Commissioners**
Effective Date **February 6, 2024**

EWEB board members shall follow the same travel and expense reporting procedures as those followed by regular EWEB employees, with the following additional guidelines:

- EWEB board members will be allowed an annual budget for travel and expenses related to utility business. Any amount in excess of the total amount allotted for all board members shall be reviewed and considered by the Board.
- Within a reasonable amount of time following an EWEB-related workshop, conference, seminar, etc., the board member attending shall give a verbal (or written, if preferred) summary of the information gathered at the session and its potential impact on the utility.
- Arrangements for travel and/or meeting attendance by the board members shall be handled through the General Manager's office. When possible, requests should be made early in order to take advantage of potential discount rates.
- A Board Travel & Expense Reimbursement Request and related receipts should be submitted to the General Manager's office as soon as possible upon return from EWEB-related travel.
 - Meals are reimbursable with a receipt or at the applicable U.S. General Services Administration (GSA) per diem rate.
 - Board members may use their personal vehicles, or an EWEB pool vehicle subject to availability and in accordance with EWEB's Fleet Vehicle Use Policy, when automobile transportation is necessary. Reimbursement for personal vehicle use will be made at the current U.S. General Services Administration (GSA) reimbursement rate for mileage, or coach class airfare, whichever is lower. Fines assessed for parking or traffic violations are not reimbursable.

Related Policy

EWEB's Fleet Vehicle Use Policy (located on EWEB Enterprise Risk Management's SharePoint site, Tier 1 Operational Policies)

Source: Board Adopted 04/22/85; Amended 11/10/86; 04/08/91; Ratified 04/19/05; Revised 02/06/24, Resolution No. 2403.

Governance Process Policies (GP Policies)

GP17 Board Use of Electronic Communications ~~Email~~
Effective Date ~~August 3, 2016~~ Proposed March 4, 2025

The Board has the responsibility to use electronic communications ~~email~~ in an ethical and lawful manner and in accordance with EWEB's Information Services Technology Acceptable Use Policy ~~and Agreement~~. The purpose of this board policy is to maintain EWEB's high standards of transparency and its ability to respond to the public. As such, EWEB commissioners will use their available EWEB-issued electronic communication ~~email~~ accounts to conduct EWEB business when possible and practical. ~~When a board member receives~~ In the event that an electronic communication ~~email on his or her~~ is received or exchanged on a commissioner's personal account related to their service as a board member, they will forward a copy of ~~send~~ the electronic communication ~~email~~ to their EWEB issued account, including any response or reply to the communication. Likewise, commissioners will not forward electronic communications ~~emails~~ related to EWEB business that are received on their EWEB issued ~~email~~ accounts to their personal ~~email~~ accounts.

Commissioners will avoid using ~~either~~ personal ~~and/or~~ EWEB electronic communication ~~email~~ accounts among themselves in a way that would violate Board Policy GP7 Board Parliamentary Procedures, Board Policy GP8 Meetings and Executive Sessions, and/or Oregon's Public Meetings Law, including but not limited to, direct or serial communications ~~email exchanges~~ involving a quorum of the Board that decide on or deliberate toward a decision that may only be addressed in an open meeting of the Board.

Electronic communications are public records and subject to public records requests and the requirements of EWEB's Records Retention Policy and Oregon Public Records Law, even when located on a personally owned device or account.

For purposes of this policy electronic communications include, but are not limited to, email, text, and instant messaging.

Source: Information Services, Board Approved 08/02/16, Resolution No. 1620.

Governance Process Policies (GP Policies)

GP18	Organizational Planning & Governance Policy
Effective Date	New Policy Proposed March 4, 2025

Purposeful and proactive long-term planning is essential for the sustainability of the Utility and its capacity to achieve strategic objectives while ensuring reliable operations. EWEB manages a broad spectrum of plans using an integrated planning process based on its vision, strategic direction, critical success factors, and results (SD1). This policy outlines the primary organizational plans involving Board governance, including their purpose, requirements or drivers, revision frequency, and the Board's role.

Plans requiring formal approval by the Board of Commissioners require an affirmative vote of a majority of the Board and will be documented by resolutions as per Board Policy GP7 Parliamentary Procedures.

The approval and oversight of Plans that do not require Board approval are the responsibility of the General Manager, as defined in Board Policy BL4 Delegation to the General Manager. The Board Policy Manual, Strategic Plan, and the organization's core values will serve as a framework, providing overarching direction and guidance for the development and execution of organizational plans.

Definitions as applied to Plans named in this policy:

Acknowledge: Refers to the acceptance of data, analysis, and/or information, without prejudice, based on knowledge and information known at the time. Formal Board action is generally not required; however, it may be requested, particularly when the acknowledgement is made in conjunction with Board Approval of organizational plans, decisions, and actions.

Approve: The Board formally accepts the contents, conclusions, and/or directions, actions, and outcomes outlined in the subject plan.

(Example: When approving a complex plan, (e.g. Energy Resource Study), the Board may be asked to Acknowledge the data presented by Management and Approve specific actions and outcomes. The resolution shall clearly distinguish between the Board's requested Approval and the requested Acknowledgement.)

Endorse: General support of an outcome (Example: Board endorsement of a Record of Decision; formal Board action is not required.)

Record of Decision (ROD): Communication tool used by management to convey its decisions to the Board and/or within EWEB. The ROD serves to provide transparency and accountability when Management believes their decision may have a significant impact or public interest.



Table GP18-1: Present Roster of Organizational Plans and Framework

The table below will be updated periodically to reflect the most current information; amendments, other than Board Governance, may be made by the General Manager under the authority granted in Board Policy BL4.

<u>Description</u>	<u>Driver and/or Requirement</u>	<u>Typical Frequency of Board Engagement</u>	<u>Where Used</u>	<u>Board Governance</u>
<u>Capital Improvement Plans (CIP)</u> <u>The fulfillment of EWEB’s mission is asset-intensive; maintenance, repair, and replacement of infrastructure is critical to the safety and reliability of the production and delivery of water and electricity. The CIPs help forecast the 10-year investments needed to execute our strategic initiatives.</u>	<u>Board Policy EL1 Financial Controls</u>	<u>Annual</u> <u>Reporting: Quarterly</u>	<u>Long-Term Financial Plan(s), Annual Budget(s)</u>	<u>Board Acknowledgement, oversight, and direction; GM/AGM/CFO/COO approval.</u>
<u>Drinking Water Source Protection Plan</u> <u>Monitoring and assessments are the foundation for sound water quality management. The Plan includes risk assessments for all potential threats to our drinking water which inform the Drinking Water Source Protection Program.</u>	<u>Environmental Protection Agency (EPA), Federal Safe Drinking Water Act</u>	<u>Reporting: Quarterly and the Annual State of the Watershed Report</u>	<u>Capital Improvement Plan(s), Annual Budget(s), Customer Confidence Report</u>	<u>Board oversight and direction; GM/AGM/CFO/COO approval.</u>
<u>Education Grant Funding and Priorities</u> <u>The EWEB Education Grant Program provides funding for youth education focused on energy and water resources, and utility related subjects.</u>	<u>The Education Grant Program, established in 1995, replaced long standing “contributions-in-lieu-of-tax” (CILT) payments to four school districts.</u>	<u>Per term of Intergovernmental Agreements (IGA)</u>	<u>Annual Budgets, IGAs with school districts within EWEB’s service and operational territories</u>	<u>Board direction on educational priorities, and Board Approval of IGAs authorizing funding</u>



<u>Description</u>	<u>Driver and/or Requirement</u>	<u>Typical Frequency of Board Engagement</u>	<u>Where Used</u>	<u>Board Governance</u>
<u>Enterprise Risk Management Framework</u> <u>The purpose of the Framework is to integrate the process for managing risk into the organization's overall governance, strategy, compliance, and planning, management, reporting processes, policies, values, and culture.</u>	<u>Board Policy SD20</u>	<u>Reporting: Periodic/Annual</u>	<u>Annual Budget(s), Organizational Goals</u>	<u>Board Approval and periodic review of SD20 Enterprise Risk Management Policy</u>
<u>Energy Resource Study (ERS)</u> <u>An ERS (formally known as the Integrated Resource Planning effort) is a long-term planning document to identify EWEB's energy needs and the best resource options to meet those needs. The IRP relies on modeling, analysis, and public input to provide a 20-year look at future portfolio options and identify a nearer-term (2-5 year) action plan.</u>	<u>Standard EWEB practice to inform energy resource planning and procurement decisions.</u>	<u>Annual</u>	<u>To inform power planning and purchase decisions, Long-Term Financial Plan(s), Capital Improvement Plan(s), Annual Budget(s)</u>	<u>Board Acknowledgement of the Energy Resource Study and Approval of recommended actions (Action Plan)</u>
<u>Leaburg Decommissioning Action Plan (LDAP)</u> <u>The LDAP is a living document that provides a framework outlining the essential actions, activities, and regulatory processes required for the decommissioning of the Leaburg Hydroelectric Project.</u>	<u>Federal Energy Regulatory Commission (FERC)</u>	<u>Initial approval January 2024 with periodic updates throughout the Plan.</u>	<u>Long-Term Financial Plan(s), Capital Improvement Plan(s), Annual Budget(s)</u>	<u>Board Approval</u>
<u>Long-Term Financial Plans (LTFP)</u> <u>The LTFP helps ensure financial stability for the Electric and Water utilities to accomplish organizational goals and objectives in line with EWEB's strategic plan.</u>	<u>Standard EWEB practice</u>	<u>Annual</u>	<u>Annual Budget(s), Capital Improvement Plan(s)</u>	<u>Board Acknowledgment, oversight, and direction; GM/AGM/CFO approval</u>



