DATE: June 3, 2024

TO: Clean Water Services Advisory Commission Members
and Interested Parties

FROM: Joe Gall, Chief Utility Relations Officer

SUBJECT: **INFORMATION FOR JUNE 12, 2024, CWAC MEETING**

A Clean Water Services Advisory Commission (CWAC) meeting is scheduled for **Wednesday, June 12, 2024, at the Durham Water Resource Recovery Facility at 16060 SW 85th Avenue, Tigard, Oregon, 97224.** As part of the reuse presentation, Clean Water Services staff will lead a tour of the nearby Thomas Dairy property. The tour will be on foot and cover uneven surfaces, so please dress for the weather and wear close-toed shoes.

Commission members and members of the public can join the first portion of the meeting via Webex; however, the virtual connection will end when the tour begins.

Webex offers the option to connect to video, slides, and audio via a device with internet access, or an audio-only connection through any telephone line.

- Interested parties should register for this meeting by June 11 by following the instructions on the website.
- The meeting will begin at 6:30 p.m. Please plan to establish your connection to the meeting 10-15 minutes before the start time to allow the meeting to begin promptly.

Dinner will be served for CWAC members attending in person at 5:30 p.m. CWAC members should notify Stephanie Morrison **(morrisons@cleanwaterservices.org; 503.681.5143)** by Thursday, June 6, **if you are unable to attend or if you plan to attend via Webex** so food is not ordered for you.

The CWAC meeting packet will be emailed to Commission members and posted to the CWAC section of the Clean Water Services' website.

Enclosures in this packet include:

- June 12, 2024, agenda and other materials
- April 10, 2024, meeting summary

Clean Water Services Advisory Commission

June 12, 2024
AGENDA

6:30 p.m. **Welcome and Introductions**

6:40 p.m. **Review and Accept Summary of April 10, 2024, Meeting**

6:45 p.m. **Scoggins Dam Update**

Staff will provide an update on the Scoggins Safety of Dams project, including the anticipated timeline and identifying key issues still in progress.

- Tracy Rainey, Government Relations Manager

Requested Action: *Informational*

7:10 p.m. **Invitation for public comment**

7:15 p.m. **Announcements**

7:20 p.m. **Reuse & Tour of Thomas Dairy**

Staff will provide an overview of CWS' Reuse program and research projects and will lead a tour of a reuse pilot project by walking a short distance to CWS' Thomas Dairy property, adjacent to the Durham treatment facility and Cook Park.

- Jared Kinnear, Reuse Manager
- Scott Mansell, Principal Engineer - Research

Requested Action: *Informational*

8:30 p.m. **Adjourn**

Next meeting: **July 10, 2024**

June 12, 2024

Scoggins Dam Update

Clean Water Services Advisory Commission

Tracy Rainey, Government Relations Manager

Clean Water Services

Presentation Overview:

- Overview of Tualatin Project (Scoggins Dam/Hagg Lake)
- History of joint project
- Safety of Dams project update
- Policy and advocacy update

Project Authorization & Project Purposes

- 1966: Project initially authorized by Congress
- Authorized as the “Tualatin Project”
  - Project includes Scoggins Dam, Henry Hagg Lake, Patton Valley Pumping Plant, Spring Hill Pumping Plant, booster pumping plants, and piped lateral distribution systems
- Authorized project purposes
  - Irrigation, municipal and industrial, water quality protection, flood control, recreation, and conservation of fish and wildlife resources
- Local repayment partners (reimbursable)
  - Tualatin Valley Irrigation District
  - Cities of Beaverton, Hillsboro, and Forest Grove
  - Clean Water Services

Stored Water Uses

- Allocation of stored water (53,600 acre-feet)
  - Drinking water to over 400,000 individuals
    - Cities of Hillsboro, Forest Grove, Beaverton
    - Approximately 25% of the stored water (~13,500 acre-feet)
  - Irrigated agriculture for ~17,500 acres
    - Tualatin Valley Irrigation District
    - Approximately 50% of stored water (~27,000 acre-feet)
  - Water quality releases
    - Clean Water Services (Clean Water Act permit compliance, including thermal management)
    - Approximately 25% of the stored water (~12,500 acre-feet)
- Additional benefits
  - Flood control for upper basin (50-year storm event)
  - Supports more than 280,000 jobs

Expansion History

2001-2008

Additional water supply studies and feasibility work

- **2001-2004:** Water supply feasibility study
- **2004:** Congressional authorization for Tualatin Basin Water Supply Project

2008-2012

Bureau of Reclamation
Seismic evaluation, draft Environmental Impact Statement (EIS) for expanded storage options

- **2008:** Evaluate seismic risks
- **2009:** Draft EIS for additional water supply options
- **2012:** Complete corrective action study
  - Scoggins identified as among the most seismically threatened dams
  - Shifted project into Safety of Dams program

2013-2020

Joint Project authorization, feasibility

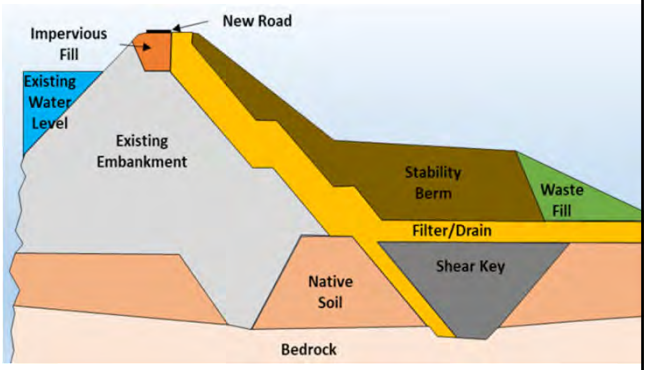
- **2015:** Tualatin Joint Project partnership – congressional authorization
  - Seismic + expanding storage
- **2020:** Joint Project feasibility design
  - Options
    - Seismic only
    - Raise dam
    - Downstream dam

2021: CWS Decides to Forgo Additional Storage

- Public safety, protecting region's primary water supply
- Cost
  - $750 million for dam safety only (85% federal/15% local)
  - Over $1 billion for expanded storage options (CWS cost share = amount beyond dam safety modifications)
- Infrastructure Investment & Jobs Act (2021)
  - Accelerated timeline for dam safety projects
- Thermal modeling
  - Additional stored water alone – not enough for thermal compliance
  - Focus on reuse, shading, optimizing operations, etc.

Project Status

- Project is now a federal project
  - CWS and other repayment partners are "cooperating agencies"
  - Shift in public engagement (Bureau of Reclamation leads)
- Cost update
  - 2024: Updated project cost ($900 million for SOD project)
- Construction timeline
  - 2024: Environmental Impact Statement
  - 2027-28: Final project design estimated to be complete
  - 2029: Start construction
  - 2035: Construction estimated to be complete



usbr.gov/pn/programs/sod/scoggins

Project Status (cont.)

- EIS progress: 2022-2024
  - Environmental compliance completed
  - Environmental studies conducted onsite. Design is developing options for increasing the berm stability and stronger spillway
  - Borrow-area site selection and haul road development – these activities will be visible and potentially disruptive
  - Project "Notice of Intent" published in Federal Register Public scoping meetings
- Updates to economic benefit and repayment analysis (2024)

Economic Repayment Analysis

- Determining allocation of 15% local share among local repayment partners (“reimbursable costs”)
- Last analysis completed in 2020 (5-year shelf life)
- 15% of ~$770 million (2020 project cost estimate)
- Reimbursable costs based on net economic benefits (not quantity of water)

SOD Cost allocation by user ($M)

	Reimbursable purpose									Total
	Irrigation*			M&I**			WQC**			
	Hagg Lake releases		Repmt.	Hagg Lake releases		Repmt.	Hagg Lake releases		Repmt.	repayment
User	AF/year	% by user	by user	AF/year	% by user	by user	AF/year	% by user	by user	by user
TVID	17,332	100.0%	$24.9	912	6.3%	$2.1	0	0.0%	$0.0	**$27.0**
JWC	0	0.0%	$0.0	13,027	90.3%	$30.5	0	0.0%	$0.0	**$30.5**
LOC	0	0.0%	$0.0	485	3.4%	$1.1	0	0.0%	$0.0	**$1.1**
CWS	0	0.0%	$0.0	0	0.0%	$0.0	12,230	100.0%	$53.6	**$53.6**
Total	17,332	100.0%	$24.9	14,424	100.0%	$33.8	12,230	100.0%	$53.6	**$112.2**

Repayment Analysis Update Process

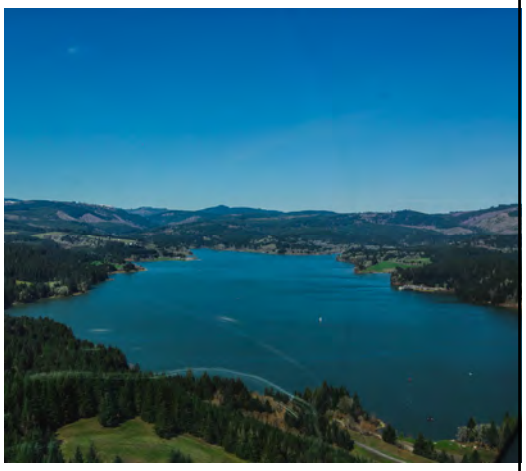
- Meeting with new economist
  - Fall 2023, winter 2024
- Separating fish and wildlife benefits from water quality benefits
  - Fish and wildlife are a separate authorized purpose of project (non-reimbursable)
  - 2020 benefits analysis includes the following on fish and wildlife value:
    - “It is assumed that the quantifiable economic benefits associated with the fish and wildlife purpose are captured in the WQC and recreation benefits analyses sections of this study.”
- CWS interested in capturing value of benefit of flow augmentation for fish
  - Potential for federal government credit to CWS?

