

IMPACT STATEMENT

Legislation title: Authorize a contract with Kennedy Jenks Consultants, Inc for the Columbia Boulevard Wastewater Treatment Plant Pipe Condition and Risk Assessment Program for a total not-to-exceed amount of \$2,500,000 (Ordinance; authorize Contract No. 30007311)

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Purpose of proposed legislation and background information:

BES owns and operates Columbia Boulevard Wastewater Treatment Plant (CBWTP) as part of a collection and treatment system that serves over 600,000 residential and commercial customers. The plant operates twenty-four hours a day, year-round, to manage, monitor and adjust the treatment processes for an average of 69 MGD of dry weather flow and up to 450 MGD of wet weather flow. It was first constructed in 1952 and expanded in later years as the need for the wastewater treatment grew proportionally to the needs of the City of Portland.

The treatment plants' and pump stations' condition assessment program, called CAP, has developed a two-way asset condition assessment communication conduit. The program takes a comprehensive and proactive approach to condition communication that leads to defining the degree and pace of reinvestment required to meet and sustain optimal levels of service at an acceptable risk.

One of the biggest and most critical asset classes at the CBWTP is the process pipes and plant plumbing systems that connect different process areas of the plant. Many of these systems are original to the plant's construction while others are approaching more than twenty years old and have not been inspected internally during their lifetime or assessed for condition and remaining useful life. This unknown status and potential consequence of failure makes the life expectancy assessment of this asset class a high priority. The plant has experienced an increase in pipe breaks causing process areas to be taken down, creating a large impact on plant operations and risk to the customers. Due to the specialized nature of the assessment programs, and inspection tools required for pipe inspections, BES requires external consultants to provide these services and required level of expertise. The CAP is looking to partner with a consultant, Kennedy Jenks, to assess these assets and identify current business risk exposure to enable sustainable long-term replacement or rehabilitation strategy.

Financial and budgetary impacts:

There will be no long-term financial impact for the City in terms of ongoing debt payments, purchases of property that require ongoing maintenance, operation or rectification of labor contracts. This project will help BES identify the current physical condition of the piping systems at the CBWTP. The condition information provided by this project will enable refinement of the existing maintenance and replacement strategies to enable cost effective

risk mitigation and sustainable planning. This project has sufficient operating budget allocated to it over the next 5 years and there are no further actions required to amend the existing BES budget. Appropriate funding resides in ESWW000027 521000. The Confidence Level Rating for this PTE project is high.

There are no changes in current and future revenues or current and future staffing levels that would result from this project. This legislation will result in a new PTE contract with the consultant, Kennedy Jenks, to complete the work described herein.

Community impacts and community involvement:

The piping systems condition assessment project will bring positive impact to our community, our ratepayers and to all businesses that depend on the services provided by the BES wastewater group. This project will enable the Operations and Maintenance Group to gain better piping asset knowledge, such as physical location and the existing condition, and to make sustainable replacement decisions while minimizing the likelihood of unexpected and costly failures and repairs. This project will develop a clear understanding of what piping inventory BES owns at CBWTP, what the required performance levels are, what condition the piping system is in and what the likelihood and consequence of failure are. This enables improved efficiency and effectiveness of not only capital investment strategies, but also immediate operation and maintenance practices. The bureau will be able to use the information provided by this project to develop strategic long-term investment planning for the piping systems as well as implement short-term repairs to ensure that the targeted performance goals are met today and in the future.

This project will also enable the bureau to obtain valuable data that will enable rate funding submissions to be more transparent, increasing our ability to strategically plan projects and associated costs thereby reducing reactive emergency costs. Piping condition assessment information will also enable clear understanding of the likelihood of failure that enables the bureau to effectively manage business risk exposure and demonstrate social responsibility to our community.

100% Renewable Goal:

This project will not contribute to the City goal of meeting 100 percent of community-wide energy goals. This section is not applicable to this project.

Budgetary Impact Worksheet

Does this action change appropriations?

☐ **YES:** Please complete the information below.

☒ **NO:** Skip this section

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount