**John Day Sewer Improvements – August 2023 Council Progress Report**

John Day’s Sewer Improvements Project has six primary tracks that are the focus of our efforts.

1. Section 7/Environmental Compliance
2. USDA and Other Funding Applications
3. DEQ Permitting Compliance
4. Preliminary Site Preparation for Companion Projects
5. Progressive Design/Build Procurement Document
6. Community Engagement and Outreach

This memo provides a progress summary for all six tracks August 2023. Our top priorities currently are Task 1) environmental compliance and Task 2) completing the funding application(s) and Task 4b) Purple Pipe.

**High Notes:**

* Task 1: City’s received comments on Proposed Water Quality Mitigation Monitoring Plan and Biological Assessment from USFWS & NOAA-NMFS after informal review.
* Task 2: Documents submitted to USDA for review; others being drafted
* Task 3: Recycled Water Plan Draft sent to DEQ.
* Task 4b: Purple Pipe Final Design alignment expected in October.
* Task 4c: Solar array engineering scope and contract nearing completion.

**Scopes/Contracts for Review & Approval:**

1. Mason Bruce and Girard (MB&G) Scope Amendment ($8,494)

**Documents Attached:**

1. Almost-Final Biological Assessment and Surface Water Quality Monitoring Plan – Task 1/WWTF
2. Instream Water Rights Transfer Package – Task 4b/Purple Pipe
3. HECO Preliminary Engineering Report – Task 4b/Purple Pipe
4. Draft Recycled Water Plan – Task 4b/Purple Pipe
5. CWM-H20 Monitoring Proposal – review only, does not need to be adopted at this time ($104,800)

# Section 7/Environmental Compliance (Task 1)

We submitted the Biological Assessment and Water Quality Monitoring Plan to USFWS and NOAA-NMFS in August and they replied back with a large number of comments. Stuart Myers of Mason Bruce and Girard has reviewed the comments and will be tasked with responding to them. MB&G has expended their existing scope and contract and needs an increase through amendment. That scope amendment draft ($8,494) is attached as Exhibit 1. This work can be paid for through the existing sewer funding.

There are three different monitoring plans as a part of the overall Water Quality Monitoring Plan – Groundwater, Surface Water, and Conservation Measures. Bob Long explained them briefly below. Bob will be providing a short PowerPoint presentation on these measures and the in-stream transfers in late-September or early-October.

* **Groundwater Monitoring Plan** – Required by the Water Pollution Control Facility Permit (WPCF).  This will replace the current monitoring of the lagoons. Monitoring under this plan will continue for the life of the plant.  The City will take this over for long-term.
* **Surface Water Monitoring Plan** – Also a requirement of the new WPCF permit. This has an approximate two-year life span and will likely terminate following one-year of new water treatment plant operations.
* **Conservation Measures Monitoring Plan (add metals and some organic contaminants)** – Is required as a response to the Federal Agencies comments on the Biological Assessment which identifies and potential harm to endangered fish. This will be formalized after the Federal Agencies USFWS & NMFS *formally* review the Biological Assessment and return their own Biological Opinion. The Biological Assessment reviews the potential environmental impact of the construction and operation of the new wastewater treatment plan.  This assessment is a requirement for receiving federal funding for the permitting and construction of the new plant. The lifespan of this monitoring plan is estimated to be three years in total, then it comes to an end.

**Additional Task Updates:**

1. 8/15: *Draft Biological Assessment* w/*Water Quality Mitigation Monitoring Plan* submitted to USFWS & NOAA-NMFS.
2. 8/25: NOAA-NMFS provides review comments on the *Biological Assessment*.
3. 8/28: USFWS provides review comments on the *Water Quality Monitoring Plan*.
4. 9/5: CwM-H20 provided a scope of work proposal for implementing the Monitoring Plan and conducting the first year of monitoring. It will cost $104,800 for one year of monitoring, plus the cost of drilling the test wells (another $20-30,000).
   1. Should try to start monitoring in late-Q1 or early-Q2, 2024. Some monitoring needs to be done before the design team starts. Design team will want data from these efforts when they start.
   2. Monitoring general lifespan: 1 year before, 2 years after construction.
   3. City Staff *can* be trained to take samples and implement the monitoring plan, but if the City is not capable of the complex testing then CwM-H20 can continue it. Monitoring costs alone are about $75,000 annually.
   4. A well driller will be hired separately from this scope of work and the City will need to pay them separately.
   5. Recommendation: put on agenda to approve it during Council meeting that will feature Bob Long’s presentation on the Monitoring Plan & In-Stream transfers.

**Council Actions Requested:**

* Approve Mason, Bruce & Girard scope amendment. High priority. $8,494
* Discuss the CwM-H20 monitoring plan, associated costs, and expectations for the City moving forward. (Document #E)

**Status**:

* MB&G waiting for their scope amendment to reply to NOAA-NMFS/USFWS. There has been a preliminary conversation.
* Within 4 months of the submission of the *final* Biological Assessment to USFWS/NOAA-NMFS under a Formal Consultation, a Biological Opinion will be issued. The 8/15 submission is *not* the final or formal consultation, but should be the final round of *comments*.
* After the final B.O. from USFWS + NOAA-NMFS, USDA will finalize the Environmental Report and publish it.

# 2. USDA and Other Funding Applications (Task 2)

USDA has changed staff and LaDonn McElligott is no longer the grant officer – she has been replaced with Kimberly Young.

**Additional Task Updates:**

1. Council directed Ducote to draft the Risk and Resilience Assessment / Emergency Response Plan (August 2023), work has begun, maybe a 50% draft completed. Will attempt to have it done by mid-October.
2. City Staff filled out Guide 6 – split connections between John Day and Canyon City. Submitted to USDA for review. USDA says they will review in early-September.
3. USDA needs a Short-Lived Asset inventory. Casey is working on putting it together.

**Status**:

* City Staff working with Ducote and USDA on remaining documents.
* New USDA staffer assigned to the project on the funding side of things.
* Cannot proceed to commitment of funds until the USDA Environmental is completed.

# DEQ Permitting (Task 3)

The Department of Environmental Quality (DEQ) issued a new wastewater pollution control facility (WPCF) permit effective on May 1, 2022 (Permit Number: 103281; File Number: 127619). The permit is good for ten years and expires December 31, 2032.

The City is also required to submit a Recycled Water Use Plan meeting the requirements in OAR 340-055-0025 for Schedule D. The City must submit this plan or any significant modifications to DEQ for review and approval with sufficient time to clear DEQ review and a public notice period before distributing recycled water. You are prohibited from distributing recycled water prior to receipt of written approval of the City’s Recycled Water Use Plan from DEQ.

**Status**:

* 8/11: HECO submitted the *Recycled Water Plan* to the City for review. Ducote has reviewed and provided comments.
* 8/25: HECO submitted the *Recycled Water Plan* to DEQ for review

# Preliminary Area Preparation for Companion Projects (Task 4)

The City has three ongoing companion projects that accompany the Wastewater Treatment Plant. They are (1) Site improvements to NW 7th Street and the former Oregon Pine/DR Johnson mill site to make the new facility accessible; (2) Design and construction of the reclaimed water (purple pipe) distribution system; and (3) Design and potential construction of a solar array to power the new facility. The City also completed updates to its [DiscoverJohnDay.com website](https://www.discoverjohnday.com/grow) to promote the Project and the City’s use of reclaimed water to create a sustainable high-desert community.

## Area Improvements

Trail improvements contracted through Knife River are nearing completion with an inspection conducted. There is currently discussion on-going between Sisul and Knife River about the quantity of base rock that was installed. Once that matter is finalized, the invoice will be sent to the City. These improvements will be paid by the HB5006 DAS-8154 and Oregon Parks and Recreation Department’s Recreational Trail Program grants. 7th St. (West) contracted through Tidewater is also nearing completion.

## Purple Pipe System

The Oregon Water Resources Department (OWRD) awarded the City $2.9 million in August 2022 to design and build the purple pipe distribution system. The matching funds for this companion project are the City’s planned expenditures for the treatment plant.

**Instream Transfers**- Completing the applications and submitting them is a condition of the state funding from Oregon Water Resources Department and is tied to the water reuse projects including the construction of the purple pipe network. The water under these rights is not currently in use by the City and the City’s water demand is not sufficient to utilize these waters.  Current City water supply is in good shape with sufficient water rights to use for growth.

**Task Updates:**

* HECO sub has completed surveying of the intended purple pipe route.
* HECO submitted drafts of the preliminary engineering report (PER) and Recycled Water Use Plan (RWP) to the city and DEQ for review and comments.
* Construction Documents are being developed.

**Additional Updates:**

* HECO in discussions with the City Staff about taking on a larger role in project management on this effort. Procurement method will depend on whether the contract is over or under $100,000.
* Environmental team needs to be assembled for wetland delineation and cultural survey after the alignment is finalized.

## Solar Array

The City was awarded a design contract for $100,000 by the Oregon Department of Energy (ODE) under its Community Renewable Energy Program (CREP). The city council approved the grant agreement at its May 9 meeting. Expiration deadline – November 2023.

**Status**:

* ODE has been contacted about a contract extension.
* An engineering firm – Tetra Tech – has been selected for the Design and Preliminary Engineering.
* BLJ has nearly completed the contract document, Council has already approved it pending legal review.

# Progressive Design/Build Procurement Document (Task 5)

When the environmental review (Task 1) is published and the public comment period is completed, our Business Oregon grants and loans will “unlock” so we can begin the bidding process on an engineer and vendor. That bid process will be covered under a Progressive Design/Build solicitation unless that method fails to receive USDA approval at the National Office. Having the solicitation process begin requires both Task 1 and Task 2 outlined to be completed and finalized.

**Status**:

* Current status: No follow-up with BLJ on this document. Not a high priority item until the Biological Assessment has at least been formally submitted.

# Community Engagement and Outreach (Task 6)

**Status**:

* Canyon City rate negotiation is on-going.
* Citizen Advisory Committee has not been formed.

**Task Overview Schedule and Timeline:**

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **COMPLETED** | | | | | **ONGOING** | | | |
| **TASK** | | Preliminary Engineering Reports (1 & 3 updates) | | Grants Secured ($10.7m) | Environmental Compliance\* | | | Finalize Funding Commitments (USDA & CWSRF) |
| **Status** | | 2019 - 2022 | | 2018 -2022 | *2019 - current* | | | *2018 - current* |
| **Est Timeframe** | |  | |  | 4-7 months | | | 4-8 months\* |
| **TASKS NOT BEGUN** | | | | | | | | |
| Bid the Progressive Design/Build, PDB (Engineer + Vendor Team) | Procure an Owners Rep (City-side Engineer for QA/QC) | | Final Design & Off-Site Construction (PDB Team), City Engineer QA/QC | | | Bid Construction on the WWTF | Complete Construction on the new WWTF | |
|  |  | |  | | |  |  | |
| 2-3 months | 1-2 months | | 12 months | | | * 1. months | 12 months | |