Advocacy Update

- Scoggins is top priority on CWS federal legislative agenda
  - Continued funding for Safety of Dams program
  - Continuing to stress importance of Scoggins as priority for region/federal delegation
  - Repayment analysis
- Coordination with local repayment partners
- Federal delegation check-ins (~ every 6 months)
  - Monitoring timeline, budget, and public outreach
- Clean Water Services' Board of Directors adopted a resolution to proclaim May 31, 2024, as Scoggins Dam Safety Awareness Day

Questions for CWAC

- What do CWAC members think about the 2020 repayment analysis (specifically, the cost share for CWS)?
- Should CWS pursue opportunities to reduce its portion of the cost share through Reclamation or our federal delegation?
  - *Note: we would strive to ensure that a reduction in our portion does not result in an increase for another local partner.*



Questions?

June 12, 2024

Reuse & Tour of Thomas Dairy

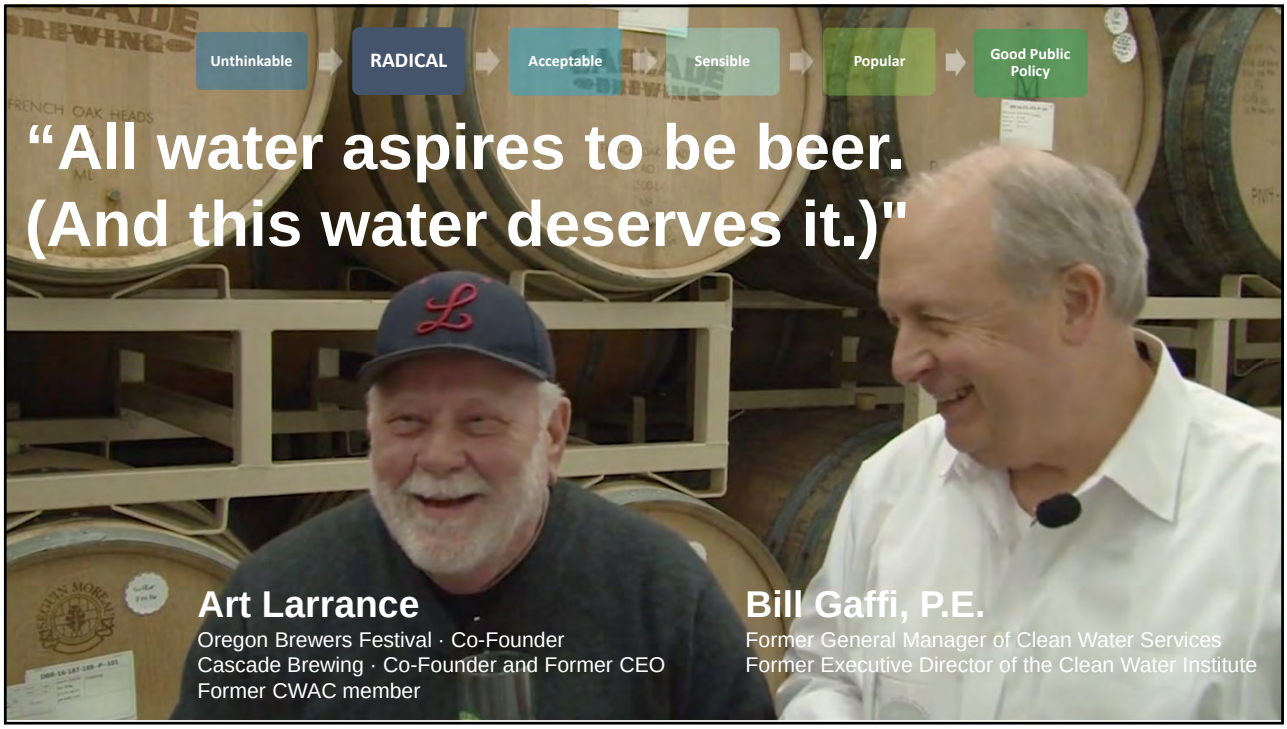
Clean Water Services Advisory Commission

Jared Kinnear, Reuse Manager & Scott Mansell, Principal Engineer - Research & Innovation

Clean Water Services

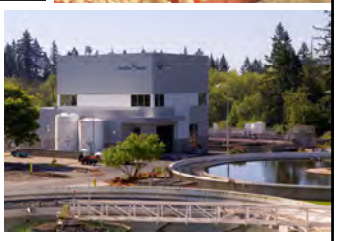
Outline

- History of reuse water at Clean Water Services
- Why reuse now?
- Innovative approaches to water quality strategy
- Research on Thomas Dairy
- Soil microbial species profiles
- Continuous soil moisture and groundwater level
- PFAS in soil and groundwater
- Tracer study
- Takeaways and next steps



How Water Reuse Began at CWS (The Why)

- 1991: Regulatory strategy, TMDL phosphorus
  - 1 MGD peak
  - Stable program for past 30 years
- 2013-2019: Pure Water Brew moves from an idea to approved for commercial use (One Water)
- 2020s: Regulatory strategy – thermal management
  - Expand program to 15 MGD
  - Environmental restoration
  - Partnership-driven
  - Diverse water management



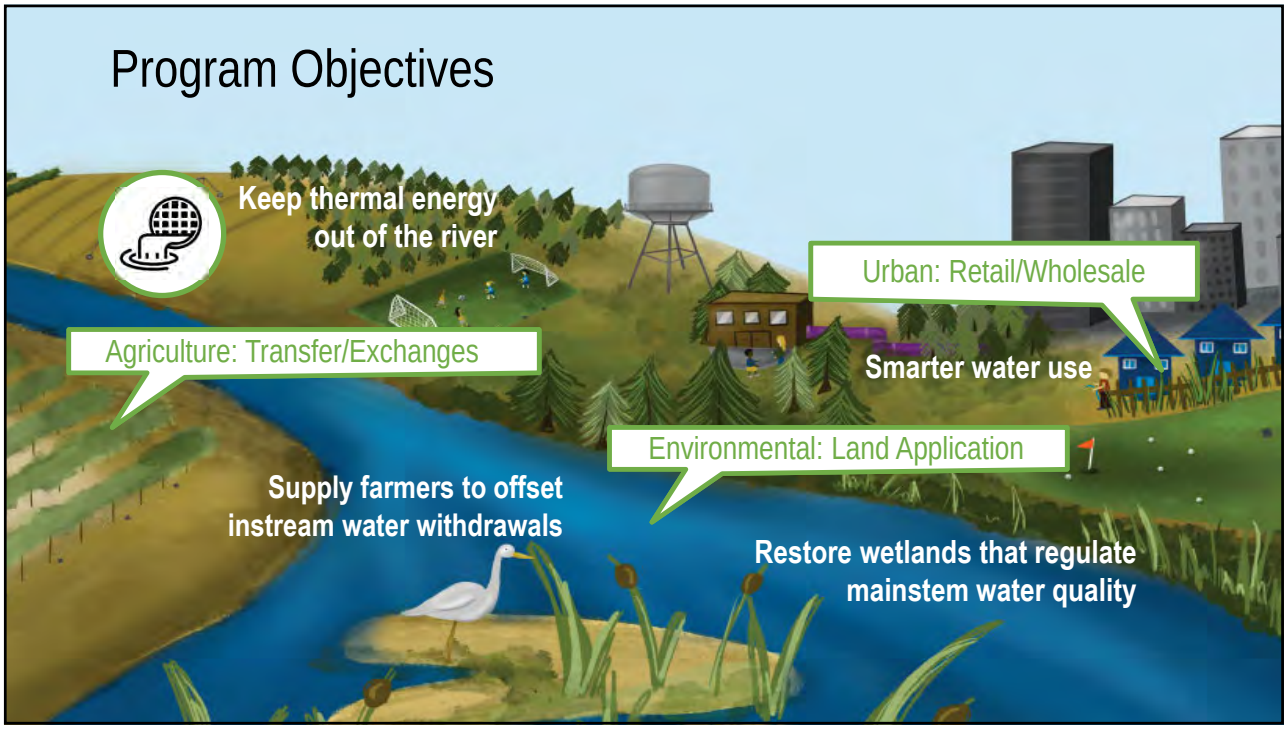
30-Year History of Reuse Water Distribution

