CITY OF EUGENE
REGIONAL WASTEWATER PROGRAM RESPONSIBILITIES

The Wastewater Division for the City of Eugene manages all regional wastewater pollution control facilities serving the Eugene/Springfield and River Road/Santa Clara areas under the Intergovernmental Agreement for the Metropolitan Wastewater Management Commission (MWMC).

These regional facilities include the Eugene/Springfield Regional Water Pollution Control Facility (WPCF), the 154 acre Biosolids Management Facility, the 286 acre Seasonal Industrial Waste Facility, the 600 acre Biocycle Farm site, and regional wastewater pumping stations and transmission sewers. In support of the water pollution control program, the Division also provides technical services for wastewater treatment, management of equipment replacement and infrastructure rehabilitation, biosolids treatment and recycling, an industrial source control and pretreatment program in conjunction with City of Springfield staff, regional laboratory services for wastewater and water quality analyses, and flow monitoring on the regional sanitary trunk sewers.

ADMINISTRATIVE AND MANAGEMENT SERVICES

Administrative Services provides management, administrative, and office support to the Wastewater Division. This support includes the general planning, directing, and managing of the activities of the Division; development and coordination of the budget; administration of personnel records; and processing of payroll, accounts payable, and accounts receivable. This section also provides tracking and monitoring of all assets for the regional wastewater treatment facilities and clerical support for reception, telephone services, and other miscellaneous needs. The Administrative services include oversight and coordination of the Division's Environmental Management System, safety, and training programs. Another area this program administers is the coordination of local and regional billing and rate activities.

REGIONAL WASTEWATER TREATMENT
FACILITY OPERATIONS

The Wastewater Division operates the WPCF to treat domestic and industrial liquid wastes to achieve an effluent quality that protects and sustains the beneficial uses of the Willamette River. The WPCF is designed to treat 49 million gallons per day (mgd) of dry weather flow, with a peak hydraulic capacity of 105 mgd for full secondary treatment. The Operations section optimizes wastewater treatment processes to ensure effluent quality requirements are met in an effective manner. In addition, the Operations section provides 24 hour per day alarm monitoring of all plant processes, regional and local pump stations, and the Biosolids and Seasonal Industrial Waste Facilities.

REGIONAL WASTEWATER TREATMENT
FACILITY MAINTENANCE

Preservation of the multi-million dollar investment in the equipment and infrastructure of the WPCF is the responsibility of the Maintenance section of the Wastewater Division. This

section provides a preventative maintenance program to maximize equipment life and performance; a corrective maintenance program for repairing unanticipated equipment failures; a facility maintenance program to maintain the buildings, treatment structures, and grounds; and a stores unit that purchases and stocks parts and supplies and assists with professional services contracting. Also included within the Maintenance section's charge are the pump stations and sewers in the regional and local collection system, and the facilities and equipment at the Biosolids Management and Seasonal Industrial Waste Facilities.

BIOSOLIDS MANAGEMENT

The biological solids (biosolids) produced as a result of the activated sludge treatment of wastewater is managed by the Residuals Management section of the Wastewater Division. This section operates the BMF and Biocycle Farm located at Awbrey Lane in Eugene. Approximately 5,000 dry tons of biosolids are produced annually by the WPCF. These biosolids are treated using anaerobic digestion, stored in facultative lagoons (which provide some additional treatment benefits), and then air-dried to reduce the water content and facilitate transport. The dried material is ultimately recycled to agricultural land as a beneficial fertilizer and soil conditioner. In 2004 the first phase of the Biocycle Farm began operations, beneficially reusing biosolids through irrigation on poplar trees. This section also manages the Seasonal Industrial Waste (SIW) facility.

INDUSTRIAL SOURCE CONTROL (Pretreatment) and ANALYTICAL SERVICES, SAMPLING TEAM

The pretreatment program is a regional activity implemented jointly by the cities of Eugene and Springfield. The Industrial Source Control group of the Wastewater Division is charged with administering the pretreatment program for the regulation and oversight of wastewaters discharged to the sanitary collection system by fixed-site industries in Eugene and by mobile waste haulers in the Eugene and Springfield areas. This group is also responsible for ensuring that these wastes do not damage the collection system, interfere with wastewater treatment processes, result in the pass-through of harmful pollutants to treated effluent or biosolids, or threaten worker health or safety.

This responsibility is fulfilled through the use of a permit system for industrial dischargers. This permit system, common to both Eugene and Springfield, implements necessary limitations on waste characteristics and establishes inspection, monitoring, and reporting requirements for documenting waste quality and quantity controls. The staff is also responsible for locating new industrial discharges in Eugene and evaluating the impact of new non-residential discharges on the WPCF. As of January 2007, there were 20 significant industrial users under permit in Eugene.

The section also has responsibilities related to environmental spill response activities.

The Analytical Services group provides necessary analytical work in support of wastewater treatment, residuals management, industrial source control, stormwater monitoring, and special project activities of the Wastewater Division. The laboratory's services include sample handling and analyses of influent sewage, treated wastewater, biosolids, industrial wastes, stormwater, and groundwater. Information from the laboratory is used to make treatment

process control decisions, document compliance with regulatory requirements, demonstrate environmental protection, and ensure worker health and safety.

The Sampling Team is responsible for all of the sampling activities related to regional wastewater program functions. These include the Eugene pretreatment program, wastewater treatment process control, effluent and ambient water quality, groundwater quality, facultative sludge lagoons, and stormwater samples. This section also evaluates and reports on the sampling data for various programs.

MANAGEMENT INFORMATION SERVICES (MIS)
The MIS section provides services for electronic data gathering, analysis, and reporting as necessary in compliance with regulatory requirements and management functions. This section also maintains the electronic communication linkages with the City of Eugene and the Regional Information System, and supplies technical expertise and assistance in the selection, operation, and modification of computer systems (hardware and software) within the Division.

PROJECT MANAGEMENT
Management of wastewater system improvements and ongoing developments is carried out by the Project Management staff. Activities include coordination of CIP activities with the City of Springfield staff, problem-solving and action recommendations, project management, technical research, coordination of activities related to renewal of the NPDES wastewater discharge permit, computer-aided design and electronic storage of design drawings, and planning of projects to anticipate and prepare for new regulatory and operational requirements. The Project Management staff develops Request for Proposals and Request for Quotes, coordinates special project activities between work sections, and coordinates the procurement of building permits as necessary in support of project activities.

PROGRAMS AND SIGNIFICANT SERVICE/EXPENDITURE CHANGES

In FY 07-08, Eugene staff will support the following major regional initiatives in addition to ongoing operational activities.

- Continue efforts to optimize service effectiveness and efficiency, further develop performance measurement and tracking systems (such as with development and implementation of a Balanced Scorecard approach to defining and managing organizational objectives).
- Manage the Operations & Maintenance (O&M) aspects of the Biocycle Farm, continuing the development of the biosolids irrigation practices and poplar tree management.
- Manage the O&M responsibilities of the NPDES permits for the wastewater discharge and treatment plant stormwater programs and the LRAPA air emissions permit for the regional wastewater treatment plant.
- Work cooperatively on the CIP elements and effectively integrate capital project work with ongoing O&M activities, with emphasis on maintaining an effective CIP management and coordination program with Springfield.

- Conduct an assessment of resource needs (staffing and M&S) associated with the CIP scheduled in the Facilities Plan, report to the Commission in the FY 07-08 budget process.
- Continue to evaluate impacts of regulatory actions (such as the Federal Blending Policy, Willamette River TMDLs, newly adopted state water quality standards) upon operational responsibilities.
- Complete scheduled major rehabilitation and equipment replacement projects in an efficient and timely manner.
- Develop the maintenance management program, including utilization of the computerized maintenance management system for maintenance scheduling, asset information, reporting, and monitoring performance.

SIGNIFICANT CHANGES FOR FY 07-08

The proposed budget for Operations and Maintenance of the regional wastewater treatment facilities (personnel, materials and services, and capital outlay) for FY 07-08 totals $10,026,097. The budget categories show a total 4% increase from the FY 06-07 budget. Significant changes proposed for the FY 07-08 Operations and Maintenance budget as compared to the FY 06-07 budget include:

Personnel Services

Personnel Services totaling $6,360,990 represents a FY 07-08 increase of $248,624 or 4%. The major changes are in the following budget categories:

Staffing

- A budget increase of 2.0 FTE allocations is projected for FY 07-08.

0.89 New Computer Maintenance Management Specialist - This is a position to manage the ongoing development and implementation of the Wastewater Division's maintenance management asset program which classifies and tracks the location, equipment, and spare parts used in wastewater treatment. This position would help transition the upcoming upgrade of the maintenance management system to a web-based program, and will result in better use of the data and information in the maintenance management system for decision making about maintenance activities (i.e. preventive and corrective maintenance, equipment replacement, major rehabilitation).

0.50 New Admin Specialist - This is a half time position which will align our business processes with the increased level of document control and management generated by the information and accountability needs of the organization. The intensely regulatory environment of wastewater collection and treatment mandates monitoring and reporting and generates a great amount of records that have to be documented and tracked. Document scanning and control are significant workloads and must be maintained in order to provide access to reports and other information required for legal and public purposes.

.61 Fund Reallocations - During the preparation of the annual budget proposal, the distribution of FTE hours for regional and non-regional activities from the previous year and the projected year are reviewed and adjustments are made to the next year's allocations. This is done to project proper charges of staffing between actual time spent between the regional and local funds.

Regular Wages – $4,005,633 [Increase of $226,450 or 6%]

- Salaries are based upon negotiated management/labor contracts between the City of Eugene and the local union (AFSCME). The Cost of Living (COLA) is projected at 3%. The increase also includes annual merit raises as applicable, the FTE adjustments described above, plus 1.39 new FTE's for a Computer Maintenance Management Specialist (.89 FTE) Administrative Specialist Position (.50 FTE).

Employee Benefits - $1,346,256 [Decrease of ($35,695) or (3%)]

- The decrease in employee benefits is driven by a decrease in payroll costs for PERS contributions. In addition, some liability charges were reduced. (Risk-surcharges)

Extra Help - $0 [Decrease of ($20,515)]

- All extra help expenses have moved from using City hired temporary employees to contracted temporary employees. It has been determined that overhead is less expensive when using contracted temporary staff. Contracted temporary employee expenses are budgeted in the Materials & Services section of the budget, so this decrease represents an accounting change, not an actual decrease in the budget.

Materials and Services

The proposed Materials and Services budget totaling $3,610,607 represents a total FY 07-08 increase of $149,278 which is 4%. The major changes are in the following budget categories:

Utilities –$688,499 [Increase of $72,085 or 12%]

- The increase in this line item is due to the increase in costs for electricity and natural gas. In addition, this budget category now covers the utility expenses for the capital projects and the MWMC CIP modular now located at the Plant site, therefore the monthly O&M charges for electricity and water will show these additional costs.

Fleet Operating Charges–$287,887 [Increase of $49,157or 21%]

- The increase in this line item is due to Fleet Rates driven by higher fuel costs.

Maintenance of Equipment & Facilities –$293,747 [Decrease of ($29,263) or (9%)]

- Internal cost shift to free resources for temperature studies.

Contractual Services – $344,628 [Increase of $96,059 or 39%]

- This line item includes $20,515 that was moved from the City hired temporary help budget to the contracted temporary help budget. (See explanation above under Extra Help.) An additional $20,000 was added to the budget to meet the seasonal workload of the biocycle and biosolids reuse facility to meet the increased work demands. Extra consulting funds were budgeted to meet the analysis that is projected for determining optimal temperature mitigations strategies to meet the temperature TMDL requirements.

Chemicals–$233,078 [Increase of $20,280 or 10%]

- The cost of chlorine and other chemicals continues to rise.

