

EXHIBIT A



6666 W. Quincy Ave.
Denver, CO 80235-3098

1199 N. Fairfax St., Ste. 900
Alexandria, VA 22314-1445

August 19, 2019

Douglas Stewart
Senior Engineer, Asset Management
Portland Water Bureau
1120 SW Fifth Avenue, Room 600
Portland, OR 97204

Re: Letter of Agreement for Co-Funding to **The Water Research Foundation Project #4806 (LIFT17T16)** titled, "**LIFT for Management: Developing Utility Analysis and Improvement Methodology ("UAIM")**."

Dear Mr. Stewart:

This Letter of Agreement ("LOA") is entered between The Water Research Foundation ("WRF") a Colorado non-profit corporation, whose principal place of business is located at 6666 W. Quincy Ave., Denver, Colorado 80235 and Portland Water Bureau ("PWB"), whose principal place of business is located at 1120 SW Fifth Avenue, Room 600, Portland, OR 97204, in furtherance of their common interest to support research on behalf of the water community.

As a bit of background project 4806 began in 2016 for Phase I and then in late 2017 Phase II began. PWB has decided to participate in this project as we are entering Phase II of the project 4806. Currently there is a total of nineteen (19) participants which includes utility partners and consultants. A LOA is entered into by WRF and each of the partner organizations separately and individually which are committed to funding Phase III of this project (herein after (Party" or "Parties"). All Parties have recognized that the current total project budget for Phase III is \$581,731. Each Party has agreed to split their contribution into two (2) installments during the two years of Phase III for this project. The Parties will be invoiced for the first installment of their contribution amount they had each requested for 2019 after the execution of this LOA. There will be one LOA between each Party and WRF. The grand total of first installment from all Parties will be for a total of \$364,231. WRF will invoice each Party separately as requested in their previously provided letters of commitment after the Parties have signed their respective LOAs. In the spring of 2020, WRF will send out Amendments to the LOA's. The Amendment in 2020 will be to request the remaining funds from the Parties which was listed in their letters of support and the grand total of the second installment will be a total of \$217,500. All Parties understand that there may be additional Parties who may join this project, and provide additional funding, during the course of Phase III of this

project. WRF will inform the project team and all Parties when this occurs during the period of performance.

WRF began the LIFT: UAIM Project in 2016 for Phase I and moved into Phase II in late 2017. WRF is now in the process of closing out Phase I and II of the Project prior to beginning Phase III. WRF has been advised PWB shall participate in Phase III of this Project 4806 (LIFT17T16). PWB agrees to contribute Forty Thousand US dollars (\$40,000.00) toward Phase III of Project 4806. Upon execution of this LOA, PWB will be invoiced in two increments of Twenty Thousand US dollars (\$20,000.00) with the first installment due upon execution of this LOA and the second installment of Twenty Thousand US dollars (\$20,000.00) will be addressed in an Amendment in the spring of 2020. For clarification purposes, the Signavio license for PWB will be included as a participant in the Project. In the event the funding provided by PWB for Phase III is not fully utilized, PWB will request a refund of unused funds upon completion of the Phase III or may direct the funds toward another project of their choosing.

As consideration for PWB contribution, PWB will receive updates and reports as defined in Attachment A.

Project #4806 is the WRF reference number for this joint effort. Phase III of this Project will be further detailed in Attachment A. The estimated begin date for Phase III is July 1, 2019 and the estimated date of completion for this Project is May 31, 2021.

WRF Duties. WRF has designated Fidan Karimova as Research Manager, to represent WRF in this Project. WRF will provide in-kind support in project administration including the LIFT for Management Portal.

Copyright. Because this project is both self-funded by various Parties, developed with significant in-kind support and WRF is providing in-kind support in project administration including the LIFT for Management Portal, the Parties of this project 4806 will own the intellectual property but grant WRF non-exclusive use rights. A non-exclusive right to use all reports produced by the project is granted to WRF. The Parties also grant WRF a right of use of the business processes that are posted to the portal at the time of the completion of this project. All other copyright and intellectual property ownership will be owned by the Parties and each individual Party shall retain their own intellectual property ownership rights.

Acknowledgement. WRF and PWB will be recognized as sponsors for the Project with the WRF logo present on all Project publications.

Amendments. This Agreement may not be modified or amended, nor may any term or provision be waived or discharged, including this Paragraph, except in writing, signed by WRF and the City.

