

Our Future Water Supply

Tualatin Valley Water District (TVWD) and the City of Hillsboro, collectively referred to as the Partners, have identified the Willamette Water Supply System as the best option for future delivery of drinking water to their service areas in Washington County. Development of the Willamette Water Supply System is being led by the Partners. Other water providers in the region are also looking at their options for future participation. The mid-Willamette River at Wilsonville will be the new water supply source for the Willamette Water Supply System. Although current demands are met through other sources, the addition of a new source will provide improved water supply reliability and system resiliency. Developing an additional water supply through a partnership supports the region's plans for responsible growth within the urban growth boundary.

Willamette Water Supply

Monthly Progress Report

Our Reliable Water

Month End October 2018

124th Avenue Partnership Project Ribbon Cutting



Ribbon cutting ceremony for 124th Avenue Partnership Project

On October 30, a grand opening celebration was held to commemorate completion of the 124th Avenue Partnership Project, a 2.7-mile pipeline and new roadway project located in

Washington County from Day Rd. to Tualatin-Sherwood Rd. The ceremony took place on the south side of Tualatin-Sherwood Rd. and SW 124th Ave. Speakers included Washington County Commissioner Roy Rogers, District 3; County Chair Andy Duyck; and Bernice Bagnall, President of the Tualatin Valley Water District Board. The 124th Avenue roadway is scheduled to open to the public in January 2019.

The 124th Avenue Project is Willamette Water Supply Program's (WWSP's) third and longest section of water pipeline constructed to date. The partnership between Washington County and WWSP reduced construction impacts to the community and environment, as well as the overall construction cost.

Cost-Saving Opportunity for WWSP

TVWD and the City of Hillsboro identified a unique cost-saving opportunity to finance a portion of the Program through the US Environmental Protection Agency (EPA) Water Infrastructure Finance and Innovation Act (WIFIA). According to the EPA's website, WIFIA "accelerates investment in our nation's water infrastructure by providing long-term, low-cost supplemental loans for regionally and nationally significant projects."

WIFIA funds provide flexible loan terms that include lower interest rates and fees, a 35-year payback period, a longer interest-only period, and funds available for managing changes, rather than traditional borrowing methods (e.g., bonds). The WWSP is more than qualified to take advantage of WIFIA funding, as a portion of the system is already under construction—it is practical from every perspective; technically, financially, environmentally, and socially. WIFIA funding will:

- Lessen the cost to rate-payers through overall savings.
- Provide financial flexibility for scheduling projects.
- Enable projects to move forward when there are near-term, cost-saving opportunities available.

In 2018, 62 projects were submitted for the \$5.5 billion available in loans; only two were Oregon projects. A WWSP WIFIA letter of interest was submitted on July 30, 2018. The EPA announced on November 1 that the WWSP was selected as being eligible for up to \$617 million in federal financing support under WIFIA (see: <https://www.epa.gov/wifia/wifia-selected-projects>). WIFIA funding will result in saving TVWD and Hillsboro rate-payers \$383 million.



Procurement & Business Opportunities

WWSP staff are preparing for several upcoming professional services and construction contractor procurements. Listed below are active procurements and upcoming events and procurements. Procurement opportunities are also published at <http://www.ourreliablewater.org/business-opportunities>.

