

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve additional funds for **Fiscal Management Services of the Pure Water Partners Program (PWP)** with **Cascade Pacific Resource Conservation and Development**.

Board Meeting Date: April 5, 2022
Project Name/Contract #: Pure Water Partners Program Fiscal Management / 19-138-S
Primary Contact: Karen Kelley Ext. 7153

Contract Amount:

Original Contract Amount: \$700,000 (November 2019)
Additional \$ Previously Approved: \$232,000 (November 2020)
Invoices over last approval: NA
Amount this Request: \$630,000
Percentage over last approval: 68% (PWP program spend)
Resulting Cumulative Total: **\$1,562,000**

Contracting Method:

Method of Solicitation: Direct Negotiation
If applicable, basis for exemption: EWEB Rule 3-0275 Sole Source Procurements
Term of Agreement: 5 Years (November 1, 2019 - November 1, 2024)
Option to Renew? No
Approval for purchases "*as needed*"
for the life of the Contract: Yes ☐ No ☒
Proposals/Bids Received (Range): \$630,000
Selection Basis: Sole Source Supplier
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 adopted in January 2018.

In 2020, EWEB's General Manager signed the Pure Water Partners Memorandum of Agreement (MOA) that memorialized the programmatic infrastructure, roles and responsibilities of the nine current member organizations (i.e., EWEB, McKenzie Watershed Council, McKenzie River Trust, Upper Willamette Soil & Water Conservation District, Cascade Pacific RC&D, The Freshwater Trust, Willamette National Forest, Metropolitan Wastewater Management Commission (MWWC), and University of Oregon). The MOA establishes a watershed conservation fund (Fund) that aligns multiple sources of funding (e.g., EWEB, USFS, MWWC, Oregon Watershed Enhancement Board, U.S. EPA, etc.) for conducting restoration and protection activities on the ground through

member organizations. Cascade Pacific RC&D is designated as the first fiscal manager of the Fund for a 5-year term that will then be re-evaluated by the PWP members.

After the Holiday Farm fire burned over 170,000 acres in the middle McKenzie Watershed. EWEB has leveraged the existing relationships within the PWP program and framework to quickly and efficiently support burn assessment, and erosion control and soil stabilization design and implementation activities in the watershed immediately following the fire. The PWP work shifted after the initial emergency response phase to include conducting property assessments that identify areas with high priority revegetation needs, invasive weed problems, erosion issues, and fire fuels buildup for contractors to implement necessary actions to address once the landowner signs a Watershed Stewardship Agreement with EWEB.

Contracted Goods or Services

Due to PWP operations costs associated with the HFF recovery and restoration efforts, current funding will not last for the remainder of 2022. The activities to be provided under this Amendment includes CPRCD's fiscal management of additional funding for five main tasks under the PWP program, including: 1) support for PWP programmatic activities that were in place prior to the HFF related to landowner outreach, conducting riparian health assessments, developing management plans, getting landowners under long term agreements, and monitoring over time (\$39,000); 2) making payments to landowners under PWP agreements for protection of healthy riparian forests (\$33,000); 3) providing matching funds for EWEB approved grants that support PWP activities (\$44,000); 4) support for design and implementation of green infrastructure projects to treat urban runoff (\$44,000); and 5) funding PWP operations associated with the Holiday Farm Fire response and recovery efforts (\$470,000). CPRCD is experienced with complex accounting/tracking systems, working with multiple funding agencies, and managing contracts with watershed councils and soil & water conservation districts for watershed conservation activities.

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.

Competitive Fair Price

CPRCD provides fiscal management services for the Pure Water Partners program per the MOA for a 5-year term and receives 10% of funds 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.

Prior Contract Activities

CPRCD has worked with EWEB on a variety of source water protection projects over the past 7 years. The current contract was set up as a Master Service Agreement to govern the Terms and Conditions of our engagement. The Scope of Work assigned under this contract is issued as Task Orders with the work and costs negotiated and agreed to in advance and within the Board Approved limits. The first three tasks were included on the Board Consent in November 2019. Since that time, we have issued an additional task order #4 for support activities for the Urban Waters & Wildlife Partnership to implement green infrastructure projects to treat urban runoff and added \$100,000 to the total contract value. Task #5 was approved after the Holiday Farm fire and was included on the November 2, 2020, Board Consent at a 33% increase. The total spend so far under the contract is \$929,974.

ACTION REQUESTED:

Management requests the Board approve increasing the contract fiscal management services of the Pure Water Partners Program. The contract value for CPRCD for fiscal management of the PWP program is nearly \$1.4 million total expected spend. PWP activities to be administered under this contract (Task Orders 1 to 3 - \$116,000 total) will be covered 50% from the Source Water Protection Program of the Water Division budget and 50% from the Generation portion of the Electric Energy Division budget. The Urban Waters & Wildlife Partnership activities (Task Order 4 - \$44,000 total) administered under this contract will be covered from the Source Water Protection Program

of the Water Division budget. For PWP activities associated with the HFF recovery efforts (Task Order 5 - \$470,000) administered under this contract will be covered from the Holiday Farm Fire Watershed Restoration budget. Approximately \$700,000 was planned for these services in the Holiday Farm Fire Restoration 2022 budget of \$4,279,000. Variances will be managed within the budget process and Board policy.