<u>Description</u>	<u>Driver and/or Requirement</u>	<u>Typical Frequency of Board Engagement</u>	<u>Where Used</u>	<u>Board Governance</u>
<u>Natural Hazard Mitigation Plan (NHMP)</u> <u>FEMA requires states, tribal, and local governments to develop and adopt Natural Hazard Mitigation Plans as a condition for receiving certain types of non-emergency disaster assistance. The Plan includes mitigation actions which aim to save lives and reduce injuries; minimize damage to buildings and infrastructure - especially critical facilities; decrease disruption and speed restoration of public services, businesses, schools, and families; and protect environmental, natural, historic, and cultural resources.</u>	<u>Federal Emergency Management Agency (FEMA)</u>	<u>An updated NHMP is required every 5 years.</u>	<u>Annual Budget(s), Capital Improvement Plan(s), Grant applications, Funding for mitigation projects</u>	<u>Board Acknowledgment of the NHMP and Approval of actions</u>
<u>Owner's Dam Safety Program</u> <u>An ongoing program to address dam safety policy, objectives, expectations, responsibilities, resources, training, communication, reporting, record keeping, risk assessment, and needed improvements.</u>	<u>FERC, Board Policy SD21 Dam Safety</u>	<u>Annual</u>	<u>Long-Term Financial Plan(s), Capital Improvement Plan(s), Annual Budget(s)</u>	<u>Board Acknowledgement of the analytical results and Approval of recommended actions. GM/COO approval.</u>
<u>Strategic Plan</u> <u>Provides guidance to effectively develop and manage policies, establish priorities, and inspire actions necessary to position the organization to achieve desired outcomes, fulfill our Mission, and pursue our Vision including the setting of annual operational and strategic goals, milestones, and measurement metrics.</u>	<u>GP3 Board Strategic Plan Development</u>	<u>Annual</u>	<u>Long-Term Financial Plan(s), Capital Improvement Plan(s), Annual Budget(s), Organizational Goals</u>	<u>Board Approval and oversight</u>
<u>Supplemental Retirement Plan</u> <u>The Plan has been in effect since 1968, and was last amended and restated in July 1988, with an objective to provide a benefit on retirement which supplements Oregon PERS benefits to a closed group of EWEB retirees and their beneficiaries.</u>	<u>EWEB Practice</u>	<u>Annual update in conjunction with the appointment of Supplemental Retirement Plan Committee</u>	<u>Annual Budget(s)</u>	<u>Board Approval of annual appointment of the Supplemental Retirement Plan Committee</u>



Eugene Water & Electric Board
Board Policy Manual

<u>Description</u>	<u>Driver and/or Requirement</u>	<u>Typical Frequency of Board Engagement</u>	<u>Where Used</u>	<u>Board Governance</u>
<u>Water Master Plan</u> <u>A 20-year comprehensive plan evaluating the current system capacity, integrity, and ability to meet water quality and level of service goals into the future accounting for projected growth. Identifies necessary improvements and makes recommendations for capital investments to ensure goals are met.</u>	<u>Oregon Statute</u>	<u>10 Years</u>	<u>Long-Term Financial Plan(s), Capital Improvement Plan(s), Annual Budget(s)</u>	<u>Board Acknowledgment of the analytical results and Approval of recommended actions. GM/COO approval.</u>
<u>Water Management & Conservation Plan</u> <u>Provides a description of the water system, identifies the sources of water used, and explains how the utility will manage, and conserve supplies to meet future needs.</u>	<u>Oregon Statute</u>	<u>10 years</u>	<u>Water Master Plan, Long-Term Financial Plan(s), Capital Improvement Plan(s), Annual Budget(s)</u>	<u>Board Acknowledgment of the analytical results and Approval of recommended actions. GM/COO approval.</u>
<u>Water System Development Charge (SDC) Methodology</u> <u>Provides consistent and transparent process to assess reimbursement, improvement, and administration charges to fund capital improvements to meet increasing demands on the system caused by new development or re-development.</u>	<u>Internal practice (allowed by Oregon Statute)</u>	<u>5 Years</u>	<u>Long-Term Financial Plan(s), Capital Improvement Plan(s), Annual Budget(s)</u>	<u>Board Approval</u>
<u>Wildfire Mitigation Compliance Plan</u> <u>Risk-based plan designed to protect public safety, reduce risk to utility customers, and promote electrical system resilience to wildfire damage.</u>	<u>Oregon Statute</u>	<u>TBD by Board</u>	<u>Long-Term Financial Plan(s), Capital Improvement Plan(s), Annual Budget(s)</u>	<u>Board Approval (required by statute)</u>

General Manager (GM)
Assistant General Manager (AGM) (or successor position/title)
Chief Financial Officer (CFO) (or successor position/title)
Chief Operations Officer (COO) (or successor position/title)



Board - Staff Linkage Policies (BL Policies)

BL1 Global Board – General Manager Linkage
Effective Date ~~February 6, 2024~~ Proposed March 4, 2025

Except as provided in Section 2 below, the Board's sole official connection to EWEB's staff will be through the General Manager.

1. Consistent with the Board Bylaws, the General Manager shall report to the Board as a whole and is responsible for implementing policies and direction established by the Board. The General Manager acts as chief executive officer of the operation of the organization and shall have all authority to: operate all utilities, hire, appoint, terminate or remove employees, reorganize and, as the General Manager deems necessary, disband and reorganize departments, act as contracting and purchasing agent for EWEB and award contracts for which there is an appropriation (except as otherwise provided in EWEB Purchasing Policies), prepare budgets, and enforce resolutions of the Board. The General Manager shall also be responsible for preparing reports requested by the Board, representing the utility to the public, other agencies and organizations, and performing such other duties as the Board directs. The General Manager may lawfully delegate any or all of the responsibilities within their authority.

~~Notwithstanding As provided in Section 1 above, the General Manager's shall have authority described in Section 1 above, to terminate or remove employees or organize, disband or reorganize departments; however,~~ in order to prevent a perception of possible retaliation, the General Manager shall obtain board approval in advance for any action related to the positions listed in this Section 2.

2. The Board may officially work directly with the following EWEB staff and/or EWEB's designated legal counsel without going through or without consultation with the General Manager for the purposes stated below. In the event that the EWEB staff listed below determines ~~that~~ it is necessary to bypass the General Manager, they ~~may will~~ consult EWEB's designated legal counsel, and will initiate contact with the Board President, who shall then determine the proper and necessary next steps, if any.

~~As provided in Section 1 above, the General Manager shall have authority to terminate or remove employees or organize, disband or reorganize departments; however, in order to prevent a perception of possible retaliation, the General Manager shall obtain board approval in advance for any action related to the positions listed in this Section 2.~~

- Chief Human Resources Officer (or highest-ranking position responsible for Human Resources~~successor position/title~~) for any of the following activities:
 - Annual performance review of the General Manager
 - Any matter related to discipline or termination of the General Manager



- Any matter that the Chief Human Resources Officer reasonably believes is necessary to bring to the attention of the Board and that appropriately bypasses the General Manager.
- Chief Financial Officer (or highest-ranking position responsible for Finance~~successor position/title~~) for any of the following activities:
 - The annual audit if the Chief Financial Officer reasonably believes that the General Manager is not taking appropriate steps to manage EWEB's financial matters.
 - Any material financial or other matter where the Chief Financial Officer reasonably believes that the actions or decisions of the General Manager are inconsistent with EWEB's long-term financial or business interests.

Similarly, in the event that a board member has reason to believe the General Manager has violated the law, or otherwise exhibited conduct warranting investigation, they should consult EWEB's designated legal counsel for guidance on the alleged wrongdoing.

Source: John Carver/EWEB Bylaws, Board Approved 05/17/05; Revised 01/06/15, Resolution No. 1503; Revised 10/04/16, Resolution No. 1627; Revised 05/07/19, Resolution No. 1911; Revised 02/06/24, Resolution No. 2403.



Board – Staff Policies (BL Policies)

BL2 Unity of Control
Effective Date February 6, 2024

Only decisions of the Board acting as a body are binding on the General Manager.

Accordingly,

- Decisions or instructions of individual board members, board officers, or committees are not binding on the General Manager except in rare instances when the Board has specifically authorized such exercise of authority.
- In the case of board members or committees requesting information or assistance without board authorization, the General Manager shall respond to or support the request if it is reasonable and directly relates to EWEB's business and board-approved policies and direction. However, the General Manager may refuse such requests that require, in the General Manager's opinion, a material amount of staff time or funds; are disruptive, unethical, or illegal; are in direct opposition to Board Policy or direction; or assume a level of responsibility beyond that created by statute or charter.

Source: John Carver, Compensation Committee, Board Approved 10/03/06; Revised 01/06/15, Resolution No. 1503; Revised 05/07/19, Resolution No. 1911; Revised 02/06/24, Resolution No. 2403.



Board – Staff Policies (BL Policies)

BL3 Accountability of the General Manager
Effective Date February 6, 2024

Except as provided in BL1-Section 2 and below, the General Manager is the Board's only link to operational achievement and conduct, so that all authority and accountability of staff, as far as the Board is concerned, is the authority and accountability of the General Manager.

Accordingly and except as provided in BL1-Section 2,

- Neither the Board nor individual commissioners will give instructions to persons who report directly or indirectly to the General Manager without the General Manager's permission.
- The Board will refrain from evaluating, either formally or informally, any staff other than the General Manager. The General Manager may, however, request developmental feedback for their direct reports from commissioners as part of their performance reviews and developmental plans.
- In the event that the Board approves an action or direction under the circumstance contemplated in BL1-Section 2 that the General Manager expressly disagrees with, the General Manager shall not be accountable for those matters. The Board shall hold the person(s) making such recommendations accountable in the situation where authority/accountability have become subdivided.

Source: John Carver, Compensation Committee, Board Approved 10/03/06; Revised 01/06/15, Resolution No. 1503; Revised 05/07/19, Resolution No. 1911; Revised 02/06/24, Resolution No. 2403.



Board – Staff Policies (BL Policies)

BL4 Delegation to the General Manager
Effective Date ~~February 6, 2024~~ Proposed March 4, 2025

The Board will instruct the General Manager through written policies that define the results that the organization is to achieve, and which describe the delegation of authority to the General Manager.

Accordingly,

- The Board shall identify and define those results or conditions that are acceptable and not acceptable to the Board and communicate them in the form of establishing policy, and approval of Strategic Plans, ~~Long-Term Financial Plans, Capital Improvement Plans, annual budgets,~~ and annual organizational goals. The Board shall authorize annual budgets which are based on assumptions outlined in Long-Term Financial Plans and Capital Improvement Plans.
- The General Manager is responsible for the effective development and management of Organizational Policies which align with and advance the Board's defined objectives.
- The General Manager is authorized to formulate strategies and methods, and establish all further priorities, practices and procedures, make all decisions, take all actions, and develop all activities.
- The General Manager will establish means and measures to ensure the Board's objectives are actively pursued.
- The General Manager must bring to the Board's attention circumstances that affect the policies and goals established by the Board or materially impact the Board and may request the Board to take appropriate actions.
- The General Manager may lawfully delegate any or all of the responsibilities within their authority.

Source: EWEB Bylaws/Patrick Lanning, Compensation Committee, Board Revised 10/03/06; Approved 01/06/15, Resolution No. 1503; Revised 05/07/19, Resolution No. 1911; Revised 02/06/24, Resolution No. 2403.



Board – Staff Policies (BL Policies)

BL5 Evaluating the General Manager’s Performance
Effective Date February 6, 2024

The General Manager's job performance shall be evaluated by comparing the organization’s operating results and the General Manager’s individual performance to the policies, direction and goals established by the Board.

Accordingly:

- The Board has responsibility for establishing its priorities for the coming year and providing that direction to the General Manager. The General Manager shall draft new goals that contain relative success measures. Draft goals are for each year and represent the General Manager’s reasonable interpretation of achieving the priorities defined by the Board.
- Beyond the criteria representing general progress on the organization’s annual goals and/or strategic initiatives, the Board may establish additional performance metrics to determine the degree to which board policies, direction and goals are being met.
- The Board shall evaluate the General Manager’s performance on an annual basis.
- The General Manager’s interim performance shall be monitored at a frequency and by a method chosen by the Board. Unless otherwise established by board direction, the General Manager shall report quarterly results and annual results within a reasonable time after the close of each calendar quarter and year.

Source: Compensation Committee and Jean Meyers, Human Resources Manager, Developed 09/20/06; Revised 03/20/07; Board Approved 09/18/07; Revised 01/06/15, Resolution No. 1503; Revised 05/07/19, Resolution No. 1911; Revised 02/06/24, Resolution No. 2403.

Board – Staff Policies (BL Policies)

BL6
Effective Date

Board – Staff Working Relationship
February 6, 2024

Except as provided in BL1-Section 2, the Board's direct link to the organization is through the General Manager. Nonetheless, the Board may have occasional contact and interaction with various staff members. The following policy governs the Board's working relationship with staff other than the General Manager.

- Staff's role with the Board is to consult, problem solve, and provide information and support.
- Commissioners may consult directly with staff or make direct requests for information. All such requests shall include the General Manager and GM Office staff. Commissioners may also channel requests through the General Manager or ask the General Manager for a referral to the appropriate staff member.
 - Staff is responsible for informing the General Manager of significant information requests from commissioners. Staff is further responsible for informing the General Manager if a specific request becomes overly time consuming, or if cumulative requests from an individual Commissioner become overly time consuming.
 - If the Board, or an individual commissioner, makes a request of staff that staff knows or believes will be overly time consuming, the General Manager is empowered to notify the Board or commissioner and to review the priority of the request. The Office of the General Manager will track all requests and manage responses. Information that is of benefit to all commissioners shall normally be shared and distributed to all commissioners.
- As established in SD23, Diversity, Equity, and Inclusion Policy, commissioners and staff will treat each other with courtesy, civility, and respect despite differences of opinion. When communicating with or presenting information to the Board or individual commissioners, staff is expected to remain objective and professional, despite differences of opinion.
- The President of the Board is the appropriate conduit for concerns raised by commissioners regarding the Board/staff working relationship. The General Manager is the appropriate conduit for concerns raised by staff regarding the Board/staff working relationship. The President of the Board and the General Manager are collectively charged with resolution of these concerns raised by commissioners or employees.
- New commissioners are to be briefed on these procedures before taking their oath of office.

Source: Board Approved 07/06/04; Updated 05/17/05; Revised 01/06/15, Resolution No. 1503; Revised 05/07/19, Resolution No. 1911; Revised 02/06/24, Resolution No. 2403.



Strategic Direction Policies (SD Policies)

SD1 Mission, Vision, Values & Legacy
Effective Date September 3, 2024

MISSION: EWEB's core mission is to enhance our community's vitality by delivering drinking water and electricity consistent with the values of our Community, including the people whom we serve, conduct business with, collaborate, influence, or impact in the fulfillment of our mission.

VISION: EWEB's vision is to be a local utility that inspires our Community to invest in and rely on us.

ORGANIZATIONAL CORE VALUES:

(Note – Similar to other policy, as referred to in the Values, "Community" refers to the people whom we serve, conduct business with, collaborate, influence, or impact in the fulfillment of our mission.)

- **SAFE:** We value the safety, and physical and psychological wellness of our workforce and the public, the security and integrity of cyber assets and data, and the protection of our customers' assets.
- **RELIABLE:** We value the ongoing continuous on-demand delivery of quality drinking water and electricity, and the dependability of our response to our customers.
- **AFFORDABLE:** We value and respect our Community member's financial resources by making wise investments and controlling costs and rates.
- **ENVIRONMENTAL:** We value the prudent and sustainable stewardship of the environment and natural resources, including preserving our watershed, and our role in reducing the greenhouse gases (GHGs) contributing to Climate Change.
- **COMMUNITY/CULTURE:** We value a culture of intentional actions and outcomes, continuous improvement, diverse perspectives, that is trustworthy, respectful, equitable, and inclusive to employees and Community members. We are dedicated to our public service, professions, local governance, and commitment to serve our community honestly and with integrity.

FUNDAMENTAL LEGACY: Our values are supplemented by a set of principles and behavioral expectations, as follows:

- Providing affordable products and services
- Caring about our community and the environment
- Continuously improving our efficiency and effectiveness
- Emphasizing customer service and defining value through our customers' eyes
- Treating each individual respectfully
- Providing a quality work environment for our employees

WE MEET OUR CUSTOMERS' NEEDS BY:

- Providing reliable and high-quality utility products and services
- Providing services in a responsive manner
- Providing prices and fees that are reasonable and stable

THE ORGANIZATION:

- Uses an integrated planning process based on vision, strategic direction, critical success factors and results management
- Uses innovation and creativity to develop solutions to complex and challenging issues
- Is flexible, adaptive, and learns from prior experiences
- Is financially stable
- Supports excellence in the workforce by providing competitive wages, benefits and development opportunities

WE MEET THE COMMUNITY'S NEEDS BY:

- Dealing effectively with tensions between social, economic and environmental factors
- Demonstrating concern and responsiveness to social issues involving the provision of energy and water services
- Supporting a sound economy through fiscally prudent prices
- Demonstrating sensitivity and responsiveness to environmental concerns; recognizing the importance of a healthy ecosystem to its operations

THE BOARD OF COMMISSIONERS:

- Effectively governs, resulting in clear leadership at a policy level
- Provides direction and makes decisions anchored in a sound assessment of priorities and strategic risks
- Maintains a strong connection to customers and the community

Source: Board Approved 05/04/04; Ratified 04/19/05; Revised 10/6/15, Resolution No. 1527; Revised 09/05/17, Resolution No. 1717; Revised 07/10/18, Resolution No. 1818; Revised 10/05/21, Resolution No. 2116; Revised 10/06/22, Resolution No. 2223; Revised 09/03/24, Resolution No. 2415.



Strategic Direction Policies (SD Policies)

SD2 Environmental Policy
Effective Date February 6, 2024

EWEB strives to establish a positive environmental legacy for the community we serve and for future generations. In doing so, we are committed to minimizing overall impact on the environment while encouraging environmentally responsible behavior within our own operations.

We will identify, measure and understand the direct and indirect impact of our operations and develop innovative and realistic solutions for mitigating those impacts. We will comply with, and in some cases exceed environmental laws and regulations. Finally, EWEB is committed to regularly communicating its progress in implementing the policies and achieving the targets that it has established as well as continually improving our environmental programs.

ENVIRONMENTAL FOCUS AREAS:

Compliance: We comply with all applicable environmental laws, regulations, and company procedures. We perform internal audits to confirm compliance with environmental laws governing our operations.

Environmental Planning: We employ a triple bottom line decision-making approach that considers environmental, social, and economic impacts, including assessments of consistency with the organization's core values as stated in SD1.

Greenhouse Gas Emissions Reduction: We will reduce harmful GHG emissions by identifying the sources and implementing solutions, including source elimination, efficiency improvement, minimizing transportation and other fuels, and increasing the use of clean and renewable fuels.

Waste Minimization: We will minimize waste in our operations and business activities and will incorporate waste reduction into all activities; reducing waste through innovative supply chain management, and end-of-life recycling.

Water and Energy Conservation: We will improve water and energy efficiencies in existing operations, invest in new technologies and systems that enhance water and energy conservation, and support customers' efforts to conserve water and energy in homes and businesses. We will include water and energy management as an integral part of planning for future projects to reduce the consumption of water and energy.

Watershed Protection: We protect EWEBs drinking water supply with programs to measure the balance between watershed health and human use over time, and to implement actions, which maintain a healthy balance for production of exceptional water quality.

Natural & Cultural Resource Protection: We protect the lands, waters and ecosystems entrusted to our care which provide habitat for native fish and wildlife, clean water, healthy soils and recreational opportunities.

Transportation: We implement reasonable, environmentally friendly transportation solutions to limit emissions from utility-owned and personal vehicles used for utilities business.



Employee Education: We continue to shape environmental awareness and behaviors by helping our employees understand their role in meeting our environmental objectives.

Inspire Action: We seek opportunities to provide leadership and expertise to our employees, customers and partner agencies to promote wise stewardship of our energy and water resources and support community education programs that bring environmental awareness to future generations.

Source: Board Approved 11/04/97; Ratified 04/19/05; Revised 03/01/16, Resolution No. 1530-Amended, Approved on 04/05/16; Revised 02/06/24, Resolution No. 2403.

PROPOSED DRAFT



Strategic Direction Policies (SD Policies)

SD3 Customer Service Policy
Effective Date February 6, 2024

The full body of policy regarding provision of service to customers is contained in EWEB's Customer Service Policy. The Board periodically reviews this document (available at www.eweb.org) and approves all substantive changes. The following information is provided in summary.

It shall be the policy of EWEB that the utility needs of the consumer will be reliably met in accordance with sound business principles; that rates will be uniform to all consumers within various service classifications; and that pricing for utility services and products will be cost based, in accordance with all applicable federal, state, and local laws and regulations.

Further, it shall be the policy of EWEB to consider the aesthetic and environmental effects of its activities in conjunction with full utilization of its resources while providing utility services to its customers.

Policies are founded on standards of safety, economy, and efficiency. Some are a requirement for service, others are optional, and others are recommended.

