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# Seal Rock Water District

General Manager's Report: Board Meeting July 11, 2019

This report is an executive summary provided with this Board agenda to Commissioners with recommended actions if any. Detailed information, staff reports, and supporting materials are provided within the full agenda packet.

## **PHASE-4 SOURCE WATER PROJECT:**

On June 13, 2019 the Board authorized the District to execute a Letter of Conditions (LOC) with the United States Department of Agriculture Rural Development (USDA-RD). Funding provided by USDA-RD is the most recent award in a long-term, strategic effort of SRWD to leverage the revenue dollars of its small community and increase the potential impact of improvements to Seal Rock's lengthy water system. This pledge has led SRWD to successfully pursue over \$15M in partner funding in the last two years:

# United States Department of Agriculture - Rural Development 2019:

Loan amount: \$9,096,000 Grant Amount: \$2,799,500 Total Package: **\$11,895,500** 

# **Business Oregon - Infrastructure Finance Authority, Safe Drinking Water Revolving Loan Fund 2018:**

Loan Amount: \$2,451,000 Grant Amount: \$1,030,000 Total Package: **\$3,481,000** 

The District is very pleased with such a positive outcome from months of advanced planning, hard work and commitment on the part of the District's Board of Commissioners, staff and consultants. Challenging economy, tapping external resources and partnerships to promote sustainability in developing a more resilient source water supply system, is absolutely critical. Funding from grants like this allows the District to offer our customers even more value for their dollar.

The success of the District's grant pursuits would not be possible without the highly collaborative efforts of the SWRD Board of Commissioners and our partners from USDA-RD and Business Oregon-IFA. With their consideration and support of District improvements, we will continue to provide reliable safe drinking water to the Seal Rock community for generations to come.

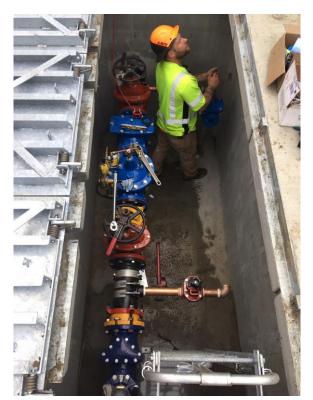
Phase-4 improvements project continues to move forward with several critical path tasks currently in progress:

- 100% final design and contract document have been completed by the engineer.
- Contract documents are being reviewed by USDA-RD in preparation for advertisement.

- District staff and representatives with USDA-RD are reviewing final finance information to satisfy USDA underwriting in preparation for receiving the draft Letter of Conditions (LOC).
- On March 26, 2019 the District received a letter provided by USDA-RD notifying the District that the source water project was eligible for financing.
- Staff is also working with representatives from USDA-RD, the District's finance consultant, and Bond Counsel in preparation for Phase-4 interim financing.
- On April 4, 2019 the District received the USDA-RD Public Notice Announcing the Availability of an Environmental Assessment which was published locally beginning April 10, 2019.
- Final design is also in statutory review by the State of Oregon, Health Authority (OHA) Department.
- Lincoln County Conditional Use Permit process has completed the public comments period with no comments.
- Project review and approval by Oregon Health Authority has been received.

#### PHASE-3 USDA-RD SYSTEM IMPROVEMENTS COMPLETED:

Working with a local contractor, District crews recently completed installation of two new Pressure Reducing Valves (PRVs) in the south end of the system. New PRV's were installed in the Sandpiper Community and the Bayshore Community. Included in the installation of PRVs are new meters which will be connected to the District's smart meter technology and used to calculate non-revenue water loss. Installation of new PRVs completes phase-three improvements and allows the District to certify this project complete with USDA-RD representatives.







Bayshore PRV:

#### **EMERGENCY WATER MAINLINE REPAIRS IN THE BAYSHORE COMMUNITY:**

Recently District crews have responded to several emergency water main repairs in the south end of the system. Crews were called out on three separate occasions in response to mainline leaks in Bayshore and Highland communities.

In the early hours of June 14th Fire Districts in the region used Fire Hydrants located on Bayview Road while responding to a fire east of the Highland Community. For some unknown reason this affected water supply to the Highland Community, reducing the amount of water the system can supply to the community by 90%.

While crews worked to correct issues in the water distribution system that serves customers in the Highland Community, a 2-inch temporary supply line was connected to restore a limited amount of water to approximately 40-customers. The District notified customers in the Highland community to please conserve water until permanent repairs could be completed and water was restored to full system volume.

After investigating the system further, crews discovered an old original inline single check valve buried outside the Bayshore pump station near the road, which had collapsed severely restricting the delivery of water to the North Highland Community. Crews completed permanent repairs by removing the check valve that is no longer needed in the system.

Again, on June 26<sup>th</sup> crews were dispatched to a report of no water on Canoe Street in Bayshore. The is the second leak this month in this area. Crews discovered that the 4-inch mainline serving this area had ruptured. Condition of the pipe is extremely poor and is likely more widespread. Crews are evaluating the option of replacing short sections of mainline on Canoe and Cunard Street using internal forces to facilitate permanent repair.



Cano Street Waterline June 26, 2019:



Temporary Repair June 26, 2019:

### OTHER NOTABLE ACTIVITIES FOR THE MONTH INCLUDE:

- Attended Mid-Coast Integrated Water Resources Coordinating Committee meeting on June 11th.
- Reviewed Easement and access agreements related to Phase-4 improvements.
- Coordinated replacement of two PRVs in the Bayshore and Sandpiper Communities.

- Completed the review of the permit application for the Joint (404) Oregon Department of State Lands and the Corps of Engineers on May 15th.
- o Attended on site Beaver Creek water quality field data collection meeting with consultants.
- Coordinated with representative from Sen. Arnie Roblan's office in support of this year's annual Coastal Caucus.
- At the request of the Newport City Manager, attended the Newport City Council Work Session on June 17<sup>th</sup>.
- o Met with Bond Counsel and Financial Consultant to discuss USDA-RD funding on June 24th.
- o Met with engineers and consultants to Phase-4 improvements schedule on June 25<sup>th</sup>.
- o Filed crew attended PRV calibration training in Bayshore and Sandpiper on June 27th.
- Assisted City of Newport and OWRD in interviewing Planning Coordinator candidates on June 27<sup>th</sup> and July 11<sup>th</sup>.
- Staff met with a representative from Kozy Acres Water District to discuss District operations on June 27<sup>th</sup>.
- Met with representatives from USDA-RD to discuss Phase-4 funding and LOC on July 2nd.