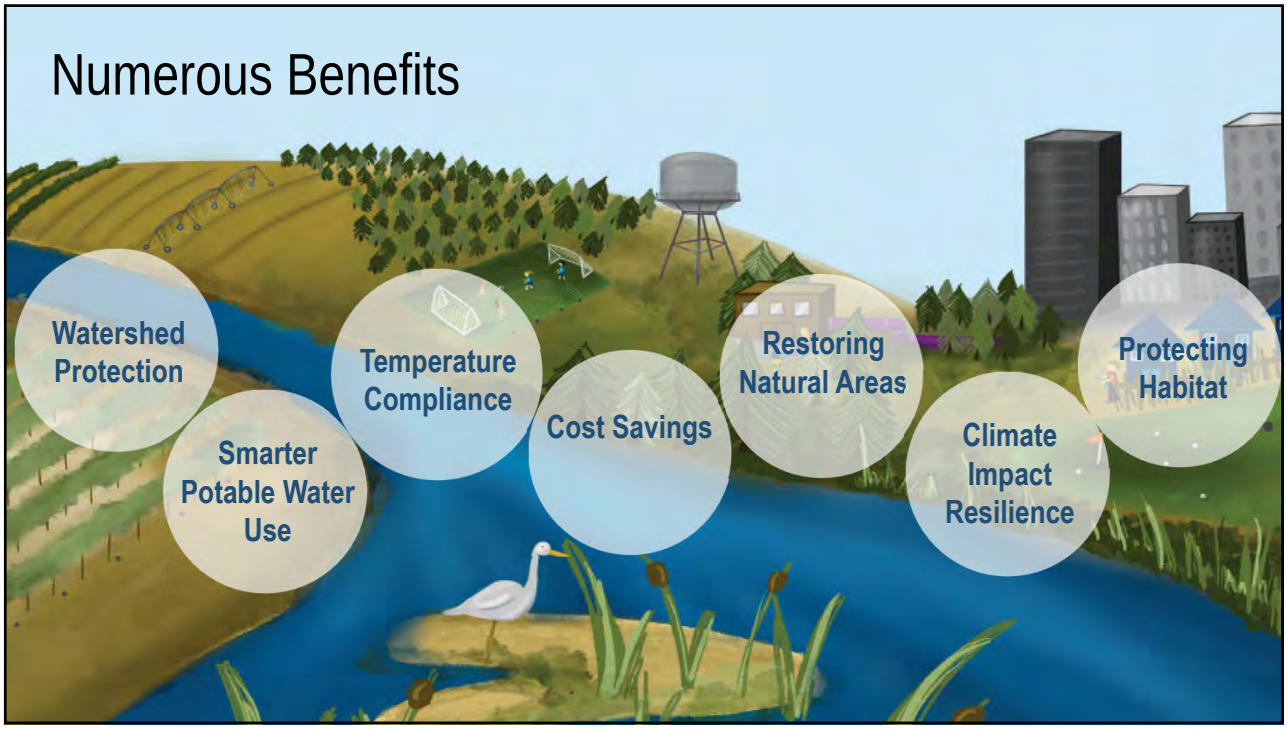
- *Class A for customers*
- *Class C for RC/HB/FG 2007-2012*
- *Class A for RC/HB/FG 2014-2015*

Year	MG	Paid	RC/HB/FG
1994	44.70	$3,576.00	0
1995	32.04	$2,563.20	0
1996	28.80	$2,304.00	0
1997	54.77	$4,381.60	0
1998	57.80	$4,624.00	0
1999	71.40	$5,712.00	0
2000	54.22	$4,337.60	0
2001	69.49	$5,559.20	0
2002	86.57	$6,925.60	0
2003	98.55	$7,884.00	0
2004	85.53	$6,842.40	0
2005	76.34	$6,107.20	0
2006	76.10	$6,088.00	0
2007	96.40	$7,712.00	5.58
2008	49.35	$3,948.00	152.42
2009	67.80	$5,424.00	13.43
2010	31.70	$2,536.00	2.28
2011	52.17	$4,173.60	4.25
2012	66.46	$5,316.80	2.60
2013	86.24	$6,899.20	0
2014	73.27	$11,243.73	13.75
2015	90.03	$24,820.15	117.60
2016	60.64	$25,356.92	0
2017	69.40	$36,967.82	0
2018	74.10	$58,843.93	0
2019	56.20	$39,897.66	0
2020	47.72	$46,738.08	0
2021	75.23	$92,350.81	0
2022	68.75	$96,426.31	0
2023	81.66	$110,483.73	0

CWS Reuse Facts

- 2023: Distributed ~82 million gallons of Class A reuse off-site (peak of 1 MGD)
  - ~12 million gallons onsite
- ~200 acres total area
- CWS largest urban producer in Oregon
- Durham Water Resource Recovery Facility producing reuse water since 1993
- Customers: golf courses, schools, wetlands, meadow, athletic field, CWS (onsite irrigation)
- Rock Creek produced reuse water 2014-2015 and 2024 ➡


Program Objectives
Keep thermal energy out of the river
Urban: Retail/Wholesale
Agriculture: Transfer/Exchanges
Smarter water use
Environmental: Land Application
Supply farmers to offset instream water withdrawals
Restore wetlands that regulate mainstem water quality


Numerous Benefits
Watershed Protection
Temperature Compliance
Restoring Natural Areas
Protecting Habitat
Smarter Potable Water Use
Cost Savings
Climate Impact Resilience

Benefits of Reuse for Wetland Restoration

- Increase diversity of wetland plant communities
- Habitat connectivity
- Increase wildlife diversity
- Carbon sequestration
- Economic activity
- Educational opportunities
- Partnerships
- Innovation
- Demand for reuse water

Hurdles to Reuse for Wetland Restoration

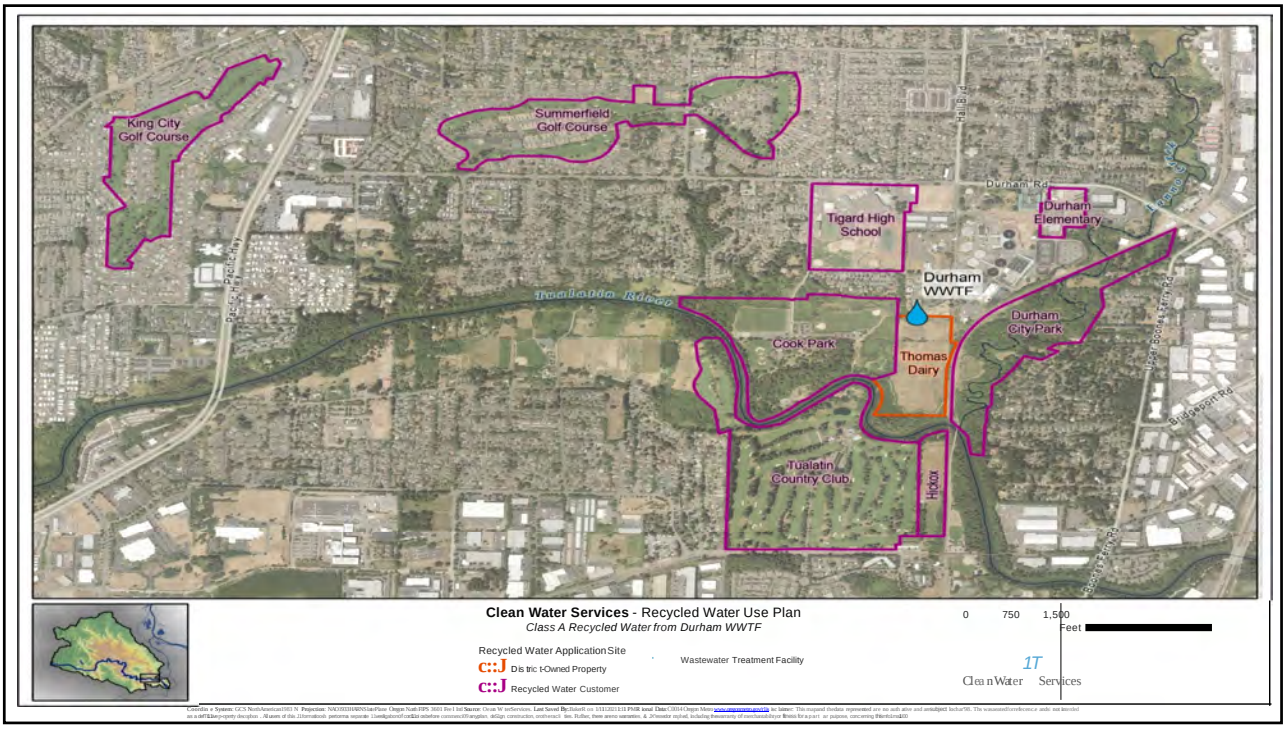
- Regulations
  - DEQ – Reuse IMD (internal management directive)
  - Oregon Department of State Lands and US Army Corps of Engineers - Waters of the State
- Agronomic rates
- Unknown impact on soil, groundwater, microbes
- Wetland hydrology restoration tool?

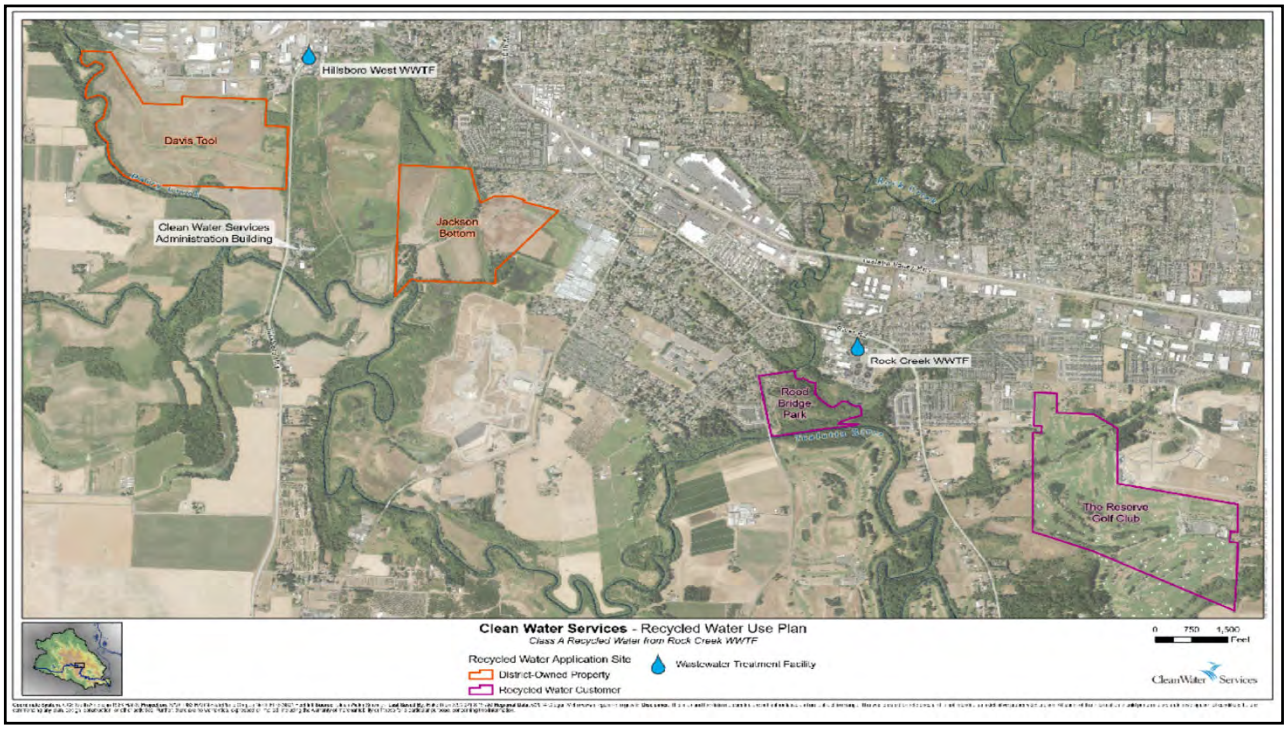
Thomas Dairy

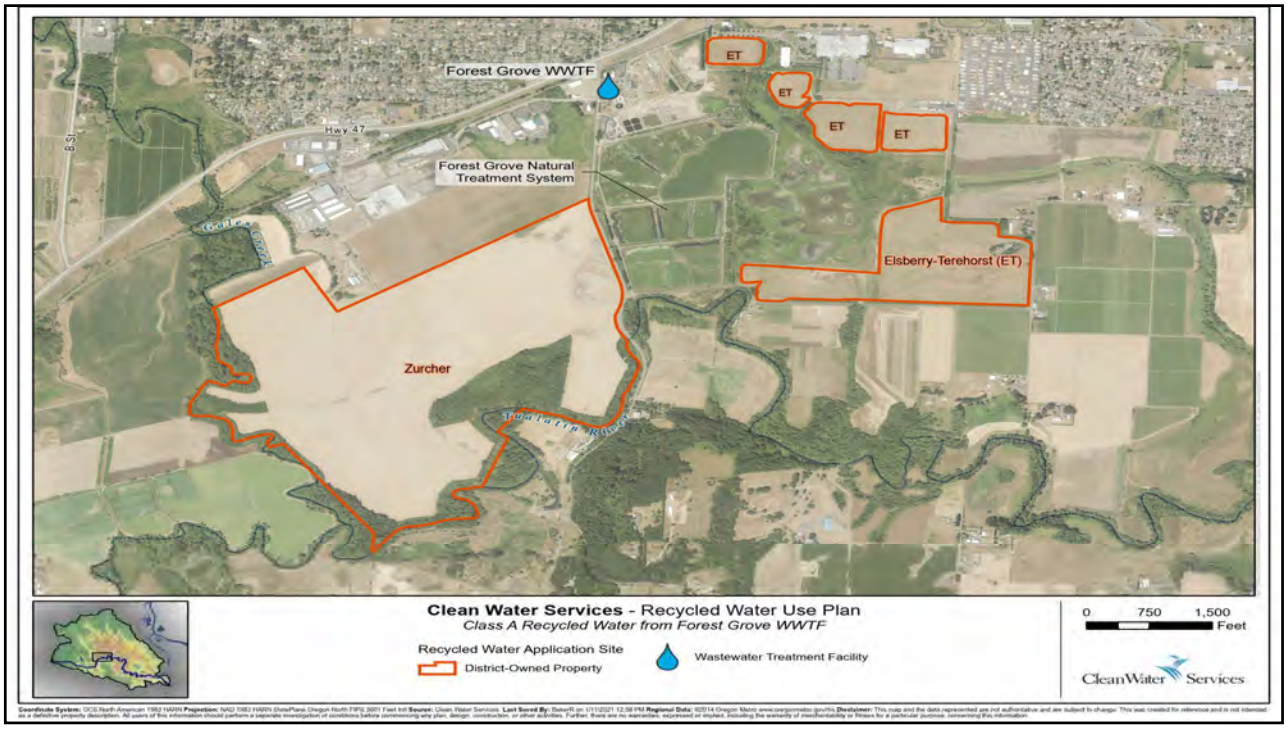
- Goal: Restore area to native vegetation
- Planted in 2008
- Monitoring, research began in 2020
- Reuse irrigation began in 2021
- Major study site
  - Internal and external

2005

2021




Hillsboro West WWTF
Davis Tool
Clean Water Services Administration Building
Jackson Bottom
Rock Creek WWTF
Road Bridge Park
The Reserve Golf Club
Clean Water Services - Recycled Water Use Plan
Class A Recycled Water from Rock Creek WWTF
Recycled Water Application Site
District-Owned Property
Recycled Water Customer
Wastewater Treatment Facility
0 750 1,500 Feet
CleanWater Services


Forest Grove WWTF
ET
ET
ET
ET
Hwy 47
Forest Grove Natural Treatment System
Elsberry-Terehorst (ET)
Zurcher
Clean Water Services - Recycled Water Use Plan
Class A Recycled Water from Forest Grove WWTF
Recycled Water Application Site
District-Owned Property
Wastewater Treatment Facility
0 750 1,500 Feet
CleanWater Services

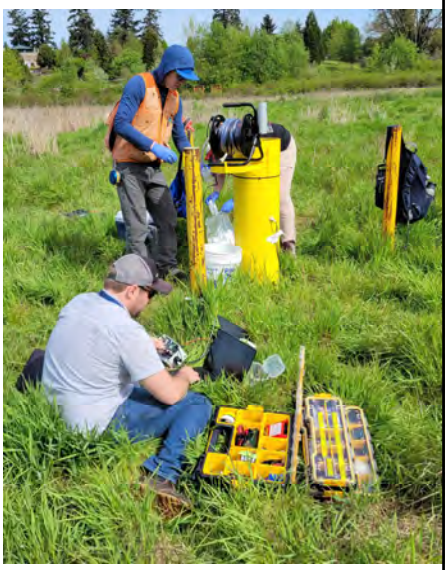
Thomas Dairy Wetland Restoration – Reuse Pilot

