



Bull Run
TREATMENT
PROJECTS

*Our water: Safe and abundant
for generations to come*

PORTLAND WATER BUREAU
Bull Run Filtration Project

Site Advisory Group
Budget and Rate Considerations
& Good Neighbor Language

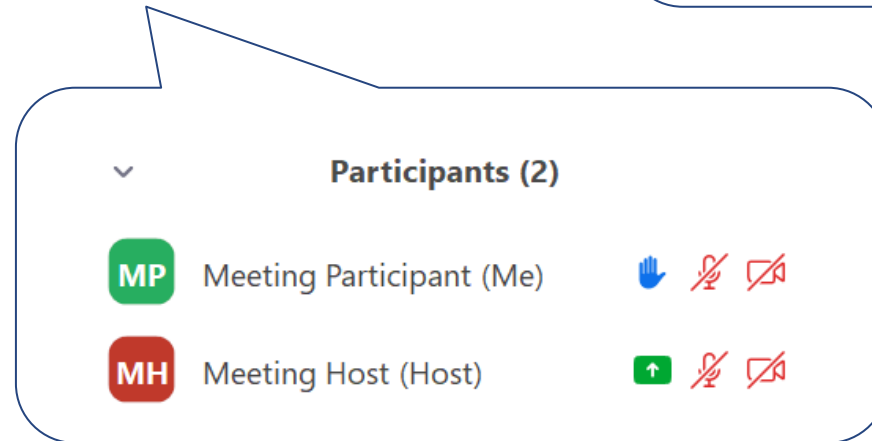
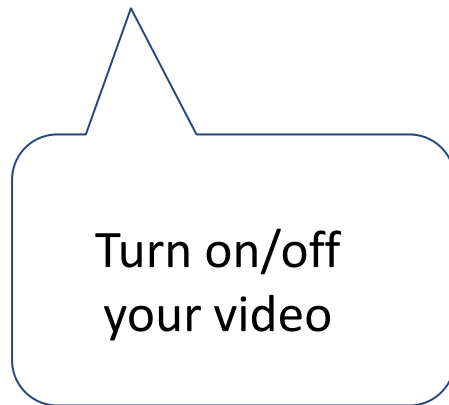
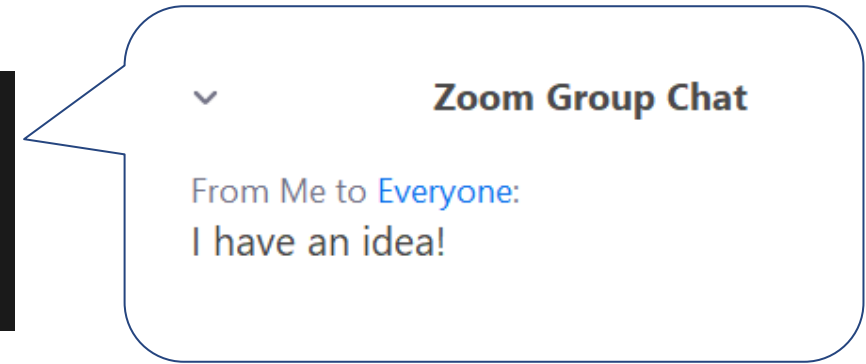


Agenda

1. Project Update
2. Project Budget and Rate Considerations
3. Good Neighbor Language
4. Site Advisor Discussion
5. Next Meeting

Conference call meeting tips

Using the Zoom tool bar, you can:



✓ We'll post the meeting recording on the website with a summary

Project Update

- Awarded WIFIA loan to help finance the Bull Run Treatment Projects
- Construction of improved corrosion control continues at Lusted Hill facility
- Ongoing drilling work for pipelines is on schedule with more than 12 borings completed to date
- Council approved property purchase to support potential access improvements
- Facility designers will be starting the detailed design process this spring

Work Reminder

What: sound & traffic impacts

Where: pipe routes and filtration facility site

When: March-April 2021

8am-4:30pm Mon-Fri

Updates:

portland.gov/filtration_activity





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Project Budget & Rate Considerations