Active Procurements

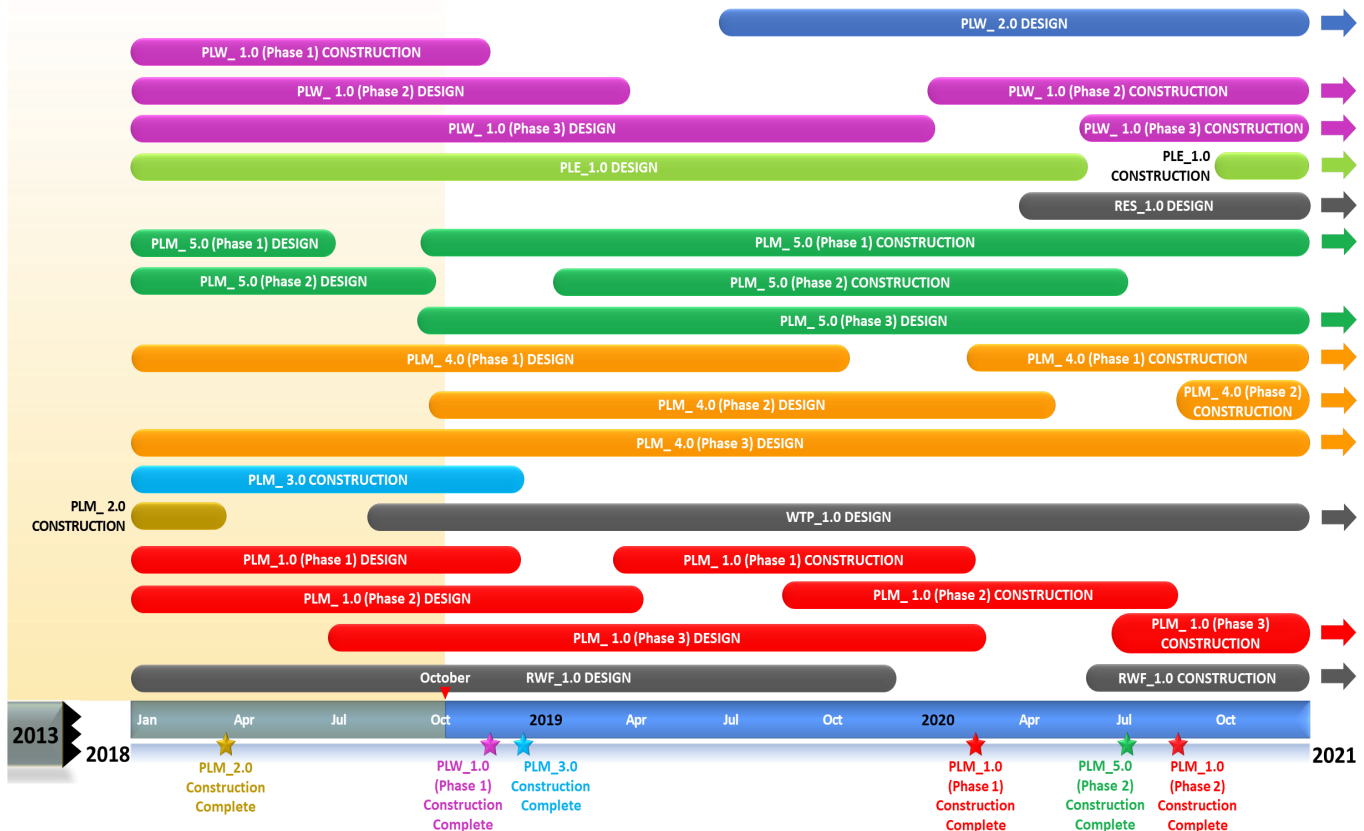
- No active procurements

Upcoming Events and Procurements

- Scholls Area Pipeline Project (PLM_5.2) Construction Invitation to Bid (ITB) (Quarter 4, 2018)
- Wilsonville Area Pipeline Project (PLM_1.1) Construction ITB (Quarter 1, 2019)

Schedule Summary

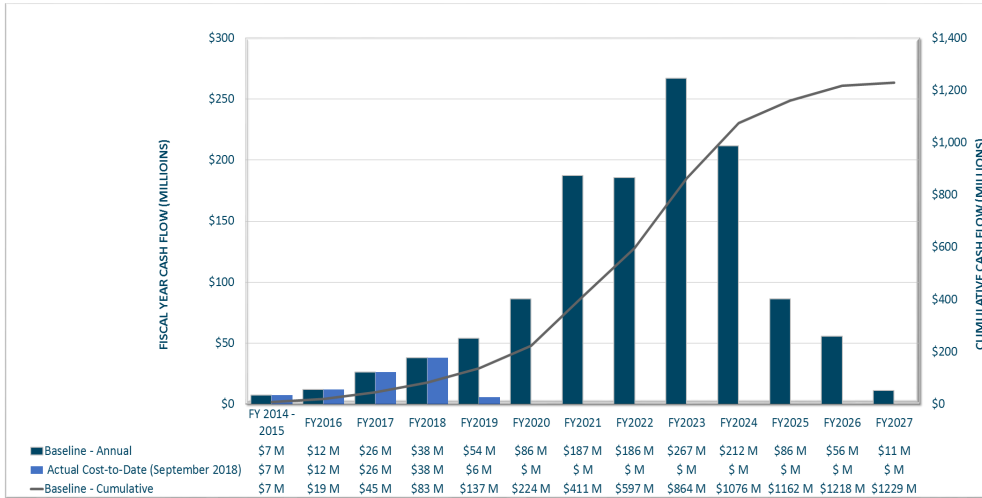
WWSP design and planning began in 2013; the Willamette Water Supply System is expected to be in service by July 2026. Below are the major milestones and activities forecasted from 2018 to 2021*. The WWSP team is committed to on-time delivery. See page 4 for descriptions of the projects referenced below.



*The actual order and duration of projects continues to be refined and is subject to change.

Forecast Cost Summary

The graph below illustrates the projected WWSP cash flow by fiscal year (FY July 1 to June 30)*. The cumulative cash flow establishes the budgeted \$1.2 billion, which accounts for actual and current projected costs, including projected escalation in the cost of labor, materials, and equipment required to build WWSP projects.



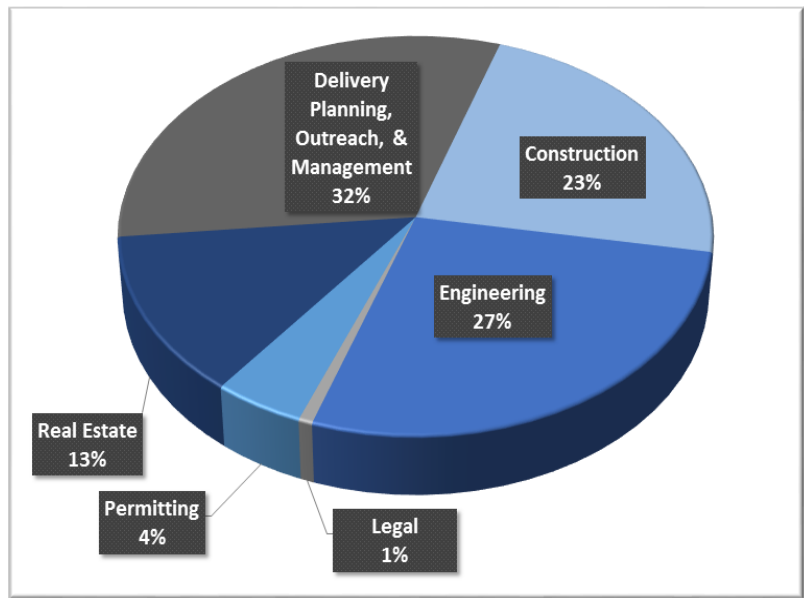
Costs for FY 2019 are \$6 million. Cumulative costs are projected to be \$137 million through the end of FY 2019.

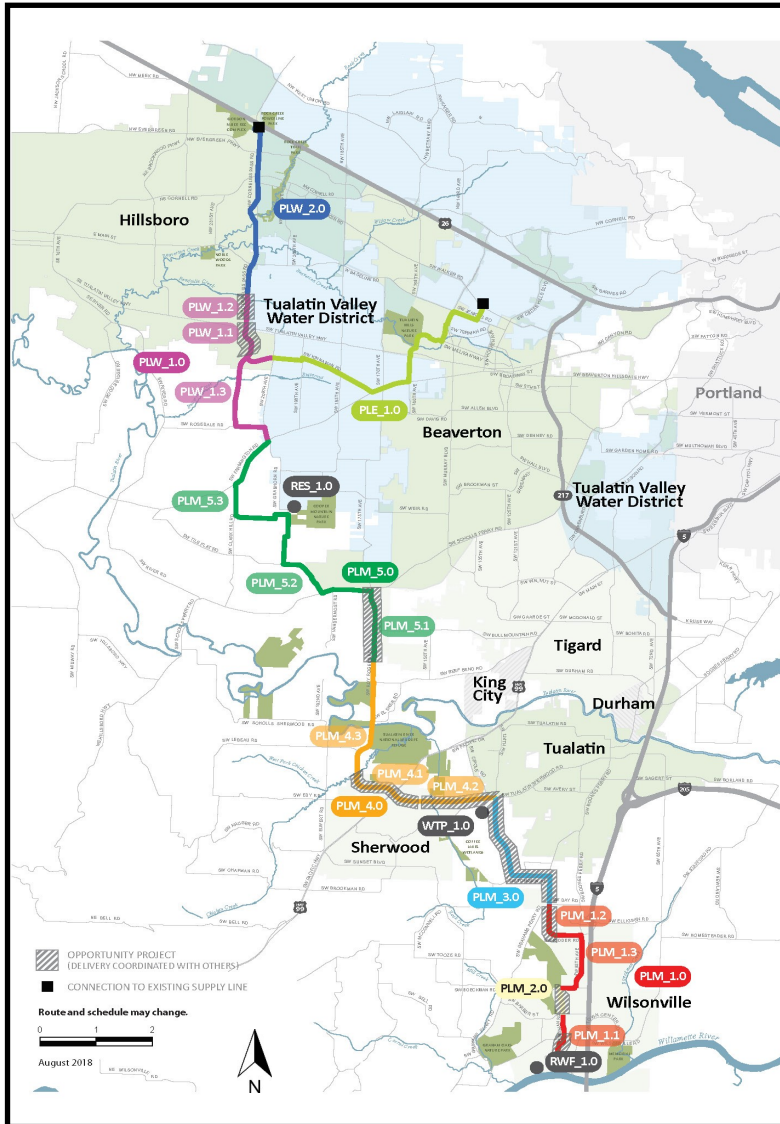
**Data continues to be refined and is subject to change.*

Cumulative Cost Summary

WWSP cumulative costs are tracked and updated monthly. The chart below summarizes the distribution of cumulative costs through September 2018.