Parts & Components –$248,513 [Increase of $18,703 or 8%]

- The expansion of Phase Two of Biocycle Farm increased the number of hose reels from four to ten. The use of the farm tractors and other farm implements will also be increasing. The corresponding increase in frequency of repair for all equipment and the planned replacement of the small drive motors on the four existing hose reels require a budgetary increase to cover these expenses. The BMF increase to parts and components accounts for $10,850 of the changes. The additional $7,853 comes from a transferring some expenses from the parts and component line item to materials and supplies/other, for more purchases not directly related to parts or components.

Computer Equipment, Supplies, Maintenance $173,781 [Decrease of ($10,921) or (6%)]

- This line item reflects a combination of an increase of computer maintenance rates with the reductions from the one time purchases in the current budget.

Indirects – Budget Request $659,000 [Decrease of ($65,730) or (8%)]

- Indirects have been historically charged based upon actual personnel and materials and services expenses. The City of Eugene Public Works Administration have been meeting with the Eugene Finance staff and Springfield Finance Staff to find the best methodology to recover central services allocations from the regional fund. Meetings have yet to conclude the FY08 indirect rate and at this time staff had to estimate the dollar amount based on current financial policies and procedures.

Capital Outlay

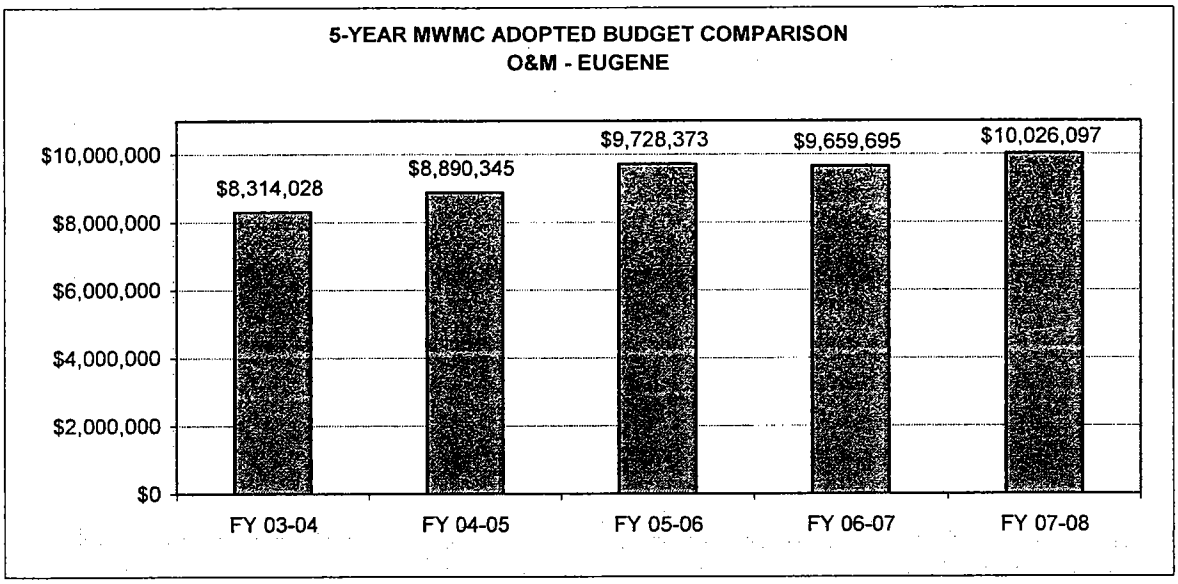
Capital Outlay - Other - $54,500

• Rotary Mower	$ 6,500
• Wide Track Tractor	$48,000

EXHIBIT 10

O & M - CITY OF EUGENE PROGRAM
ADOPTED FY 06-07
BUDGET SUMMARY

	ACTUAL FY 05-06	ADOPTED BUDGET FY 06-07	AMENDED BUDGET FY 06-07	PROPOSED BUDGET FY 07-08	CHANGE * INCR/(DECR)	
Personnel Services	$5,640,229	$6,112,366	$6,112,366	$6,360,990	$248,624	4%
Materials & Services	$3,384,969	$3,461,329	$3,539,952	$3,610,607	149,278	4%
Capital Outlay	93,086	86,000	86,000	54,500	(31,500)	-37%
Budget Summary	**$9,118,284**	**$9,659,695**	**$9,738,318**	**$10,026,097**	**$366,402**	**4%**



Notes: * Change column and Percent Change column, compare adopted FY 07-08 budget to adopted FY 06-07 budget

EXHIBIT 11
O&M - CITY OF EUGENE
LINE ITEM BUDGET SUMMARY

	ACTUAL FY 05-06	ADOPTED BUDGET FY 06-07	AMENDED BUDGET FY 06-07	PROPOSED BUDGET FY 07-08	CHANGE INCR/(DECR)	
PERSONNEL SERVICES						
Regular Wages	$3,586,906	$3,779,183	$3,779,183	$4,005,633	$226,450	6%
Extra Help	34,961	20,515	20,515	0	(20,515)	NA
Overtime	48,381	62,100	62,100	60,950	(1,150)	-2%
Employee Benefits	1,318,245	1,381,951	1,381,951	1,346,256	(35,695)	-3%
Health Insurance	564,720	779,855	779,855	862,083	82,228	11%
Workers' Comp/Unemploy Ins	87,016	88,762	88,762	86,068	(2,694)	-3%
TOTAL PERSONNEL SERVICES	5,640,229	6,112,366	6,112,366	6,360,990	248,624	4%
FTE	72.50	73.42	73.42	75.42	2.00	3%
MATERIALS & SERVICES						
Utilities	593,996	616,414	616,414	688,499	72,085	12%
Fleet Operating Charges	226,717	238,730	238,730	287,887	49,157	21%
Maintenance-Equip & Facilities	216,015	323,010	323,010	293,747	(29,263)	-9%
Contractual Services	250,554	248,569	248,569	344,628	96,059	39%
Materials & Program Expense	589,438	543,906	622,529	542,303	(1,603)	0%
Chemicals	231,463	212,798	212,798	233,078	20,280	10%
Parts & Components	248,052	229,810	229,810	248,513	18,703	8%
Laboratory Equipment & Supplies	62,556	86,709	86,709	90,811	4,102	5%
Risk Insurance - Employee Liability	123,868	51,951	51,951	48,360	(3,591)	-7%
Computer Equip, Supplies, Maint	110,437	184,702	184,702	173,781	(10,921)	-6%
Indirects	731,873	724,730	724,730	659,000	(65,730)	-9%
TOTAL MATERIALS & SERVICES	3,384,969	3,461,329	3,539,952	3,610,607	149,278	4%
CAPITAL OUTLAY						
Motorized Vehicles	$13,090	$86,000	$86,000	$54,500	(31,500)	-37%
Capital Outlay-Other	79,996	0	0	0	0	NA
TOTAL CAPITAL OUTLAY	93,086	86,000	86,000	54,500	(31,500)	-37%
LINE ITEM SUMMARY: EUGENE	**9,118,284**	**9,659,695**	**9,738,318**	**10,026,097**	**366,402**	**4%**
EQUIPMENT REPLACEMENT	**$ 1,013,725**	**$ 310,335**	**$ 468,385**	**$ 486,534**	**$ 176,199**	**38%**
MAJOR REHAB	**$ 135,586**	**$ 263,000**	**$ 385,630**	**$ 270,000**	**$ 7,000**	**2%**
MAJOR CAPITAL OUTLAY	**$ 165,000**	**$ -**	**$ -**	**$ -**	**$ -**	**NA**

