Questions Raised at the Community Water Forum

The following questions were raised by attendees at the Community Water Forum on March 14, 2012.

Emergency Talent/Ashland Phoenix (TAP)

Q: Why don't we just connect to TAP and get our water from Medford?

A: The TAP tie-in was designed to deliver up to 3 million gallons per day (MGD). It was never intended to meet all of Ashland's water needs and is not big enough to do so, especially in the summer.

Q: The emergency TAP project is priced at $2.1 million. Does the cost include the emergency pumps? How will they be deployed?

A: The City will invest in a 400 HP trailer mounted pump. The pump will be moved to the area most needed.

Q: What is the system development charge (SDC) to Medford if we utilize the emergency TAP line?

A: The City still needs to negotiate the terms for emergency use; staff does not anticipate a (SDC) for this type of occurrence.

Q: Isn't Medford water just about the best anyplace? Why not just connect to Medford for all of our water? Was this cost assessed?

A: Yes, Medford has good quality water; however, Ashland's water quality is also very good. The option to connect to Medford for all of our water was investigated, but a Medford official indicated they are not prepared to provide that much water.

Proposed Projects

Q: Does the new water treatment plant (WTP) replace the existing plant? If not, why not replace the "at risk" facility?

A: No, the new WTP will not replace the existing plant. Replacing the existing WTP was evaluated and the estimated cost to move the plant is $40 million. The committee felt that $40 million was too great a cost. Since having a second plant provides a redundant system, they decided on the phased approach instead. The City will have two WTPs in operation, the new WTP will run year-round and the existing WTP will be used for the summertime peak period only.

Q: In the diagram it looks as though the new WTP is higher than the reservoir. Is this true?

A: No, that is just how it appears in the graphic illustrations.

Q: What is the capacity of the proposed Crowson II reservoir and the new WTP?

A: The reservoir capacity will be 2.6 million gallons, and the capacity of the new WTP will be 2.5 MGD. The sizing of the new WTP was based on having ample capacity for domestic indoor potable water. The new WTP can be scaled up to 5 MDG, 7.5 MDG, and eventually 10 MGD as our final goal in 2060.

Rates

Q: Will the rate increase be lowered if the City collects more money than needed from water sales?

A: Each year staff will seek approval from the City Council for a proposed rate and the actual amount needed will be determined annually. So, if the City collects more money than projected from water sales, the proposed 10% rate increase could be reduced. Conversely, if the City collects less money than projected, the rate could be increased.

Q: Why are you saying rates would only go up 14%? It looks like much more than that.

A: We anticipate rates will need to increase to at least $57.00 just to meet peak demand in 2018 and other regulatory requirements. The additional cost to provide redundancy (new WTP and emergency TAP) will raise the rates an additional $8.00 or about 14% more.

Q: How do we know the money will be totally allocated for the projects? What assurances would you give us that money collected for future expenditures will in fact be there and not used elsewhere?

A: Enterprise funds are independent financial entities and as such, they must pay for their own projects. In addition, the City Council annually approves a six year Capital Improvement Program (CIP) project list for which the proposed projects will be reviewed annually, followed by a public budgeting process with City Council and a Citizen Budget Committee approval.

Q: Are there any other ways to raise money, like Federal Grants?

A: Once the Master Plans are adopted, staff can apply for federal and state grants. The City will look at every applicable grant and low interest financing option available prior to proceeding with projects identified in the CIP.

Q: How do the proposed rates compare to those in neighboring communities?

A: Ashland water rates are compared to other cities in the Rogue Valley as follows:

City	**Current** Residential Water Rate Comparison (assumes 10 ccf of water use)				
	Base		Volume (use)		Total
	Dollars	% of total bill	Dollars	% of total bill	Monthly Bill
Ashland	$ 14.84	43%	$ 19.70	57%	$ 34.54
Jacksonville	$ 9.90	43%	$ 13.30	57%	$ 23.20
Phoenix	$ 33.00	88%	$ 4.66	12%	$ 37.66
Central Point	$ 9.40	50%	$ 9.50	50%	$ 18.90
Grants Pass	$ 9.21	52%	$ 8.50	48%	$ 17.71
Talent	$ 12.00	39%	$ 18.74	61%	$ 30.74
Medford	$ 7.62	65%	$ 4.16	35%	$ 11.78

Q: What are alternatives to consumer rate increases, e.g. Ashland meals tax or a tax on water usage for heavy users?