Dispute Resolution/Mediation. In the event any co-funder has a disagreement with another co-funder, each agrees to submit such dispute to a mediator.

Independent Contractors. The parties are independent contractors to each other. Nothing in this Agreement shall be construed to create an agency, partnership, joint venture, employment, or franchise relationship between the parties. No party shall have any right or authority to assume or create any obligation, commitment or responsibility for or on behalf of the others except as the other may expressly authorize in writing.

Contacts. For this Project are:

Organization	Contact	Contribution
Portland Water Bureau	Douglas Stewart Title: Senior Engineer, Asset Management Phone: 503.823.6194 Email: douglas.stewart@portlandoregon.gov	\$40,000.00 USD
The Water Research Foundation (“WRF”)	Fidan Karimova Research Manager Phone: 571.384.2096 Email: fkarimova@WaterRF.org Christine Conville Contracts Manager Phone: 303.734.3424 Email: cconville@WaterRF.org	\$0.00 USD

This Agreement may be executed on separate originals or copies and shall be valid as if all parties had executed the same document. Facsimile or electronic signatures shall be valid as written signatures.

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Project 4806 (LIFT17T16)

IN WITNESS, WHEREOF, the parties have caused this LOA to be signed and dated as shown below.

The Water Research Foundation

Portland Water Bureau

By: Peter C. Grevatt, PhD
Title: Chief Executive Officer

By: Michael P. Stuhr, P.E.
Title: Administrator, Portland Water Bureau

Date: _____

Date: _____

ATTACHMENT A

Title: LIFT for Management: Developing Utility Analysis and Improvement Methodology (“UAIM”)**Phase III Deliverables and Value**

Phase III is based on several main drivers, from the perspective of participating utilities (Utility Partners):

1. The project is not intended to be an academic exercise, but rather a practical and applied research that must remain grounded in the real needs of utilities. Therefore, the project is focused on addressing the *immediate and specific business needs* of Utility Partners. Only the processes that are pertinent to, and a priority for, a Utility Partner should be modeled; i.e., a process will not be modeled and analyzed unless there is a real need and a desire by the utility to improve it.
2. A lot of work (“heavy lifting”) on this project is carried out by Utility Partners: on Phase III. They will continue to provide significant in-kind support. Leveraging the knowledge and understanding of utilities’ staff and management provides great added value to this project. The role of the Project Team (e.g., Co-PIs and subject matter experts) is to assist and facilitate the work by providing:
 - a) assistance, support, and training in standard methods for documenting (modeling) and analyzing business processes
 - b) a holistic framework for improvement that considers people, processes, and technology across different parts of the organization
 - c) coordination to facilitate collaboration among utilities
 - d) a shared knowledge base that enables utilities to easily access information related to standards, methods, case studies, and business process models.

Phase III includes two concurrent efforts: Track 1 and Track 2. Each is described in the sections below.

Track 1 Overview/Summary

On Track 1, each Utility Partner will be documenting, analyzing, and improving processes related to the specific business issues that they deem to be important for their utility. They will use common methodology (UAIM), common standard notation (BPMN), and the common knowledge base that will be housed within the LIFTLink environment and accessible through the common LIFT for Management Portal. The work will be done by the teams within the Utility Partner’s organization, aided by the LIFT for Management Project Team and possibly by a consulting partner (Consulting Partner) of their own choice. Their deliverables will be primarily focused on solving their own specific business needs.

Using conference calls, meetings, and workshops, Utility Partners will exchange information with other project participants, and post/share their models and case studies to the common knowledge base through the LIFT for Management Portal. Utility Partners will perform the work independently, however they will be using the same and consistent methodology (UAIM) and the same standard business process modeling notation (BPMN). The summary of Track 1 is provided below.

Track 1 Deliverables: Documentation, analysis and improvement of business processes

- a. Utility management information addition into LIFT Link, Web Portal training and creation of a project dictionary. This Portal will provide **better access** to the common knowledge that includes the overall Water Sector Value Model, case studies in business process modeling, analysis, and improvement, and other content posted by Utility Partners and the Project Team. Portal will also include UAIM training webinars, materials, and workshops.
- b. Enhancements and **expansions of the content** within the Portal (e.g. posting additional business process models and curating the WSVM). The curation/consolidation will increase the maturity and broaden the range of the knowledge base.