Water Bureau priority is clean, safe, reliable affordable drinking water



Safe drinking water, meeting or exceeding regulatory standards



Excellent water is always available whenever you turn on the tap



We make water available for **public health** and **fire protection**



A **well-maintained system**, now and for future generations

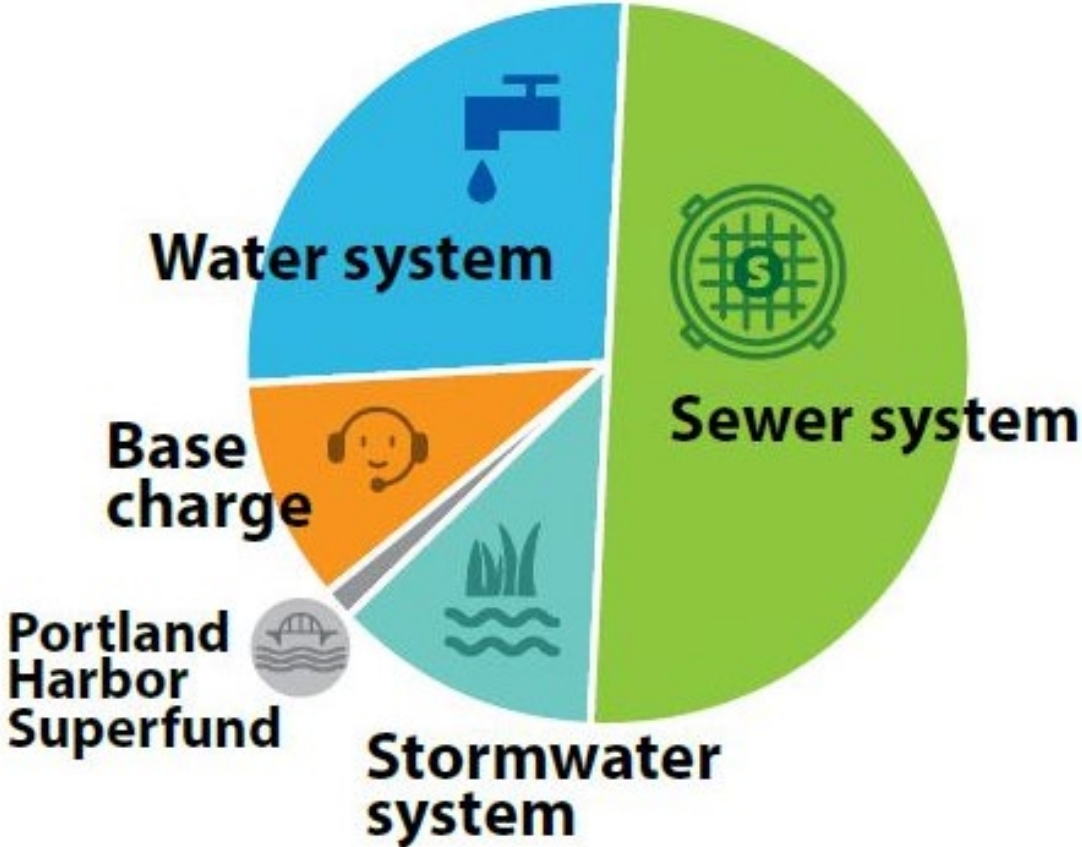



Increased **seismic resilience** and improved infrastructure





We use our resources wisely to ensure continued affordability


Understanding the Portland utility bill




 **Water system**, including water treatment, protection of drinking water sources, pipes, tanks, and fire hydrants

 **Sewer system** and sewage treatment, including pipes that keep sewage out of Portland's rivers

 **Stormwater system**, which manages water runoff from hard surfaces like streets, roofs, and parking lots

 **Portland Harbor Superfund**, helping clean up the Portland Harbor

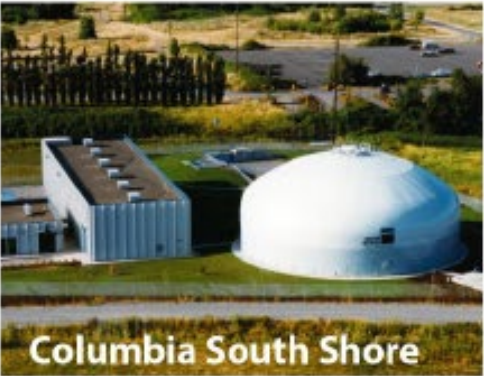
 **Base charge**, to provide customer service, billing, and water meter reading

Rates help pay to keep the water system working reliably



Bull Run Watershed

Two dams and reservoirs



Columbia South Shore

25 wells



36 pump stations



2,260 miles of pipe



58 tanks and reservoirs



14,375 hydrants



187,000 meters



Population Served

Committed to maintaining water rate affordability

Financial Assistance Programs

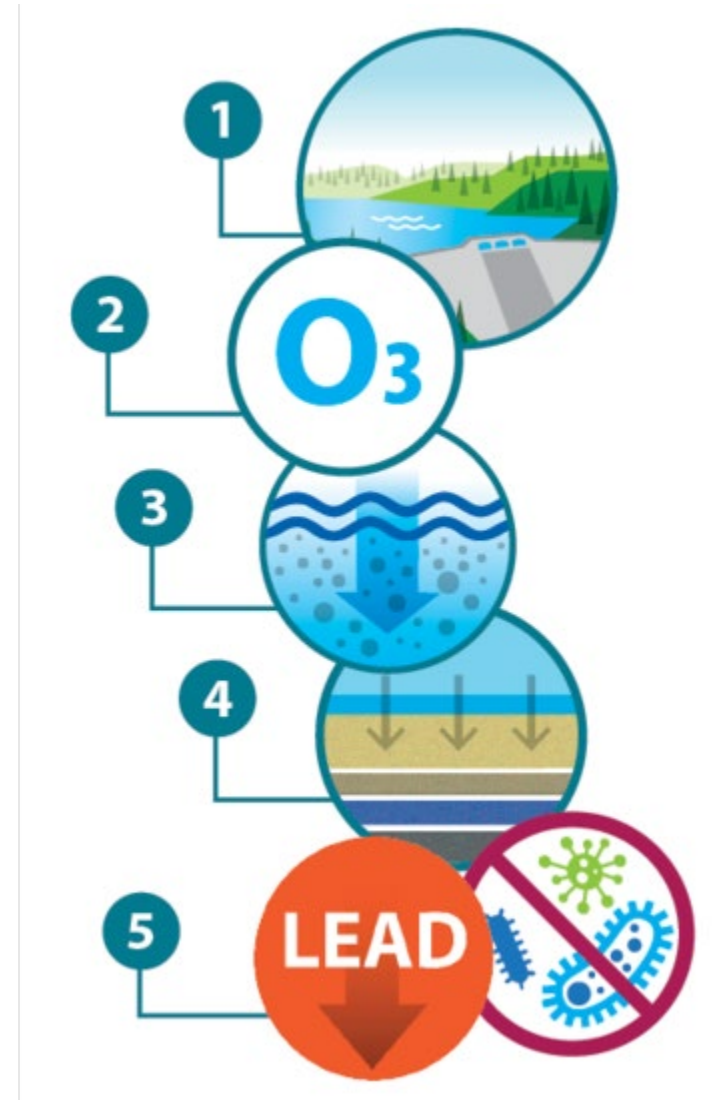
- Bill Discounts
- Crisis Assistance
- Utility Safety Net Program
- Leak Repair Assistance
- Payment Plans and Temporary Waivers
- Emergency Rental Assistance