REGIONAL WASTEWATER PROGRAM
CAPITAL PROGRAMS

Overview and Goals

The FY 07-08 Regional Wastewater Program (RWP) Capital Budget and the FY 07-12 Five Year Capital Improvement Program (CIP) are based on the MWMC Facilities Plan, which was approved by MWMC, the governing bodies of Eugene, Springfield and Lane County, and the Oregon Department of Environmental Quality in 2004. The Facilities Plan, and its twenty year capital project list are the result of a comprehensive evaluation of the regional wastewater treatment facilities serving the Eugene-Springfield metropolitan area and builds on previous targeted studies, including the 1997 Master Plan, 1997 Biosolids Management Plan, 2001 Wet Weather Flow Management Plan (WWFMP), and the 2003 Management Plan for a Dedicated Biosolids Land Application Site. The Facilities Plan is intended to identify facility enhancements and expansions that are needed to meet increased regulatory and wet weather flow requirements and to serve the community's wastewater capacity and treatment needs through 2025.

The objectives of the Capital Program are:

- Compliance with applicable local, state, and federal laws and regulations;
- Protection of the health and safety of people and property from exposure to hazardous conditions such as exposure to untreated or inadequately treated wastewater;
- Provision of adequate capacity to facilitate community growth in the Eugene-Springfield metropolitan area consistent with adopted land use plans;
- Construction, operation, and management of MWMC facilities in a manner that is as cost-effective, efficient, and affordable to the community as possible in the short and long term;
- Implementation of Citizens Advisory Committee recommendations, which represent diverse community interests, values and involvement, and that have been adopted by the Commission as MWMC plans and policies; and
- Mitigation of potential negative impacts of MWMC facilities on adjacent uses and surrounding neighborhoods (ensuring that MWMC facilities are "good neighbors" as judged by the community).

Attaining these objectives is the basis for the projects included in the five year CIP and FY 07-08 Capital Projects budget.

CIP Financial Planning and Policy Overview

The RWP CIP is funded primarily through proceeds from revenue bond sales, system development charges, and transfers from the operating fund to Capital Reserves. The operating fund derives the majority of its revenue from wastewater user charges that are collected by Eugene and Springfield from their respective customers. Transfers from the operating fund are budgeted annually consistent with the MWMC Financial Plan to meet the financial needs of the capital projects. The RWP uses these transfers to reduce the amount of borrowing necessary to finance the capital program.

For each fiscal planning cycle, only one year of budget authority is appropriated. The remaining four years of the CIP are important and useful for fiscal and work planning purposes, but the funds in the outer years of the CIP are only planned for, not appropriated. The full amount of obligated multi-year project costs is typically appropriated in the first year of the project, unless a smaller subset of the project, such as project design, can be identified and funded without budgeting the full projected project cost. For these multi-year contracts, unspent funds from one fiscal year will be carried over to subsequent fiscal years until the project is completed.

The RWP CIP reflects projected price changes over time that affect the cost of materials and services. Until about 2003, the 20 year average Engineering News Record inflationary factor for construction served as a good predictor for future inflation and was used for projecting MWMC costs. In recent years however, local construction cost inflation has exceeded the ENR average and MWMC has modified its inflationary projections accordingly. The RWP CIP assumes general prices change at 5 percent per year over the planning period. This does not reflect a projection of any single inflation index but was developed by CH2M Hill to reflect a reasonable aggregate rate of increases for the next 5 years, based on the historical activity of both construction and non-construction price indices. Indices tracked include the Engineering News Record Construction Cost Index, the Turner Building Cost Index, and the Consumer Price Index.

Regional Wastewater Program Capital Projects Budget

The following is a summary of the status of capital projects which are currently budgeted in the FY 06-07 Regional Wastewater Program Capital Budget and those proposed to be included in the FY 07-08 Capital Budget.

The Regional Wastewater Program Capital Projects budget request consists of the projects in the first year of the proposed FY07-12 five-year CIP, totaling $76,226,346, plus the Capital Projects managed by Eugene staff at the Wastewater Facility (consisting of Equipment Replacement, Major Capital Outlay, and Major Rehabilitation), totaling $756,534.

Information regarding each project included in the FY 07-08 Capital Projects budget is included in the CIP project summary sheets included in this document. Each summary sheet provides a description of the project, the project purpose and what is driving the timing of the project, the proposed funding schedule, and the expected final cost and cash flow for the project. For those projects which are in progress, a short status report is included on the summary sheet.