- Restoring destroyed wetlands
- Irrigation with reuse to replace lost hydrology
  - Not an approved beneficial use in Oregon
- Agreement with DEQ to conduct extensive study to establish a beneficial use
  - Demonstrate benefits and evaluate potential impacts
  - Create consistent, transparent process
  - Narrow focus for future projects
  - Develop data to craft future permits

16

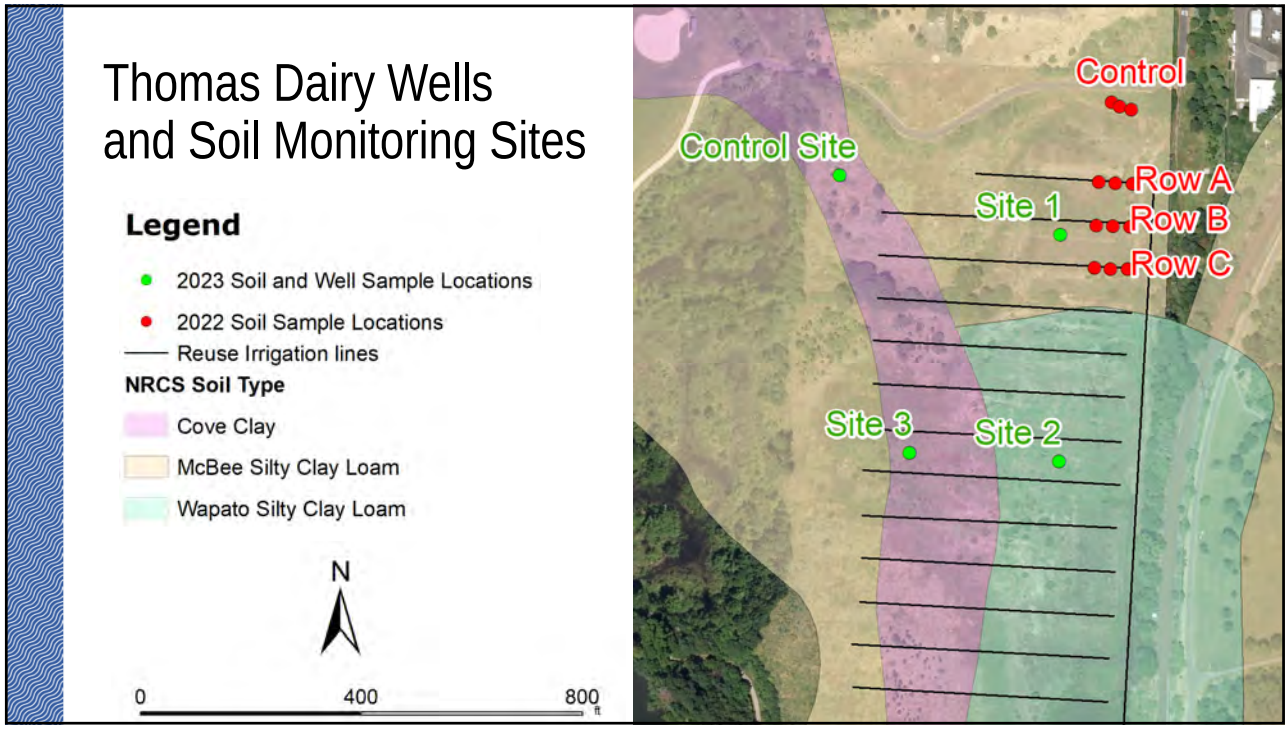
Active Research Parameters at Thomas Dairy

- 2020-present: Wetland vegetation monitoring
- 2020-present: Drone flights
- **2020-present: Soil moisture probes**
- 2020: Avian surveys
- **2022-present: PFAS**
- 2022-present: Carbon sequestration, greenhouse gas fluxes
- 2022: Soil macro/micronutrients
- **2023-present: Groundwater monitoring wells**
- 2023: Soil, water biome RNA/DNA
- 2024-?: Tracer studies



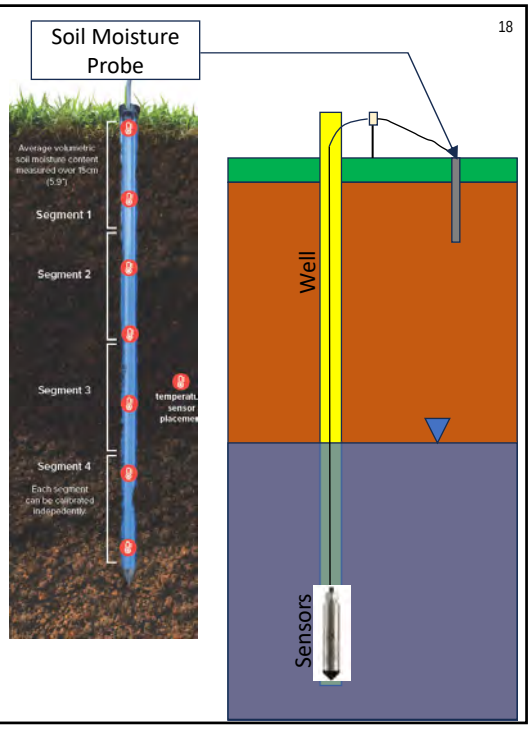
16

Thomas Dairy Wells and Soil Monitoring Sites



Continuous Data Collected

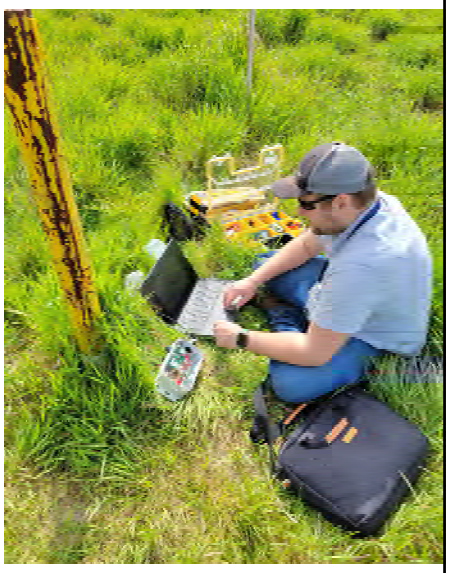
- GroPoint soil probe
  - Surface to 1.2 meters
  - Soil moisture every 6 inches
  - Soil temperature every 4 inches
  - x2 at each site starting June 2024
- Groundwater well sensors
  - Water level
  - Conductivity
  - Temperature



19

Continuous Sensing Findings Thus Far

- Irrigation doesn't increase soil moisture below 24 inches at most sites
  - One anomaly site in Wapato soils
  - Additional sensors being installed to verify
- Soil moisture and groundwater respond quickly to rainfall, but no response from irrigation
  - Small change in how fast it dries out over summer
- Groundwater levels higher than Tualatin River and Fanno Creek
  - Strong groundwater slope from north to south
- Irrigation has remarkable cooling effect on soil temperature

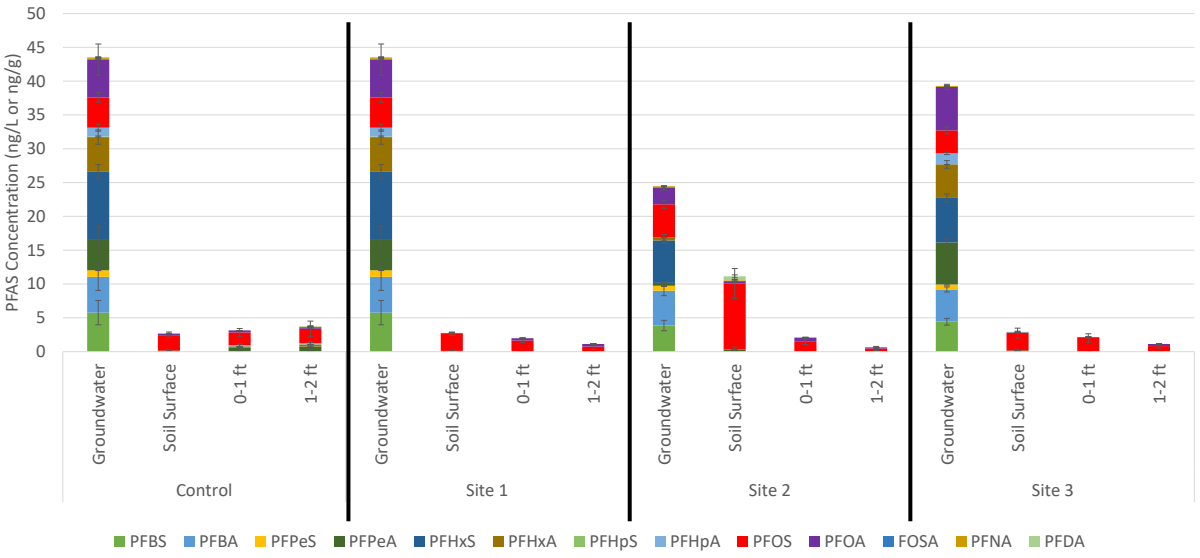


20

PFAS Study at Thomas Dairy

- Regular soil and groundwater sampling
- Soils from surface, 1-foot and 2-foot depths
- One location in each soil type
- One control site with no irrigation and upstream of others
- Part of larger PFAS study (as previously presented)
  - Fanno Creek
  - Tualatin River
  - Durham effluent
- Sampled before, during, and after irrigation each season
  - Began monthly sampling in March 2024

