



[Home](#) / [Browse Council Documents](#)

664-2022

Report

Accept the Bull Run Treatment Projects 2022 Annual Report

Accepted

In fulfillment of the requirements of Resolution 37309 (Bull Run Watershed filtration plant to treat drinking water), the Portland Water Bureau (Water Bureau) hereby submits the attached annual report, which highlights the current project status of the Bull Run Treatment Projects for filtration and corrosion control.

The filtration and corrosion control projects are needed to protect public health and comply with federal drinking water regulations. The attached report demonstrates that the Water Bureau is meeting Oregon Health Authority (OHA) compliance milestones for both Improved Corrosion Control and the filtration facility.

In FY 2021-22, the Water Bureau completed construction of the Improved Corrosion Control Treatment facility ahead of the April 30, 2022, compliance deadline. Improved Corrosion Control will help further reduce the risk of lead at customers' taps. The Water Bureau also achieved significant design milestones for the planned filtration facility and related pipelines that will be key components of a more resilient water system and is on target to submit the design plans and construction schedule to OHA by the October 2022 compliance deadline.

The attached report details additional progress and notable milestones for the Bull Run Treatment Projects. This includes continued expansive and inclusive efforts on outreach, strong fiscal management and cost control efforts, emphasis on maximizing equity in contracting, and using project values to guide decisions.

The Commissioner of the Portland Water Bureau concurs with the above Report to Council and Exhibit A, and;

RECOMMENDS

That the Council accepts the Bull Run Treatment Projects 2022 Annual Report.

Introduced by

[Commissioner Mingus Mapps](#)

Bureau

[Water](#)

Contact

Jodie Inman
Chief Engineer

✉ jodie.inman@portlandoregon.gov

📞 [503-823-1289](tel:503-823-1289)

Requested Agenda Type

Time Certain

Respectfully submitted,

Commissioner Mingus Mapps

Documents and Exhibits

 [Exhibit A - Bull Run Treatment Annual Report](#) (2.78 Mb)

Impact Statement

Purpose of Proposed Legislation and Background Information

The purpose of this legislation is to allow Council the opportunity to review and accept the Bull Run Treatment Projects 2022 Annual Report to Council. This report informs Council of progress made over the 2021-22 Fiscal Year.

The Portland Water Bureau (Water Bureau) is responsible for delivering the Bull Run Treatment Projects, which include the Improved Corrosion Control Treatment (ICCT) Project and the Bull Run Filtration Project. These projects will protect public health and bring the City of Portland into compliance with federal drinking water regulations—the Lead and Copper Rule (LCR) and the Long Term 2 Enhanced Surface Water Treatment Rule (LT2). The Water Bureau has two compliance agreements with the Oregon Health Authority (OHA) that establish schedules for complying with the LCR and LT2. In April 2022, the Water Bureau successfully met the ICCT project's OHA compliance deadline. September 30, 2027 is the final compliance deadline for the Bull Run Filtration Project, which includes both the planned water filtration facility and related pipelines.

Together these projects will provide multiple benefits to the nearly 1 million people currently served by the Water Bureau, including protecting public health, improving water quality, and enhancing water system reliability. With the ICCT project now online, the Water Bureau has its strongest tool yet to improve everyone's health outcomes by further reducing potential exposure to lead in drinking water from some home and building plumbing. Additionally, once complete, the Bull Run Filtration Project will enhance resilience of the Bull Run water supply to potential water quality impacts from fires, landslides, large storms, and other potential risks.

The Annual Report to Council is one way to share progress with the community and City Council. The 2022 annual report is the 5th Annual Report to Council (the first being submitted in June 2018).

Previous key Council and government actions related to the Bull Run Treatment Projects:

- **May 2017:** OHA approved the Water Bureau's schedule to implement Improved Corrosion Control Treatment.
- **June 2017:** City Council held a work session on the variance revocation and treatment options, including comparative costs.