It is the intent of EWEB that the Customer Service Policy will provide instructional information to the customer and EWEB staff for the purpose of achieving the common goal of efficient and safe utility service.

Source: Customer Service Policy, available at www.eweb.org, Board Approved 05/17/05; Revised 01/06/15, Resolution No. 1503; Revised 06/05/18, Resolution No. 1816; Revised 02/06/24, Resolution No. 2403.



Strategic Direction Policies (SD Policies)

SD6 Financial Policies
Effective Date July 21, 2015

The following financial policies shall govern staff's operation of the utilities:

RATE SUFFICIENCY POLICY: Rates and charges will be adequate to provide revenues sufficient to maintain a degree of financial soundness over and above requirements for compliance with existing bond covenants. (FP 1.1)

RATE STABILITY POLICY: Certain funds will be held in reserve for the purpose of mitigating the customer rate impact of unanticipated events. (FP 1.2)

CAPITAL IMPROVEMENT FUNDING AND RESERVE POLICY: Utility plant assets will be maintained, including such capital additions as may be necessary to support growth in loads and customer base, and associated infrastructure. (FP 1.3)

RETIREMENT BENEFITS FUNDING POLICY: All long-term liabilities that must be either disclosed and/or accounted for in the financial statements will be funded according to a rational and consistent plan that targets full funding of the liabilities over a specified period of time. (FP 1.4)

COST MANAGEMENT POLICY: EWEB will take cost management actions that provide for authorized budgets and include actions to maintain expenditures within authorized budget levels. (FP 2.1)

BUDGET POLICY: The authorized annual spending plan will be balanced such that resources meet or exceed requirements in each fiscal year. (FP 2.2)

DEBT POLICY: Funds to acquire major capital improvements will be provided in accordance with the estimated useful lives of such assets. (FP 2.3)

BILLING AND COLLECTION POLICY: Services will be billed in an accurate and timely manner and collected with fair and equitable consideration for all customers. (FP 2.4)

FINANCIAL RISK MANAGEMENT POLICY: Financial risks associated with EWEB operations will be proactively managed in a cost-effective and efficient manner consistent with prudent utility practice. (FP 3.1)

POWER RISK MANAGEMENT POLICY: Purchases and sales of electric power and related financial instruments will be managed to maximize the benefits to customers from wholesale transactions while minimizing the risk that wholesale activities will adversely affect retail prices. (FP 3.2)

INVESTMENT POLICY: EWEB's investment portfolio will be managed to achieve safety of capital, achieve market rates of return, and provide sufficient liquidity to meet disbursement schedules. (FP 3.3)



FINANCIAL ENTITY POLICY: EWEB will account for separate financial entities and will clearly define relationships among those entities to facilitate management decision-making. (FP 4.1)

CAPITALIZATION POLICY: Major utility expenditures for labor, materials and/or services that result in revenue or benefits in future reporting periods will be capitalized and allocated to match such future revenue or benefits through periodic amortization or depreciation, using methodologies acceptable under accounting standards. Additions, renewals, and betterments with a minimum cost of \$5,000 are capitalized. Repairs and minor replacement are recorded as operating expenses. (FP 4.2)

Source: Board Approved 01/18/00; Ratified 04/19/05; Amended 07/19/05; Amended 06/04/13, Amended 07/16/13, Resolution No. 1308; Amended 07/21/15, Resolution No. 1518.

PROPOSED DRAFT



Strategic Direction Policies (SD Policies)

SD7 Purchasing Policies
Effective Date February 6, 2024

The full body of policy and procedures regarding EWEB's procurement process is contained in the EWEB Procurement Rules I. The Board periodically reviews this document, (available at www.eweb.org, and at EWEB's administrative offices), and approves all substantive changes. The following is provided in summary.

Pursuant to ORS 279A.060, EWEB's Board of Commissioners acts as EWEB's Local Contract Review Board (LCRB) and has all power and authority to exercise the authority granted it under ORS 279A.050, 055, and 070 to adopt rules necessary to carry out the provision of the Public Contracting Code, including but not limited to rules for the procurement, management, disposal and control of goods, services, personal services, and public improvements.

The LCRB, therefore, has adopted rules consistent with the statutes referred to as the "EWEB Public Contracting Rules." The Board periodically reviews this document and approves all substantive changes. The rules provide specific information regarding bidding requirements, appeals process, and the Board's responsibility as the LCRB.

To the degree feasibly and responsibly possible, and in observing the intent of ORS 279A, B, and C, EWEB works within the adopted public contracting rules to procure the more advantageous products and services possible in order to carry out its charter. EWEB is very diligent to select materials, equipment, and services that will ensure that our customers' needs are, to the best of its ability, constantly met.

Source: EWEB Public Contracting Rules, Adopted 01/04/05; Effective 03/01/05; Board Approved 05/17/05; Revised 02/06/24, Resolution No. 2403.



Strategic Direction Policies (SD Policies)

SD8 Power Risk Management Policies
Effective Date February 6, 2024

FORMATION OF POWER RISK MANAGEMENT COMMITTEE:

A Power Risk Management Committee (RMC) will be established to protect the organization from financial instability and unacceptable risk relating to market price volatility and counterparty performance, and to provide reasonable assurance that contribution margin, as established in the Long-Term Financial Plan, required to support board strategic financial direction and policies, is achieved. This SD8 is made in consideration of the guidance provided in EWEB's SD6 Financial Policies wherein staff are required to operate in a manner that is consistent with prudent utility practice and in such a way that benefits to customers are maximized to the extent possible while avoiding potential risk. And further, in consideration of the utility's broader risk management framework as set forth in SD20, Enterprise Risk Management Policy.

The RMC will be established as a horizontal team including the General Manager as well as representatives from the Energy Division, Financial Services, and Generation along with other members of EWEB Management as may be appropriate.

The RMC will be responsible for oversight of compliance with SD8. On at least an annual basis or as necessary, the Chief Financial Officer will present a report to the Board, covering trading and contracting compliance with this policy.

The Board shall retain approval authority for fixed price transactions that are both greater than 1 year in duration and exceeding \$3 million in nominal value. These limits take into consideration the risk tolerance built into the Long-Term Financial Plan and Power Risk Management Procedures for counterparty credit and tenor approval. On an annual basis, staff shall evaluate the appropriateness of approval thresholds and shall recommend adjustments as needed.

Board approval shall also be required for generation asset sales or purchases, regardless of financial impact. Specific responsibilities of the RMC include:

- Ensure compliance with this policy and anti-speculation statutes and that risk management objectives relating to power management activities, tolerances and limits are achieved and adhered to.
- Establish and maintain Power Risk Management Procedures which shall set forth compliance limits, reporting and controls requirements, operational guidance, approved market products, locations, transaction authority, counterparty credit and any other measures which may be required to ensure adherence to this policy.
- Notify the Board of changes to compliance limits as defined within Power Risk Management Procedures.
- Oversee power risk management control infrastructure and monitor compliance with the Power Risk Management Procedures.



- Authorize and monitor risk reports for financial results, market positions and credit exposure and direct staff to take mitigating action as necessary.
- Review and approve (as appropriate), contracts which impact EWEB's power portfolio including, but not limited to, asset sales and purchases, power sales and purchases and retail contracts that are not pre-approved products or subject to published tariffs, for compliance with this policy and the Power Risk Management Procedures.

Source: Power Risk Management Policies and Procedures, Adopted 08/17/99; Revised 03/05/02; Revised 09/19/06; Revised 10/02/12; Revised 06/02/16, Resolution No. 1610; Revised 10/04/16, Resolution No. 1627; Revised 02/06/24, Resolution No. 2403.

PROPOSED DRAFT



Strategic Direction Policies (SD Policies)

SD9 Rate Setting Policy
Effective Date ~~October 4, 2007~~ Proposed March 4, 2025

The EWEB Board has exclusive jurisdiction to approve annual operating budgets and establish rates for electric service.

Although EWEB's electric rates are not subject to regulatory review by any federal or state utility commission or similar agency, the Board must comply with the requirements of applicable state and federal statutes as they pertain to the development of rates and the general conduct of utility business. Current statutes and related case law provide two general standards and the first two rate design principles concerning the establishment of retail electric rates.

RATE SUFFICIENCY PRINCIPLE: Rates and charges will be adequate to recover the ongoing costs of utility operations and to provide revenues sufficient to maintain a degree of financial soundness over and above requirements for compliance with existing bond covenants. These costs include annual operating expenses, requirements for capital additions, interest and amortization of outstanding debt, and applicable tax obligations. This standard is intended to ensure the financial integrity of the utility, while defining the costs of operation, which can be lawfully recovered through rates.

EQUITY PRINCIPLE: Rates will conform with the legal standard requiring that rates and charges for utility service be fair and nondiscriminatory. Rates are considered nondiscriminatory when customers receiving like and contemporaneous service under similar circumstances are treated equally in the development and application of specific rates. This second standard protects the equity concerns of individual utility customers, based on established utility policies and practice for allocating costs among customers and customer classes.

EFFICIENCY PRINCIPLE: Rates, fees, and prices will be set at an economically efficient level. The prices should reflect, as closely as possible, the true cost of providing reliable electric services to each customer class and should not inadvertently distort the market. This may include consideration of embedded average costs, market-based pricing, short-term and long-term marginal costs, or other behavioral cost-based pricing. Setting an electricity price that does not align with costs has significant consequences for utilities.

COST BASIS PRINCIPLE: Cost allocation and rate design are cost based in accordance with all applicable federal, state, and local laws and regulations. The Cost Base will be established by utilizing COSA, short- or long-term marginal costs, market-based pricing, behavioral cost basis, or other reasonable cost-based pricing mechanism.

AFFORDABILITY PRINCIPLE: Rate affordability is included in Board policy SD1, Mission, Vision, Values & Legacy. "Affordable" is listed as one of the utility's five core values.