Thomas Dairy Soil and Groundwater Data

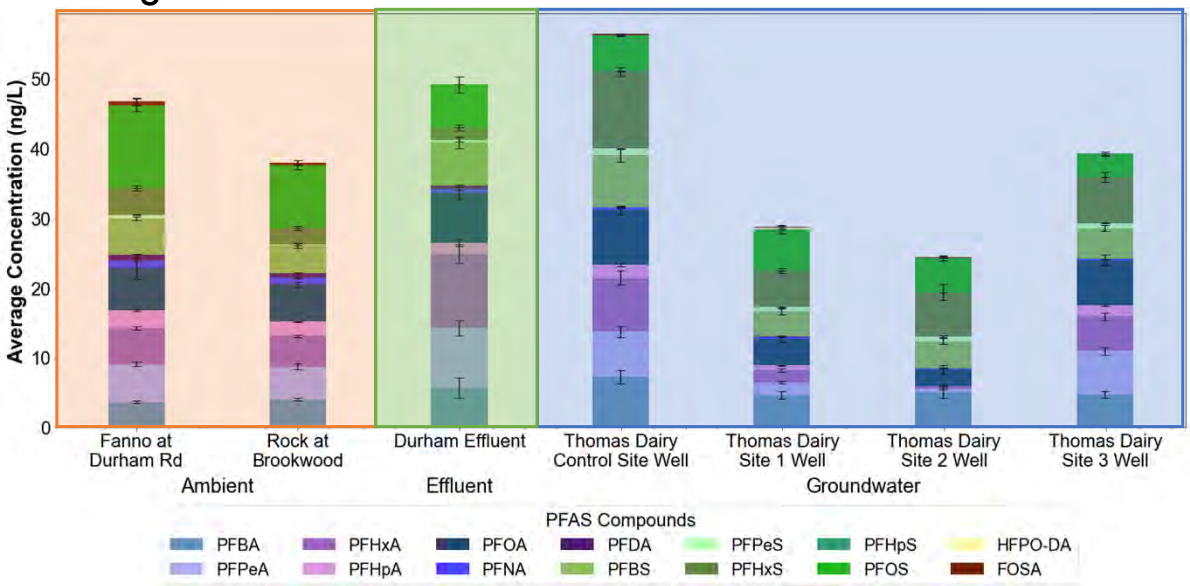


PFAS Findings at Thomas Dairy

- PFOS pretty much the only one seen in soil
  - Similar to worldwide background concentrations
  - Decreases with depth
  - No increase or decrease with time
- Several PFAS consistently observed in groundwater
  - Control site as high or higher than irrigated sites
  - No increase or decrease with time
  - 'Signature' looks like urban creeks
  - Unclear if these levels are unusual or not
- Plan to add vegetation sampling this season

23

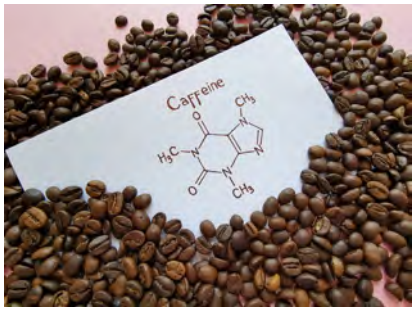
Hunting for Sources of Groundwater PFAS



24

Ongoing Studies

- Tracer compounds study
  - Sucralose, acesulfame, caffeine, boron, carbamazepine
  - Specific to wastewater or stormwater
  - Don't transform too quickly or slowly
  - Mobile in soil
  - Three rounds of samples collected thus far
    - Data analysis ongoing
- Study with Jennifer Field, Oregon State University
  - 'Fingerprinting' different PFAS sources
  - Uses more than 2,000 compounds
- 'Background' PFAS study
  - Sample wells and soils in urban, rural areas



25

What's Next?

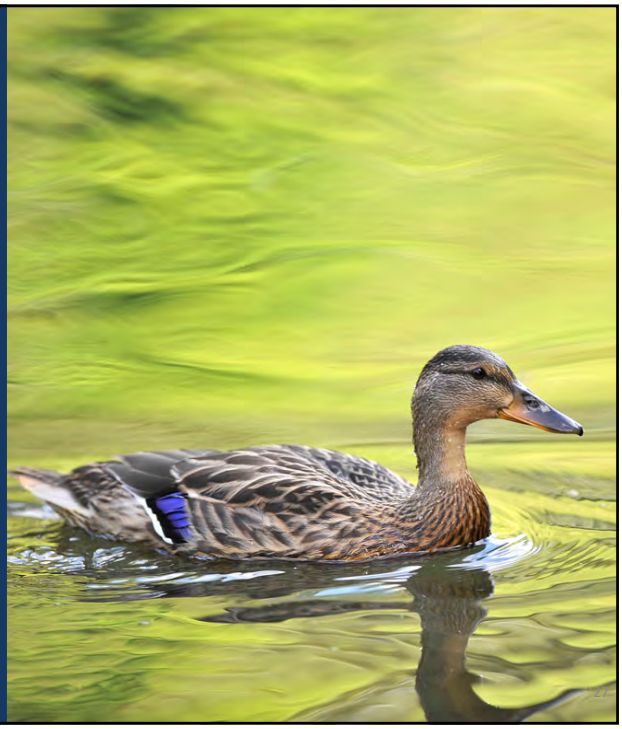
- Reuse master plan underway
  - Anticipated completion: December 2025
- Business case considerations for how we charge for Reuse in the future

26

Questions for CWAC

- Based on what we've shared, do you think reuse is an acceptable water quality approach for CWS?
- If you have any concerns about reuse, is there confidence that CWS is employing good science?
- How do you feel about reuse as an environmental restoration tool?
- Do you support having broader reuse rules to allow for innovative and more flexible allowances in the future?

Tour of Thomas Dairy



Clean Water Services Advisory Commission Meeting Summary

Date: April 10, 2024

Location: CWS Administration Building Complex and on Webex (link to recording)

CWAC MEMBERS PRESENT

- Alex Phan (District 1/Fai), Commission chair
- Alan Jesse (Agriculture 2)
- Andy Haugen (District 4/Willey)
- Ashley Farrell (Business 1)
- Elaine Stewart (Environment 1)
- George Marsh (Agriculture 1)
- Marc Farrar (/Developer 1)
- Ramesh Krishnamurthy (District 2/Treece)
- Stu Peterson (Business 2)
- Diane Taniguchi-Dennis (Clean Water Services Chief Executive Officer/nonvoting)

CWAC MEMBERS ABSENT

- Glenn Fee (Environment 2)
- Matt Wellner (Builder/Developer 2), Commission vice chair
- Nisha George (At-Large District/Harrington)
- Terance Song (District 3/Rogers)
- Sherilyn Lombos (Cities/nonvoting)

MEMBERS OF THE PUBLIC

- Nellie McAdams, Farmland First

CWS STAFF

- Joe Gall, Chief Utility Relations Officer
- Kathy Leader, Chief Financial Officer
- Jack Liang, Chief Business Operations Officer
- Tracy Rainey, Government Relations Manager
- Stephanie Morrison, Office Manager
- Katie Ragsdale, Executive Assistant
- Jody Newcomer, Technical Editor & Communications Specialist
- Anh Le, Management Analyst
- Josh Bernier, Information Technology Technician

1. CALL TO ORDER

The meeting was called to order at 6:30 p.m.

2. WELCOME AND INTRODUCTIONS ..... 00:00 on recording

3. REVIEW OF MEETING SUMMARY ..... 03:05 on recording

- The summary from the March 13, 2024, meeting was accepted.

4. BUDGET 101 ..... 03:40 on recording

Kathy Leader, Chief Financial Officer

Staff provided an overview of the Clean Water Services budget process using the CWS Fiscal Year 2023-24 budget as a guide and highlighted the drivers and key investments shaping the budget.

