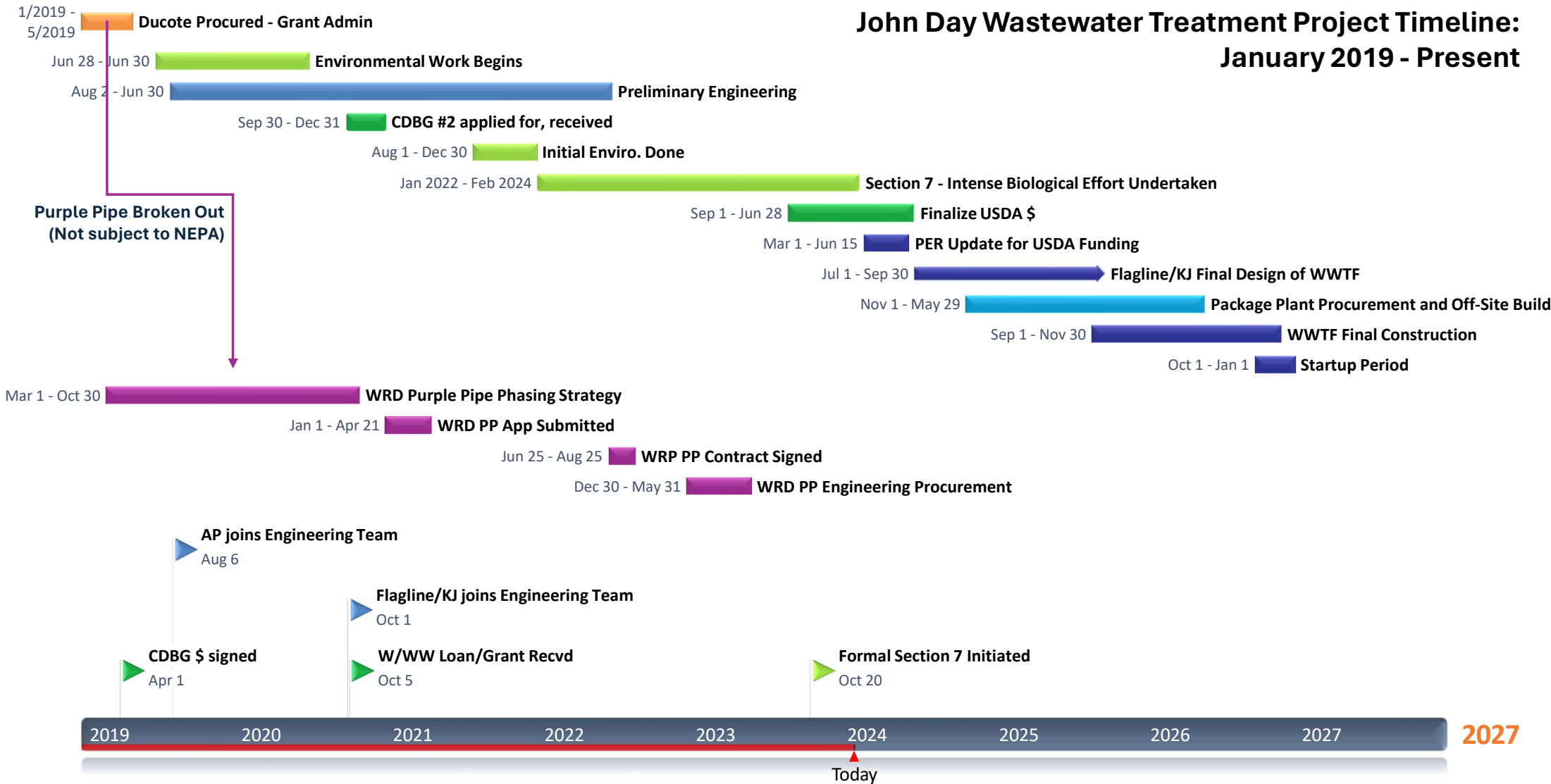


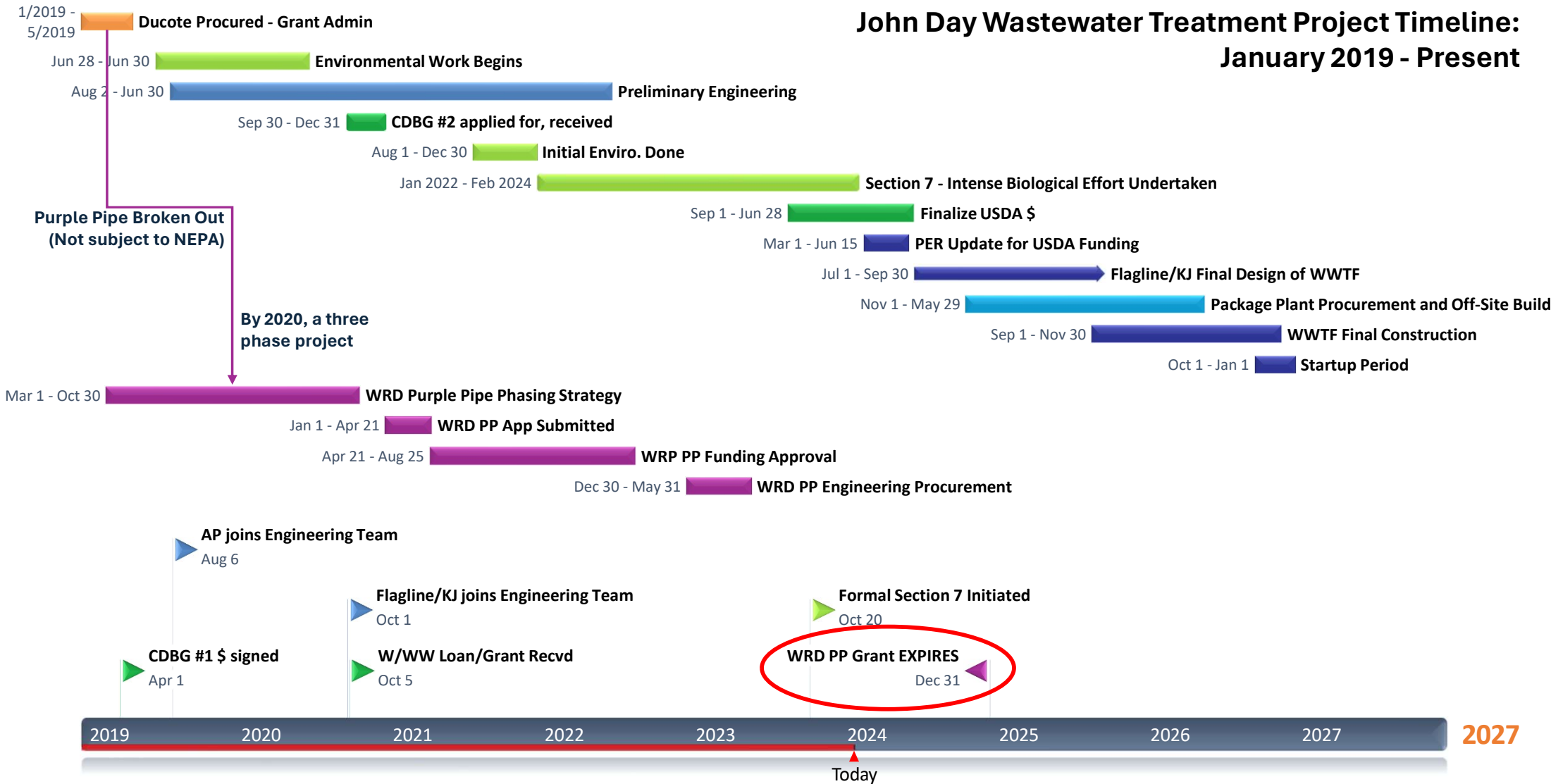
John Day Wastewater Treatment Project Timeline: January 2019 - Present



Purple Pipe Broken Out
(Not subject to NEPA)

2027

John Day Wastewater Treatment Project Timeline: January 2019 - Present



John Day Sewer & Oregon Pine Improvements January 2023 Progress Report for City Council

John Day’s Sewer Improvements Project and the Oregon Pine Companion Projects have 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. Engineering Design and Package Plant Procurement
6. Community Engagement and Outreach

This memo provides a progress summary for all six tracks over December 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: Biological Opinion from NOAA-NMFS received; USFWS BO expended in February.
- Task 2: Final Design Scope of Work will be ready at the end of this month. Final changes being made and discussed regarding design.
- Task 4b: Purple Pipe Final Design work is 100% completed and was submitted to DEQ.
- Task 4d: Tetra Tech is working on the solar feasibility study.
- Task 5: Flagline Scope of Work is being drafted internally by the engineering team for Final Design of the WWTF.
- Task 6: Rate Study will be conducted when costing information is updated.