GRADUALISM PRINCIPLE: Rate and customer bill Gradualism refers to the need to ensure that electricity tariffs remain relatively stable over time. The cost of electricity can vary hour to hour and large capital projects can produce significant volatility and cost. Gradualism provides a framework for insulating customers from the impact of volatility. EWEB develops a 10-year financial plan and manages its financial plans to mitigate rate shock and volatility in retail rates and prices



1. The first of these rate-making standards allows EWEB to set rates at a level sufficient to recover the ongoing costs of utility operation. These costs include annual operating expense, requirements for capital additions, interest and amortization of outstanding debt, and applicable tax obligations. This standard is intended to ensure the financial integrity of the utility, while defining the costs of operation, which can be lawfully recovered through rates.
2. The second standard requires that rates and charges for utility service be fair and nondiscriminatory. Rates are considered nondiscriminatory when customers receiving like and contemporaneous service under similar circumstances are treated equally in the development and application of specific rates. This second standard protects the equity concerns of individual utility customers, based on established utility policies and practice for allocating costs among customers and customer classes.

Cost of service consideration was mandated by Congress, pursuant to the Public Utility Regulatory Policies Act of 1978 (PURPA). By resolution on May 7, 1979, the Board adopted specific policy guidelines and costing procedures for use by staff in the development of retail electric rates. In April of 1980 in concert with PURPA provisions, the Board also adopted the cost of service standard as the primary mechanism for rate development. The Board's adoption of the PURPA order addresses cost allocation and rate design principles as well as public notification and involvement in rate deliberations.

A copy of the resolution of adoption and final PURPA order is available upon request.

The above standards, and approved policies allow EWEB to maintain rates at the lowest possible level consistent with sound financial principles and traditional utility ratemaking practice. They also give EWEB's elected Board of Commissioners complete authority to approve rates which are cost-based, nondiscriminatory, and in concert with the needs of EWEB's customers.

Source: May 2004 Electric Rate Proposal, PURPA Final Order, Ratified 04/19/05; Modified 10/04/07.



Strategic Direction Policies (SD Policies)

SD10 Power Cost Recovery Policies
Effective Date February 6, 2024

The following Power Cost Recovery Policies are contained in the rate schedules that cover:

- Residential Service (Schedule R-6)
- Small General Service (Schedule G-1)
- Medium General Service (Schedule G-2)
- Large General Service (Schedule G-3)
- Very Large General Service (Schedule G-4)
- Special Very Large General Service (Schedule G-5)
- Customer-Owned Street Lighting Service (Schedules J-3, J-4, and J-5)
- Private Property Lighting Service (Schedules L-3, L-4, and L-5)
- Partial Requirements Service Pricing (C-PRP)

POWER COST RECOVERY ADJUSTMENT: At the discretion of the Board, the rates may be adjusted for 12 months to reflect the variance between budgeted and actual power cost for the previous calendar year. The adjustment is determined by dividing the amount to be rebated or recovered by the projected annual kilowatt-hour sales in that calendar year, and then decreasing or increasing the energy or power component of the rate accordingly.

BPA POWER COST ADJUSTMENT: Electric rates may be automatically adjusted for up to 12 months to reflect a future variance in projected power costs due to changes in Bonneville Power Administration (BPA) wholesale rates. The adjustment is determined by dividing the amount to be rebated or recovered by the projected kilowatt-hour sales for the appropriate period and then decreasing or increasing the energy or power component of the rate accordingly.

Source: Approved initially with rate tariff adopted on 09/18/01 and with each subsequent rate tariff, Board Approved 05/17/05; Revised 09/17/13, Resolution No. 1315; Revised 02/06/24, Resolution No. 2403.



Strategic Direction Policies (SD Policies)

SD14 Real Property Policies
Effective Date February 6, 2024

The following property policies shall govern the acquisition, management, and disposal of EWEB property and property rights.

- **PROPERTY ACQUISITION:** To ensure that facilities are available for the production and distribution of useable energy, and water, and the provision of secondary support functions (i.e. operations, maintenance, and communications), EWEB will consider the purchase of fee property. The decision to purchase fee property rather than lesser rights such as easements shall be based on the extent of control necessary to adequately protect the utility system.
- **PROPERTY MANAGEMENT:** EWEB's property shall be managed to comply with City, County, State and Federal ordinances, statutes, laws and EWEB's Charter, Mission and Statement of Legacy. EWEB may employ leasing, licensing, and permitting to allow temporary or interim uses of EWEB's properties. To the extent practicable, EWEB will avoid permanent encumbrances on its fee property.
- **PUBLIC ACCESS TO EWEB PROPERTY:** EWEB real property is primarily held to serve purposes related to the production and distribution of utility services and products. Certain EWEB properties may be made subject to access by the public for recreational use while other properties are restricted for use in EWEB operations without allowing public access. In accordance with Board Policy BL4, the Board authorizes, delegates, and directs the General Manager to develop and implement an Operational Policy for the permissible public use of select EWEB property while maintaining operational integrity of all EWEB real property. It is the intent of EWEB that the Operational Policy will be developed to provide guidelines to EWEB employees and the public for the purpose of maintaining safe and lawful access to and use of EWEB properties when made open to the public. The acceptable usage shall not detract from EWEB's primary mission of serving the utility needs of its customers.
- **PROPERTY DISPOSAL:** The Board may declare any real property surplus. The decision to declare a parcel surplus will be based on current and future utility needs land use and environmental considerations. The Board may direct staff to dispose of any properties declared surplus. Any properties disposed shall be disposed in accordance with applicable ordinances, statutes, laws, and other board policies.
- **EASEMENT ACQUISITION:** Easements will be obtained for all EWEB facilities located on private and public property, exclusive of electric service lines for the property owner's sole use.
- **EASEMENT MANAGEMENT:** EWEB will provide customers with EWEB utility-related easement information when requested. EWEB may provide limited landscape maintenance within an easement only under certain circumstances.
- **PERMITS:** EWEB will obtain permits for temporary uses on private and public property where easements are not available.



- **LEASES:** EWEB staff, with Executive Team Member approval, may lease property for utility purposes when purchase of the property is not possible or in the best interest of EWEB.

Source: Real Property Policy & Procedures Approved 10/93; Revised 07/05/05; Revised 01/06/15, Resolution No. 1503; Revised 12/01/15, Resolution No. 1532; Revised 10/04/16, Resolution No. 1627; Revised 02/06/24, Resolution No. 2403.

PROPOSED DRAFT

Strategic Direction Policies (SD Policies)

SD15 **Climate Change Policy**
Effective Date **February 6, 2024**

The Board recognizes that climate change presents ongoing environmental, economic, and social risk to EWEB, our customers, community, and the world. Greenhouse gas (GHG) emissions from human activity are known to be the primary cause of climate change, with the energy, industrial, construction, agricultural and transportation sectors generally identified as the primary sources of greenhouse gas emissions in the United States.

The primary direct impacts to EWEB operations from climate change include changes in streamflow –quantity and timing– affecting hydroelectric generation, impacts to water quality and watershed health, increased risk of wildfires, changes in consumption patterns, and increasing threats from extreme weather events. The Board also recognizes that EWEB, as a water and electric utility, impacts our climate through electric generation resource choices, business practices, and the operation and maintenance of our assets, lands, buildings, and transportation fleet.

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.

Accordingly, the following *primary directives* are adopted,

- **POWER GENERATION:** The Board is committed to supporting a ***low-carbon electric power portfolio*** that maintains, on a planning basis, over 90% of annual energy from carbon-free resources and targets over 95% of annual energy from carbon-free resources by 2030 to the extent possible and practical without distinct adverse impacts to customer-owners. Using the Integrated Resource Plan (IRP) process including final adoption by resolution (GP7), the Board will work with the General Manager to establish the long-term (20-year) principles, priorities, approaches, definitions (including carbon-free, carbon intensity), measurements, and goals for the electric generation portfolio, demand response, conservation and energy efficiency, and customer impact limitations (including but not limited to reliability, cost, and equity) supporting this directive.
- **CLIMATE POLICY:** The Board authorizes, delegates, and directs the General Manager to participate in local, state, and regional efforts to encourage, develop and ***enact measures to minimize and/or mitigate GHG emissions*** that contribute to climate change. Consistent with Board Policy (GP13), prior to legislative sessions the Board develops and guides EWEB’s positions relative to legislation, including those related to climate and environmental policy supporting this directive.
- **EWEB OPERATIONS:** The Board further authorizes, delegates, and directs the General Manager to continue efforts to ***minimize and/or mitigate GHG emissions from EWEB’s operations*** that contribute to climate change. As initially established in 2010, EWEB adopted a goal to reduce the Scope 1 and 2 (direct GHG emissions and energy) greenhouse gas emissions associated with its operations and facility management activities. Accordingly, and as formally established by this directive, EWEB plans to reduce our net Scope 1 and 2 GHG emissions from operations relative to 2010 levels by 25% by 2020, 50% by 2030, and achieve carbon neutrality from our operations by 2050.

- **CUSTOMER DECARBONIZATION:** The Board further authorizes, delegates, and directs the General Manager to *assist customers with achieving their GHG emission reduction goals* through partnerships, technical assistance, resources, and programs that support, but are not limited to, energy efficiency, alternative fuels, electric and water conservation, electrification, and carbon offsets and sequestration. Long-term conservation, energy efficiency, and demand-response goals are established as part of the IRP process. Additional program objectives, incentives and budgets will be established annually, as applicable, and/or through revisions to the strategic plan.
- **IMPACTS ON EWEB:** Consistent with resiliency initiatives included in EWEB's approved strategic plan, and SD22 Resiliency Policy, the Board directs the General Manager to evaluate and enact measures, as necessary and appropriate, to prepare for and *minimize the effects of climate change that could impact EWEB's* water and electric supply and infrastructure, damaging EWEB's resiliency and reliability.

IMPLEMENTATION:

In support of the *primary directives* identified above, major decisions and actions, including those related to this policy, will be evaluated based on a triple-bottom-line methodology, including assessments of consistency with the organization's values, including safety, reliability, affordability, environmental stewardship, transparency, and equity.

The Board and General Manager will work together to develop annual goals, consistent with Board Policy BL4 and BL5, related to the *primary directives*, as applicable, including milestones and measurements, and reporting frequency.

So that EWEB's actions are visible to our community, at least annually EWEB will compile and report GHG emission reduction and/or mitigation activity, including a greenhouse gas inventory (Scope 1 and 2, along with Scope 3 where impactful, applicable, and practical), and will calculate and publish the carbon intensity of our energy portfolio. Definitions, GHG emission reduction and/or mitigation details (e.g., fuel mix, use of offsets, etc.) and carbon accounting methods will be published, consistent with industry standards and/or official reporting requirements where applicable.

