

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a new Mutual Funding and Collection Agreement with **McKenzie River Trust (MRT)** for **Mutual Funding of the Pure Water Partners (PWP)**.

Board Meeting Date: June 6, 2023
Project Name/Contract #: Mutual Funding and Collection Agreement / 23-088-S
Manager: Mike Masters Ext. 7549
Executive Officer: Karen Kelley Ext. 7153

Contract Amount:

Original Contract Amount: \$1,000,000
Additional \$ Previously Approved: \$0
Spend over last approval: \$0
Amount this Request: \$1,000,000
% Increase over last approval: NA
Resulting Cumulative Total: **\$1,000,000 (Over 5 years)**

Contracting Method:

Method of Solicitation: Direct Negotiation
If applicable, basis for exemption: Sole Source Findings SS-468
Term of Agreement: June 7, 2023 – June 30, 2028
Option to Renew? No
Approval for purchases “as needed”: Yes No
Proposals/Bids Received (Range): NA
Selection Basis: Direct Negotiation – Sole Source

Narrative:

Operational Requirement and Alignment with Strategic Plan

In 2020, EWEB’s General Manager signed the Pure Water Partners (PWP) 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 (MWMC), and University of Oregon). The MOA establishes a watershed conservation fund (Fund) that aligns multiple sources of funding (e.g., EWEB, USFS, MWMC, Oregon Watershed Enhancement Board, U.S. EPA, etc.) for conducting restoration and protection activities on the ground through member organizations.

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.

MRT and EWEB both have a vested interest, stake holders and funding available for the restoration and rehabilitation of the McKenzie Watershed post Holiday Farm Fire and beyond. MRT has partnered with EWEB in various projects with the objective of source protection and the regeneration of the native habitats of the McKenzie River, including strategic land acquisition and large flood plain restoration of the McKenzie watershed. In completing this work there are times when funding needs to flow between MRT and EWEB that include reimbursements for contractual expenses, stewardship or funding offered up by either party to meet the objectives of the restoration efforts in the McKenzie Watershed. This Master Agreement stands as a collection and funding agreement between EWEB and MRT so as no other agreements need to be executed to move funding back and forth between the two entities.

Contracted Goods or Services

This agreement will allow both entities to move funding back and forth in the efforts to restore, rehabilitate and maintain the native habitats of the McKenzie Watershed. The agreement also allows for a 10% cost savings to EWEB by allowing smaller funding opportunities to flow direct between the entities leaving the fiscal management contract through Cascade Pacific Resource, Conservation & Development (CPRCD) for the PWP to distribute funding on larger projects and PWP operational costs. This agreement will not exceed \$1,000,000 in money movement over the next five years between the entities.

Each entity that is funding towards this objective will provide a detailed invoice to the other within 30 days of an executed contract or upon agreement that funding has become available. Each transaction will have a corresponding Task Order approved by both entities.

Purchasing Process

Direct Negotiation/Sole-Source Findings SS-468

Prior Contract Activities

EWEB Contract	Project Name (Description)	Board Approved	Project Duration (Start to Close)	Original Amount	Approved/Amended Amount to Date (Total)	Reason Code
21-052-A	Acquisition and Management of Wildfire Impacted Properties (McKenzie River Area)	4/6/2021 & 7/5/2022	4/6/2018 – 10/30/2018	\$1,500,000	\$1,770,000	AW
16-0008-MOA	Acquisition and Management of Finn Rock Properties	4/5/2016	4/11/2016 – Present	\$750,000	\$785,000	AW

Reason Code: AM = Additional Materials, AW = Additional Work, EW= Emergency Work, SD = Staff Directed, UC = Unforeseen Conditions, Other

ACTION REQUESTED:

Management requests the Board approve a Mutual Funding and Collection Agreement with the McKenzie River Trust (MRT) for a mutual funding pathway for the Watershed Restoration of the McKenzie and beyond. Approximately \$2.1 million was planned for the Pure Water Partners (PWP) operations, restoration, and protection activities on the ground in the 2023 Holiday Farm Fire Restoration budget of \$7.4 million. Variances will be managed within the budget process and Board policy.