

PORTLAND UTILITY BOARD

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To: Mayor Ted Wheeler
Commissioner Nick Fish
Commissioner Amanda Fritz
Commissioner Chloe Eudaly
Commissioner Dan Saltzman
Auditor Mary Hull Caballero

Re: August 21, 2018

Date: Portland Utility Board Input to City Council Regarding the
Filtration Project of the Portland Water Bureau

The Portland Utility Board (PUB) has reviewed the information presented by the Portland Water Bureau (PWB) related to the outreach activities for the filtration project and their alternative analysis of four components of the project: procurement method, location, capacity, and treatment technology. PUB commends PWB for a thoughtful process and presentation of information. PUB supports the preferred alternatives identified by PWB.

When this issue was before City Council in Summer 2017, PUB recommended the City use a value-based approach to reach decisions and identified the following values:

- Decisions should be made with the safety of the residents, protection of public health, and compliance with federal regulations in mind.
- Decisions should be made with a long-term view of the needs of the City, including long-term reliability and supply resiliency.
- Decisions should balance long-term benefits relative to cost and the chosen technology should be implemented at a reasonable cost to customers with known and predictable rate impacts.
- With full knowledge that decisions will need to be made with imperfect and limited information, all available time should be taken to minimize uncertainty and risk.
- Decision must be made in partnership with the residents of Portland and with a commitment to full engagement throughout the process.
- Decisions should demonstrate a commitment to watershed health and protection which is the best defense for ensuring water quality.

PUB submits the following feedback and recommendations to City Council and PWB:

Process Improvements

PUB members recognize and congratulate the work that PWB staff have done over the last year and the process they used to evaluate the alternatives. One member participated in part in the analytical review and the presentation to the board demonstrated a thorough and thoughtful process.

Community Outreach

Last year PUB recommended PWB talk with community members about filtration. PWB staff and PUB members attended several neighborhood coalition meetings in the fall and PWB conducted several stakeholder interviews, an online survey, and used several social media platforms over the last year.

PUB members appreciate the improved conversation. They also note some concerns and offer suggestions for continued improvement. Specifically, members

- Note the reliance on digital communication and raise concerns with the limited reach to communities without access.
- Request more information on the Short-term Communication Plan.
- Recommend community forums similar to last fall continue and encourage PWB to talk with communities about their preferred options. PUB would like to be a partner for those meetings.
- Suggest PWB present these options and their process to the stakeholders who were interviewed as part of the outreach process and other interested parties such as state regulators.
- With the identification of the preferred location of Carpenter Lane, recommend PWB expand the pool of stakeholders to include conservation groups working in the watershed as well as renewable energy groups.

Communicating Preferred Options

PUB members had two suggestions for enhancing communication of the preferred options. Members recommend PWB

- Create tables that simply illustrate the trade-offs to communicate with the public. For example, a table that showed each location option and its measure against the evaluation factors would be helpful.
- Use examples of other local water treatment plants to illustrate the options and highlight the pros and cons of each treatment technology to reinforce the preferred alternatives.

Equity, M/W/D/ESB Participation, and the Community Benefits Agreement

Members and PWB staff talked about the benefits of the preferred contracting method, Construction Manager/General Contractor, in enhancing PWB's ability to set and meet M/W/D/ESB participation goals. This is an item of interest to members, which they will monitor. PUB supports the request that the City provide executive-level oversight of the Community Benefits Agreement through the Chief Administrative Officer and City Council.

Cost

PUB recommended filtration decisions be made balancing long-term benefits relative to cost and implemented at a reasonable cost with known and predictable rate impacts. Members acknowledge that the work to date hasn't yet allowed PWB to narrow the range of the estimated project costs (\$350 million to \$500 million) but encourage customer impact continue to be part of the evaluation factors as the project continues.