



# MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

*Rely on us.*

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

FROM: John Marshall, Facilities Maintenance Supervisor, Scott Milovich, Support Services  
Operations Manager, Karen Kelley, Chief Operations Officer

DATE: September 25, 2025

SUBJECT: Bertelsen Development Project Update

OBJECTIVE: Information

---

## Issue

Informational update on progress of the development of the Bertelsen property.

## Background

### Property Acquisition

In May 2021, EWEB negotiated the purchase of the 15.8-acre property adjacent to the Roosevelt Operations Center for \$1.6M. Purchase and development of the Bertelsen Property was intended to address three primary areas.

1. Provide additional secure laydown yard space to aid procurement and material lead-time challenges.
2. Develop a secondary roadway for the Roosevelt property to improve resiliency for access and deployment of EWEB resources.
3. Exploring a lease arrangement with NW Natural and other parties interested in the development of a project to produce “green” hydrogen on 1/4-acre parcel. (Northwest Natural has since backed away from this proposal.)

Type II Capital costs: Property Acquisition

- Property purchase \$1.6M
- Branch Engineering contract \$45k

### Wetland Mitigation and Site Design 2022-2023

The development approach for the Bertelsen property was to build for immediate needs, while maintaining flexibility for future growth. This led to a phased project approach with target budgets allocated per phase. Five phases of construction were planned. Completion of each phase would allow for an opportunity to review the project objectives and re-evaluate current/future needs of the organization.

Due to jurisdictional wetlands on the site a Joint Permit Application (JPA) was required by the ACOE and DSL. This JPA included the Site Master Plan, detailing EWEB’s proposed use and development of the site. Additional components of this phase were an alternatives analysis, reserving (purchasing) wetland mitigation credits from an approved local mitigation bank, and a cultural resources investigation. The Bertelsen Project JPA was filed in September 2022, and the associated permit was approved in October 2023. The permit is good for construction activities on the Bertelsen property for five years, with options to renew for up to an additional five years.

The Bertelsen Project Design Team, consisting of EWEB staff, PIVOT Architecture, and Terra Science, Inc., developed the Site Master Plan with five phases of development and a total estimated cost of \$45M for full buildout. 100% design and construction documents for Phase 1, and 30% design and construction documents for Phases 2 and 3 were also completed at this stage.

**Type II Capital costs: Wetland Mitigation and Site Design**

Project Initiation:	Nov 2021	Initial Scope Budget:	\$1M
Initial Planned Completion:	March 2024	Actual Project Costs to Date:	\$990K
Projected Completion:	Complete	Total Final Cost Projection:	\$990K

**Discussion**

The Bertelsen construction project has seen significant progress in 2025. Phase 1 construction is essentially complete and construction is well underway on Phase 2. Riverbend Materials has been the General Contractor for both phases and has been an effective partner with EWEB staff and our consulting team.

**Phase 1 Construction**

Phase 1 construction began in June of 2024. Contract-related design and construction activities are complete, and we are in the final steps of project closeout. The remaining few tasks are internal to EWEB and related to the final commissioning of the Utility Building, access control and vehicle gate controls. Once the contractor provides Phase 1 as-built drawing set(s) and the O&M manual a post-construction report will be submitted to Oregon DSL as required by our wetland removal-fill permit. As a noteworthy milestone, we have just recently began utilizing space within the Phase 1 footprint for project storage of a dozen wood utility poles.

**Type II Capital cost: Phase 1 Construction**

Project Initiation:	March 2024	Initial Scope Budget:	\$3.5M
Initial Planned Completion:	Dec. 2024	Actual Project Costs to Date:	\$2.9M
Projected Completion:	Complete	Total Final Cost Projection:	\$3.0M

**Phase 2 Design and Construction**

Design work under contract with Mazetti Engineering began in September 2024, and the project was put out bid in early March 2025. The successful bid was below the project estimate, and we were able to award the alternate work in the design which will result in additional storage space originally planned for Phase 3 to be completed in this phase. The EWEB Board approved the construction contract in May and the notice to proceed was issued to Riverbend Materials on 5/9. Site conditions

were approved as acceptable for construction activities on 6/18 by the design team and the general contractor mobilized the week of June 23. Work began on site the following week.

Phase 2 scope includes the completion of the secondary access from the existing ROC facility to Bertelsen Rd., additional laydown yard space (increases to the north and east), concrete storage pad for heavy critical and/or long lead time equipment, and a training area for heavy equipment operators, locators, and saw cutting. This scope will also expand on several of the Phase 1 elements, including secure, gated access designed for EWEB Operations traffic and coordinated deliveries, yard lighting and cameras for additional security and safety, and power pedestals provided at the Utility Building/concrete storage pad for critical equipment needing to be energized for storage purposes.

Phase 2 construction is progressing as scheduled, with anticipated completion in Q4 2025. Project costs are aligned with budget, with a single Change Order related to on-site soil conditions being processed for \$43k. Stormwater, water/irrigation, electrical rough-in, concrete curb work have all been completed. Asphalt paving has begun and is expected to wrap up during the week of September 22<sup>nd</sup>. Activity through October will primarily focus on final electrical, landscaping, and fence/gate installations. EWEB staff will finish out the project with installation of a single remote security enclosure, several additional security cameras, and the east vehicle gate controls. The project is on track for substantial completion in late October.

During the CIP process this year a decision was made to pause the next phases of development and review the need and timing for the full buildout. The full development was planned to be completed in five phases with the bulk of open storage and access to Bertelsen Rd. completed in the first three phases. Favorable bids in the first two phases have allowed us to complete a portion of the work planned in Phase 3 ahead of schedule. Two major goals of the project, significant secure material storage and secondary access to our facilities from Bertelsen Rd., will be in place with the completion of Phase 2. Currently Phase 3 is budgeted in the CIP for construction in 2027. Phase 3 is additional laydown/storage area. Phases 4 and 5, planned for 2028 and 2029, construct covered and heated storage and a Project Hub building. Pausing development in 2026 will allow EWEB to reevaluate the original drivers for the project and make adjustments to the scope to meet current and future needs. Staff will bring a recommendation to the Board regarding future phases following the CIP process in 2026. For planning and permitting reasons, the initial estimate for complete buildout of the site including engineering work was \$45M. We estimate that the first two phases of the project will be completed for approximately \$8M.

#### Typical II Capital cost: Phase 2 Design and Construction

##### Phase 2 Construction

Project Initiation:	Sept. 2024	Initial Scope Budget:	\$5M
Initial Planned Completion:	Dec. 2025	Actual Project Costs to Date:	\$1M
Projected Completion:	Dec. 2025	Total Final Cost Projection:	\$3.5M

#### Requested Board Action

No Action Requested