Completed Capital Projects (Scheduled Completion by June 30, 2007)

In FY 06-07, several on-going capital projects are being completed and closed out. Those projects projected to be closed out in FY 06-07 are listed below. No CIP summary sheets are included in this document for these projects because there is no expected carryover of project funds to FY 07-08, and therefore no requested budget for these projects in FY 07-08. All projects completed in FY 06-07 have been completed within the Commission-approved capital budgets for each project.

All components of the first phase of the Biocycle Farm Poplar Plantation were successfully completed and accepted in FY 06-07, including the Biocycle Farm Pump Station Modifications –

Project P80016, the satisfactory conclusion of legal claims related to this pumping system replacement, and the Biocycle Farm Fence – Project P80027, surrounding the farm.

The Poplar Plantation Phase II planting- Project P80042 is under way and expected to be completed by the end of FY 06-07.

The 6 additional Hose Reels for the Biocycle Farm - Project G81000, which are being paid for partially through a federal Stag Grant, have been delivered and will go through complete testing and acceptance by the end of FY 06-07.

And the Lab Modifications for an Active Acid Neutralization System – Project P80036 have been completed and accepted.

Carryover Capital Projects (Projects Initiated in FY06-07 or Earlier)

A number of capital projects which were started or on-going in FY06-07 are not scheduled for completion until FY 07-08 or beyond. Therefore remaining funding for these projects is carried over in this FY 07-08 budget. CIP project summary sheets for these carryover projects are included in this document. All funding for these projects continues to be consistent with the CH2M Hill 2006 recosting of capital projects and the FY 06-07 CIP adopted by the Commission last April.

The on-going carryover projects are:

Line Biosolids Lagoons – Phase 1 – Project P 80035
River Avenue Improvements – Project P80048
Wet Weather Flow Management Plan Update – Project P80047
Influent Pumping/Willakenzie Pump Station/Headworks Expansion – Project P80038
(a proposed merging of these 3 interrelated projects)
Primary and Secondary Clarifier Improvements – Project P80033
Digester Mixing Improvements – Project P80032
Odorous Air Treatment – Phase 1 – no project number assigned yet
Aeration Basin Improvements – Phase 1 – Project P80039
Effluent Reuse – Phase 1 – no project number assigned yet
Facilities Plan Engineering Services – Project P 80049

One project, Waste Activated Sludge Thickening, that was budgeted in FY 06-07 and was not started, is not being proposed to be carried over to FY 07-08, but has been pushed out to a later year in the new FY 07-12 CIP. The change in timing for this project is due to a review with CH2M Hill facilities planners of the project need in relation to other, more critical, projects in the CIP. The Construction Management staff is working with CH2M Hill at this time to review the project criticality and time of need for a number of projects in the CIP. The purpose is to make sure we are focusing on the most critical projects, particularly in relation to the need to eliminate flow capacity restrictions in the regional system during the 5 year storm event by the year 2010.

New Projects for the FY 07-08 Capital Budget

Consistent with the Facilities Plan project list and consistent with the FY06-07 CIP, several additional projects are rolling from the second year of the adopted FY 06-11 CIP, into the first year of the FY 07-12 CIP, and therefore into the FY 07-08 Capital Budget. CIP project summary sheets for these projects are included in this document.

New projects added in the FY 07-08 Capital budget are:

Biocycle Farm – Poplar Plantation Phase III
Outfall Mixing Zone Study
Parallel Primary/Secondary Treatment
Sodium Hypochlorite Conversion

Summary of FY 07-08 Capital Budget

The following summary table shows the adjusted budget and end-of-year estimates for expenditures for the FY 06-07 Capital Budget and the amount of funding which is expected to be carried over to FY 07-08 for those projects that are ongoing and continuing to FY07-08. Also shown is additional funding and new projects in the FY 07-08 Capital Budget. The projects are organized in the table by where they are in the funding cycle, i.e. projects completed in FY 06-07, projects to be carried over for the FY 06-07 budget to the FY 07-08 budget, and projects which are newly proposed for budgeting. These projects and funding are consistent with the planning and funding as presented in the approved FY 06-11 CIP, with the exception that the funding for the Waste Activated Sludge Thickening project has been pushed to an outer year of the CIP, as discussed above, and $1,500,000 in funding for the design portion of the Tertiary Filtration – Phase 1 project has been brought forward a year, to allow start of design work on that critical project a year earlier.

EXHIBIT 12

Summary of FY 07-08 MWMC Construction Program Capital Budget

	FY 06-07 ADJUSTED BUDGET	FY 06-07 ESTIMATED ACTUALS	FY 06-07 CARRYOVER TO FY 07-08	FUNDING PROGRAMMED FOR FY 07-08	TOTAL PROPOSED FY 07-08 BUDGET
Projects Completed in FY 06-07					
Biocycle Farm - Poplar Plantation I	50,000	28,000	0	0	0
Biocycle Farm - Poplar Plantation II	303,418	303,418	0	0	0
Biocycle Farm Hose Reels (1)	405,669	382,000	0	0	0
Lab Modifications	35,000	25,000	0	0	0
Projects to be Carried Over to FY 07-08					
Line Biosolids Lagoon - Phase I	2,967,508	1,464,000	1,503,508	0	1,503,508
River Avenue Improvements	498,637	0	498,637	0	498,637
WWFMP Update	525,972	112,000	413,972	0	413,972
Influent PS/Willakenzie PS/Headworks (2)	11,947,652	1,017,000	10,930,652	15,808,000	26,738,652
Clarifier Improvements	15,838,337	10,247,000	5,591,337	0	5,591,337
Digester Mixing Improvements	2,647,281	1,957,000	690,281	0	690,281
Odorous Air Treatment I	2,807,705	250,000	2,557,705	6,700,000	9,257,705
Aeration Basin Improvements I	9,986,129	1,996,000	7,990,129	0	7,990,129
Effluent Reuse I	2,891,000	100,000	2,791,000	0	2,791,000
Facilities Plan Engineering Services (3)	50,000	50,000	0	55,125	55,125
Waste Activated Sludge Thickening (4)	2,657,000	0	0	0	0
Newly Budgeted Projects for FY 07-08					
Biocycle Farm - Poplar Plantation III	0	0	0	372,000	372,000
Outfall Mixing Zone Study	0	0	0	186,000	186,000
Primary Sludge Thickening	0	0	0	4,378,000	4,378,000
Parallel Primary/Secondary Treatment (5)	0	0	0	1,500,000	1,500,000
Sodium Hypochlorite Conversion	0	0	0	12,760,000	12,760,000
Tertiary Filtration I (6)	0	0	0	1,500,000	1,500,000
TOTAL	**53,611,308**	**17,931,418**	**32,967,221**	**43,259,125**	**76,226,346**

[1] The $382,000 estimated actual FY 06-07 expense for the Biocycle Farm Hose Reels project includes approximately $218,000 that is expected to be paid through STAG Grant funds and $164,000 from Capital Reserves/Bond funds.