Source: Steve Newcomb, Environmental Manager, Approved 09/18/07; Revised 07/10/18, Resolution No. 1820; Revised 01/04/22, Resolution No. 2204; Revised 01/03/23, Resolution No. 2303; Revised 02/06/24, Resolution No. 2403.

Strategic Direction Policies (SD Policies)

SD16 Information Technology
Effective Date January 2, 2008

The Board recognizes the importance of information management technology (IT) in supporting utility operations and providing services to customers.

Accordingly,

- The Board authorizes, delegates, and directs the General Manager to establish and maintain a governance framework including strategies for implementing information management technology.
- As part of this governance framework, the General Manager will periodically report on the status of strategy development and the implementation of information management initiatives.

DISCUSSION: IT governance consists of the leadership and organizational structures and processes that ensure EWEB's information technology sustains and extends the organization's strategies and objectives.

The pervasive use of technology has created a critical dependency on IT that calls for a specific focus on IT governance.

Fundamentally IT governance is concerned about two things: 1) Delivery of value to the business, and 2) mitigation of IT risks.

Delivery of value to the business is driven by strategic alignment of IT with the business.

Mitigation of IT risks is driven by embedding accountability into the organization.

Consequently there are five main focus areas of IT Governance:

1. **Strategic Alignment:** The IT organization is aligned with the Board and meets the needs of the business.
2. **Value Delivery:** Sufficient benefits are obtained for the dollars invested in IT functions.
3. **Risk Management:** The degree to which IT assets are safeguarded and continuity of operations is assured through disaster recovery and other means.
4. **Resource Management:** Optimizing the knowledge and use of the IT infrastructure.
5. **Performance Measurement:** Tracking project delivery and monitoring the efficiency and effectiveness of IT services

Source: Origliosso, Corporate Services Division, Draft Provided to Board 12/18/07; Approved 01/02/08.



Strategic Direction Policies (SD Policies)

SD17 **Regulatory Compliance Reporting**
Effective Date **May 7, 2019**

The Board recognizes the importance of, and its responsibility in, maintaining the reliability and effectiveness of the utilities within its charge.

Ownership of, interconnection with, and operation of, the Bulk Electric System (BES), Potable Water System(s), as well as Power Generation Facilities, and the various utility systems and services put in place to support them for its customers require compliance with multiple Federal, State, and local laws and regulations relating to its activities.

Accordingly,

- The Board authorizes, delegates, and directs the General Manager to conform EWEB operations to applicable regulatory standards, including the documentation and auditing thereof, and
- the General Manager will periodically report on the status of compliance with the applicable regulations to the Board.

Source: Ahlsten & Origliosso, Board Approved 04/15/08, Resolution No. 0822; Revised 01/06/15, Resolution No. 1503; Revised 05/07/19, Resolution No. 1911.

Strategic Direction Policies (SD Policies)

SD20 Enterprise Risk Management Policy
Effective Date ~~July 21, 2015~~ **Proposed March 4, 2025**

The Board recognizes the importance of Enterprise Risk Management in governing utility operations and providing services to customers.

Accordingly,

- The Board authorizes, delegates, and directs the General Manager to establish and maintain a governance framework including strategies for implementing enterprise risk management.
- As part of this governance framework, the General Manager will periodically report on the status of enterprise risk management activities.

DISCUSSION: Organizations of all types and sizes face internal and external factors and influences that make it uncertain whether and when they will achieve their objectives. The effect this uncertainty has on an organization's objectives is risk.

All activities within EWEB involve risk. EWEB shall manage risk by identifying it, analyzing it and then evaluating whether the risk should be modified by risk treatment in order to satisfy its established risk appetite and/or risk tolerance(s). EWEB shall communicate and consult with internal/external stakeholders and monitor and review the risk and the controls that are modifying the risk in order to ensure that no further risk treatment is required.

EWEB shall develop, implement, and continuously improve a risk framework whose purpose is to integrate the process for managing risk into the organization's overall governance, strategy, compliance and planning, management, reporting processes, policies, values and culture.

As an example, EWEB's framework shall enable the organization to:

- Increase the likelihood of achieving objectives
- Encourage proactive management
- Be aware of the need to identify and treat risk throughout the organization
- Improve the identification of opportunities and threats
- Comply with relevant legal and regulatory requirements and utility best practices
- Improve mandatory and voluntary reporting
- Improve governance
- Improve stakeholder confidence and trust
- Establish a reliable basis for decision making and planning
- Improve controls
- Effectively allocate and use resources for risk treatment
- Improve operational effectiveness and efficiency
- Improve loss prevention and incident management
- Minimize losses



- Improve organizational learning
- Improve organizational resilience
- Promote business continuity in the face of known or unknown risks through proactive risk assessments and recommended mitigation strategies

Source: Kline, Enterprise Risk & Internal Controls, Draft Provided to Board 07/21/15, Resolution No. 1520.

PROPOSED DRAFT

Strategic Direction Policies (SD Policies)

SD21 Dam Safety Policy
Effective Date May 5, 2020

Eugene Water & Electric Board (EWEB) is committed to ensuring public and employee safety, minimizing risk from our facilities and operations, and protecting the environment in which we work and live. This commitment extends to our electric generating dams, waterways, and powerhouses through our Dam Safety Program.

Safety, including public safety and employee safety, takes priority in the operation, maintenance and management of our generation facilities and infrastructure. EWEB's dam safety risks will be identified, evaluated, prioritized, and managed in a manner that minimizes these risks to the public and employees. Dam safety risks will be communicated regularly to the EWEB Board, executives, employees, and stakeholders.

EWEB's Dam Safety Program relies on commitment and engagement from all levels of the organization. Accordingly,

Roles and Responsibilities:

- The Federal Energy Regulatory Commission (FERC) regulates the hydroelectric projects owned and operated by EWEB under their FERC licenses and requires dam owners to establish an Owner's Dam Safety Program (ODSP) in accordance with federal regulations.
- The Board is committed to adopt the strategic plan and approve budgets that are necessary to support the EWEB's ODSP in order to ensure that all EWEB dam assets are designed, constructed, operated, maintained, and monitored as safely and effectively as is reasonably possible.
- The General Manager/CEO, as the Executive in Charge, is ultimately responsible for the ODSP, and communicates with the Board to support a successful ODSP.
- The Chief Engineering and Operations Officer, as the Responsible Executive for the ODSP, is accountable for:
 - Establishing, communicating and maintaining EWEB policies pertaining to dam safety with the emphasis that public safety is paramount.
 - Ensuring that resources are properly aligned and sufficient to address public safety priorities, risks at EWEB dams and associated infrastructure, and successful execution of the EWEB's Dam Safety Program.
 - Engaging the General Manager, Generation Manager, and Chief Dam Safety Engineer (CDSE) on program performance.
 - Ensuring communication of dam safety program activities to all stakeholders.



- The Generation Department Manager is responsible for:
 - Aligning resources to address the program priorities as recommended by the CDSE and approved by the responsible executive.
 - Developing and implementing effective procedures, instructions, and standards that fulfill the program elements.
 - Developing and implementing best practices in the design, construction, operation, and maintenance of EWEB dams and their appurtenances.
- The Chief Dam Safety Engineer is responsible for:
 - Administering, monitoring, and continuously improving the EWEB Dam Safety Program. This includes maintenance of the ODSP document which shall further define roles, responsibilities, and the program elements.
 - Prioritizing dam safety projects and activities in alignment with EWEB's capital and maintenance program policies.
 - Timely communication of significant dam safety issues and risk reduction measures to the responsible executive.
 - Serving as the program contact with the dam safety regulator.
- The Generation Department staff shall support the ODSP by escalating known or perceived dam safety issues to the CDSE for evaluation.

EWEB Owner's Dam Safety Program:

The EWEB ODSP shall be implemented in compliance with the FERC regulations, standards, and requirements including the following elements:

1. Surveillance and Monitoring – Monitor performance of dams and their appurtenances through inspections, instrumentation, and data collections and analyses.
2. Dam Safety Assessments –Evaluate asset conditions with modern standards and methodologies in compliance with FERC regulations.
3. Operations and Maintenance – Operate reservoirs and canals to ensure public safety and protect downstream communities; and maintain facilities to meet or exceed industry standards.
4. Procedures – Establish and document guidelines and procedures to ensure that dam safety is addressed in project planning, design, construction, and operation phases.

5. Risk Management – Prioritize dam safety issues with risk-informed approaches considering likelihood of failure and potential consequences.
6. Asset Management and Planning – Effectively plan, budget, and schedule dam assets update and renewal.
7. Emergency Preparedness – Maintain Emergency Action Plans (EAPs) and exercise the EAPs collaboratively with affected emergency management agencies and communities.
8. Communication – Timely communicate and report dam safety issues and program status to internal and external stakeholders.
9. Records Keeping – Assure retention of critical and relevant project documents and data.
10. Technical Expertise – Develop in-house expertise through hiring qualified staff and documented training programs. Partner with external experts.
11. Continuous Improvement – promote continuous improvement through self-assessment, performance metrics, and external audits.

Source: Huang, McCann & Price, Board Approved 05/05/20, Resolution No. 2018

Strategic Direction Policies (SD Policies)

SD22 Resiliency Policy
Effective Date ~~August 1, 2023~~ Proposed March 4, 2025

EWEB is committed to providing essential services that protect and enhance our community's vitality and strives to maintain these services without disruption. With the goal of sustaining safe, reliable, affordable, and environmentally responsible drinking water and electricity services, EWEB faces the challenge of effectively planning and operating in an environment of a changing climate, new technology, developing markets, political and regulatory flux, natural and human-caused threats, and evolving community expectations.

Meeting our ongoing obligation to provide essential services requires an organizational culture that fosters sustainability and resiliency of our infrastructure, finances, workforce, information, and decisions. In addition, EWEB acknowledges its role in furthering community resiliency so that our customer-owners can self-sustain through periods of disruption, recognizing the broad and unique needs of members of the community.

EWEB defines resiliency as follows.

Resiliency: The ability to reduce the likelihood, magnitude, and duration of sudden or gradual disruptive events through risk mitigation, emergency preparedness and response, and recovery strategies.

Consistent with EWEB's Vision, Mission, and Values (SD1) and other Strategic Direction (SD) policies, along with other policies guiding Governance Process (GP), Board-Staff Linkage (BL) and Executive Limitations (EL), the Board supports a comprehensive approach to organizational and community resiliency, as defined above, using the following primary guidance.