A: A tax would be an option Council may consider but they will have to look at the economic impact. As for heavy users, in 2009 Council added another tier to the water rates for conservation. We currently have four residential use rate tiers. There is a 30% difference between the rates for each tier; the more you use, the more you pay.

Q: Why not float a General Obligation (GO) Bond paid off by property taxes?

A: The City could propose this, but a vote would be required. If the vote is no, we are right back to where we are now. A GO Bond bases payment on assessed valuation of property. The assessed valuation of property has little to do with how much water is used on the property. When a revenue source can be tied to a use of that service, it is a better and fairer way to finance capital improvements. Customers who use the service pay for the service through their rates.

Q: After the project is completed what will happen to the rates?

A: After 2022, water and sewer rates are likely to continue to increase in line with inflation at a minimum. In addition, there will be end-of-life pipeline replacement projects for both

water and sewer, plant upgrades, and water supply projects that may impact rates. As was the case for the proposed water and wastewater master plans, staff will look ten years into the future for the best financial strategy to minimize long-term rate impacts to the community.

Q: Do the schools pay different rates and if so how much? Do they use potable water?
A: Schools pay a government rate. While some of the schools are on TID for irrigation, other schools use potable water for drinking and irrigation.

Per Resolution 2010-10, the current non-residential (including government) rates are as follow:

A. MONTHLY SERVICE CHARGE:
The basic service charge applies to all metered water services and does not include any water consumption.

		OLD	NEW
0.75	Inch Meter	$13.49/month	$14.84/month
1	Inch Meter	$26.95/month	$29.65/month
1.5	Inch Meter	$38.42/month	$42.26/month
2	Inch Meter	$50.61/month	$55.67/month
3	Inch Meter	$105.81/month	$116.39/month
4	Inch Meter	$161.76/month	$177.94/month
6	Inch Meter	$303.31/month	$333.64/month
8	Inch Meter	$505.49/month	$556.04/month

B. WATER QUANTITY CHARGE (ccf = hundred cubic feet)
Non-Residential Consumption (includes government)

	OLD	NEW
0 - 50,000 cf per month	$2.17/ccf	$2.39/ccf
Over 50,000 cf per month	$2.24/ccf	$2.46/ccf

Q: Rates can be used to encourage conservation, serve as fairness and help keep us from becoming a City beyond the means of the non-well-to-do citizen/families. For example, and only an example, a "subsistence" level of water could be free, with rates above this level adjusted as necessary. Have these concerns been factored into your planning? How?
A: The Council added a new tier to the rate structure in 2009. There are now four residential rate tiers with a 30% difference between the rates for each tier. The more water you use, the more you pay.

Talent Irrigation District (TID)

Q: Will TID be available to homeowners for irrigation?

A: The City does not anticipate extending new TID services because it does not have enough TID water rights available to do so. It is also cost prohibitive to build the distribution system needed to deliver water to new homes. Existing users, west of Starlite Pl. will be served by the City itself; those east of Starlite Pl. will continue to be served by TID.

Q: How does piping the TID impact the environment/ecosystem currently surrounding the open TID?

A: We do not expect to see a major environmental impact from piping the canal because it is on a north facing slope, and is thereby better protected from drought. However, piping the ditch may cause a loss to some non-native plants and trees along the way.

Q: Would it make economic sense to store untreated TID water for firefighting reserve?

A: The new water tank meets the needs for firefighting so there is no need to build additional expensive tanks that would be difficult to pay for and to find a suitable location to construct.

Q: How much of the additional 135 acre feet have been used in the past and what month is it used? Do you plan to use the entire 135 acre feet rights in the future?

A. The additional 135 acre feet represent water we have lost in the past through evaporation and leakage in the typical irrigation months of July, August and September. Yes, we plan to use the 135 acre feet once the system is piped.

Q: Is the water in the new reservoir TID water?

A: TID water does not flow into Reeder Reservoir or any other reservoir. TID water flows from Terrace Street to the WTP, where it is then treated.

Q: In non-emergency situations will TID water be mixed with Ashland Creek water? If so, what are those situations?

A: TID will be used in drought conditions. In those situations, TID water is mixed with Ashland Creek water prior to being treated at the WTP.