[2] The Influent Pump Station/Willakenzie Pump Station/Headworks Expansion project consists of three separate projects which were deemed to be so interrelated that at least the design portion of the work on these projects needed to be combined into one project. We are therefore showing the funding for these projects combined into the one project account in the FY 07-08 budget. This does not preclude actually bidding the construction of this large project in two or three separate construction contracts.

[3] The Facilities Plan Engineering Services project is the ongoing technical services/planning contract with CH2M Hill that was discussed with the Commission in the last budget process as an on-going need. It is being categorized here as a carryover project, but it does also have additional new funding each year that is programmed in the CIP.

[4] As discussed previously, the funding for the Waste Activated Sludge Thickening project in FY 06-07 is not being carried over to FY 07-08. Staff and our Facilities Plan consultant have determined that the project may safely be pushed out to a later year in the CIP to allow for work on more critical projects.

[5] The $1,500,000 of funding for the Parallel Primary/Secondary Treatment project shown in the FY 07-08 budget represents only funding for the design effort for this $16,838,000 project.

[6] The $1,500,000 of funding for the Tertiary Filtration – Phase 1 project shown in the FY 07-08 budget is funding which has been brought forward a year to supply funds for the design effort for this project. The total project cost is estimated at $14,685,000.

Regional Wastewater Program FY 07-12 Five Year CIP

The proposed Regional Wastewater Program FY 07-12 Five Year CIP is based almost exactly on the programming of regional capital projects in the currently adopted FY 06-11 CIP. The only proposed changes from that adopted CIP are changes in timing for funding for two projects: Waste Activated Sludge Thickening, which is proposed to be pushed to a later year in the CIP; and Tertiary Filtration – Phase 1, where a portion of the funding is proposed to be brought forward a year to allow for earlier start of-design work for that project. The only new project added to this year's CIP that was not in the FY 06-11 CIP is the project to Repair/Replace the Sludge Force Main to the Biosolids site. The timing for including this project in the last year of the FY 07-12 CIP is consistent with the project phasing in the 2004 Facilities Plan.

Staff has continued, as in past CIPs, to organize the projects in the CIP based on categories that illustrate the major functions they serve in the wastewater system. The classification system groups capital projects in four main project categories as follows:

a. Biosolids Management,
b. Non-Process Facilities and Facilities Planning,
c. Conveyance Systems, and
d. Plant Facilities Improvements.

The above classifications of projects are used to organize projects in the summary table for the FY 07-12 CIP below, and to organize the CIP summary sheets that describe each project.

EXHIBIT 13
Regional Wastewater 5-Year Capital Programs

	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12	TOTAL
CAPITAL PROJECTS						
Biosolids Management						
Biocycle Farm - Poplar Plantation III	372,000					372,000
Line Biosolids Lagoon - Phase I	1,503,508					1,503,508
Line Biosolids Lagoon - Phase II		2,894,000				2,894,000
Line Biosolids Lagoon - Phase III				3,191,000		3,191,000
Non-Process Facilities and Facilities Planning						
River Avenue Improvements	498,637					498,637
WWFMP Update	413,972					413,972
Facility Plan Engineering Services	55,125	57,881	60,775	63,814	67,005	304,600
2010 Facility Plan Update				221,000		221,000
Outfall Mixing Zone Study	186,000					186,000
Conveyance Systems						
Glenwood Pump Station Upgrade				741,500		741,500
Influent PS/Willakenzie PS/Headworks	26,738,652					26,738,652
Plant Performance Improvements						
Clarifier Improvements	5,591,337					5,591,337
Primary Sludge Thickening	4,378,000					4,378,000
Digester Mixing Improvements	690,281					690,281
Waste Activated Sludge Thickening					3,391,000	3,391,000
Odorous Air Treatment I	9,257,705					9,257,705
Odorous Air Treatment II		1,704,000				1,704,000
Aeration Basin Improvements Phase I	7,990,129					7,990,129
Parallel Primary /Secondary Treatment	1,500,000	15,338,000				16,838,000
Sodium Hypochlorite Conversion	12,760,000					12,760,000
Tertiary Filtration I	1,500,000	13,185,000				14,685,000
Tertiary Filtration II				8,361,000		8,361,000
Effluent Reuse I	2,791,000					2,791,000
Effluent Reuse II			5,230,000			5,230,000
Bankside Outfall		3,000,000				3,000,000
Repair/Replace.of Biosolids Force Main				100,000	1,400,000	1,500,000
TOTAL CAPITAL PROJECTS	76,226,346	36,178,881	5,290,775	12,678,314	4,858,005	135,232,321
ASSET MANAGEMENT						
Equipment Replacement	486,534	1,858,878	671,835	403,404	2,355,103	5,775,754
Major Rehab	270,000	860,000	380,000	745,000	318,764	2,573,764
Major Capital Outlay			258,931			258,931
TOTAL ASSET MANAGEMENT	756,534	2,718,878	1,310,766	1,148,404	2,673,867	8,608,449
TOTAL CAPITAL IMPROVEMENTS	**76,982,880**	**38,897,759**	**6,601,541**	**13,826,718**	**7,531,872**	**143,840,770**

The proposed FY 07-12 five-year CIP for Regional Capital Projects amounts to $135,232,321. When Asset Management Capital Program planned expenditures (administered by the City of Eugene) are added in, the total five-year CIP comes to $143,840,770. Information regarding

each capital project in the FY 07-12 CIP is included in the CIP summary sheets included in this document. This includes those projects in the first year of the CIP, which constitute the FY 07-08 Capital Budget request. Each summary sheet provides a description of the project, the project purpose and what is driving the timing of the project, the proposed funding schedule, and the expected final cost and cash flow for the project. For those projects which are in progress, a short status report is included on the summary sheet.

