



The following questions have been posed by Commissioners prior to the scheduled Board Meeting on July 9, 2019. Staff responses are included below, and are sorted by Agenda topic.

**Electric & Water Capital Improvement Plans (CIP) – (PRICE) 2020-2029: Why do the 5 and 10 year rate totals increase so dramatically? Does this translate to rate increases for customer/owners?**

**RESPONSE:** *For the Electric CIP, the proposed plan has a higher total for the first five years than the previous plan, mostly due to the concentration of the AMI/Metering and Carmen projects, but has only a 3% change over the entire ten year period. Within the 10 year view, the biggest changes are that Carmen and AMI spending are replaced by substation and distribution projects in the outer years. Other categories like fleet, buildings, and transmission spending remain steady.*

*For the Water CIP, the proposed increase over the previous 10 year CIP is 15%. The overall main additions in the first five years are a return of the main replacement levels to pre AMI and an added pump station upgrade. In the second five years, the main increases are for an updated placeholder for the Second Water Source and increased transmission funding.*

*While there are financial impacts to higher capital investment, we are actively working capital plans through the financial plans to calibrate with rate impacts. The current financial plans, including the proposed the 10 year CIP, are projecting improved rate trajectories for both utilities as compared to last year's financial plan.*

#### **Consent Calendar**

##### **CONTRACTS**

**Owen Equipment Company, an authorized dealer of the Federal Signal Corp. – for the use of a cooperative contract for the purchase of a Truck Mounted, Hydro Excavator - (PRICE) How old is the truck this one would be replacing? How much more capacity do we anticipate this new truck will have than existing equipment? What is the plan for the older equipment this would replace?**

**RESPONSE:** *We anticipate replacing a 2007 Vac truck that will have around 13,000 hours on it. These trucks are considered end of life after 10 years and we have two that are of this vintage. The replaced truck will be sent to a surplus auction for other agencies to purchase. The new truck will have slightly more debris capacity, and a higher water and suction efficiency, which will make it more flexible than the older truck.*

##### **RESOLUTIONS**

**Resolution No. 1901, Authorizing General Manager to Rescind Resolution No. 1625 and Acquire Redefined Property for the Thurston Substation Expansion Project. – (PRICE) Do you have a new amount and breakdown of what we are paying for the respective geographic portions we are now purchasing?**

**RESPONSE:** *EWEB will acquire 78% of the land for 46% of the original price, saving ~\$677,000. The original price for 189 acres was \$1,250,000, while the renegotiated price is \$572,800 for 143 acres. The original appraisal, which was segmented by parcel and zone was used to determine the value.*

**What changed to make the land description correct? Why was the first resolution inaccurate?**

**Do the property lines in this description still exclude the parcel where a disabled blind person was residing and would have been evicted?**

**RESPONSE:** *The original land purchase was much bigger than we needed (189 acers) and included multiple zoned areas. It included the residence you referred to, and some Low Density Residential (LDR) acreage. In part, due to the residence issue and the complications of dividing out the LDR portions for future sale, we negotiated for a smaller parcel that fits our business needs. After negotiations with Weyerhaeuser, they agreed to sub divide the property and we will get a smaller portion (143 acers) for our substation and also the water front portion for riparian repair and preservation (Cedar Creek confluence), but without the residence or the hassle of dividing and sell the LDR portion.*

## **CORRESPONDENCE**

**Lane Community College (LCC) Scholarships – (GONZALEZ) How many graduate from this program each year? Historically (if data is available), how many graduates has EWEB hired from this program?**

**RESPONSE:** *EWEB does not have information on how many students graduate annually from the LCC energy management program nor do we track EWEB hired graduates. According to LCC representatives, typical participation in the program has been 12-15 students. In recent years, enrollment has dropped to half dozen or fewer students despite the roll-out of the on-line program in 2018, which opened up the curriculum to a larger prospective student pool. As reported in June's public testimony, four students received EWEB grants in 2018/19.*

## **OTHER**

**General Manager Salary Comparators Study – (KOSTOPULOS) When is the new study on salary comparisons expected to be available?**

**RESPONSE:** *Some additional comparator information has been acquired by EWEB's HR Staff, and has been provided to President Carlson. Additional data from Milliman's NW Utilities survey responses are being collected through July; results and the updated electronic survey tool are anticipated in Q4 of this year. As an additional means of determining regional and comparable GM salary and compensation practices, EWEB will be filing public records requests for specific GM employment agreements and associated policies and benefits plans.*