- **August 2017:** The Water Bureau provided additional analysis to City Council and Council approved Resolution 37309 to submit a compliance plan for design and construction of a filtration facility.
- **September 2017:** City Council authorized the design contract for the ICCT project (Ordinance 188620).
- **December 2017:** The Water Bureau signed a bilateral compliance agreement with OHA that requires the filtration facility be in operation by September 2027.
- **June 2018:** Annual Report to Council.
- **August 2018:** City Council work session on the Bull Run Treatment Projects.
- **August 2018:** City Council authorized the program management contract for the Bull Run Filtration Project (Ordinance 189147).
- **June 2019:** Annual Report to Council.
- **November 2019:** City Council approved Resolution 37460 that set priority values, expectations, and a Recommended Option to guide the design and implementation of the Bull Run Filtration Project. City Council also authorized the design contract for the filtration facility (Ordinance 189778).
- **June 2020:** Annual Report to Council.
- **July 2020:** Report to Council recommending award of a Construction Manager General Contractor (CM/GC) contract and guaranteed maximum price (GMP) for construction of the ICCT Project.
- **December 2020:** City Council authorized the design contract for the filtration pipelines (Ordinance 190242).
- **June 2021:** Annual Report to Council.
- **April 2022:** ICCT Project commissioned and brought online to improve treatment for lead on budget and on schedule.
- **July 2022:** Annual Report to Council.

Financial and Budgetary Impacts

The attached Annual Report to Council does not make any financial or budgetary changes to the projects, nor does it create, eliminate, or re-classify any positions now or in the future.

The total program funding is \$1.48 billion, which was used for the Water Infrastructure Finance and Innovation Act (WIFIA) loan and is included in the current rate forecast and projections. Information about the program

funding and projected bill impacts have been shared previously through the project website, fact sheet, stakeholder briefings, and in response to media requests.

The program funding includes:

- Final costs for the ICCT project
- Updated scope and cost estimates for the filtration facility and pipelines
- Other WIFIA-eligible costs, such as indirect and financing costs
- Contingency for cost-escalation given the uncertainty of the construction economy

The Water Bureau recognizes the risk the extremely dynamic construction economy poses to the project budget and is taking proactive risk management steps. This includes cost-control actions highlighted in the annual report that aim to balance water rate affordability with project water quality and resilience goals.

Securing the very low-interest rate WIFIA loan is another key step the Water Bureau has taken to maintain water rate affordability while making these important long-term investments in the future of the Bull Run water system.

Community Impacts and Community Involvement

There are no new impacts to the community. The annual report provides updates on the continued community outreach and involvement over the fiscal year.

Since 2017, the Water Bureau has been working to keep the community informed and involved using multiple communication tools, including monthly e-newsletters, sharing project information in bill inserts and the water quality report, and sharing project videos through the Water Bureau's social media platforms. This fiscal year, the Water Bureau facilitated four customer focus groups to gather a cross-section of views about the Bull Run Treatment Projects, including input on water quality and water rate affordability from customers eligible for financial assistance. The Water Bureau also partnered with Community Engagement Liaisons representing nine diverse Portland communities to help make project outreach materials more inclusive and raise awareness of these significant investments in the future of the water system.

The Water Bureau is considering the full spectrum of impacts to neighbors, indigenous peoples, underrepresented communities, low-income customers, and ratepayers.

100% Renewable Goal

Accepting the annual report neither increases or decreases the City's total energy use, nor does it increase or decrease the City's renewable energy use.

These projects will construct new infrastructure (versus replace existing) and therefore are anticipated to increase the City's total energy usage. However, the project team continues to make recommendations that reflect City goals to reduce energy needs and optimize efficiencies when possible, such as designing the filtration facility and pipelines to continue gravity operations.

Project staff are working within several sustainability-oriented frameworks including the Green Building Policy, LEED, Envision, and with Energy Trust of Oregon to reduce energy needs and consider greener energy alternatives. Both holistic sustainability opportunities and specific design and operational opportunities have been considered with the goal of improving human well-being, encouraging collaboration and planning, reducing environmental impacts.

Agenda Items

664 Time Certain in [July 27-28, 2022 Council Agenda](#)

Accepted

Motion to accept the report: Moved by Mapps and seconded by Rubio.

Commissioner Jo Ann Hardesty Absent

Commissioner Mingus Mapps Yea

Commissioner Carmen Rubio Yea

Commissioner Dan Ryan Yea

Mayor Ted Wheeler Absent