Regional Wastewater Asset Management Capital Program

Another category of projects in the MWMC Capital Budget are those capital projects and capital purchases that are administered by the City of Eugene for MWMC, and which provide for major reconstruction, replacement, repairs, and purchases necessary to maintain functionality, lifespan, and effectiveness of existing facility assets. This we call the Asset Management Capital Program. Three sub-categories are included in the Asset Management category:

a. Equipment Replacement –
b. Major Rehabilitation –
c. Major Capital Outlay –

Status of FY 06-07 Asset Management Capital Program

The following provides a list of capital expenditures included in the FY 06-07 budget and their status:

- **Equipment Replacement Program - Status**

Background

The FY 06-07 Capital Programs budget includes $310,335 in Equipment Replacement projects. Additionally, $158,050 was carried over from FY 05-06 to complete Equipment Replacement work in progress.

Status

The status of FY 06-07 purchases are shown here.

Project:	Status:
Computer Equipment	In progress – on schedule
Fleet Replacement	In progress – on schedule

- Major Rehabilitation Program – Status

Background

The FY 06-07 Capital Programs budget includes $263,000 in Major Rehabilitation costs. Additionally, $122,630 was carried over from FY 05-06 to complete Major Rehabilitation projects.

Status

The status of FY 06-07 projects are shown here.

Project	Status:
Operations Building Improvements	In progress
Chlorine Contact Chamber Coating	Not started – Tabled for inclusion in future CIP for Final Treatment
Roof Replacement, Maintenance Bldg	Not started – scheduled for spring
Roof Replacement, Willakenzie Pump Station	Not started – scheduled for spring

Proposed FY 07-08 Asset Management Capital Program Budget

- **Equipment Replacement Program - Budget**

The FY 07-08 Capital Programs budget includes $486,534 in Equipment Replacement purchases, which are identified on the table below.

Equipment Replacement Projects - FY 06-07	
Description	**FY 06-07 Proposed Budget**
Operations Telemetry Panel	$20,000
Biofilter Fans (2)	Included in capital project
Water Chiller (Operations Bldg)	$50,000
HVAC Control Panel (Digester Complex)	$5,748
Air Conditioning Unit (Maintenance Bld)	$15,000
HVAC Control Panel (Maintenance Bldg)	$15,000
W2 Pump	$53,000
Variable Frequency Drive (W2 – Final)	$22,114
Air Diffusors – Aeration Basin	$10,000
Computer Replacement	$35,789
Fleet Replacement	$259,883

Operations Telemetry Panel – This equipment is an electronic communication panel for remote data collection and alarm monitoring of the Biosolids Management Facility. This telemetry panel has been in service for more than 20 years and its use will be phased out with connection to the recently installed fiber optic lines.

Biofilter Fans – The biofilter fans move odorous air collected from the pretreatment process through the biofilter. The current fans have been in continuous service 24 hrs/day for more than 10 years. Replacement will provide improved reliability and lower maintenance costs for this LRAPA air pollution discharge permit required operation. This project and associated funding are included in the Influent Pumping/Headworks Expansion capital project.

Water Chiller – The water chiller provides for air conditioning of equipment rooms and work space in the Operations Building. The existing water chiller has been in service for 24 years. Replacement of this pressure vessel is for safety and operational reliability.

HVAC Control Panels and Air Conditioning Unit – The control panels and air conditioning unit provide for regulated heating, ventilation, and air conditioning of the Maintenance Building and the Sludge Holding Tank Transfer Room in the Digester Complex. The existing equipment has been in service for 24 years and its replacement will improve reliability.

W2 Pump and Variable Frequency Drive (VFD) – The W2 pumps are critical equipment and essential for operating a large number treatment processes and the reclaimed water irrigation supply. The VFD provides for continuous adjustment of motor speed to meet changing flow demand and pressure of the W2 system. The existing W2 pumps have been in service for 24 years and the VFD has been in service for 10 years. Their replacement is required to maintain reliability with process operations and reclaimed water irrigation. The replacement will be phased at a rate of one pump and VFD per year.

- **Major Rehabilitation Program - Budget**

The FY 06-07 Capital Programs budget includes $270,000 for Major Rehabilitation projects, which are identified on the table below.

Major Rehab Projects - FY 06-07	
Description	**FY 06-07 Proposed Budget**
Operations/Maint Building Improvements	$50,000
Grit Channel Metal Rails (2)	Included in capital project
Roof Replacement, Secondary Complex	$65,000
Roof Replacement, Primary Complex	$35,000
Roof Replacement, Boiler Bldg.	$35,000
Roof Replacement, BMF Operations	$45,000
BMF Asphalt Crack and Fog Sealing	$40,000

Operations Building Improvements – This expenditure will go towards miscellaneous improvements to renovate and improve the functionality of the Operations and/or Maintenance Building for staff. Business functions and staff size have changed substantially for office and technical staff since original construction of the Operations and Maintenance buildings. Rehabilitation and functionality improvements are helping to delay the need for additional floor space.

Grit Channel Metal Rails - The grit removal channels in the pretreatment process include metal railing for collector flights to travel on for transfer and removal of the grit. The rails have

reached the end of their useful life after 24 years of operation and must be replaced to maintain the reliability of the process and avoid costly breakdowns. This project and associated funding are included in the Influent Pumping/Headworks Expansion capital project.

