

Portland, Oregon

FINANCIAL IMPACT and PUBLIC INVOLVEMENT STATEMENT For Council Action Items

(Deliver original to Financial Planning Division. Retain copy.)

1. Name of Initiator Scott T. Gibson		2. Telephone No. (503) 823-7615	3. Bureau/Office/Dept. BES/Engineering Services
4a. To be filed (hearing date): January 16, 2013	4b. Calendar (Check One) Regular <input type="checkbox"/> Consent <input checked="" type="checkbox"/> 4/5ths <input type="checkbox"/>		5. Date Submitted to Commissioner's office and FPD Budget Analyst:
6a. Financial Impact Section: <input checked="" type="checkbox"/> Financial impact section completed		6b. Public Involvement Section: <input checked="" type="checkbox"/> Public involvement section completed	

1) Legislation Title:

Authorize the Director of the Bureau of Environmental Services or his designee to enter into participation agreements with private property owners in the RDII Program Pilot Project areas for rehabilitation of private sewer service laterals to remove inflow and infiltration into the public sewer conveyance and treatment system. (Ordinance)

2) Purpose of the Proposed Legislation:

To meet the interim requirements of the Mutual Agreement and Order (MAO) WQ/M-NWR-11-091 with the Oregon Department of Environmental Quality (DEQ) to reduce Rain-Derived Inflow and Infiltration (RDII) to the system in order to eliminate sanitary sewer overflows on Dewitt St in the Burlingame sewer basin, and to reduce the infiltration of stormwater into public sewers conveyance and treatment system in the Fanno Creek and Burlingame Sanitary Sewer basins. The participation agreements allows BES to enter private property and perform rehabilitation work on private laterals as part of the pilot project's implementation.

3) Which area(s) of the city are affected by this Council item? (Check all that apply—areas are based on formal neighborhood coalition boundaries)?

- | | | | |
|---|------------------------------------|---|--------------------------------|
| <input type="checkbox"/> City-wide/Regional | <input type="checkbox"/> Northeast | <input type="checkbox"/> Northwest | <input type="checkbox"/> North |
| <input type="checkbox"/> Central Northeast | <input type="checkbox"/> Southeast | <input checked="" type="checkbox"/> Southwest | <input type="checkbox"/> East |
| <input type="checkbox"/> Central City | | | |

FINANCIAL IMPACT**4) Revenue:** Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If so, please identify the source.

This action will neither generate nor reduce current or future revenue.

5) Expense: What are the costs to the City as a result of this legislation? What is the source of funding for the expense? (Please include costs in the current fiscal year as well as costs in future years. If the action is related to a grant or contract please include the local contribution or match required. If there is a project estimate, please identify the level of confidence.)

There is no cost to the private property owners for signing the participation agreements. BES will fund and construct private service rehabilitation efforts on private property using funds available in the current & future years' requested Sewer System Operating Fund Budget. The source of funding is BES revenue from rates.

6) Staffing Requirements:

- **Will any positions be created, eliminated or re-classified in the current year as a result of this legislation?** *(If new positions are created please include whether they will be part-time, full-time, limited term, or permanent positions. If the position is limited term please indicate the end of the term.)*

No new positions will be created by this action.

- **Will positions be created or eliminated in future years as a result of this legislation?**

No positions will be created or eliminated in future years as a result of this action.

(Complete the following section only if an amendment to the budget is proposed.)

7) Change in Appropriations *(If the accompanying ordinance amends the budget please reflect the dollar amount to be appropriated by this legislation. Include the appropriate cost elements that are to be loaded by accounting. Indicate "new" in Fund Center column if new center needs to be created. Use additional space if needed.)*

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

[Proceed to Public Involvement Section — REQUIRED as of July 1, 2011]

PUBLIC INVOLVEMENT

185866

8) Was public involvement included in the development of this Council item (e.g. ordinance, resolution, or report)? Please check the appropriate box below:

- ☒ YES: Please proceed to Question #9.
☐ NO: Please, explain why below; and proceed to Question #10.

9) If "YES," please answer the following questions:

a) What impacts are anticipated in the community from this proposed Council item?

BES staff will engage property owners directly to solicit participation in these pilot projects. Participation in the pilot projects will require sewer rehabilitation activities on private properties.

b) Which community and business groups, under-represented groups, organizations, external government entities, and other interested parties were involved in this effort, and when and how were they involved?

BES public involvement staff is preparing a robust outreach and involvement plan that will engage property owners, representatives of SWNI, Hayhurst neighborhood association, and Hillsdale neighborhood associations.

c) How did public involvement shape the outcome of this Council item?

When public involvement and outreach for these pilot projects is substantially underway, the feedback from stakeholders will inform the project team as to the effectiveness of the messaging and communications, the relevance of the incentives to participate, feedback on construction impacts, and opportunities for improvement of the program for future projects.

d) Who designed and implemented the public involvement related to this Council item?