1. **Infrastructure and Systems** (including service delivery, financial, and information systems)

The Board authorizes, delegates, and directs the General Manager to ensure that infrastructure design and construction, communication and information systems, and operational and maintenance processes use risk-assessment methodologies to identify and achieve resilient outcomes under both normal operating conditions and disruptive events.

2. **Workforce**

The Board further authorizes, delegates, and directs the General Manager to build workforce resiliency through transfer of knowledge and skills across the organization, creating redundancy, flexibility, and depth in mission-critical functions. The organization shall facilitate employee and family emergency preparedness, improving EWEB's response to and recovery from disruptive events.

3. **Finance**

The Board further authorizes, delegates, and directs the General Manager to ensure that the organization considers resiliency in the development of budgets and financial plans under a range of

potential future conditions, including but not limited to, the variability of economic and market forecasts, and the impacts of regulatory changes.

4. Community

The Board further authorizes, delegates, and directs the General Manager to cultivate partnerships that enhance community resiliency, leveraging unique capabilities with the potential to plan, mitigate adverse impacts of, or respond and recover from a variety of operating conditions or disruptive events. EWEB shall educate and encourage the community at-large, including vulnerable and/or historically marginalized customer-owner segments, to plan and prepare to self-sustain through periods of disruption, as well as other options for response and recovery.

Implementation

The guidance outlined in this policy are acknowledged as results or conditions that are acceptable to the Board in the process of establishing policy, and approval of Strategic Plans, Long Term Financial Plans, Capital Improvement Plans, annual budgets, and annual organizational goals, and the authorization of annual budgets which are based on assumptions outlined in Long Term Financial Plans and Capital Improvement Plans, as established in Board Policy BL4 "Delegation to the General Manager". According to this policy, the aforementioned plans will include resiliency considerations by incorporating content showing the sensitivities of recommendations, actions, and/or outcomes to variables impacted by relevant changing future conditions.

Implementing the guidance provided in the policy will include the development and maintenance of risk mitigation and recovery plans for major potential threats (e.g., wildfires, chemical spills, etc.), and others in partnership with local agencies (e.g. Natural Hazard Mitigation Plan).

Triple-Bottom-Line (TBL) assessments of plans, designs, and processes will include resiliency criteria to highlight each alternative's performance and/or outcome under both normal and disruptive event conditions. The resiliency of major decisions will be evaluated by assessing the sensitivity of outcomes under a variety of different future conditions.

When the future is indeterminate, decisions should be made with an emphasis on maintaining flexibility, thus enabling responsiveness to adapt within a range of choices rather than committing to a restrictive trajectory.

So that EWEB's actions related to this policy are visible to the Board and our community, at least annually EWEB will compile and report on the status of strategic initiatives and annual goals associated with the implementation of this policy, as applicable.

Source: Lawson, Board Approved 08/01/23, Resolution No. 2313.



Strategic Direction Policies (SD Policies)

SD23 Diversity, Equity, and Inclusion (DEI) Policy¹
Effective Date October 3, 2023

1. Background

EWEB acknowledges that the principles of Diversity, Equity and Inclusion are foundational to the consistent application of our values in the pursuit of our vision and fulfillment of our mission. EWEB recognizes and strives to celebrate our human differences and will ensure representation across a wide spectrum of characteristics and experiences, combat bias and discrimination that negatively impacts members of our community and foster an inclusive culture that welcomes people and leads to a sense of belonging and shared commitment.

Why Diversity – Embracing and respecting our individual uniqueness and collective Diversity fosters broad perspectives, creative solutions, and an improved understanding of our workforce and Community.

Why Equity – As a public entity, providing our entire workforce and Community with Equitable Access to Products and Services, public participation, governance, employment opportunities, and business partnerships is fundamental to enhancing the vitality, health, and welfare of the community and meeting our obligation to serve.

Why Inclusion – An environment based on Inclusion creates the collaboration, motivation, and commitment necessary to galvanize our board and workforce, and inspire our customers to use our Products and Services and actively participate in our governance and public processes, essential to sustaining and continually improving our organization.

2. **Definitions - as applied to this policy:**

Diversity: in addition to legally protected classes, the presence and recognition of all aspects of human differences within a group.

Equity (Equitable): the fair, unbiased, impartial opportunity to achieve a just outcome.

Inclusion (Inclusive): continually creating a welcoming environment where people with different identities and diverse experiences feel respected, have a sense of belonging, and can participate and achieve to their potential.

Community: includes the people with whom we serve, conduct business with, collaborate, influence, or impact in the fulfillment of our mission.

¹ Non-Grammatical capitalized terms in this policy refer to the definitions as described in Section 2



Products and Services: *includes the delivery of drinking water, electricity, information, support, and supplemental programs related to the fulfillment of our mission.*

Access: *the physical and/or virtual means of obtaining, examining, or consuming Products and Services.*

3. Primary Directives

Consistent with EWEB's Vision, Mission, and Values (SD1) and other Strategic Direction (SD) policies, along with other policies guiding Governance Process (GP), Board-Staff Linkage (BL) and Executive Limitations (EL), the Board supports an intentional and comprehensive approach to reducing and/or eliminating discrimination, and continually improving Diversity, Equity, and Inclusion, as defined above, by focusing on the following strategic areas:

- a. **Access to Products and Services:** The Board authorizes, delegates, and directs the General Manager to ensure that the Community we serve has Equitable Access to Products and Services.
- b. **Workforce:** EWEB will rely on workforce, business, and operations management policies and practices to guide and govern conduct and decision-making. Furthermore, the Board authorizes, delegates, and directs the General Manager to ensure these policies exist, are routinely reviewed, and are enforced with the goal to create and nurture a working environment that facilitates productive, Inclusive, and respectful workforce engagement through Equitable actions, including but not limited to recruiting and hiring, compensation, promotion and retention, training and skill building, discipline and separation policies, procedures, and practices.
- c. **Engagement:** Furthermore, the Board authorizes, delegates, and directs the General Manager to facilitate productive, Inclusive, and respectful Community engagement through open, accessible, and transparent communications, facilities, and Equitable opportunity to participate in our procurement, contracting, governance, and/or public processes.
- d. **Board of Commissioners:** Commissioners shall adhere to board policies specifically addressing but not limited to their governing style¹, job duties², rules of conduct³, external communications⁴, and public input⁵ in a manner that fosters the organizational and Community benefits of Diversity, Equity, and Inclusion outlined in this policy.

4. Implementation

According to Board Policy⁶, the General Manager *"is responsible for implementing policies and direction established by the Board"*. To implement this policy, the Board and General Manager will work together

¹ Board Policy GP1 Governing Style

² Board Policy GP2 Board Job Description

³ Board Policy GP6 Rules of Conduct

⁴ Board Policy GP9 External Communications

⁵ Board Policy GP10 Public Input

⁶ Board Policy BL1 Global Board – General Manager Linkage



to develop annual goals, consistent with Board Policy⁷, related to the primary directives included herein, as applicable, including milestones and measurements, and reporting frequency.

So that the organization's actions related to this policy are visible to the Board and our Community, at least annually EWEB will review and report on the status of relevant customer and workforce demographics and data, tactical activities, strategic initiatives, and annual goals associated with the implementation of this policy.

5. Reference Policies

The following are referenced in this policy:

- Board Policy GP1 Governing Style
- Board Policy GP2 Board Job Description
- Board Policy GP6 Rules of Conduct
- Board Policy GP9 External Communications
- Board Policy GP10 Public Input
- Board Policy BL1 Global Board – General Manager Linkage
- BL4 Delegation to the General Manager; BL5 Evaluating the General Manager's Performance

Source: Initial Board Approval 10/03/23, Resolution No. 2318.

⁷ BL4 Delegation to the General Manager; BL5 Evaluating the General Manager's Performance



Executive Limitations Policies (EL Policies)

EL1 Financial Controls

Effective Date ~~February 4, 2014~~ Proposed March 4, 2025

Consistent with the Financial Policy on Budget (SD6), staff will bring a balanced budget to the Board for approval on an annual basis. Each utility shall have an operation & maintenance (O&M) budget and a capital budget. Each budget is the maximum level of expenditure authorized by the Board. Prior to budget approval, ten-year O&M and capital plans will be provided to the Board to ensure that decisions take into consideration long-term financial impacts.

Conditions may arise during any given budget year that cause projected expenditures for either Utility's O&M or capital budgets to be higher than those approved by the Board. In the following circumstances management is required to propose a budget amendment for board approval:

- The O&M budget of either the Water or the Electric Utility is projected to exceed the authorized budget amount; or
- The capital budget of either the Water or the Electric Utility is projected to exceed the authorized budget amount.

The Board will consider each proposed budget amendment and either approve or disapprove. In the event of disapproval, the General Manager will exercise established authorities in taking actions necessary to curtail spending within authorized levels. All other budget variances will be managed at the discretion of the General Manager.

In the event of an actual budget overage at the end of the fiscal year, Management will disclose the amount and the cause of the overage no later than the issuance of the audited financial statements. The General Manager will exercise discretion on taking actions to curtail spending in the subsequent year's budget to compensate for the unauthorized spending level.

Throughout the year, staff will provide the Board with quarterly financial reports that compare actual results with budget. Additionally, staff will provide the Board with quarterly updates for all current year projects on the Capital Improvement Plans. Projects are defined as follows:

- ~~General~~ Capital Asset Renewal and Replacement projects (Type 1) – includes discrete projects to maintain or improve system reliability, or are customer driven, that generally cost <\$3 million per year. These projects will be reported by category (e.g., substations, shared IT infrastructure, transmission & distribution mains).
- ~~Infrastructure Rehabilitation & Expansion (Type 2#) and Strategic Projects (Type III) – includes multi-year strategic projects that are projected to cost >\$3 million for the life of the project. These projects~~ will be reported individually. ~~Type II and III projects are further defined as those that are projected to be greater than \$1 million for the life of the project.~~

Annually, an independent audit of each Utility's financial statements will be performed, and the results reported to the Board.



Source: Jim Origliosso, Board Approved 2000; Ratified 04/19/05; Amended 07/19/05; Amended 01/17/06; Amended 05/16/06; Amended 02/04/14.