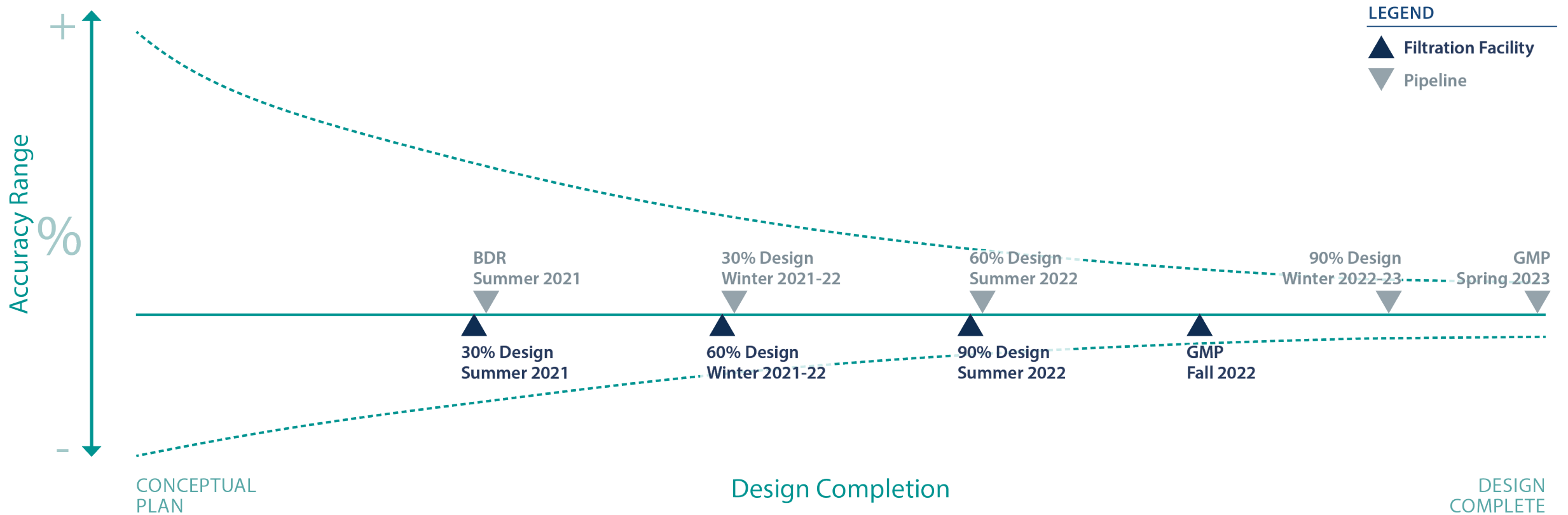
Project decisions are guided by key goals

Designing filtration improvements to:

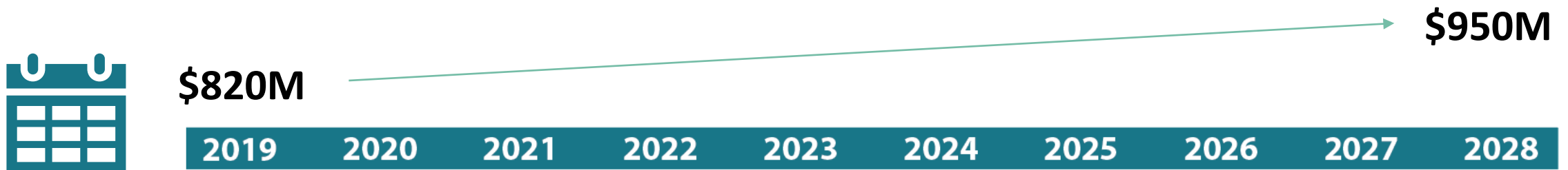
- Achieve **compliance** with safe drinking water regulations
- Improve **long-term reliability** and resilience of Bull Run water supply
- Continue to **deliver excellent water** every day to nearly 1 million customers
- Manage **costs** to keep water rates **affordable**



As design progresses, accuracy of project cost estimates will improve



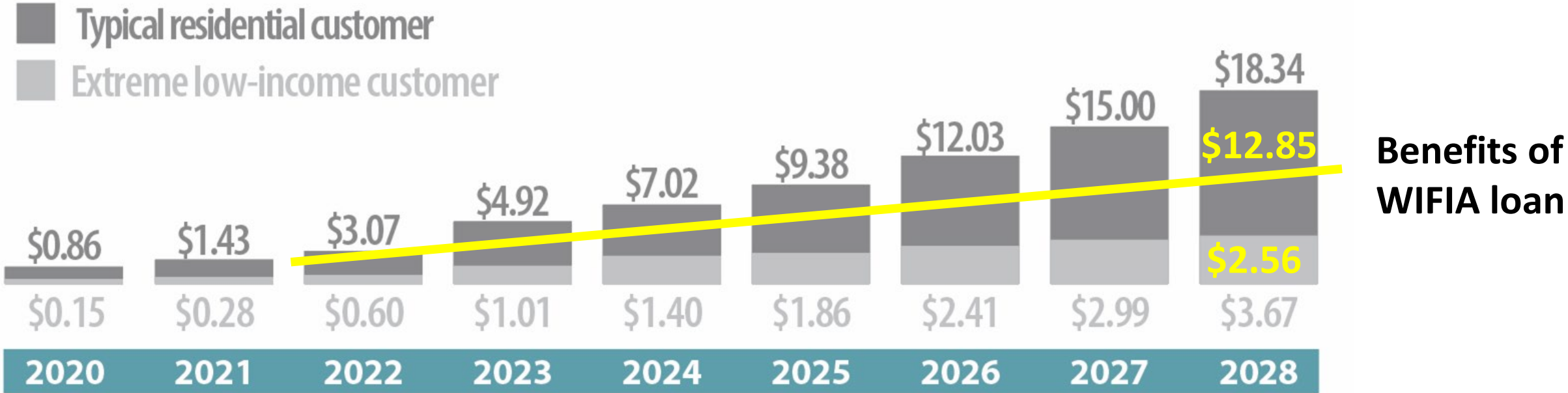
Current estimated costs include escalation over the multi-year project



