

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a 5-Year Master Services Agreement with Cascade Pacific Resource Conservation & Development for fiscal management of the Pure Water Partners (PWP) Program.

Board Meeting Date: 11/5/2019

Project Name/Contract #: Pure Water Partners Program Fiscal Management/Contract # 19-138-S

Primary Contact: Rod Price Ext. 7122

Contract Amount

Original Contract Amount: \$70,000 for fiscal management of \$630,000 expected spend in the (PWP) program

Additional \$ Previously Approved: \$0

Invoices over last approval: \$0

Percentage over last approval: 0%

Amount this Request: \$70,000

Resulting Cumulative Total: \$70,000 for fiscal management of \$630,000 expected spend in the (PWP) program

Contracting Method:

Method of Solicitation: Direct Negotiation/Sole Source No.357-1

If applicable, basis for exemption: EWEB Rule 3-0275(1)

Term of Agreement: 5-Years

Option to Renew? No

Approval for purchases "as needed" for the life of the Contract Yes No

Proposals/Bids Received (Range): \$140,000 per year

Selection Basis: Direct Negotiation

Narrative:

Operational Requirement and Alignment with Strategic Plan

Fiscal management of the Pure Water Partners program allows for efficient use of EWEB funds for protection of riparian and floodplain forests and provides the programmatic infrastructure that directs partner funds for restoration of degraded areas. This investment aligns with EWEB's 10-Year Strategic Plan by fostering customer confidence (phase I) through the protection of drinking water source(s) and allowing EWEB to maintain excellent water quality. The Pure Water Partners (PWP) program is a key part of EWEB's Drinking Water Source Protection 10-Year Strategic Plan (2018-2028) that was discussed with the Board in January 2018.

The PWP program activities support water source protection by property owners in the watershed including: 1) landowner outreach, conducting riparian health assessments, developing management plans, committing landowners under long term agreements for property access, ecological enhancement activities, and monitoring; 2) making payments to landowners under PWP agreements for protection of healthy riparian forests; and 3) providing matching funds for EWEB approved grants that support PWP activities.

Contracted Goods or Services

The 5-Year Master Services Agreement with Cascade Pacific RC&D contracts for fiscal management of the Pure Water Partners program and watershed conservation fund that leverages and tracks funding from multiple sources for watershed protection work. CPRCD is experienced with and provides complex accounting/tracking systems, coordination with multiple funding agencies, and managing contracts with watershed councils and soil & water conservation districts for watershed conservation activities.

Prior Contract Activities

EWEB has contracted with CPRCD eleven times over the last 6 years with PO's ranging from \$2,300 to \$180,000

for activities related to EWEB's Healthy Farms Clean Water program (annual local food connection event sponsorship at LCC and Berggren Demonstration Farm management), Healthy Forests Clean Water program (support for facilitation of McKenzie Stewardship Group with USFS), and Pure Water Partners program (PWP pilot project fiscal management of Oregon Watershed Enhancement Board (OWEB) grants and developing the watershed conservation fund and governance structure). CPRCD has performed well in each of these contracts meeting project requirements, reporting, fiscal management, budget, and deadlines.

Purchasing Process

This contract was directly negotiated with CPRCD based on the unique relationships and tools they coordinate to support source protection activities in the McKenzie Watershed that aligns with EWEB's strategic initiatives. In October 2017, EWEB and CPRCD applied for and were granted funds to develop a tool to track and report the financial commitments and conservation activities for EWEB and other partners to the Pure Water Partners program. The contract is a Master Services Agreement that allows work to be performed under the contract on a task order basis, CPRCD will perform no work until EWEB directs CPRCD to complete the task and both parties have agreed to the work and cost. It is anticipated that the work to be complete over the next 5 years will be budgeted at approximately \$140,000 per year including the funds distributed by CPRCD as well as the fiscal management services funds to be retained by CPRCD. Contract terms and conditions allow EWEB to access all fiscal records of CPRCD pertinent to contract activities and requires an annual third party financial audit that includes an assessment of EWEB funds management activities.

Competitive Fair Price (If less than 3 responses received)

CPRCD provides fiscal management services for the Pure Water Partners program and receives 10% of funds (approximately \$14,000 per year) passing through the watershed conservation fund for PWP payments to landowners or partner programmatic activities. CPRCD has a federally determined indirect rate of 11.3% by the U.S. Forest Service, making our negotiated rate reasonable considering their actual costs.

ACTION REQUESTED:

Management requests the Board approve a 5-Year Master Services Agreement with Cascade Pacific Resource Conservation & Development for fiscal management services of the Pure Water Partners Program, the contract value for CPRCD is approximately \$70,000. PWP activities to be administered under this contract will be covered 50% from the Source Water Protection Program of the Water Division budget (\$16.7 million in 2019) and 50% from the Generation portion of the Electric Energy Division budget (\$18.3 million in 2019). Variances will be managed within the budget process and Board policy.