PROPOSED DRAFT



Executive Limitations Policies (EL Policies)

EL2 Purchasing Controls
Effective Date August 1, 2017

BOARD APPROVAL THRESHOLDS

1. The Board shall have the sole authority to approve contracts where the value of the Goods, Services, Personal Services, Construction, or Equipment meet or exceed \$150,000.
2. The Board shall have the sole authority to approve all change orders to board awarded contracts that cause the contract to exceed 25 percent of the last board approved amount. The Board shall also have the sole authority to approve any change orders where the change order would cause the contract to exceed the board approval thresholds, as provided in (1) of this rule.
3. The Board shall provide authorization to use a cooperative procurement contract when purchases exceed \$150,000.
4. The Board shall be notified of any proposed contract(s) with any known Leadership Team (LT) member's Household Member or Relative, as defined in ORS 244.020 (11 and 16), prior to that contract being placed on the Board's consent calendar for board approval.
5. This rule does not apply to the following procurements:
 - a. Contracts for board appointed professional services, that are retained beyond the initial contract term shall be reported to the Board annually for their ratification. Board appointed professionals may include attorneys, auditors, and other consultants appointed by and/or working directly for the Board. The Board will be asked for feedback on these consultants annually.
 - b. Required sole source/single seller contracts, which includes the following:
 - i. Governmentally required taxes, fees, permits and payments
 - ii. Software licenses, upgrades, and fees
 - iii. Equipment and software maintenance
 - iv. Financial reporting and credit agencies selected because of their unique, reliable reporting capabilities

These exceptions from board approval do not apply to contract(s) set forth in section (4), above.

6. Board approval thresholds applicable under this Board Policy are for contracts subject to Oregon Public Contracting Code and EWEB Purchasing Rules.
 - a. Board approval will be required for the following exempted contracts when the contract amount exceeds \$150,000: real property, qualified rehabilitation facilities, grants, intergovernmental agreements for goods or services, and other agreements, including sales and revenue

generating activities, with significant community impacts as determined by Management.

- b. The following exempt contracts or agreements will not require board approval: Contracts under \$150,000; mutual aid; emergency declaration; personal services for issuance of bonds; investments; employee benefit plans; insurance policies; wholesale power contracts not requiring board approval as per SD8; customer design, extension, and modification agreements; joint use agreements; settlement agreements; and power exchange contracts. Exempt contracts over \$150,000 will be included in the quarterly financial statements, annual approved budgets and/or reported to the Board as part of an after-action report.
- c. Contracts over \$40,000 that are not approved by the Board or exempted by Oregon Public Contracting Code and claims reports will be provided to the Board quarterly. The Board will receive these quarterly reports unless they determine that the reports are no longer needed or that the reports should be provided at a different frequency.

Source: EWEB Public Contracting Rules, Division 2, Section 2-0150 Approved 01/04/05, Effective 03/01/05; Ratified 04/19/05; Approved and Ratified 07/16/13, Effective 07/17/13, Resolution No. 1320-amended; Revised 10/04/16, Resolution No. 1627; Revised, Approved and Effective 08/01/17, Resolution No. 1706.



Executive Limitations Policies (EL Policies)

EL3 **Public Requests for Board Expenditures**
Effective Date November 7, 2017

The Board authorizes the expenditure of funds or in-kind services for purposes of research, community support, sponsorships, education programs and other activities as part of the annual budget-setting process. The General Manager or Executive Team Member is authorized to expend these funds as needed. In accordance with Board Policy BL4, the General Manager's Office shall accept, review, and authorize requests for sponsorships, donations and in-kind services that align with EWEB's mission, vision, and values, and are within authorized annual budgets. Approved disbursements will support the priorities set forth in EWEB's Strategic Plan and be administered in ways that provide broad benefits to our community.

However, the Board may wish to review individual community sponsorship requests that are made outside of utility programs (such as Education Grants, Watershed Protection and Greenpower) that are funded through the annual budgeting process. In doing so, the Board shall consider such requests for funding under the following guidelines:

- The request is in excess of \$10,000. Requests of \$10,000 or lower will be considered by the General Manager's Office or Executive Team as part of the utility's normal operational procedures.
- For requests above that amount, the Board must determine that the request for financial support meets EWEB's established Community Investment priorities, which focus on the social, environmental, or economic benefit to the community.
- The General Manager will make a recommendation to the Board for approval or denial.
- The recommendation shall include a clear and detailed written description of the proposal, a description and quantification of benefits to EWEB or its customer-owners, and a description of how research findings or services will be distributed and used.
- The Board must determine that funds are available within the appropriated budget. If not, the Board may authorize additional expenditures through a Budget Amendment or other appropriate procedures.
- The Board is not obligated to consider requests in excess of the established limit. Any request may be referred to the General Manager for consideration and approval.

At its discretion, the Board may impose additional requirements, including contractual agreements, upon any proposer as a condition of funding or continued funding.

The General Manager shall provide the Board with an annual report of all sponsorships, donations, grants and in-kind services provided to the community. Furthermore, the General Manager will provide timely notice of any community investment disbursements or in-kind services that are extraordinary in nature or value.



Source: Board Approved 04/13/87; Ratified 04/19/05; Revised and Ratified 04/05/16, Resolution No. 1605; Revised 10/04/16, Resolution No. 1627; Revised 11/07/17, Resolution No. 1726.

PROPOSED DRAFT



Executive Limitations Policies (EL Policies)

EL4 Compensation and Benefits
Effective Date July 5, 2022

POLICY PURPOSE AND AUTHORITY:

The Board authorizes the expenditure of funds for the purpose of creating, managing, and updating compensation and benefits programs, which support EWEB's ability to attract and retain qualified and skilled workers. In accordance with Board Policy BL-4, the General Manager shall have authority to expend these funds as routinely necessary, and also as a strategic means to ensure sufficient staffing levels to maintain operational continuity and/or to advance the achievement of strategic objectives.

Overarching plans and plan management practices will be designed to maintain or enhance EWEB's position as a competitive regional employer, able to attract and retain workers who are qualified and skilled in utility-specific or supporting business occupations. Compensation and benefits plans, and associated practices shall be established, maintained, and managed in accordance with best practices, comply with all applicable laws and governing agreements, demonstrate responsible stewardship of public funds, and comport with established internal controls measures and financial audit standards.

Compensation and benefits plans and practices will be regularly reviewed and amended as necessary to ensure their continued employment market- relevance and effectiveness.

EXTRAORDINARY COMPENSATION AND BENEFITS PRACTICES:

The Board recognizes there is competition among utilities for specifically skilled employees, and there may be labor market conditions, or particular circumstances under which standard benefits and compensation packages may not be sufficient to attract or retain workers skilled to perform specialized work. The Board therefore authorizes the General Manager's judicious use of extraordinary benefits and compensation strategies and measures in response to worker supply shortages and/or to ensure staffing continuity in positions requiring specific skills or knowledge, which have been identified as essential to the effective conduct of EWEB business or utility operations.

Extraordinary compensation and benefits measures may include but are not limited to occupationally specific enhanced base-pay, pay premiums, sign-on premiums, limited-term objective-based pay agreements at hire, limited-term retention agreements, enhanced paid leave accruals, paid leave grants at hire, enhanced schedule flexibility, reduced standard workweeks, etc.

DECISION-MAKING CRITERIA AND GUIDANCE:

Decision-making pertaining to both routine and extraordinary benefits and compensation matters will be supported by data obtained from multiple reliable sources including, but not limited to generally available published surveys, custom third-party surveys, public records, published governmental agency statistics and data, and information published by reputable occupationally specific professional, trade, or craft organizations.



EWEB benefits and compensation plan designs, on-going management, and other related practices should be comparable to those of other regional utilities or corporate employers, including consideration of both established and emerging practices.

Criteria to determine comparability may include but will not be limited to regional water or electric utilities or corporate employers of a similar size, annual revenues within a specified range, similarly sized customer bases and categories, similarly sized workforces, organizational structures, represented or non-represented work groups.

Other factors informing benefits and compensation decision-making may include generally understood occupationally specific practices, the geographic region from which workers are typically recruited, a relevant combination of both public and private employer practices, national and regional trends, upcoming or anticipated governing or related legislation.

EXECUTIVE COMPENSATION:

In the event EWEB's General Manager position is vacant, the Board may elect to adhere to the practices described herein to establish an executive compensation and benefits package, basing the design of EWEB's package on those of comparable regional utilities. The board officers may enlist and direct the work of EWEB's Chief Workforce Officer or Workforce Services Manager with respect to determining the list of comparators, performing associated analysis, and recommending the details of an executive compensation package for the Board's consideration and adoption. In the alternative, the Board may choose to engage the services of a contracted compensation professional or hiring agent to determine an appropriate benefits and compensation package.

The Board may also choose to establish a salary range and basic benefits package as a framework to be used in the solicitation of candidates for the General Manager role, with the understanding that final salary and benefits package details will be determined through direct negotiation between the final candidate and the Board or its designee.

Once the General Manager's Employment Agreement has been executed, the specific terms of the Agreement shall govern the on-going management of the General Manager's compensation and benefits package for as long as the Agreement remains in effect.

Contingent upon mutual agreement by the Board and the General Manager, the General Manager's Employment Agreement, in its entirety or in any aspect, may be renegotiated and amended at any time.

Source: Christina Bennett, Board Approved 11/18/08, Resolution No. 0843; Revised 07/05/22, Resolution No. 2215.



Retired Policies

Policy Number/Title	Retired/Removed Date and Resolution No.	Comments
SD11 General Compensation	11/18/08, No. 0843	Replaced by Board Policy EL4 Compensation and Benefits
SD18 Steam Utility Transition	01/06/15, No. 1503 Removed 02/06/24, No. 2403	EWEB closed its Steam Utility plant on June 30, 2012
SD4 Property Use	02/06/24, No. 2403	Replaced by statement in SD14 Real Property Policies, and Tier 1 Operational Policy - Use of EWEB's Publicly Accessible Properties
SD5 Lloyd Knox Park Use	02/06/24, No. 2403	Replaced by statement in SD14 Real Property Policies, and Tier 1 Operational Policy - Use of EWEB's Publicly Accessible Properties
SD12 Sick Leave	02/06/24, No. 2403	EL4 Compensation & Benefits Policy provides overarching governance for related matters
SD13 Carmen Smith Relicensing	02/06/24, No. 2403	EWEB received a new operating license for the Project in 2019
SD19 Sustainability	02/06/24, No. 2403	Refer to SD2, SD15, SD22, and SD23