Questions and Comments

- How do you forecast system development charges?
  Do you look at projects that are being planned? 18:50
- How much are the rates going up next year compared to the previous year? 19:45
- Are we looking at the upcoming budget or a previous year? 20:15
- Last year (FY23) you talked about transferring money to pay for chemicals.
  Did you have a similar expense this year (FY24)?
  Are you doing the same thing this year? 21:05
- You compare rate increases against several cities.
  What's driving the prices in Portland? 23:28
- Regarding people strategies, what are the specific skill sets that are challenging to recruit? 26:45
- Following up on an earlier question on System Development Charges, [is the chart on slide 8] reflecting an increased reliance on SDCs? Is that a good thing? 29:30
- When you discuss people strategy in the budget, is there some DEI (diversity, equity, and inclusion) information and planning woven into that? 31:15

Questions for CWAC 32:45

- How do we engage CWAC members in the budget process in the future?
- What can we do to support CWAC members' understanding of the current proposed budget?

5. 2024 STATE AND FEDERAL LEGISLATIVE UPDATE..... 43:22 on recording

Tracy Rainey, Government Relations Manager

Staff provided an update on CWS federal legislative priorities and outcomes from the 2024 state legislative session. Staff highlighted anticipated timelines and key issues for the 2025 state legislative session.

Questions and Comments

- Do the communities that receive the $90 million have to pay it back with the revenue they'll realize from the housing production? (slide 20: SB 1530/HB 4126 – investment in specific water infrastructure projects to support housing production) 50:28
- Does any of the $90 million directly benefit CWS? (slide 20: SB 1530/HB 4126) 52:25
- The bill that would provide funding to study PFAS in biosolids didn't pass. How does that impact CWS? (slide 21: HB 4049) 56:48
- What's the point of HB 4099 (slide 21: voluntary SDC deferral program/default fund)? 1:01:48
- Did HB 3231/HB 2020 pass? (slide 22: funding for DEQ and Oregon Water Resources Department positions and regulatory framework update) 1:04:30
- Are the Scoggins Dam safety modifications funded (slide 28)? 1:17:17
- Will it remain an earthen dam? 1:19:32
- Where is the rock coming from for the dam modifications? 1:19:52
- So the environmental impact statement will take into account all the trucks? 1:20:01
- Who's doing the environmental impact statement? 1:20:37
- Can you send some links about the CERCLA exemption? 1:21:20
- Do you directly engage with legislators? 1:22:02
- Is the federal lobbying an effective strategy? 1:22:59
- What's the difference between the state Legislative Water Caucus and the Water Resources Department? 1:27:23
- Can topics include anything from CWS to water rights to Klamath Basin? 1:28:02

Questions for CWAC 1:28:57

- Are there any items we discussed that you want to learn more about before the 2025 legislative session?

6. PUBLIC COMMENT ..... 1:32:58 on recording

Nellie McAdams, Farmland First, commented on the West Basin Master Plan.

7. ANNOUNCEMENTS, QUESTIONS, COMMENTS ..... 1:38:33 on recording

- CWAC welcomed Ashley Farrell to the commission.
- There is no regular CWAC meeting in May. The CWS Budget Committee meeting is May 9; the next regular CWAC meeting is June 12, 2024.
- We hired a new chief of staff, Elizabeth Edwards, who will start May 20.

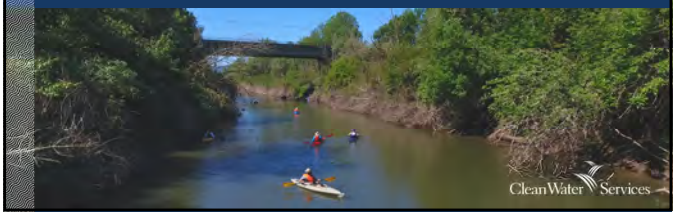
8. ADJOURNMENT

Phan adjourned the meeting at 8:12 p.m.

1

Budget 101

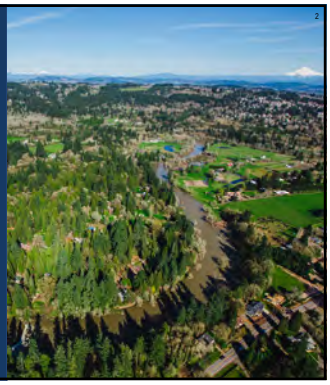
Kathy Leader, Chief Financial Officer
Clean Water Services Advisory Commission
April 10, 2024



2

Presentation Overview

- Budget Committee role
- FY 2023-24
  - Budget drivers
  - Revenues
  - Expenditures
- FY 2024-25 Budget Committee schedule



3

Budget Committee Role

- Clean Water Services budget prepared in accordance with Oregon Revised Statutes:
  - Elect a presiding officer
  - Receive budget message
  - Participate in budget committee meeting
  - Hear public comment
  - Deliberate, make motion to approve budget expenditures and recommend it for adoption by the Board of Directors, as appropriate

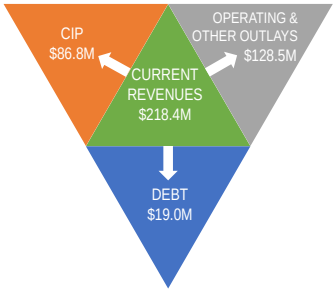
4

Budget Drivers

- Business Environment
  - Materials and equipment supply chain challenges
  - Higher construction costs due to labor and materials constraints
  - Inflationary pressures on chemicals, utilities, and other materials
- Regulatory Compliance
  - New permit effective January 1, 2023
  - Increased monitoring and compliance standards
  - Temperature and climate changes
- People Strategy
  - Increased competition for talent
  - Implement people strategy
  - Modified pay structure to keep pace with market.

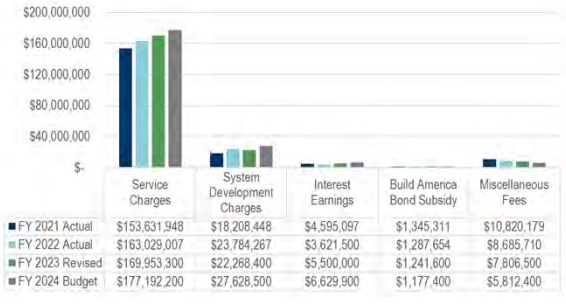
5

FY 2023-24 Financial Assumptions



6

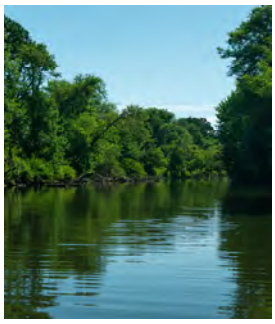
Revenue Trends



7

FY 2023-24 Rate Increases

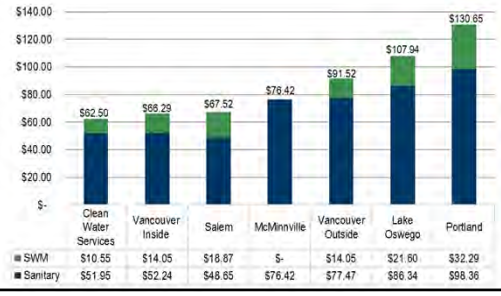
- Regional and local sanitary sewer rate (4%)
- Regional and local stormwater management fees (4%)
- Sanitary System Development Charge increased $199 to $6,824 per Equivalent Dwelling Unit
- SWM System Development Charge increased $19 to $660 per Equivalent Service Unit



8

FY 2023-24 Estimated Comparable Rates

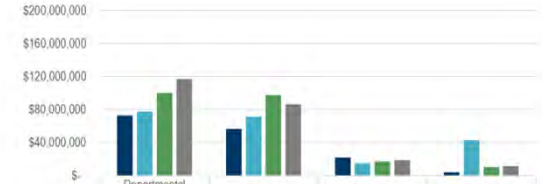
(at 800 cubic feet per month usage)



	Clean Water Services	Vancouver Inside	Salem	McMinnville	Vancouver Outside	Lake Oswego	Portland
SWM	$10.55	$14.05	$18.87	$-	$14.05	$21.60	$32.29
Sanitary	$51.95	$52.24	$48.65	$76.42	$77.47	$86.34	$98.36

9

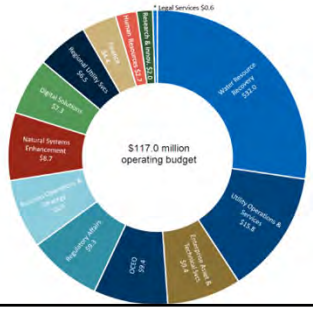
Expenditure Trends



	Departmental Expenses	Capital	Debt Service	Other Outlays
FY 2021 Actual	$72,850,130	$56,408,626	$21,738,106	$3,958,744
FY 2022 Actual	$77,648,208	$71,254,507	$15,105,260	$42,999,584
FY 2023 Revised	$100,295,300	$97,543,700	$17,191,500	$10,556,900
FY 2024 Budget	$116,995,200	$86,819,200	$18,989,400	$11,530,000