Task %	Task
100%	WWTF Complete!
90%	Construct the WWTF
80%	Bid the WWTF Construction
70%	Package Plant Procurement
60%	Construction Funding Secured
50%	Final Design Engineering
40%	Environmental Clearance
30%	Preliminary Engineering
20%	Procuring Engineers and
10%	Securing Final Design Funding

Council Discussion – WWTP Design/Project Questions:

- A. Consolidating Buildings
 - a. Original plan: have several buildings, including a place for greenhouse and visitor’s center. That type of design will raise design and construction costs.
 - b. Suggested change: Consolidate the buildings, controls, electrical, etc. into a smaller unit, saving design and construction costs.
- B. Demolition of the old WWTP
 - a. Original plan: Demolish the old treatment plant when the new plant starts ups.
 - b. Suggested change: Wait to demolish the old plant until we receive favorable grant funding, likely 3-5+ years out.



- C. Class A/Class B Effluent – Purple Pipe Implications
 - a. USDA will not pay for Class A, they will only pay for up to Class B treatment.
 - b. Malheur Lumber will need to test the Class B effluent for biological contents prior to using it on their logs. If the Class B is not sufficient, there would need to be a \$500,000 - \$1,000,000 upgrade at the WWTP to accommodate Class A.
 - c. We do not know if USDA will allow us to use other funding to pay for the Class A upgrade or how we can integrate that funding. We have asked.
 - d. All language and permitting with DEQ from HECO has assumed Class A.
- D. Take Tank out of Purple Pipe project and put it into the WWTP project.
 - a. Original plan: RFP changed the plan from designing/building tank as a part of the WWTP to the Purple Pipe project.
 - i. Engineers believe the tank should be a part of the WWTP project because it is closely linked to the treatment plant design itself, less so than the Purple Pipe.
 - b. Suggested change: Remove the tank from the scope of the Purple Pipe project.
 - i. There is not enough funding in the Purple Pipe funding to build the tank and get the pipe to Malheur Lumber.
 - ii. This will increase the cost of the WWTP project.
- E. Clarification of the overflow – Use old lagoon or design/build new
 - a. An existing lagoons can still be used, or we can create a new one.
 - b. Cheaper option: use existing lagoon for only 2-4 wks/yr
 - c. More expensive option: make new lagoon, preserve the re-planning effort

1. SECTION 7/ENVIRONMENTAL COMPLIANCE (TASK 1)

USDA initiated Formal Consultation on the Biological Assessment for the new WWTF on October 26, 2023 with National Marine Fisheries Service (NMFS) and the US Fish and Wildlife Service (USFWS). We have received the Biological Opinion back from NMFS, but not USFWS yet.

Additional Task Updates:

- NOAA-NMFS reply received on January 23, 2024. Still waiting for USFWS.
- USDA will then have to take 1-2 months to adopt the findings and publish them for public comment.
- Ducote Consulting will also have to update the Environmental Review Report when the Biological Opinion is finally issued to reflect the document.
- Monitoring well drilling contractor has been hired by CwM-H2O and will begin drilling the test wells in early-2024.

Status:

- Formal Consultation on Biological Assessment initiated with NOAA-NMFS and USFWS in October.

2. USDA AND OTHER FUNDING APPLICATIONS (TASK 2)

The City is applying for Congressionally Directed Spending/Community Initiated Project for the wastewater treatment plant project. This funding would be earmarked for construction.

Additional Task Updates:

- There are some unknowns related to cost that Flagline and Kennedy Jenks will be resolving in the next few months, including the demolition of the old plant and the modular design of the original WWTP complex.
- Moving forward with a Design-Bid-Build approach; Flagline is drafting a Final Design scope of work.
- A preliminary application for the DEQ-Clean Water State Revolving Loan Fund was submitted on 12/6 for a total of \$4,000,000. Ideally, the package that DEQ will offer to the City would be a \$2m grant/\$2m loan combination @ 1.5-1.75% over 30 years.

Status:

- USDA funding application for \$7-10m pending, waiting for Biological Assessment and USDA funding application to be accepted.
- DEQ-CWSRF application pending for \$4m in construction funds.

3. 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.

Status:

- Purple Pipe Draft Preliminary Engineering Report and Draft Recycled Water Plan submitted to DEQ 8/25, Received RWP comments 10/27, PER comments pending.

4. 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.

a. AREA IMPROVEMENTS

7th St West Improvements

- **Project:** Construction project that extended a paved road from Patterson Ferry to south of the new WWTP location, which will serve as a part of the WWTP access.

- **Financial Status:** Work completed, invoice paid including the Change Order.
 - OPRD Funds will pay: \$64,969
 - DAS funds already in the bank will pay: \$388,510
 - City cash paying for: \$107,683 & \$5,000 of Sisul invoices
- **Project Status:** Will be closed out in Q2 2024 when the DAS-8154 report and OPRD reports are filed to report final financial information.

b. PURPLE PIPE SYSTEM

Project: To design and construct a disposal system for the new WWTP, which will convey Class A or Class B effluent to certain end users around the City.