The utilities participating in Track 1 of Phase III will be engaged as follows:

- Identifying the specific business processes that are a priority for their utility, and select the appropriate and promising candidates for improvement
- Documenting the “As Is” state of their selected processes using standard business process modeling notation (BPMN)
- Analyzing the “As Is” business processes, identifying opportunities for improvement, defining the desired improvements, and documenting the improved (“To Be”) processes using BPMN
- Using Utility Analysis and Improvement Methodology (UAIM), implementing improvements to their selected specific business processes and functions (e.g. streamlining work flows, automating activities, improving decision making by improving access to information, integrating different technologies and systems, improving governance)
- Posting their business process models (both “As Is” and To Be”) to the LIFT for Management Portal
- Posting their improvement case studies to the UAIM/LIFT for Management Portal

Examples of the value that utilities will get from participating in Track1 are as follows:

- Assistance with ongoing *documentation of their business processes*
- Enforcing *standard methods and notation* for documenting their processes
- Assistance with *analysis and improvement of their business processes*
- Specific improvements to their selected business processes
- Access to business process models posted (by others) to the overall Water Sector Value Model
- Access to case studies of business process improvements posted by other Utility Partners
- Collaboration and exchange of ideas with other LIFT for Management Utility Partners

Track 2 Overview/Summary

On Track 2, Utility Partners will jointly select several processes/topics of high and common interest; they will then form different teams, each team focusing on a different business areas/topic. Each Track 2 Team will jointly and collaboratively develop and document the best practices for a selected business topic. Each Track 2 Team will use common methodology (UAIM), common standard notation, and the

common knowledge base that will be housed within the LIFTLink environment and accessible through the common LIFT for Management Portal. The work will be done by the teams that will include representatives from Utility Partners, aided by the LIFT for Management Project Team, subject matter experts, and possibly by a consulting partner (Consulting Partner). Rather than defining a solution for a specific business process for a specific utility, the deliverables will be focused on developing a more generic solution that reflects the consensus of different utilities on what best practices would look like.

The highly collaborative and interactive nature of Track 2 will demand more conference calls, meetings, and workshops. The recommended best practices will be posted to the common knowledge base through the LIFT for Management Portal. The Track 2 Teams will work independently, but again will be using the same and consistent methodology and the same standard business process modeling notation. The summary of Track 2 is provided below.

Track 2 Deliverables: Collaborative development of best practices

- a. Track 2 will produce detailed documentation describing recommended best practices for selected business processes, applied to a specific area of business. A group of Utility Partners and Consulting Partners will apply UAIM principles and tools to produce a complete and detailed set of business process models that will represent their consensus on best practices.
- b. In addition to defining best practices for selected business processes, Track 2 will also expand and enhance the documentation that describes the methodology for implementing business process improvements, including required change management actions.

Track 2 is a collaborative effort that will require more coordination and interaction between different Utility Partners. The utilities participating in Track 2 of Phase III will be engaged as follows:

- Jointly identifying a few business topics/areas that need improvement, and are high priority for the participating utilities
- Forming teams – each team will focus on one of the selected business topics/areas
- Each utility will join the team (one or more) that they are interested in focusing on
- Each team will collaborate on developing best practices for the selected business topic
- Each team will document best practices using standard notation for business process modeling
- Documentation on best practices will be posted to the UAIM/LIFT for Management Portal
- All utilities participating on Track 2 will have the opportunity to contribute to further development and enhancements of the UAIM Change Management Guidelines; the purpose of this document is to standardize processes for implementing the changes required for improving business processes and utility performance

How participating utilities will get value from Track 2 deliverables:

- Each utility will select topics/areas that they want to improve; working collaboratively with their colleagues from other utilities, and aided by subject matter experts from the

UAIM Project Team, they will both define and subsequently apply best practices to make improvements

- Through workshops and sharing among different teams, utilities will benefit from documentation of best practices that will be developed by other teams

The collaborative nature of UAIM is enabling a group of utilities and consulting partners to work together on specific and substantive improvements. The UAIM project demands such collaboration, and is structured to capture and share process knowledge, identify metrics, and implement improvements.

Schedule

The duration of the proposed effort is two years, starting in July 1, 2019. The Project will include a minimum of four workshops to be held at the Utility Management Conference and WEFTEC in 2019 and 2020 and 2021.