Bull Run TREATMENT PROJECTS

Our water: Safe and abundant for generations to come

PORTLAND WATER BUREAU

Bull Run Treatment Projects Update

Portland Utility Board

April 7, 2026

PORTLAND WATER BUREAU
FROM FOREST TO FAUCET

Agenda

FINISH STRONG

1. Water Bureau Update
2. Project Delivery Advisory Team
3. Project Assessment Report – *Actions Taken/Underway*
4. Risk Review Process – *Actions Taken/Underway*
5. Next Steps
6. Q&A

Water Bureau Update

Director's Directives
Accountability and Transparency

- Requested a supply chain audit and price volatility mitigation from contractors
- Refreshed project governance structure with clear reporting and accountability
- Established monthly construction updates
- Expanded public transparency through regular project status updates, including project cost and schedule, beginning March 2026.

Recent Major Developments

- Critical Land use approval affirmed
- Regulatory extension of the Bilateral Compliance Agreement by Oregon Health Authority in progress
- Activities reduce and mitigate schedule and costs risks

OREGON HEALTH AUTHORITY

PORTLAND WATER BUREAU,
Intervenor-Respondent.

LUBA No. 2025-043

FINAL OPINION
AND ORDER

AFFIRMED 02/11/2026

Project Delivery Advisory Team

Project Delivery Advisory Team (PDAT)

Strengthen construction delivery • Enhance accountability • Serve the community

National construction management experts

- Craig Martell
- Gavin Gilchrist

Portland Utility Board

- Lauren Rosenkranz, PUB
- Bruk Berhanu, PUB

Roger van der Marel, Deputy Program Director—Construction

Schedule: 2026-Four Advisory Team Sessions

Session	Dates	Topics
Session 1 ☑	Project Delivery Advisory Team **Jan 23** Executive Committee Portland Utility Board **Feb 19**	**Assessment Report** Project tour Mega-projects overview Construction update
Session 2 ☑	Project Delivery Advisory Team **Mar 5** Executive Committee **Mar 16** Portland Utility Board **Apr 7**	**Construction Risk Management** Construction update Assessment Outcomes
Session 3	Project Delivery Advisory Team **Jun 25** Executive Committee Portland Utility Board **Jul 16**	**Communicating Project Milestones** Construction update Assessment & Risk Management Outcomes
Session 4	Project Delivery Advisory Team **Sep 17** Executive Committee Portland Utility Board **Oct 15**	**Startup & Commissioning Best Practices / Operational Readiness** Construction Update Assessment & Risk Management Outcomes

Project Assessment Report
Actions Taken/Underway

Assessment Actions Taken

Strengthen on-site leadership and focus on construction project delivery to Finish Strong

- ✓ Recruited an experienced megaproject Deputy PM for Construction co-located at the site with the construction oversight team
- ✓ Engaged a dedicated Commercial/Contracts Manager

