



OREGON WATER UTILITIES COUNCIL
Pacific Northwest Section, American Water Works Association
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2018 PNWS-AWWA Fall Trustees Report Oregon Water Utilities Council

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The Oregon Water Utilities Council monitors legislation, regulations, and court actions that could impact the water industry, giving members the ability to engage in and help shape these kinds of issues. In addition, it provides its members with the ability to network with other water utilities of all sizes across the state to share information, discuss issues of importance to drinking water providers, and to engage in solutions. The legislative activities are closely coordinated with policies of the AWWA when applicable. Here is an update of what OWUC has accomplished over the past few months:

Review of Activities and Accomplishments

State Legislature

Cyanotoxin Response

In late May, the City of Salem issued a health advisory due to cyanotoxins found in their treated drinking water which lasted for several weeks. This event resulted in a lot of interest in the legislature about public water system's ability to respond quickly to an emergency of this magnitude and complexity. Several OWUC members have participated in a few round table discussions with legislators about the need for funding for utilities to plan and prepare for these types of events. OWUC will continue to stay engaged in emergency preparedness coordination in the State. We anticipate legislature on the topic in the next session.

Oregon Health Authority (OHA) Budget

OHA has put forward a recommended budget including a request for new fees for Drinking Water Services (DWS). OWUC is actively engaged in promoting an increase in funding for DWS but recommends general funds in lieu of new fees assessed on public water suppliers. Members feel this is a more sustainable and equitable solution in the long term. OWUC sent a letter together with LOC and SDAO to the Governor's office in support of more general fund dollars for DWS.

Storage Water Rights Transfers

As a result of the failed SB 1558 legislation, WRD took a close look at its transfer authorities and in February issued a memo that concluded that contrary to 90 years of department practice,



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WRD does not believe they have the authority to approve transfers of stored water. This conclusion caused immediate concern amongst OWUC members, particularly in light of the Willamette Basin Reallocation project, which is based on the existing understanding of the statute, that stored water can be transferred. OWUC engaged an attorney to provide a legal analysis of WRD's new position. WRD released a DOJ opinion on August 31st confirming their belief they do not have authority to approve transfers of stored water. OWUC will work with the Willamette Basin Reallocation Committee and the Senator Dembrow Transfer Workgroup to further evaluate options.

Rule Making

Oregon Health Authority (OHA) Cyanotoxin Monitoring Rules

Following the Cyanotoxin event in Salem, OHA developed temporary cyanotoxin monitoring rules. The rules identified approximately 100 public water systems deemed vulnerable to harmful algae blooms. Those systems were required to begin monitoring raw water a minimum of once every two weeks for Total Microcystin and Cylindrospermopsin using the ELISA analysis method. OWUC provided input on the draft temporary rules which became effective July 1, 2018. OHA recently released draft permanent rules, which OWUC also provided comments on. Final permanent rules are due by December 31, 2018. OWUC will continue to remain engaged in this rule making effort.

Subcommittee Business

Willamette Basin Reallocation Study

See Status Report from Niki Iverson.

Ozone Coalition

In 2016 the Ozone Coalition presented a petition to OHA to remove the post filtration disinfection requirement and allow disinfection credit in the case of pre and intermediate Ozone disinfection. The initial response by OHA is that a rule change would not be implemented, and that the existing waiver process should be used if a utility would like to submit a request to obtain credit prior to filtration.

In May of 2018, the City of Wilsonville submitted a waiver request to OHA that included a substantial body of water quality data. OHA requested additional data from Wilsonville in July, and this is being assembled. Lake Oswego-Tigard are preparing a waiver submittal for 4th quarter 2018.

In June, Carollo Engineers, and the Ozone Coalition held a webinar on treatment methods for algal toxins. This was well attended and there is a significant amount of interest in this topic.



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Other OWUC Business

Southern Oregon Meeting

In August, OWUC held its monthly meeting in Medford. Several OWUC members from the Southern Oregon region attended and provided updates and information on projects and issues facing the utilities in this region.

Central Oregon Meeting

A monthly meeting was held in Bend on September 28th along with a social event the night before. Central Oregon members will provide updates and information on projects and issues facing the utilities in this region.