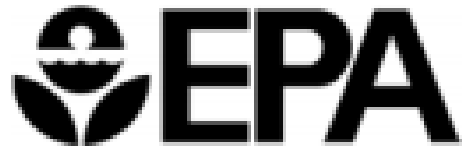
Escalation:

Assumes 1.6% increase annually (includes construction, equipment, material, and labor cost increases).

Monthly rate projections smooth increases over time, WIFIA financing further lowers water bill impacts



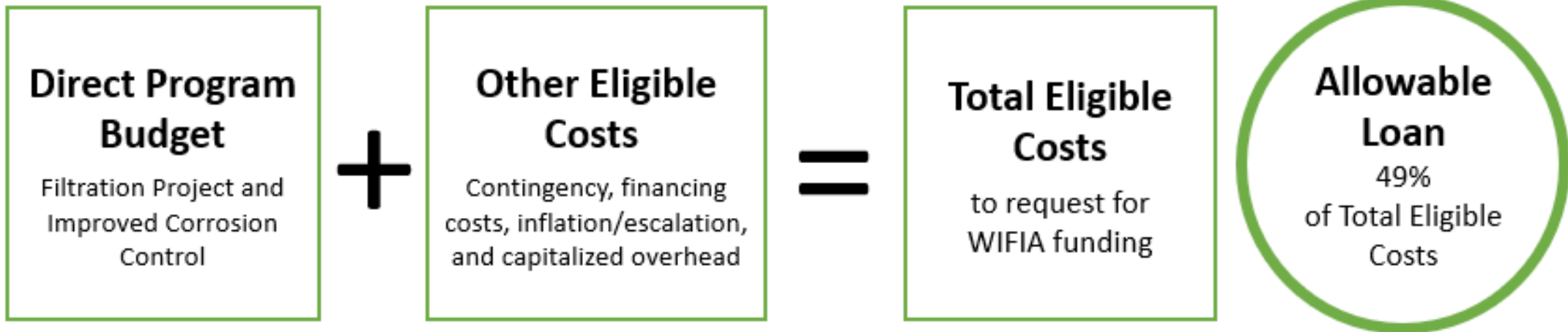
WIFIA provides significant ratepayer benefits