Q: Is Emigrant Lake used for irrigation, but not in TID?

A: The City does not use any water from Emigrant Lake; it is not the City's TID water source.

<u>Grey Water/Rainwater Catchment</u>

Q: Has there been any study for grey water distribution during peak summer months? Why is there no consideration of using untreated or reclaimed water?

A: The City is in the process of updating Ashland's rainwater catchment requirements and that option will become more readily available in the near future. The State of Oregon has codified and now allows the use of grey water throughout the state. The water master plan is proposing to add a .5 FTE position to further assist local residents with water conservation programs.

Q: Is it feasible to separate the sewer pipes from storm flow drainage?

A. Sewer and storm water are already in separate piping systems.

Q. While we are digging up old pipes, we could lay down two parallel systems and use one for grey water. Isn't one goal of the proposed recommendation to conserve water for future use? Wouldn't building a pipe system for grey water be worth the extra cost?

A: Ideally, this is a great option, although it is cost prohibitive at this point. The committee looked at this idea as an alternative supply source, but the cost to build a second parallel system is so high that the Ashland Water Advisory Committee (AWAC) chose not to pursue this option.

Q: Do the Parks use grey water for irrigation?

A. No, the Parks does not use grey water but they use approximately ½ MGD of TID water for irrigation. The Parks Department pays the government rate for City water.

<u>Supply</u>

Q: Why doesn't the list of projects include a plan for increasing the supply of raw water?

A: AWAC evaluated supply options as part of the master planning process and developed several potential options. Given that the water supply is sufficient until 2038, the committee determined there is still plenty of time to more carefully evaluate those options at a later date.

Some examples of AWAC's supply options include recognizing conservation as a supply option, testing four ground water wells that have been identified in the local area (the recommended rate increase include funds to test the wells in 2012-13), increasing the size and volume of the impoundment at Reeder Reservoir, and aggressively seeking to acquire senior TID and Ashland Creek water rights.

Q: How will future increase in development of "new houses" affect water demand? In other words what percent of rate increases are due to development?

A: Currently sewer and water SDCs total about $7,000 for a 2200 sq. ft. home of which $5,800 is for water and $1,200 for sewer. Once the master plans have been adopted, staff will recommend SDC adjustments based on the plans.

Q: Should we continue using drinking water for watering trees and plants?

A: While it would be ideal to use available TID or sewer effluent for irrigation, it is cost prohibitive to build a secondary irrigation water distribution system. Thanks to Robbin Pearce's (retired conservation analyst) efforts, the City has achieved a 10% conservation goal since 1998. In order to meet the new additional 5% conservation minimum, a team of local experts was formed to assist staff with the development of new conservation programs. The team recommended using drought resistant plants so we can start reducing the amount of water used for irrigation.

Conservation

Q: Conserving water reduces revenue for the City. Why do it?

A: As the City treats less water, it receives less money, but infrastructure maintenance and staffing costs remain the same. The answer is more long term; if we do not begin to conserve now, we simply will not have enough water in the future.

Q: How will you promote grey water use? Has there been any consideration to utilizing other conservation methods such as rainwater catchment, grey water use for irrigation, composting toilets?

A: It will probably involve some rebates. Rainwater catchments are already being used without a lot of promotion. At an upcoming meeting, Council will be asked to allow more space for rainwater catchments to be placed in the setbacks of properties.

Waste Water Treatment Plant

Q: Why has outsourcing sewage treatment (like other local cities do) been taken off the table? What about decommissioning the WWTP and utilize the centralized system in Medford?

A: Even if Ashland decided to send its sewage to Medford for treatment, the City would have to continue to pay off the existing debt for the last WWTP upgrade, pay $30 million to send sewage to Medford, and continue to maintain the collection system. The cost seemed excessive and therefore the option was discounted.

Other

Q: What would it cost to build five additional water tanks and connect to the City water treatment plant? Would this solution be cheaper? Why not?

A: The cost would be approximately $30 million. This would not be a solution as our water model does not show a need for additional treated storage beyond what was proposed. If additional water tanks beyond the needs were constructed, these tanks would cause water quality problems if the water sits too long.

Q: Has the City considered planting cattails and other water filtering plants like bull rush to help purify our water in the reservoir?

