



Eugene City Council

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AMENDED AGENDA EUGENE CITY COUNCIL

January 22, 2020

**12:00 p.m. CITY COUNCIL WORK SESSION
Harris Hall, 125 East 8th Avenue
Eugene, Oregon 97401**

**Meeting of January 22, 2020;
Her Honor Mayor Lucy Vinis Presiding**

Councilors

Emily Semple, President
Mike Clark
Chris Pryor
Betty Taylor

Jennifer Yeh, Vice President
Greg Evans
Claire Syrett
Alan Zelenka

Note: This agenda was amended to reflect the addition of Item 2.

12:00 p.m. CITY COUNCIL WORK SESSION

Mayor: *I call the January 22, 2020, work session of the Eugene City Council to order.*

- 1. WORK SESSION: Eugene Water & Electric Board Water Storage and Transmission Improvements Projects**
- 2. WORK SESSION: City Council Process Session**

Adjourn.

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EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Work Session: Eugene Water & Electric Board Water Storage and Transmission Improvements Projects

Meeting Date: January 22, 2020
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 1
Staff Contact: Sarah Medary
EWEB Staff Contact: Deborah Hart

Note: This Agenda Item Summary was provided by Eugene Water & Electric Board staff.

ISSUE STATEMENT

At this work session, EWEB staff will present information regarding Eugene Water & Electric Board's future Water Storage and Transmission Improvements Projects. The presentation will provide background information to supplement future bond authorization requests for these and other EWEB water capital improvements.

BACKGROUND

EWEB provides drinking water to approximately 186,000 customers within the city of Eugene and the unincorporated areas of Santa Clara and River Road. In addition, EWEB provides water via wholesale contracts to the Willamette Water Company and the City of Veneta.

Water from the McKenzie River is treated at the Hayden Bridge Water Filtration Plant. It is then distributed to customers through a network of large transmission pipes (24 inches in diameter and larger) and three base-level storage tanks. From these tanks, the water flows by gravity to the areas of Eugene below 500 feet and is pumped to higher elevations.

From EWEB's 2015 Water System Master Plan (Master Plan), a state-mandated document updated every 10 years, staff identified and prioritized the required improvements to EWEB's water system. The Master Plan has identified the major upgrades to its oldest and most vulnerable facilities as:

- Updating the Hayden Bridge Raw Water Intakes - completed 2017
- Updating the Hayden Bridge Filtration Plant –completed 2019
- Large transmission pipes – in progress, partially completed
- Base level storage tanks. - planned completion by 2030

With the majority of the work completed at the intakes and the filtration plant, EWEB's focus is being transitioned to the delivery infrastructure, specifically the base-level storage tanks and the transmission system. These Water Storage and Transmission Improvements must be completed (as multiple projects) over the next 10 years.

The EWEB water delivery system currently has three main water storage tanks that provide storage for the entire distribution system.

College Hill 607 (College Hill): 15 MG constructed in 1939
Hawkins Hill 607 (Hawkins): 20 MG constructed in 1961
Santa Clara 398 (Santa Clara): 20 MG constructed in 1974

Hawkins, Santa Clara, and College Hill have all reached the end of their useful lives, have significant structural issues, and are expected to be inoperable after a major earthquake event. Hydraulic issues also exist, which can result in inefficient filling and draining cycles potentially affecting the drinking water quality. In addition, the Oregon Health Authority Drinking Water Services requires EWEB to modernize or decommission College Hill by the end of 2023.

The EWEB 2015 Water System Master Planning effort, and subsequent third-party structural evaluations, have determined that replacing the large, base-level tanks with multiple smaller storage tanks at EWEB-owned sites and constructing new more robust transmission systems at strategic locations in town will be the most economic and reliable solution for the future. The planned project summary would be:

Rebuild and modernize College Hill 607 (College Hill)
Rebuild and modernize Hawkins Hill 607 (Hawkins)
Build a new reservoir at 40th : 15 million gallons of new capacity
Decommission Santa Clara 398 (Santa Clara)
Build and update the related transmission pipes to efficiently operate the new system

Each of the water storage sites will retain open and accessible spaces for the neighborhoods and will have the following benefits for EWEB's entire customer base:

Provide resilient and redundant facilities
Enhance operations
Ensure water quality
Provide the most effective and equitable use of public funds

These improvements are once-in-a-lifetime projects that will provide safe drinking water to the next generations of Eugene residents and benefit all who live, work, go to school, play, or visit Eugene.

Project Costs and Financing

Project costs for the needed Water Storage and Transmission Improvements were developed as part of the EWEB 2015 Water System Master Plan and have been refined as the projects progress. The estimated cost to complete the projects over the next 10 years is as follows:

Water Storage Tank Improvements: \$54 Million
Transmission Improvements: \$8.5 Million

The projects will be funded with bonds and the impact to rates from refunding outstanding water utility system revenue bonds along with new bond issuance this year is an overall decrease of two percent over the 10-year rate trajectory.

Triple Bottom Line – Social, Environmental, Economic Impacts

EWEB will be developing triple-bottom-line assessments for each project as detailed cost estimates are prepared, and each project is planned in more detail.

COUNCIL OPTIONS

No action is required; therefore, no options are provided.

ATTACHMENTS

None

FOR MORE INFORMATION

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