



IMPACT STATEMENT

Date: July 25, 2017

Council Date: August 2, 2017

Legislation Title: Comply with Oregon Health Authority's order to treat drinking water from the Bull Run Watershed for Cryptosporidium by submitting a compliance plan and proceeding with updating the design and construct an ultraviolet treatment facility (Resolution)

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Purpose of proposed legislation and background information:

The purpose of the proposed legislation is for City Council to direct the Portland Water Bureau (PWB) to develop a plan to submit to Oregon Health Authority's (OHA) in accordance with its May 19, 2017 order selecting a Cryptosporidium treatment technology and schedule, as well as identifying interim control measures and a sampling schedule that will remain in effect until the technology is online. The legislation also authorizes the Portland Water Bureau to proceed with design and construction of an UV treatment facility and create a sub-account within the Rate Stabilization Account to be used for rate stabilization and/or the construction of a filtration treatment facility.

In 2006, the U.S. Environmental Protection Agency (EPA) issued a federal drinking water rule called the Long Term 2 Enhanced Surface Water Treatment Rule (LT2) that required water utilities to treat for the pathogen Cryptosporidium. In 2009, the PWB presented LT2 compliance options to the Portland City Council, and Council directed PWB to pursue a variance to the rule while proceeding with design of UV treatment as a backup if the variance was denied (Resolution 36720). In 2012, PWB completed the UV treatment design plans and obtained a 10-year variance from the OHA subject to a set of conditions that included maintaining an exceptionally low concentration of Cryptosporidium in ongoing raw water sampling; and

Between January and March 2017, a total of 19 Cryptosporidium oocysts were found in 14 water samples from the Bull Run Watershed. On March 8, 2017, PWB notified OHA that due to the quantity of Cryptosporidium detected at that point, it was no longer feasible to achieve the

concentration level of Cryptosporidium required to maintain the variance. May 19, 2017, OHA issued an order to PWB revoking Portland’s treatment variance as of September 22, 2017.

The OHA order requires PWB to submit a plan to OHA by August 11, 2017, selecting a Cryptosporidium treatment technology and schedule, as well as identifying interim control measures and a sampling schedule that will remain in effect until the selected treatment technology is online. The City recognizes that the ultraviolet treatment plant will need to be upgraded or replaced approximately 25 years after its construction. The City Council has determined that it is in the City’s best interests to plan for its future need for a filtration treatment plant by building a reserve within the Water Rate Stabilization Account.

Financial and budgetary impacts:

The Portland Water Bureau Administrator create a sub-account within the Rate Stabilization Account to be used for rate stabilization and/or the construction of a filtration treatment facility. This sub-account shall be referred to as the “Water Treatment Facility Reserve,” and shall be funded by an amount approved by Council in the Water Bureau’s annual rate of at least 0.2%.

The proposed legislation will not create, eliminate or re-classify any positions now or in the future.

Community impacts and community involvement:

The City shares the community’s values regarding the need to balance the cost, public health, current and future regulatory compliance, and system resilience considerations of treatment options in a responsible manner.

The City has subsequently reviewed treatment options with the public and various interest groups, and recommends that UV treatment be the option for treatment at this time.

Budgetary Impact Worksheet

Does this action change appropriations?

- YES: Please complete the information below.
- NO: Skip this section

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount