

ORDINANCE NO. 188580 As Amended

*Authorize a Service and Maintenance Agreement with Portland General Electric Company in the amount of \$1,000,000 for transmission maintenance services for the Portland Hydroelectric Project (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. The City of Portland's Hydroelectric Project (Project) is located on the Bull Run River, approximately ten miles north-east of the City of Sandy, Oregon. The Project falls under the jurisdiction of the Federal Energy Regulatory Commission (FERC).
2. The City owns a portion, approximately ten miles in length, of the 57kV overhead electrical transmission line that interconnects the Project on the Bull Run River with Portland General Electric Company's Dunns Corner Substation, together with associated towers, guys, wires, and other appurtenances (Transmission Facilities).
3. Portland General Electric Company has provided maintenance, replacement and repair services for the Transmission Facilities pursuant to a Power Sales Agreement (Agreement) dated April 12, 1979, and has agreed to continue providing such services to the City following the expiration of the Agreement on September 1, 2017.
4. The Bureau of Hydroelectric Power desires to enter into a Service and Maintenance Agreement with Portland General Electric Company to provide maintenance, replacement and repair services. City Code allows the Bureau of Hydroelectric Power to enter this agreement with Portland General Electric Company under the conditions described in Code Section 3.110.010, Ordinance No. 147822.
5. The Bureau of Hydroelectric Power and Portland General Electric Company will enter into a formal agreement in the sum not to exceed \$1,000,000. Funds to support the Service and Maintenance Agreement are available in the FY 2017-18 Budget and additional funding will be requested in the future Bureau of Hydroelectric Power Budgets.
6. The Service and Maintenance Agreement will be for a term of five years and will be effective on September 1, 2017 continuing through August 31, 2022. The Service and Maintenance Agreement will be automatically renewed for two successive five-year renewal terms.

NOW, THEREFORE, the Council directs:


- a. That the Water Bureau Administrator is authorized to execute on behalf of the City a Service and Maintenance Agreement with Portland General Electric Company to provide maintenance, replacement and repair services for the Transmission Facilities, in a form substantially in accordance with the attached Exhibit A and as approved by the City Attorney's Office.

- b. Amendments increasing the total compensation to the Service and Maintenance Agreement may be agreed to and executed by the Portland Water Bureau Administrator up to twenty-five percent of the total Agreement amount upon legal sufficiency review and approval of the City Attorney. Any increase exceeding twenty-five percent of the total compensation would need City Council approval.
- c. The Mayor and Auditor are hereby authorized to draw and deliver checks chargeable to the Portland Hydroelectric Fund when demand is presented and approved by the proper authorities.

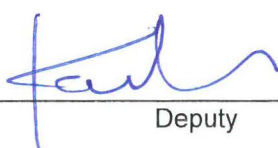
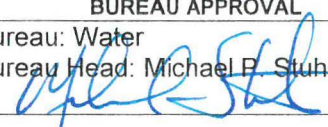
Section 2. The Council declares that an emergency exists because the public welfare would be harmed by delay in having the authorized agreement go into effect before existing contracts for the Portland Hydroelectric Project expire on September 1st; therefore, this Ordinance shall be in full force and effect from and after its passage by the Council.

Passed by the Council, AUG 30 2017

Commissioner Nick Fish
Glenn Pratt
August 2, 2017

Mary Hull Caballero
Auditor of the City of Portland
By  Deputy

Authorize a Service and Maintenance Agreement with Portland General Electric Company in the amount of \$1,000,000 for transmission maintenance services for the Portland Hydroelectric Project (Ordinance)

INTRODUCED BY Commissioner/Auditor: Commissioner Nick Fish	CLERK USE: DATE FILED <u>AUG 08 2017</u>
COMMISSIONER APPROVAL	Mary Hull Caballero Auditor of the City of Portland
Mayor—Finance & Administration - Wheeler	By:  Deputy
Position 1/Utilities - Fritz	
Position 2/Works - Fish	
Position 3/Affairs - Saltzman	
Position 4/Safety - Eudaly	
BUREAU APPROVAL	ACTION TAKEN:
Bureau: Water Bureau Head: Michael P. Stuhr, P.E. 	AUG 16 2017 PASSED TO SECOND READING AUG 30 2017 9:30 A.M.
Prepared by: David Peters Date Prepared: August 2, 2017	
Impact Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/>	
Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
City Auditor Office Approval: required for Code Ordinances	
City Attorney Approval: required for contract, code, easement, franchise, comp plan, charter <i>KLM</i>	
Council Meeting Date August 16, 2107	

AGENDA <i>1GF3</i>
TIME CERTAIN <input checked="" type="checkbox"/> Start time: 10:30 am
Total amount of time needed: 30 mins (for presentation, testimony and discussion)
CONSENT <input type="checkbox"/>
REGULAR <input type="checkbox"/>
Total amount of time needed: (for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:	
	YEAS	NAYS
1. Fritz	✓	
2. Fish	✓	
3. Saltzman	✓	
4. Eudaly	✓	
Wheeler	✓	