A. No. While cattails in wetlands can be an effective treatment process for wastewater, they are not considered effective for potable drinking water treatment.

Q: Please comment on the problems with water pressure in the hill neighborhoods, which are most likely to have fires.

A: We aim to design our system to deliver 1,500 gallons per minute of flow at each hydrant. Currently there are areas in the higher elevations that do not meet this goal.

Q: Will our water always remain a public resource or will it ever be at risk for privatization?

A. The City owns senior Ashland Creek water rights. Short of changes to water right laws, we do not anticipate losing rights. Furthermore, Ashland's Charter contains language prohibiting the sale of water rights stating "water shall never be rented, sold, or otherwise disposed of; nor shall the City ever grant any franchise to any person or corporation for the purpose of supplying the inhabitants of said City with water."

Q: I am concerned about construction trucks traveling up and down Granite Street. How long will construction take?

A: The heaviest construction traffic would last three to four months. The traffic will be split between Granite Street and Glenview Drive.

Q: Less than a year ago at a City meeting about the new rest area, City staff said there was not a water problem and the City could handle sewer and water for the rest area. Is this still true?

A: Yes, it is still true. The current water and sewer master plans evaluate long term (20-years) growth and the amount of water and sewer the rest area would use has a small impact on the overall system.

Q: Why didn't this discussion begin after the 1997 flood? Maybe it did and it was the beginning of the current proposal.

A: The discussion happened in 1998, and a study was done that identified a peak demand problem by 2016. That was also when the discussion about TAP began. The community expressed mixed opinions about TAP in 2008, so the Council delayed the implementation of TAP and formed the AWAC. The Ashland Water Advisory Committee (the think tank) was formed in 2008 to look at other alternatives and forward their recommendations to the community and Council.

Q: What is the current City water usage (millions gallons per day)? What percent will this project increase it?

A: It will not really change the usage. The current use in winter is 77 gallons per person, per day. It is very low because indoor conservation efforts have been very effective. Conservation has not really addressed outdoor use, so this is where we have an opportunity to improve. Combined indoor and outdoor use in the summer is about 300 gallons per person, per day. Domestic water use is about 2 MGD in the wintertime; our peak summertime is 7.5 MGD. By 2018 the summertime peak demand is likely to be higher still, and we will not be able to keep up with demand.

Q: Who owns the land that the new water treatment plant would be located on?

A: The City of Ashland owns the land.

Q: If the City Council does not vote for the water system upgrade, we should strongly focus on investing a forestry upgrade in the Ashland watershed that maximizes and protects the water flow. Logging on 5,000 plus acres is NOT a solution to that except maybe for fire protection.

A: The Ashland Forest Resiliency project is an ongoing effort to address the issue of wildfire hazard in the watershed. By thinning trees and brush we are choosing to address this issue now, rather than face the consequences of a severe wildfire that could lead to siltation in Reeder Reservoir and end up costing the City many millions of dollars to dredge the reservoir as has been done in past flood years. It would be much more expensive now; perhaps rivaling the amounts we are talking about in the current AWAC proposal. An SOU class researched the issue of post fire siltation and found that the City could end up with significant costs to remove silt and gravel from the reservoir after a severe fire. The AFR project is currently funded to accomplish this work over roughly one-fifth of the watershed area.

In terms of water yield, thinning brush and trees over large enough areas actually increases water yield by reducing water use by vegetation in the watershed. That certainly was *not* a goal of the AFR project, but it is an unintended side effect of fire hazard and forest health work underway.

Additional Information at www.ashlandwatershed.org or contact Chris Chambers directly at 541-552-2066.

Q: In NASA's report entitled "Severe Space Weather" Oregon is specified as an area vulnerable to "grid collapse" in an extreme solar flare event, melt the copper wires and take months to repair. How would we treat our water before distribution in this event? (Our current backup system would cover us for about 3 days).

A: Our system is gravity fed and requires very little power.

Q: Is it possible to limit the size of new homes in Ashland and insist on natural plantings (drought resistant) rather than grass? How about swimming pools?

A: Thanks to Robbin Pearce, retired water conservation analyst, who managed the City's water conservation program, programs were initiated to save water in a number of different innovating ways including promotion of drought resistant plants. The City recommends swimming pool best management practices be followed when draining pools and rinsing filters.