

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a new contract with **McKenzie Watershed Alliance (MWA)** for **Forest Management of Deer Creek Phase 4 floodplain restoration**.

Board Meeting Date: June 7, 2022
Project Name/Contract #: Deer Creek Phase 4 / 22-102-S
Primary Contact: Karen Kelley Ext. 7153

Contract Amount:

Original Contract Amount: \$425,000
Additional \$ Previously Approved: \$0
Invoices over last approval: \$0
Amount this Request: \$425,000
Percentage over last approval: NA
Resulting Cumulative Total: \$425,000

Contracting Method:

Method of Solicitation: Direct Negotiation
If applicable, basis for exemption: EWEB Rule 3-0275 Sole Source Procurements
Term of Agreement: Through 12/31/2022
Option to Renew? No
Approval for purchases *"as needed"*
for the life of the Contract: Yes No
Proposals/Bids Received (Range): NA
Selection Basis: Sole Source Supplier

Narrative:

Operational Requirement and Alignment with Strategic Plan

On May 17, 2019, the Federal Energy Regulatory Commission (FERC) issued to EWEB an order issuing a new license for the Carmen-Smith Hydroelectric Project, including a requirement to construct upstream and downstream fish passage facilities at Trail Bridge dam within three years of License issuance. EWEB is also required to cease operating Trail Bridge powerhouse for the purposes of power generation to avoid entrainment once downstream passage is operational and thereafter to only operate the powerhouse equipment for safety, maintenance, and emergency purposes.

The license deadline for completion of construction of the Trail Bridge fish passage facilities is May 17, 2022. Deployment of these projects has been delayed due to longer than anticipated design and review timelines, as well as the discovery of active sinkholes at the Trail Bridge reservoir. EWEB will not be able to meet its license deadline and, since October 2021, has been negotiating an agreement with federal and state fish and water quality agencies (including National Marine Fisheries Service, US Fish and Wildlife Service, Oregon Department of

Environmental Quality, and Oregon Department of Fish and Wildlife) to mitigate for the impacts of the delays to fish passage construction on ESA-listed Chinook salmon and bull trout. The agencies and EWEB have agreed that funding Deer Creek Phase 4 floodplain restoration in 2022, two years ahead of schedule, would provide significant fish habitat and water quality benefits within the watershed to partially mitigate for the impacts of the delays to construction of fish passage at Carmen-Smith. A complete mitigation package is anticipated in mid-2022.

Implementation of the Deer Creek Phase 4 floodplain restoration will be managed by McKenzie Watershed Alliance, and with funding from EWEB, is scheduled for summer 2022.

MWA has requested a funding award of \$425,000 to complete the Deer Creek Phase 4 project as cooperatively designed with the US Forest Service. The \$425,000 request is similar to a 2021 project for Deer Creek and reflects slight increases for contract costs, based on increased costs for transportation of large wood to project site and removal, haul, and placement of sediment within the project area.

Contracted Goods or Services

McKenzie Watershed Alliance will perform and manage the construction of the Deer Creek Phase 4 floodplain restoration project in partnership with the Forest Service and consistent with the Forest Service McKenzie Stage 0/8 Projects.

Purchasing Process

EWEB rules allows funding the completion of the project by means of direct negotiation from McKenzie Watershed Alliance via the sole source process. McKenzie Watershed Alliance is the selected contractor of the US Forest Service and the specific mitigation services needed are only available from MWA. The Alliance has a solid record of successfully collaborating with Forest Service on a range of watershed enhancement projects and has a clear understanding of the federal requirements involved.

Prior Contract Activities

EWEB Contract	Project Name	Board Approval Date	Project Duration (Notice to proceed to close out).	Original Contract Amount	Final Contract Amount	Reason Code
19-155	48 th Street Wetland Enhancement Project	NA	10/28/19-12/31/22	\$14,765	\$14,765	
11183	Fish Habitat Restoration and Enhancement	11/15/05	11/15/05 -12/31/24	\$1,639,751	\$1,639,751	
20-071	Watershed Environmental Education	NA	3/17/20-12/31/20	\$20,400	\$20,400	
20-116	Deer Creek Transmission Line Corridor Timber Harvest	June 2, 2020	6/2/20-12/31/20	\$253,230	*\$376,500	SD/AW
Reason Code: AM = Additional Materials, AW = Additional Work, EW= Emergency Work, SD = Staff Directed, UC = Unforeseen Conditions, Other						

Contract 20-116 was increased due to additional tree and slash discovered after manual counts.

ACTION REQUESTED:

Management requests the Board approve a contract with McKenzie Watershed Alliance for management of Deer Creek Phase 4 floodplain restoration. This project was not anticipated in the 2022 Capital Budget of \$29.2 million in the Carmen Smith License Deployment Department. Variances will be managed within the budget process and Board policy.