10

FY 2023-24 Investment in Programs, Services



11

FY 2023-24 Departmental Operating Budget

- $117 million – 16.7% increase
  - Personnel services – 17.7% increase (vs. 3.5% in FY 2022-23)
  - Materials and services – 14.8% increase (vs. 9.5% in FY 2022-23)

12

2024-25 Budget Committee Schedule

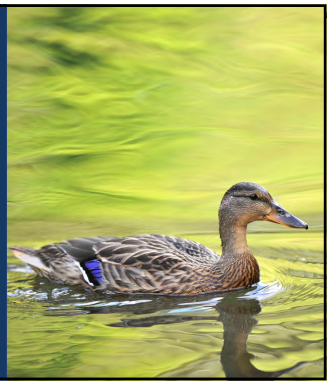
- April 19: Proposed Budget distributed to committee members
- May 9: Budget Committee meeting at Washington County Public Services Building, 9 a.m.
- June 18: Board will hold a public hearing and vote to adopt the budget

13

Questions for CWAC

- How do we engage CWAC members in the budget process in the future?
- What can we do to support CWAC members' understanding of the current proposed budget?

Questions?

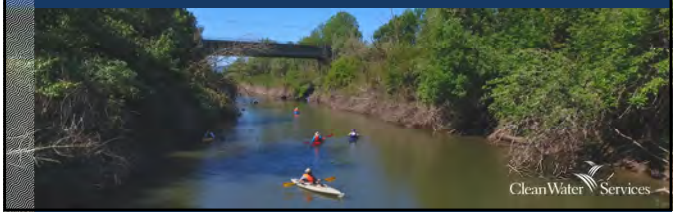


1

2024 State & Federal Legislative Update

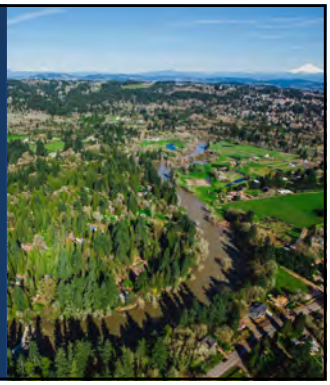
By Tracy Rainey, Government Relations Manager
Clean Water Services Advisory Commission

April 10, 2024



Presentation Overview

- 2024 state legislative priorities and outcomes
- 2024 federal priorities update
- Timeline and process to develop and adopt CWS 2025 state and federal legislative agenda



3

2024 State Legislative Session

- Short session (32 days)
  - Convened February 5
  - Adjourned March 7
- 292 bills introduced
  - 115 passed by both chambers
- Key issues
  - Housing production
  - Measure 110 reform
  - Campaign finance reform

4

CWS 2024 State Legislative Agenda/Priorities

Priority: Advocate for statewide and project-specific investments in water-related infrastructure, including investments to promote protection of water quality and public health, maintenance and improvements to existing systems, building capacity to support community growth.

- Legislative efforts and outcomes:
  - SB 1537 (governor's housing bill) - PASSED
    - $3 million to Business Oregon for infrastructure capacity support
    - REVOLVING loan fund (local government grants to developers)
  - SB 1530/HB 4126 - PASSED
    - Over $90 million investment in specific water infrastructure projects to support housing production

5

CWS 2024 State Legislative Agenda/Priorities

Priority: Advocate for investments to support enhanced research of per - and polyfluoroalkyl substances (PFAS).

- Legislative efforts and outcomes
  - HB 4049 ($750k study of fate and transport of PFAS in biosolids) – DID NOT PASS

Priority: Preserve local infrastructure financing tools for water infrastructure

- Legislative efforts and outcomes
  - HB 4099 (voluntary SDC deferral program/default fund) – DID NOT PASS

6

CWS 2024 State Legislative Agenda/Priorities

Priority: Work with the Oregon Department of Environmental Quality and key stakeholders to update and implement Oregon's regulatory framework for water reuse and advocate for incentives, resources, and tools to advance reuse projects.

- Legislative efforts and outcomes:
  - HB 3231/HB 2010 (2023) – Funding for DEQ and Oregon Water Resources Department positions and regulatory framework update
  - Ongoing coordination with DEQ and Oregon Association of Clean Water Agencies

7

CWS 2024 State Legislative Agenda/Priorities

Priority: Support efforts to enhance water utility responsiveness and resiliency

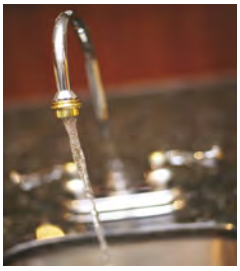
- Legislative efforts and outcomes:
  - HB 4148: Increased funding for Invasive Species Council
    - Bill did not pass but $1 million in funding was included in SB 5701
    - $250,000 (education and outreach); $750,000 (mitigation activities)
  - HB 4060: Oregon Agricultural Heritage Fund
    - Bill did not pass but $10 million in funding was included in SB 5701
    - Funding through Oregon Department of Agriculture
    - Funding for projects including for conservation easements and conservation management plan assistance.

8

CWS 2024 State Legislative Agenda/Priorities

Priority: Advocate for the continuation of Oregon's Low-Income Household Water Assistance Program

- Legislative efforts and outcomes
  - HB 2010 (2023) – Language requiring Legislative Policy & Research Office to report back with findings/recommendations
  - Report issued by LPRO in Jan. 2024
  - Potential request for 2025?

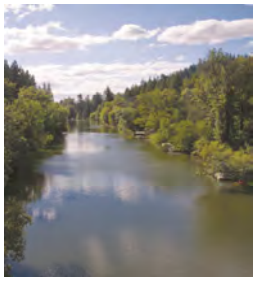


9

CWS 2024 State Legislative Agenda/Priorities

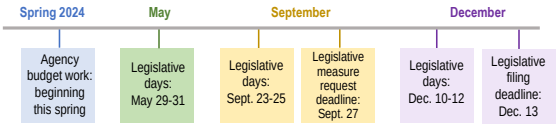
Priority: Ensure that policies to promote housing are protective of public health and the environment, including Clean Water Act requirements and state water quality standards and requirements

- Legislative efforts and outcomes:
  - SB 1537 (governor's housing bill)
    - *Adjustment does not include: "Deviations to requirements related to the implementation of fire or building codes, federal or state air, water quality or surface, ground or stormwater requirements, or requirements of any federal, state or local law other than a land use regulation."*

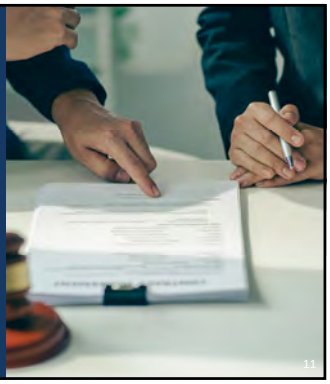


10

State Legislative Timeline – 2024 Interim



Federal Legislative Update



11

12

Federal Legislative Priority Updates

- Priority: Infrastructure funding
  - Funding for CWS included in FY 24 Dept. of Interior Appropriations Bill
  - $959,727: Forest Grove inflow and infiltration project
- Priority: Emerging contaminants
  - Efforts to exempt water utilities from Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA)
  - Senate Environment and Public Works Committee Hearing on March 20, 2024
  - CWS advocacy efforts – engagement with Sen. Merkley
- Priority: Low-income water rate assistance
  - CWS engagement – Support of Low-Income Household Water Assistance Program (LIHWAP) Establishment Act (Sen. Padilla, D-California)
- Priority: Scoggins Dam safety modifications
  - Ongoing advocacy and engagement efforts; Reclamation ongoing work on Environmental Impact Statement (EIS)

13

CWS 2025 Federal & State Legislative Agenda Process & Timeline

- May - July:
  - Work with DEQ and Oregon Association of Clean Water Agencies on agency budget prioritization
  - Work with CWS staff to identify and prioritize potential legislative priorities and needs
  - Ongoing outreach and education with legislators and state Legislative Water Caucus
- July - August:
  - Engage in efforts to begin drafting state and federal legislative agendas (input from CWAC)
  - DEQ budget likely to be submitted to governor's office
- September:
  - State legislative concept filing deadline
- September-November:
  - Discussions with Board of Directors to finalize and adopt 2025 state and federal legislative agendas
- December:
  - Governor to release governor's recommended budget

14

Question for CWAC

- Are there any items we discussed that you want to learn more about before the 2025 legislative session?

Questions?