

EUGENE WATER & ELECTRIC BOARD
REGULAR MEETING
May 6, 2025
5:30 p.m.

Commissioners Present: President, John Barofsky; Vice President, Mindy Schlossberg; and Commissioners John Brown and Tim Morris

Commissioners Absent: Commissioner Sonya Carlson

Others Present: Frank Lawson, EWEB General Manager; Deborah Hart, Assistant General Manager/Chief Financial Officer; Brian Booth, Chief Energy Resource Officer; Ben Ulrich, Lead Energy Resource Analyst; Karen Kelley, Chief Operations Officer; Mike Masters, Water Operations Manager; Travis Knabe, Chief Information Officer (online)

REGULAR MEETING

Call to Order [00:00:00]

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

Agenda Check [00:00:13]

There were no changes to the agenda.

Items from Board Members and General Manager [00:00:29]

General Manager Frank Lawson recognized National Drinking Water Week.

Correspondence [00:01:20]

Mr. Lawson noted the following five items of Correspondence:

1. 2024 Oregon Renewable Portfolio Standard (RPS) Compliance Report
2. Quarterly Operational and Organizational Goals Update Report for Q1 2025
3. Proposed Charges and Fees
4. State Legislative Update
5. Willamette Treatment Plant – Annual Situational Update

Mr. Lawson said the RPS compliance report is routine and conducted annually. He said proposed charges and fees are also relatively routine. Regarding the quarterly operational and organizational goals update, he said a more complete report will be provided during the mid-year check-in.

Commissioner Brown is concerned about the increased budget projections for the Willamette Treatment Plant. He said he cannot in good conscience move forward until Commissioners learn more about the financial plan.

Mr. Lawson agreed with Commissioner Brown's comment, stating that it is a prudent and fair request to look into the financial plan and impact analysis. He recommended that the

Commissioners approve the 30% design level in order to understand the specifics of the design and construction moving forward.

Commissioner Brown added that efforts to secure land use approvals should continue.

Public Input: In-person or by Telephone [00:08:20]

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

Verbal Testimony:

Kathy Ging expressed opposition to the proposed imposition of fees for customers who have selected not to utilize communicating smart meters. She referenced a report by the National Fire Protection Association (NFPA) titled “The Discovery and Science of Smart Meter Fires.”

James Garfield expressed opposition to the proposed imposition of fees for customers who have selected not to utilize communicating smart meters. He referenced a book by Arthur Firstenberg titled "The Invisible Rainbow: A History of Electricity and Life." He recommended offering customers the option to upload a timestamped photo for their meter reading.

Joshua Korn expressed opposition to the proposed imposition of fees for customers who have selected not to utilize communicating smart meters. He questioned a reported revenue of \$50 million, seemingly the result of gathering public data.

Victor Odlivak, Ward 2, expressed opposition to smart meter reading fees. He cited significant increases in meter reading fees, including monthly connection fees. He requested more transparency. Mr. Odlivak provided additional documentation along with his verbal testimony.

Rachel McKinnis, Ward 7, expressed opposition to the proposed imposition of fees for customers who have selected not to utilize communicating smart meters. She challenged the safety of smart meters and cited privacy concerns. Ms. McKinnis requested that her wireless meter be replaced with an analog meter.

Alfredo Gormezano, Ward 1, expressed opposition to the proposed imposition of fees for customers who have selected not to utilize communicating smart meters. He encouraged EWEB to allow customers to utilize analog meters again.

Danny Patch expressed opposition to the proposed imposition of fees for customers who have selected not to utilize communicating smart meters. He cited the potentially lethal dangers of electromagnetic fields.

Mark Steven Baker expressed opposition to the proposed imposition of fees for customers who have selected not to utilize communicating smart meters. He provided examples of other opt-out utility fees for comparison. Mr. Baker provided additional documentation along with his verbal testimony.

Isaac McCoy Sulentic, Ward 7, shared comments related to the Bonneville Power Administration (BPA) product decision. He voiced support for options preserving local flexibility (i.e. Load Following Max or Block with Shaping). He recommended energy efficiencies such as time-of-use pricing and western-facing solar.

BOARD ACTION AND GENERAL BUSINESS ITEMS

Approval of Consent Calendar – A, Minutes and Routine Contracts [00:39:53]

MINUTES

1. a. April 1, 2025 Regular Session
- b. April 15, 2025 Work Session

CONTRACTS

2. **Cable Huston LLP, Troutman Pepper Locke, and Law Offices of Jeremy D. Weinstein P.C.** – for Special Counsel Legal Services. \$13,000,000 (for 3 contractors/contracts over 5 years; Original Contract Amounts: \$10.34M – Cable Huston; \$2.5M – Troutman Pepper; \$150K – Weinstein) based on Formal Request for Proposals.

3. **Emery & Sons Construction Group, LLC** – for the East Broadway Water Main Replacement. \$1,972,000 based on Formal Invitation to Bid.

4. **Emery & Sons Construction Group, LLC** – for a 45-inch Steel Transmission Main Replacement. \$1,870,000 based on Formal Invitation to Bid.

5. **Good Works Consulting** – for consulting services in support of Board Policy SD23, Diversity, Equity, and Inclusion. \$300,000 (over 3 years, \$94,610 for 2025) based on Formal Request for Proposals.

6. **J.W. Fowler** – for the construction of a 42-inch Water Transmission Main along East 23rd Avenue. \$5,100,000 based on Formal Invitation to Bid.

7. **Pacific Excavation, Inc.** – for the replacement of Water Mains. \$1,153,000 based on Formal Invitation to Bid.

8. **RiverBend Construction, Inc.** – for the construction of Phase 2 of the ROC Expansion/Bertelsen Annex Project. \$2,882,000 (base bid plus alternate 1) based on Formal Invitation to Bid.

9. **S-2 Contractors, Inc.** – for As-needed Asphalt Patching Services. \$2,500,000 (over 5 years) based on Formal Invitation to Bid.

Commissioner Brown recommended the Board pull Item No. 5, for consulting services in support of Board Policy SD23, Diversity, Equity, and Inclusion.

MOTION: President Barofsky moved to approve Consent Calendar A minus Item No. 5. The motion passed unanimously, 4:0:1; President Barofsky, Vice President Schlossberg,

Commissioner Brown, and Commissioner Morris all voting in favor; Commissioner Carlson absent.

Item Removed from Consent Calendar [00:40:28]

Commissioner Brown requested the removal of Item No. 5 for consulting services in support of Board Policy SD23, Diversity, Equity, and Inclusion. He cited the ongoing costs of hiring consultants and advocated for EWEB providing the services in-house.

MOTION: Vice President Schlossberg moved to approve Consent Calendar A, Item No. 5. The motion passed, 3:1:1; President Barofsky, Vice President Schlossberg, and Commissioner Morris voting in favor; Commissioner Brown voting against; Commissioner Carlson absent.

Approval of Consent Calendar – B, Nonroutine Contracts and Other Consent Items (Minus Item No. 13, Various Value-added Resellers for the use of multiple cooperative contracts to purchase EWEB Information Services Core Technology) [52:20]

CONTRACTS

10. **Kearns & West, Inc** – for a contract and additional funds for Carmen-Smith Facilitation Consulting Services. \$400,000 (Original \$149,500 plus an increase of \$250,000) based on Direct Negotiation/Sole Source.

11. **Wildish Building Company** – for a Construction Task Order for Aquatic Habitat Installation in the Lower Carmen Bypass Reach. \$1,560,000 based on Construction Manager/General Contractor (CM/GC) Guaranteed Maximum Price.

12. **Wildish Building Company** – for a Construction Task Order for the Carmen Reservoir Habitat Improvements. \$717,000 based on Construction Manager/General Contractor (CM/GC) Guaranteed Maximum Price.

13. **Various Value-added Resellers** – for the use of multiple cooperative contracts to purchase EWEB Information Services Core Technology (hardware, software, and support). \$15,000,000 (over 5 years).

RESOLUTIONS

14. **Resolution No. 2503** – EWEB Annex to the Lane County Multi-Jurisdictional Natural Hazard Mitigation Plan.

MOTION: Commissioner Brown moved to approve Consent Calendar B. The motion passed unanimously, 4:0:1; President Barofsky, Vice President Schlossberg, Commissioner Brown, and Commissioner Morris all voting in favor; Commissioner Carlson absent.

**Item Removed from Consent Calendar – Highlighted by Management for Discussion
[00:52:20]**

Chief Information Officer Travis Knabe provided more information on Consent Calendar B Item No. 13: Various Value-added Resellers for the use of multiple cooperative contracts to purchase EWEB Information Services Core Technology (hardware, software, and support). He explained that no additional dollars are needed as the funds are included in the long-term financial plan. The goal is to streamline procurement by leveraging cooperative contracts to purchase items like keyboards, servers, storage, cloud-hosted services, laptops, etc.

MOTION: President Barofsky moved to approve Consent Calendar B Item 13. The motion passed unanimously, 4:0:1; President Barofsky, Vice President Schlossberg, Commissioner Brown, and Commissioner Morris all voting in favor; Commissioner Carlson absent.