Tri-WUC Meeting

OWUC is hosting the section's annual three state WUC or "Tri-WUC" meeting on November 16th. We are currently developing the agenda and workshop advertising. Topics for discussion will include the national and local legislative forecast along with regional issues such as underground injection control wells for stormwater disposal, new regulations (cyanotoxins, PFOA/PFAS), and drought. Tommy Holmes will be the visiting AWWA staff member at the Tri-WUC meeting



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**WILLAMETTE REALLOCATION PROJECT
STATUS REPORT**

DATE: September 26, 2018

TITLE: Willamette Basin Review Feasibility Study Update

ITEM:

For the past few years, Niki Iverson, representing OWUC on the Willamette Reallocation Project, has provided periodic updates on the status of the Willamette Basin Review Feasibility Study being developed by the United States Army Corps of Engineers (USACE) and under sponsorship by the Oregon Water Resources Department (OWRD). Acknowledgment is provided to the USACE and OWRD for their support in the study and reallocation efforts. Acknowledgment is also provided to the Oregon Water Utilities Council, (OWUC) its members, Groundwater Solutions, Inc. (GSI) and the Signal Group for providing these details as the project continues to move forward.

Recent progress includes the following:

- Contracts were established by the Pacific Northwest Section of AWWA (i.e., OWUC) with GSI and the Signal Group for ongoing strategic, communication and outreach work related to the Corps study and subsequent congressional approvals. This project is being funded by potentially impacted agencies, including OWUC municipal members that hold water rights in the Willamette Basin.
- In May and July, Signal Group was able to attend the federal consultation meetings in Washington D.C. on behalf of OWUC members. During this time, agricultural interest groups expressed their desire for additional allocation beyond the current recommendation within Option C (327,650 ac-ft). The Option C proposed allocations are summarized in the following table:

Allocations Recommended by State of Oregon Alternative C		
Use	Volume (AF)	Percent
F&W	1,102,600	69%
M&I	159,750	10%
AI	327,650	21%
Joint Use	0	0%



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- Agricultural interests also contacted and met with the National Marine Fisheries Service (NMFS) to advocate for increasing their proposed allocation. There is currently no change in NMFS position. The endangered species act consultation and development of the biological opinion are still scheduled to begin this fall.
- All state-based natural resources agencies, along with the Governor's office, have reiterated their positions and are recommending Option C, denying state support for any further allocation changes, including agricultural requests.
- OWUC and LOC responded to information requests from several congressional offices related to the history of the project, need for municipal water supply from storage, and which communities have been interested and supportive of this project. Specifically, Niki Iverson and Tracy Rutten responded to Senator Merkley's office, Representative Schrader's office, and Representative DeFazio's office.
- OWUC, LOC, and SDAO representatives attended a meeting with Congressman Schrader to discuss the Willamette Reallocation project and the objectives of the study. Agricultural interests organized this meeting.
- OWUC received a schedule of the congressional authorization timeline and critical decision points from USACE and began working with Signal Group to develop a strategy to support the congressional approval.
- OWUC received information on a back-up strategy to obtain municipal supply if the reallocation effort is not successful. Signal Group is researching the options and funding process through the Water Supply Development Act of 1958.
- Signal Group researched the background on key staff that OWUC engages with at the federal agencies to assist in strategic planning to support authorization and Endangered Species Act consultation.
- Signal Group and GSI supported OWUC in developing strategy and assisting in the approach for a meeting requested by Congressman DeFazio and Congressman Schrader with USACE, OWRD, Bureau of Reclamation, NMFS, and congressional staff from nearly all of the congressional offices in Oregon (except Representative Walden's office). Niki Iverson attended this meeting on September 17th representing municipalities in the Willamette Basin, and engaged NMFS on the consultation process and timing. Agricultural interests had worked to organize this meeting to get their concerns on the table and have questions asked on key process points by the Congressmen.
- GSI Water Solutions worked on researching water transfer legislative impacts and worked closely with OWUC legal counsel on that issue. GSI supported informational requests on the impact of a minimum perennial instream flows transfer and historical information on how the Biological Opinion flow targets were established.



PNWS-AWWA

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- GSI is coordinating with OWRD to assist in the development of the next steps and implementation strategy.
- Next steps include further engagement with Senator Merkley and Representative DeFazio's offices on the current cost of stored water within the study. Both officials are on key strategic congressional committees and part of the 2018 Water Resources Development Act authorized by congress.