Design Update: Construction budget came in \$1.1 over the available funding, meaning the City had to decide some portion so the intended project to remove. This resulted in cutting the pipe traveling east from this project.

Discussion Points:

- Class A/Class B discussion with Flagline.
- Move the tank portion of the Purple Pipe project into the WWTP?

Additional Updates:

- Environmental team will be assembled for wetland delineation (if needed) and cultural survey after the alignment is finalized.

c. INSTREAM WATER RIGHTS TRANSFERS

Next steps:

- Ducote and CwM-H2O need to get in writing from WRD that the transfer applications are all that is needed to meet the project requirements.

d. SOLAR ARRAY

Project Focus: Feasibility study of using a \$10-20m solar array with pipe and storage system located northeast of the City as a “battery.” The solar array would power pumps that would convey the water up a hill to a storage tank. The tank would then release water through micro-hydropower generators through a second pipe down the hill. A secondary focus is powering the normal functions of the treatment plant.

Status: Tetra Tech is working on the solar feasibility study. They are currently focused on siting analysis and coordinating with the City’s engineering teams.

Funding: 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, 2023 meeting. Expiration deadline – May 2024.

Status:

- Tetra Tech is working on the project.

5. ENGINEERING DESIGN AND PACKAGE PLANT PROCUREMENT (Task 5)

Business Oregon and USDA will allow the City to use its existing funding to proceed with Final Design Engineering. The next milestone that will require the completed environmental and USDA application will be the Package Plant Procurement, which will be handled by Flagline at the 30% point of Final Design.

Status:

- Flagline and the internal team is drafting a Scope of Work, no costs provided yet.

6. COMMUNITY ENGAGEMENT AND OUTREACH (TASK 6)

Status:

- Once there are more details on the WWTP project cost estimate, the City may undertake a Rate Study analysis to analyze variables and determine the debt service that may be associated with the planned project.
- Canyon City rate negotiation is on-going, a contract draft was sent to Canyon City and returned with revisions to John Day Staff.
- Monthly John Day Council updates are being given in written and verbal format by Ducote Consulting.

John Day Broadband Grant Updates - January 2023 Progress Report for City Council

1. BROADBAND FIBER PROJECT

Project: Designing and constructing last-mile fiber optic connections within John Day's Urban Growth Boundary.

Financial Status:

- Funded by the EDA grant. However, the EDA grant is not paying for on-going administrative, professional, engineering, and legal expenses related to progressing the project. This meant the City's General Fund was carrying this burden.
- New grant applied for: Business Oregon's Broadband Technical Assistance Program for \$65,000 of soft costs to support the last consultant tasks needed to get the fiber optic backbone project out to bid.
- The City can currently request reimbursements from EDA, however the only funds available for request are the CyberMill property acquisition funds and administrative/legal. The admin/legal funds are just over \$20,000, which will either pay for 60% of Catalyst past expenses or Ducote Consulting's on-going administrative expenses. Implications for the CyberMill discussed below.

Next Steps:

- Line up additional funding to pay for the work that still needs to be accomplished in order to get the EDA-funded construction project out to bid.

2. JD CYBERMILL PROJECT

Project: To renovate and repair 241 W. Main St in John Day's downtown for use as a Coworking Space.

Financial Status:

- Working through the last few questions with the CyberMill team to understand phasing, available funding, and strategy. Much of the discussion relates to the City's wish to maintain ownership of 241 W. Main.
- If the City uses EDA funds for reimbursement of the CyberMill purchase or for the renovation and construction activities at 241 W. Main, then there will be a 20-year EDA lien activated on the property. This lien will restrict use for 20 years and every new tenant, lease, or a sale for the 20 years would have to be approved by EDA.
- After much research in the records, we discovered a \$168,000 portion of the EDA project that was earmarked for the Phase 1 improvements at the CyberMill, although that portion is also

referred to as the participant cost share. The EDA grant application does not make it clear who was supposed to pay for that portion. There is an EDA match required, some of which is the purchase of the 241 W Main building and associated due diligence. This funding to the CyberMill is also included in the City's budget.

Project Status:

- The overall CyberMill renovation budget for the first floor is \$1.4m+ (2022 \$'s).
- The vast majority of the CyberMill's construction funding (\$750,000) will be through Congressionally Directed Spending, in a bill that has not been adopted by Congress yet.