Customer Service Policy: Future Manual Meter Reading Fees (Potential Implementation in 2026) [00:57:08]

Mr. Lawson presented information about future manual meter reading fees. He clarified that the agenda item is not to reevaluate EWEB's policy decisions around smart meters or the specifics of opt-out but in recognition that there may eventually be a fee for the manual meter reading option. He said the reasoning is that the total costs and benefits of the metering program will be incorporated into the standard rate base which then pulls out any additional specific costs associated with the manual meter reading itself. The new proposed fee would go into effect along with full deployment – approximately one year from now.

Commissioner Brown asked about a cost of service allocation for upriver customers.

General Manager Lawson responded that the Board may consider an upriver rate and evaluate the costs of specific fees.

President Barofsky asked whether staff had looked at fees charged by other utilities.

General Manager Lawson said they had and added that staff would present a comparator chart when this subject is brought before the Board again.

President Barofsky noted that the fees had not been approved by the Board, and in the future, they would evaluate what is fair and equitable to all EWEB customers.

City of Eugene Fire Fee – EWEB Billing and Collection (No backgrounder) [01:05:18]

President Barofsky provided information about a proposal for the City of Eugene fire fee to be included on EWEB's billing and collection system. He said the fire fee ordinance was referred to the ballot by a citizen referendum. Subsequently, City Council directed staff to determine if there is an alternate path forward, such as a new ordinance including a shorter timeline. He reported that a proposal may come before City Council at their upcoming meetings in May. President Barofsky added that because the City programs and services that may be cut affect the community in a lot of ways, he is supportive of considering a remedy or solution by potentially implementing a fee on EWEB bills.

Commissioner Brown said he personally does not support having a non-EWEB-related commodity on an EWEB bill. His concern is affordability – for example, if EWEB’s low-income customers cannot afford to pay the City’s fire fee and as a result their utilities are shut off.

Vice President Schlossberg agreed with Commissioner Brown’s statement. She asked if it would be possible to separate the fire fee from the EWEB bill, so if a customer could not pay their full bill, their utilities would not be shut off. She asked if the City would be charged for the service EWEB is providing.

Commissioner Morris said he supports directing EWEB staff to ask the City pertinent questions related to the proposal.

Following a robust discussion, the Board reached consensus to direct EWEB staff to work with the City of Eugene to understand the various mechanisms and tradeoffs for a potential City fee through the EWEB billing and collections process and bring that information back to the Board for further discussion in June.

Organizational Goal #1 – Annual Major Capital Project Update [01:35:15]

Chief Operations Officer Karen Kelley and Water Operations Manager Mike Masters provided an annual update on the Major Capital Projects via PowerPoint presentation. Additional information was included in the quarterly report which was included in the meeting packet.

The presentation included the following:

- Capital Planning
 - Components
 - Measurements – Budget
 - Reporting
- CIP Updates – Water, Electric, Shared Services
- CIP Risks

Organizational Goal #3 – Resolution No. 2509, BPA Product Initial Recommendation(s) [02:04:20]

General Manager Frank Lawson, Assistant General Manager/Chief Financial Officer Deborah Hart, and Chief Energy Resource Officer Brian Booth announced the “initial leaning” was for BPA’s Load Following product. They presented information about the BPA Product Initial Recommendations, including a timeline, Bonneville Power Association (BPA) product choice management considerations, expected case and sensitivities, and sequence of power supply decisions via PowerPoint presentation.

Following the presentation, staff responded to questions from the Board.

MOTION: Commissioner Brown moved to pass Resolution No. 2509, authorizing the General Manager or designee to request a provider of choice contract offer from the Bonneville Power Administration. The motion passed 4:0:1; President Barofsky, Vice President Schlossberg, Commissioner Morris, and Commissioner Brown all voting in favor; Commissioner Carlson absent.

Future Board Agendas [02:50:27]

Mr. Lawson recommended adding a discussion about the addition of a non-utility-based fee (i.e. City fee) to the upcoming June meeting agenda.

Mr. Lawson recommended adding a discussion about long-term financial planning, rate impacts, and immediate rate structures to the upcoming July meeting agenda.

Board Wrap Up [02:54:21]

Vice President Schlossberg reported positive feedback regarding EWEB customer service, specifically involving low-income assistance programs.

President Barofsky reported attending a Watershed Council meeting in April. He cited federal impacts to EWEB's partner organizations.

Commissioner Brown mentioned cuts to the U.S. Department of Housing and Development (HUD) and potential impacts on EWEB's low-income assistance programs.

Adjourn [02:59:56]

President Barofsky adjourned the regular meeting at 8:41 p.m.

Recorded by Terah Van Dusen, LCOG

Assistant Secretary

President