Stephen Sykes, BES Public Involvement, designed and will implement the public involvement for this Council item.

e) Primary contact for more information on this public involvement process (name, title, phone, email):

Joseph Annett, Assistant Program Specialist, 503-823-2934, Joseph.Annett@portlandoregon.gov

10) Is any future public involvement anticipated or necessary for this Council item? Please describe why or why not.

Yes, an extensive public involvement program was begun in November of 2012 and will continue, that aims to educate about, promote, mitigate, and communicate project development, goals, and impacts.

WTR
Dean Marriott, Director, Bureau of Environmental Services

DCM
APPROPRIATION UNIT HEAD (Typed name and signature)



CITY OF PORTLAND ENVIRONMENTAL SERVICES

185866



1120 SW Fifth Avenue, Room 1000, Portland, Oregon 97204 ■ Dan Saltzman, Commissioner ■ Dean Marriott, Director

City Council
Agenda Item
Staff Supplemental Report

TO: Commissioner Dan Saltzman
THROUGH: Matt Grumm or Amy Trieu

FROM: Scott T. Gibson, P.E.

DATE: December 21, 2012

RE: Bureau of Environmental Services participation agreements with private property owners in the RDII Program Pilot Project areas for rehabilitation of private sewer service laterals to remove inflow and infiltration into the public sewer conveyance and treatment system.

Requested Council Hearing Date: January 16, 2012

I. RECOMMENDATION

Approve the ordinance to authorize the Director of the Bureau of Environmental Services or his designee to enter into participation agreements with private property owners in the RDII Program Pilot Project areas for rehabilitation of private sewer service laterals to remove inflow and infiltration into the public sewer conveyance and treatment system.

II. BACKGROUND

BES has performed extensive analysis of its sanitary sewer collection system and determined that Rainfall-Derived Infiltration and Inflow (RDII) causes significant problems in southwest Portland's sanitary sewer basins, most significantly in the Fanno Creek and Burlingame sanitary basins as documented in the "Recommended Plan for Fanno Creek and Burlingame Sanitary Basins," March 21, 2012.

BES has initiated an RDII program to reduce the inflow of stormwater from the sanitary system in the Fanno Creek, Tryon Creek and Burlingame sanitary sewer basins. This program has recommended pilot projects to investigate the effectiveness of various methods and approaches to resolving RDII from private property prior to developing a larger basin-wide program.

In 2012 Council adopted Resolution 36977 recognizing the negative impacts of RDII and endorsing implementation of RDII pilot projects.

These participation agreements with private property owners in the RDII Program Pilot Project areas will enable the rehabilitation of private sewer service laterals.

III. FINANCIAL IMPACT

There is no cost to the private property owners for signing the participation agreements. BES will fund and construct private service rehabilitation efforts on private property using funds available in the current & future years' requested Sewer System Operating Fund Budget. The source of funding is BES revenue from rates.

IV. LEGAL ISSUES

The City Attorney's Office foresees no legal issues with the pilot projects because property owner participation will be entirely voluntary and because the projects are not anticipated to conflict with City Charter or Code provisions.

V. CONTROVERSIAL ISSUES

Ratepayer funds will be used to rehabilitate or replace a certain number of private sewer laterals. However, BES has determined that the pilot projects are a cost-effective, time-limited method of obtaining data critical to understanding and mitigating the impact of private property RDII on the public sewer system.

VI. LINK TO CURRENT CITY POLICIES

The pilot projects support an asset management approach to reducing long term risk to the environment and to the bureau.

VII. CITIZEN PARTICIPATION

Property owners in the targeted pilot project area will be provided with background information by mail and canvassed one-on-one in order to have direct conversations about participation and entering into the participation agreements.

VIII. OTHER GOVERNMENT PARTICIPATION

Clean Water Services (CWS) has an interest in the BES RDII program. Reduction of RDII in southwest Portland will reduce the amount of wet weather flow directed to their system and is a requirement of our cooperative agreement.

Oregon DEQ is involved in the oversight of the MAO with BES to resolve sanitary sewer overflows in the Burlingame Sanitary Sewer Basin. The Burlingame Sanitary Sewer Basin pilot projects help meet the requirements in the MAO.

IX. FINANCIAL IMPACT ON LOCAL ECONOMY

IF APPLICABLE, PROVIDE INFORMATION ON ESTIMATED NUMBER OF JOBS CREATED BY THIS ACTION

The participation agreements will not directly impact job creation. However, the participation agreements will enable construction contracts to rehabilitate private sewer laterals that will be publicly bid to qualified contractors creating jobs in each of those projects.

IF THIS ACTION IS CONTRACT-RELATED, PROVIDE INFORMATION ON M/W/ESB PARTICIPATION (NUMBER AND PERCENTAGE)

N/A

185866

- X. IF THIS IS A CONTRACT, DOES CONTRACTOR HAVE A CURRENT BUSINESS LICENSE? ____ WHAT IS THEIR BUSINESS LICENSE NUMBER? ____ IS THEIR ACCOUNT WITH THE CITY CURRENT? ____ IF NOT, HOW MUCH IS OWING? ____
-

N/A