Implement robust controls to drive project delivery

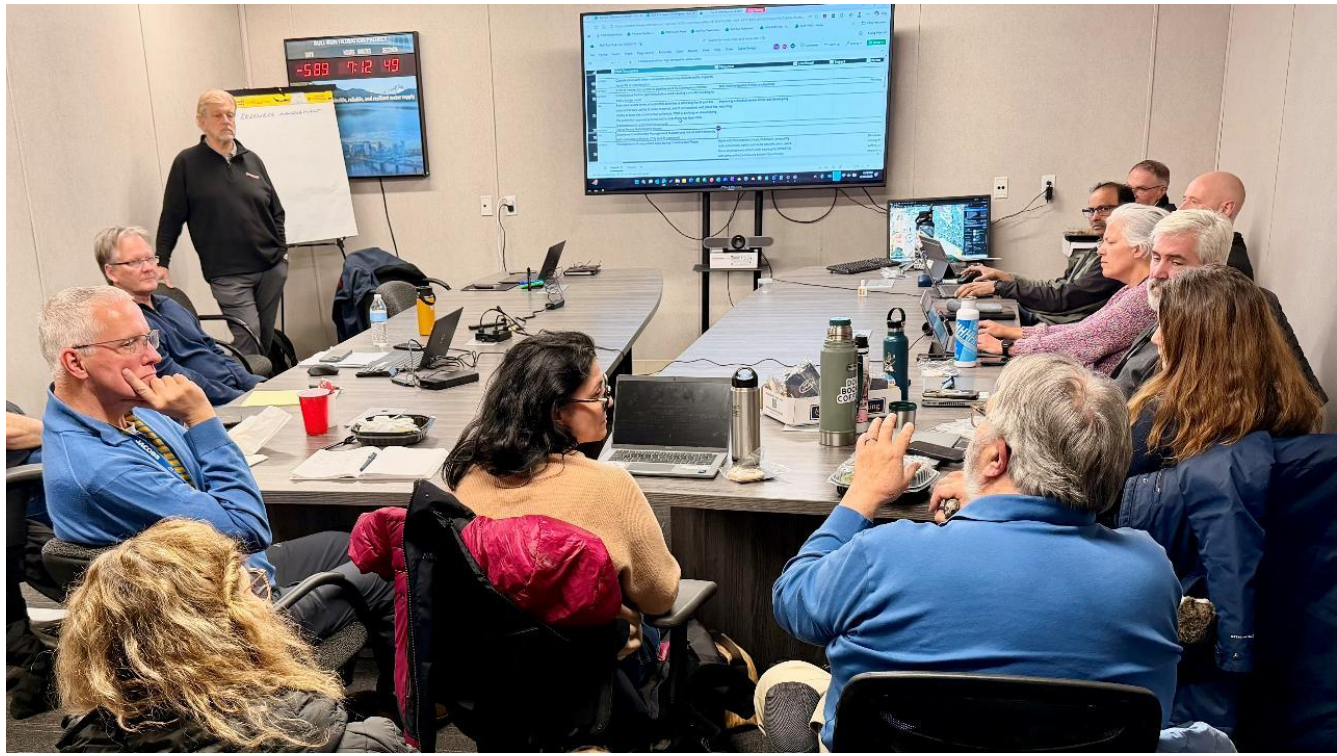
- ✓ Updated the program Risk Register

Risk Review Process
Actions Taken/Underway

Risk Review Process

Avoid Foreseeable Risks • Take Advantage of Opportunities

- Identify risks/threats and opportunities on projects
- Focus on risks affecting PWB
- Determine ways to mitigate threats and take advantage of opportunities
- Discuss probability of occurrence considering mitigation strategy
- Focus on the 20% of risks that have 80% of impact



Participants included construction, operations, leadership and claims expert teams

Highest Priority Risks

- **45 risks and mitigation measures** have been identified, updated, prioritized, and assigned
- **10 highest-priority risks** span construction, procurement, contractor management, design completion, force majeure, and commissioning/start-up
- Risks cover both the **filtration facility site and associated pipelines**

Risk Mitigation – Filtration Facility

Risk Description	Mitigation Strategies	Actions
Finalize cost/schedule for LUBA delays	• Unilateral CO issued/Review & negotiate cost/time impacts with Contractor	✓ Resolution April 2026
Suitability of design details for balance of construction	• Review design docs for completeness & constructability	✓ Resolution June 2026
Impacts of concrete subcontractor termination	• Time impact analysis & negotiation of resolution • Acceleration of work by contractor	✓ Resolution June 2026
Backlog of open RFIs, Submittals, and NOCs	• Tracking logs & resources • Prioritization of NOCs for resolution	✓ PWB, KMC & JV actively engaged in addressing claims
Document control system & work process enhancements	• Optimize workflows & tools in MasterWorks	✓ Process & system improvements underway
Need for comprehensive Start-up & Commissioning Plan	• PWB and JV preparing plan to address actions, schedule & resources	✓ Plan development underway for completion in late 2026

Risk Mitigation – Pipelines

Risk Description	Mitigation Strategies	Actions
Finalize cost/schedule for LUBA delay	• Review and negotiate cost/time impacts with Contractor	✓ Resolution April 2026
Variable geotechnical conditions could slow or impact mining operations	• Contractor altering equipment & adding another machine • Contingency included in budget request	✓ Implementation underway
Weather	• Contingency included in budget request • Request to OHA to extend consent deadline.	✓ Engaged in budget process ✓ OHA extending deadline
Document control system & work process enhancements	• Optimize workflows & tools in MasterWorks	✓ Process & system improvements underway
Backlog of NOCs	• Prioritize NOCs for resolution • Create tracking logs & add resources to manage	✓ PWB, claims consultant & contractor engaged

Next Steps

Key Actions to Finish Strong

- ✓**Continued robust public communications program**
  - Public facing webpage (new)
  - Newsletters, coffee chats, flyers, etc.
- ✓**Clear roles and responsibilities for overall team accountability** for safety, quality, budget, and schedule through proactive monitoring, communication, and documentation
- ✓**Strong leadership commitment** to transparency, oversight, and overall success of the program for Portlanders
  - Continuity of leadership oversight
  - Financial Oversight Panel

Independent Financial Oversight Panel

- The scope of independent review may include project financial controls, cost management, and project delivery practices.
- Recruitment of qualified panel members will occur later this spring, with a target start date of early summer.

Appointment of New Interim Chief Engineer

Muriel Gueissaz-Teufel, PE

- Portland Water Interim Chief Engineer
- Provides executive oversight of the Bull Run Filtration Project
- 25+ years delivering complex public infrastructure projects in the Pacific Northwest
- With the City since 2013
- Led major BES capital investments, including the $631 million STEP program, now in final startup
- Succeeds Ken Ackerman, now general manager of West Slope Water District

Questions & Answers

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Thank you!

Learn More portland.gov/bullrunprojects