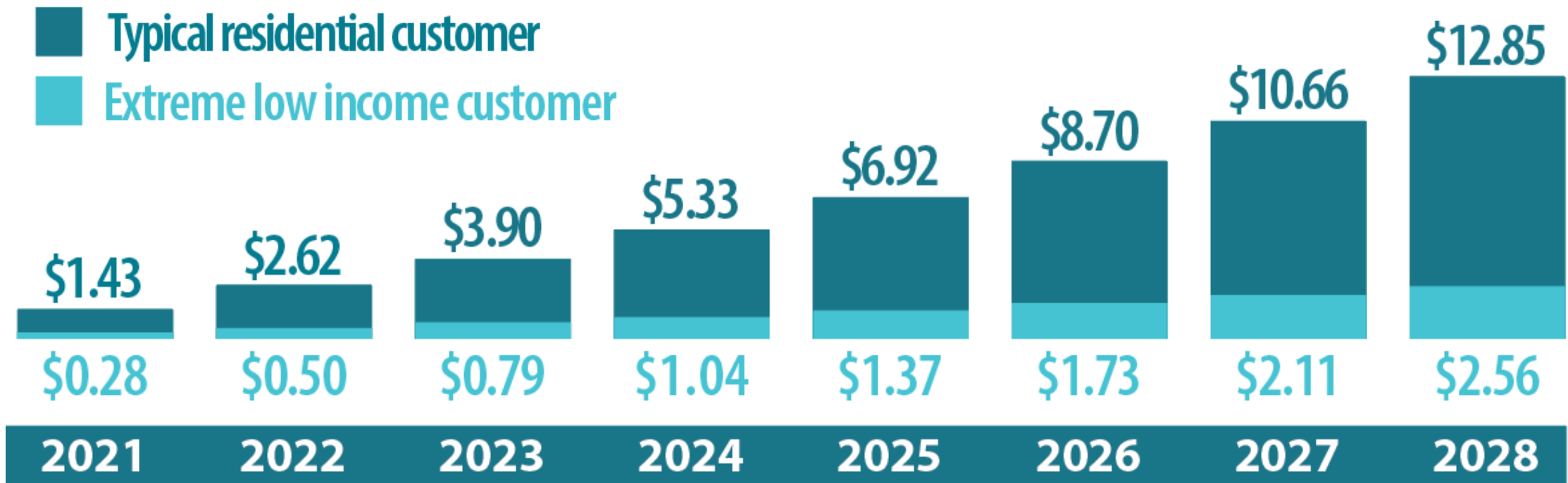
- **Very low 1.89% interest rate** is locked in for the life of the loan
- **Saves ratepayers at least \$247 million** of debt service over the loan term
- **Repayment can begin in 2032** after customers are getting facility benefits

WIFIA loan includes various qualifying costs to maximize benefits for ratepayers

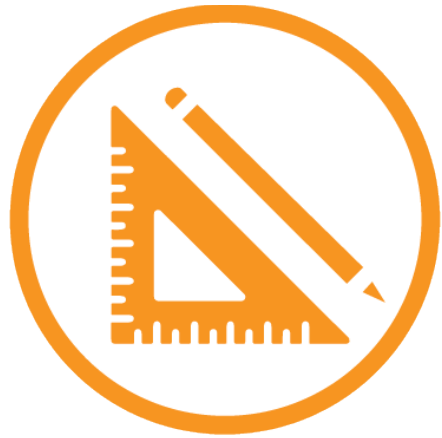
Calculating the WIFIA loan amount



WIFIA reduces monthly rate impacts, lowering the cost of investment for customers



Where are we today? Refining facility design



**Facility Design
2020-2022**

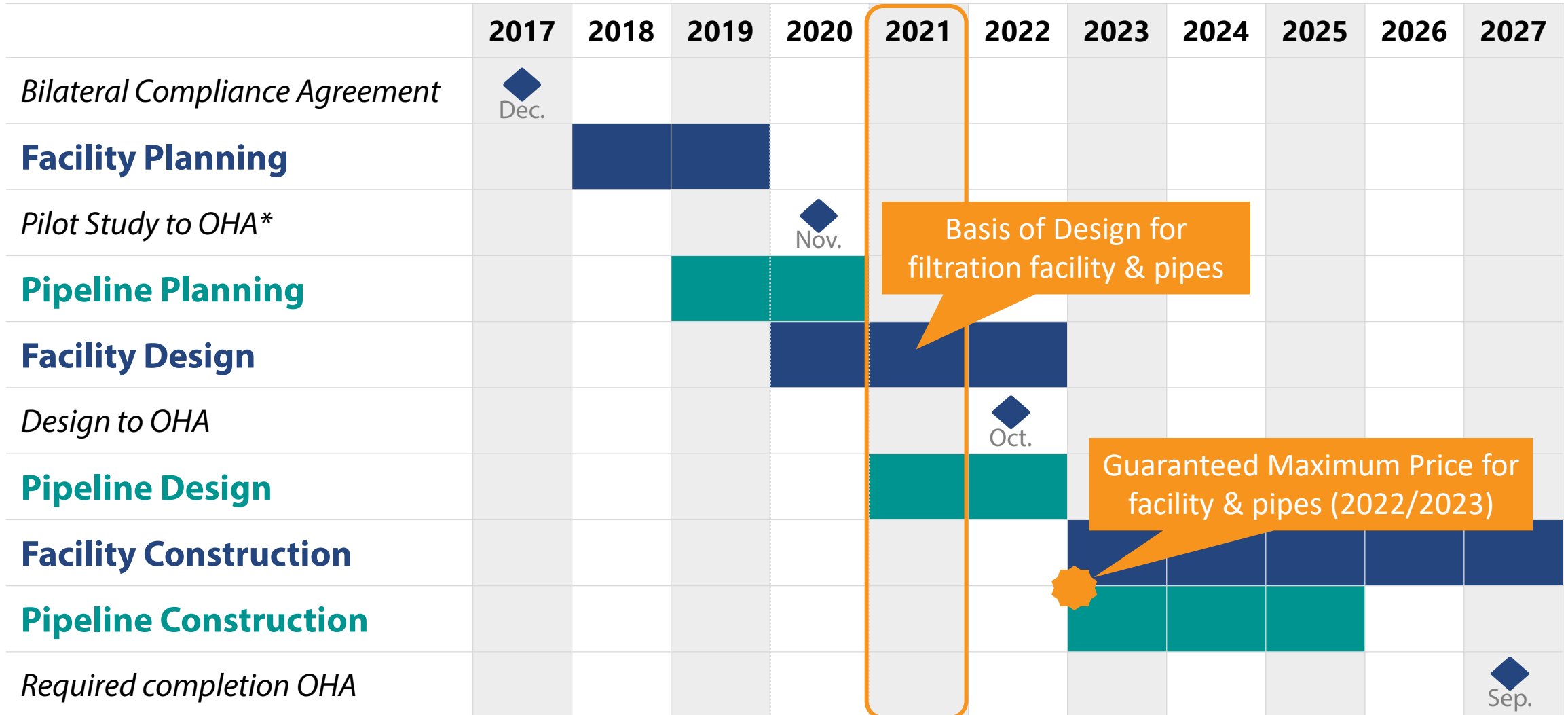
- Draft Basis of Design and updated estimate for the facility
- Further evaluated design features, completed value engineering, and engaged contractor to identify cost reductions
- Will continue evaluating cost management options throughout detailed design

As design progresses, we'll continue sharing information annually

- Better information and design estimate accuracy as we work towards guaranteed maximum prices
- Continued attention to project cost management, balanced with performance and reliability
- Commitment to maintaining affordability, including using WIFIA loan to maximize benefits for customers
- Ongoing communication with Council on annual cycle



Working towards guaranteed maximum prices in 2022/2023



*Oregon Health Authority (OHA)



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Good Neighbor Agreement

Good Neighbor Agreement

- **Goal:** foster open communication by identifying and resolving community concerns early in the project
- **Outcome:** document that reflects the Water Bureau's commitments to filtration facility neighbors

Organized by Topic

- Communications
- Facility Architectural Design
- Lighting Design
- Sound Design
- Site Landscape Design
- Stormwater Management
- Construction Safety
- Operational Safety

Sample Language: Facility Construction

Water Bureau will take steps during facility construction to prioritize safety of the community and workers and to minimize disruption to neighboring homes and businesses.

Strategies will include:

- Maximizing reuse of excavated soils on site to help reduce construction truck traffic.
- Providing one-month advance notice of anticipated traffic delays during construction.
- Providing signage and traffic control when temporary lane closures or detours are needed.
- Making every effort to maintain access to emergency vehicles and homes during construction.
- Maintaining the condition of local roads used to access the facility site during construction.

Sample Language: Facility Operations

Water Bureau staff will plan facility operations with the goal of making the facility as unobtrusive as possible to site neighbors while reliably delivering clean, safe water to customers.

Strategies will include:

- Implementing safety protocols for delivery and storage of treatment chemicals.
- Sharing contact information for the identified communications point person once the facility is operating.

Milestones to develop Good Neighbor Agreement

- Mar. 2021** **Sample Operations- and Construction-related Language**
Online feedback on operations and construction language
- Apr. 2021** **Draft Agreement**
Community feedback on draft agreement
- June 2021** **Final Good Neighbor Agreement**



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Discussion and Feedback

What's next?



Site Advisor Meeting

Thursday April 8, 6-7:30 pm



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Thank you!