Cumulative Water Supply Program costs to date are approximately \$89 million, with the majority spent on planning, engineering, construction, and real estate activities.





WTP_1.0 Willamette Water Supply System Water Treatment Plant
(Water Treatment Plant (WTP))

FPS_1.0 *Description:* 60-million gallon per day water treatment plant (WTP_1.0), including a finished water pump station (FPS_1.0) and a control system (DCS_1.0) located near Sherwood.

DCS_1.0 *Status:* Planning Phase (WTP/FPS Design Start: 08/2018)
Planning Phase (DCS Design Start: 10/2018)

RWF_1.0 Raw Water Facilities Expansion
(Raw Water Facilities (RWF) Expansion)

Description: Expansion of the existing raw water pump station and intake infrastructure at the Willamette River WTP (WRWTP) in Wilsonville to 60 million gallons per day of initial capacity for the Willamette Water Supply System.

Status: Design Phase (Construction Start: 06/2020)

For more information about the WWSP, visit www.ourreliablewater.org or call 503.941.4570.

PLW_2.0 Cornelius Pass Pipeline Project
(Frances Road to Highway 26)

Description: 3.4-mile water pipeline along Cornelius Pass Rd. from Frances Rd. to Hwy 26; connects to existing supply lines for City of Hillsboro and TVWD.

Status: Planning Phase (Design Start: 07/2019)

PLW_1.0 South Hillsboro Area Pipeline Project
(Farmington Road to Frances Road)

Description: 3.9-mile water pipeline from SW Farmington Rd. at SW 209th Ave. to Cornelius Pass Rd. at Frances Rd.; also east on Kinnaman Rd. between Cornelius Pass Rd. and SW 209th Ave.

Status: Construction Phases (Phase 1 Construction Complete: 11/2018; Phase 2 Construction Start: 01/2020)

PLE_1.0 Beaverton Area Pipeline Project
(SW 209th Avenue to Walker Road)

Description: 5.5-mile water pipeline from SW 209th Ave. at Kinnaman Rd. to SW Cedar Hills Blvd.; connects to existing TVWD system.

Status: Design Phase (Construction Start: 10/2020)

RES_1.0 South Beaverton Area Water Storage Tanks (Storage Tanks)

Description: Two 15-million gallon storage tanks located on Cooper Mountain.

Status: Planning Phase (Design Start: 04/2020)

PLM_5.0 Scholls Area Pipeline Project
(North of Beef Bend Road to Farmington Road)

Description: 7.2 mile water pipeline from SW Roy Rogers Rd. 0.5-mile north of SW Beef Bend Rd. to SW Farmington Rd. at SW 209th Ave.

Status: Construction Phase (Phase 1 Construction Start: 09/2018; Phase 2 Construction Start: 01/2019)

PLM_4.0 Tualatin-Sherwood Area Pipeline Project
(SW 124th Avenue to north of Beef Bend Road)

Description: 5.3-mile water pipeline from 124th Ave. at SW Tualatin Sherwood Rd. along SW Roy Rogers Rd. to 0.5 miles north of SW Beef Bend Rd.

Status: Design Phase (Phase 1 Construction Start: 02/2020)

PLM_3.0 124th Avenue Partnership Project
(SW 124th Avenue Extension)

Description: 2.7-mile water pipeline from Grahams Ferry Rd. at Day Rd. to 124th Ave. at SW Tualatin Sherwood Rd.

Status: Construction Phase (Complete: 12/2018)

PLM_2.0 Kinsman Road Partnership Project
(Kinsman Road Extension)

Description: 0.5-mile water pipeline along Kinsman Rd. between Barber St. and Boeckman Rd.

Status: Complete

PLM_1.0 Wilsonville Area Pipeline Project
(WRWTP to Day Road)

Description: 3.0-mile water pipeline from WRWTP to the intersection of SW Garden Acres Rd. at Day Rd.

Status: Design Phase (Phase 1 Construction Start: 03/2019)