



TO: Commissioners Brown, Carlson, Mital, Simpson and Helgeson
FROM: Frank Lawson, General Manager
DATE: August 7, 2018
SUBJECT: Items From General Manager/Board Follow-Up/Status Report
TOPICS: Testing for Pesticide/Herbicide in EWEB's Raw Water (DAMEWOOD)*
Development in Un-annexed Areas of Eugene (DAMEWOOD)*
Contract Lab Services for Other Utilities (DAMEWOOD)*
Timing of Limited Income Crisis Funding (LAWSON)*
Deposits on Limited Income Customer Accounts (FAHEY)*
Regional Collaboration for Carbon Reduction (LAWSON)*
Pacific Excavation/Replacement of Golden Gardens Water Main (DAMEWOOD)*
* Board Meeting Follow-Up

Commissioners, the following are responses and updates to issues discussed during past Board meetings, along with follow up on issues presented in previous reports. Since our last meeting, I have had the following noteworthy external meetings relative to EWEB business.

City Manager; Jon Ruiz	Misc. Topics, incl. potential joint EWEB/Council Meeting
Fmr. City Attorney; Glenn Klein	Park Property
Eugene 350; Jim Neu	Climate Change
Our Children's Trust; Matt McCrae	Climate Change
California Independent System Operator (CAISO); PNW Hydro, CA Legislation Impact	
Lane Human Services Division; Mary Ellen Bennett, Steve Manela	

Testing for Pesticides/Herbicides in EWEB's Raw Water (DAMEWOOD)*

Several people have testified that EWEB needs to test our source water.

EWEB staff have been testing urban stormwater outfalls, creeks/tributaries, and the McKenzie River for hundreds of different pesticides and their degradation products since 2001. Pesticide sampling has mainly focused on sampling during major storm events in the spring (to capture herbicide applications during active weed growth) and in the fall (first major flush after long dry season). Storm events are intentionally targeted as worst case scenarios to determine peak contaminant concentrations in source waters.

Over the last 17 years, analytical results have shown that pesticides are present in the McKenzie Watershed at low levels during these major storm events. It should be noted that the vast majority of these pesticide detections are in tributaries and urban stormwater channels and not in the main stem McKenzie River. In fact, urban sites accounted for the largest number of pesticides occurrences and the highest concentrations overall. By contrast, the McKenzie River itself has had only 3 confirmed pesticide

detections (atrazine, diazinon, and sulfometuron) above laboratory detection limits since 2001 when sampling began. No pesticides have been detected in EWEB's treated drinking water.

It is important to continue monitoring for pesticides to make sure the presence of these compounds in the McKenzie River remains infrequent and at low concentrations. EWEB's Drinking Water Source Protection program is focused on reducing pesticides found in the tributaries and urban stormwater channels.

Development in Un-annexed Areas of Eugene (DAMEWOOD)*

Commissioners expressed concern about the impact of un-annexed areas on EWEB.

The industrial triangle north of Beltline, West of Prairie Rd, and East of Hwy 99 was part of the now dissolved Bethel Water District, see the attached map. As such, our Customer Services Policies and Procedures allow us to serve lots that were in a dissolved water district. EWEB has ample water capacity in this area to serve the new development.

Service to this area will be provided in accordance with EWEB's existing development policies and procedures. Developers will be responsible for complying with the usual "to and through" policy and paying all normal charges related to the development. EWEB will contribute to size mains appropriately if those main sizes are above and beyond the developer's needs. SDC funds would be available in most cases to upsize mains for capacity purposes

Contract Lab Services for Other Utilities (DAMEWOOD)*

As part of EWEB's WQ Lab certification with ORELAP, EWEB is identified as a non-commercial, Public Water System lab. This designation precludes us from accepting samples from other entities that could receive those services from commercially available labs. We could set up arrangements with other utilities to run samples for cyanotoxins when commercial labs cannot meet those needs. Currently, there are a couple of unknowns that prevent us from fully exploring what this could look like, which include:

- We don't know what analytical methods will be required in Oregon Health Authority's final cyanotoxin rules. We are currently operating under the temporary rules that include ELISA, but this could change.
- We don't know how commercial labs will respond to filling the analytical demand from the new rules or how the ORELAP accreditation program will roll out (and what those requirements will be).

Answering these unknowns over the next 6-8 months will determine what niche the EWEB WQ lab could fill, and if it would be feasible to charge (or recover costs) for our services. We will continue tracking the situation and exploring opportunities to assist other water utilities in a way that does not impact our core service of analyzing EWEB samples as we build these capabilities over time.

Timing of Limited Income Crisis Funding (LAWSON/GONZALEZ)

One of the advantages of more direct funding management by EWEB is that timing is more easily controlled. While it is recognized that the burden, and often struggle of customers to pay, happens throughout the year, the timing of any assistance could be aligned with periods of most significant benefit. Timing options for Customer Care payments will be discussed in the fall in conjunction with the Limited Income Program update.

Deposits on Limited Income Customer Accounts (FAHEY)

As of June, EWEB had 4,000 accounts with deposit balances, totaling approximately \$1.4 million. Approximately 8% of customers with deposits have also received some type of bill credit for limited income assistance. The data we have access to doesn't reflect the true population of limited income customers, only those that have requested and received one or more bill credits over the last year.

Regional Collaboration for Carbon Reduction (LAWSON)

Can EWEB partner with "like-minded" utilities on Carbon?

Over the past several years, EWEB has met directly with other utility groups (e.g. Oregon PUD Association, Oregon Municipal Utilities Association, etc.) as well as "like minded" utilities within the Public Generating Pool (PGP) about supporting carbon legislation in the Pacific Northwest. The E3 Study on the impacts of carbon legislation was a result of this collaboration, and has served as a data based tool for studying the effects of cap & trade, renewable standards, no gas, and the shuttering of hydro and/or nuclear resources. Most recently, we have been working with several utilities to influence the "design" of Oregon's Cap & Invest legislation (House Bill 4001 and Senate Bill 1507) that is likely to be discussed in the 2019 session.

Pacific Excavation for Replacement of Golden Gardens Street Water Main (DAMEWOOD)

Golden Gardens was the first contract after the promulgation of HB 3203, the least-cost contracting bill. EWEB contracted with Pacific Excavation to complete the replacement of approximately 1800 feet of 4-inch Asbestos Cement water main with new 8-inch Ductile Iron water main. Pacific Excavation finished construction of the water main in April; EWEB crews then followed behind and disinfected the new main and transferred existing water services to the new main in May. This project added two new fire hydrants and increased the size of the water main to provide better fire flows to the area. This project was identified as a priority based on the pipes extensive leak history and potentially high costs of continuing to repair the Asbestos Cement main. EWEB also contracted with the city of Eugene to perform street restoration during the city's street repair project resulting in significant savings on EWEB's restoration costs.

Pacific Excavation completed the work on time with less than 1% in change orders, which was for extra work EWEB requested. EWEB staff debriefed after the job and came up with ideas and strategies to improve the coordination and efficiency of work between Contractor's and EWEB's crews. EWEB's inspector notified customers of work and helped to interface with customers during the project. No complaints were received from the public on this job. Due to an increased inspection presence on this job, EWEB also was able to compile very complete and thorough construction documentation for our records. The process of contracting main replacement work out requires additional time for bidding and contracting as well as additional inspection and project management time that must be adequately accounted for during project planning. Overall, the project was successful with a high quality finished product, comparatively priced to using internal construction crews.

Golden Gardens Main Replacement Cost Summary		
	Construction By EWEB Crew Estimate	Project Actuals (99% construction)
Design and Project Management	\$14,142	\$27,890
Construction	\$308,016	\$263,682 ^a
Restoration	\$77,296 ^b	\$77,296 ^b
Inspection	\$2,748	\$12,827
Tie ins and service transfers	\$61,035 ^c	\$61,035 ^c
Total Cost	\$463,917	\$443,410^d
<i>Price per foot</i>	<i>\$273/foot</i>	<i>\$261/foot</i>

Notes:

- a. Contracted amount with Pacific Excavation plus 2.6% overhead. Includes 1% in change orders for extra work requested by EWEB.
- b. Restoration costs updated for both options based on updated cost estimate from city of Eugene. Work done under IGA.
- c. Tie-ins and service transfers updated to actual costs for both options.
- d. Total is 6% higher than preconstruction estimates due to higher than estimated project management, restoration and inspection costs.

Regards,



Frank