Roof Replacements – Roofs will be rebuilt on four structures as identified in the above table. All replacements were identified in the course of carrying out our comprehensive roof inspection and testing program. In addition to visual inspections the program includes testing for moisture penetration. Timely replacement avoids more extensive and costly repairs when roof problems are otherwise ignored or delayed.

Biosolids Management Facility Road and Parking Lot Repairs – This project entails crack sealing and fog sealing of the entry roadway and parking area. Proper maintenance will extend the life of the asphalt and avoid more costly repairs or replacement.

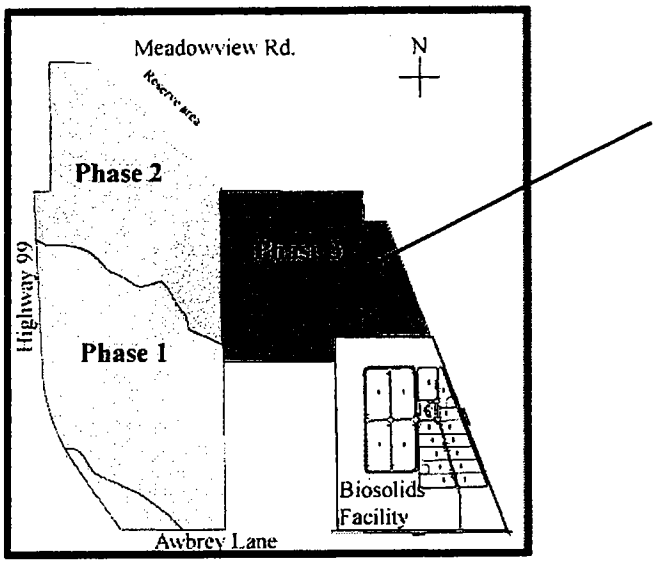
- **Major Capital Outlay - Budget**

None scheduled for FY 07-08.

Summary of FY 07-08 Asset Management Capital Budget

Category of Capital Expense	FY 07-08 Proposed Budget
Equipment Replacement	$486,534
Major Rehabilitation	$270,000
Major Capital Outlay	$0
TOTAL	**$756,534**

BIOCYCLE FARM POPLAR PLANTATION - PHASE 3



Description: Final 120 acres of the Biocycle Farm – site preparation may begin as early as summer/fall 2007, however this project may be delayed a year or more dependent on work load planning and needs of planned planting/harvest cycle.

Justification: Land already purchased and provides additional area adjacent to Biosolids Management Facility (BMF) for application of liquid and dewatered biosolids. Expansion of the Biocycle Farm provides Metropolitan Wastewater Management Commission (MWMC) with more flexibility and control of overall biosolids management program.

Project Driver: Increased solids production at the Eugene/Springfield Water Pollution Control Facility (E/S WPCF).

Project Trigger: Biocycle Farm Phases 1 and 2 loading limits for liquid and dewatered biosolids will be reaching capacity. The planting must fit into the planned cycle of growing and harvesting of poplars. This project may be delayed a year or more to allow project management staff to focus on more critical projects at the treatment plant.

Project Type: 100% Performance

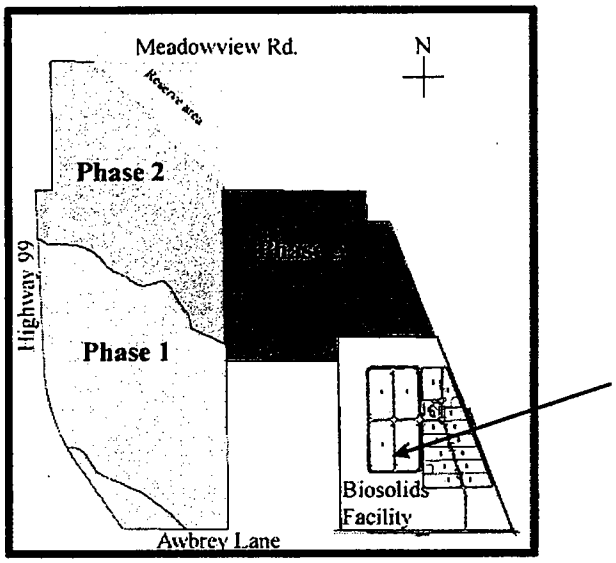
Estimated Project Cost: $372,000

Expected Cash Flow: FY 07-08 = $372,000, however may be delayed until following year.

Total Cost Expenditure/Category:	**$0** Prior Years	**$372,000** 2007-08	**$0** 2008-09	**$0** 2009-10	**$0** 2010-11	**$0** 2011-12	**$372,000** Total
Design/Construction	0	$372,000	0	0	0	0	$372,000
Other	0	0	0	0	0	0	0
Total Cost	**$0**	**$372,000**	**$0**	**$0**	**$0**	**$0**	**$372,000**

Funding Source:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Capital Reserve	0	$372,000	0	0	0	0	$372,000
EPA Grant	0	0	0	0	0	0	0
SDC Reimbursement Reserve	0	0	0	0	0	0	0
SDC Improvement Reserve	0	0	0	0	0	0	0
Equipment Replacement Reserve	0	0	0	0	0	0	0

LINE BIOSOLIDS LAGOONS – PHASE 1



Description: Reline lagoons, Phase 1 – from existing MWMC Capital Improvement Plan (CIP). In addition, improvements in the moving system for the lagoon dredge.

Status: The Draft Preliminary Design Report was completed on November 21, 2006. Design activities have begun, with final design to be completed by March 26, 2007. Construction is scheduled to begin May 21, 2007, with construction to be completed by December 15, 2007.

Justification: The existing clay lagoon liner has reached the end of its useful life. Groundwater monitoring has indicated that the lagoon #4 clay liner may be leaking. In addition, MWMC desires to reduce exposure of operators to potentially dangerous cable tensioning procedure associated with existing dredge lateral movement system.

Project Driver: MWMC proactively desires to improve the safety of BMF staff, improve operational reliability of the facultative lagoons, and ensure DEQ compliance.

Project Trigger: Compliance with commitments/agreements with DEQ to address the suspected leakage problem.

Project Type: 100% Rehabilitation

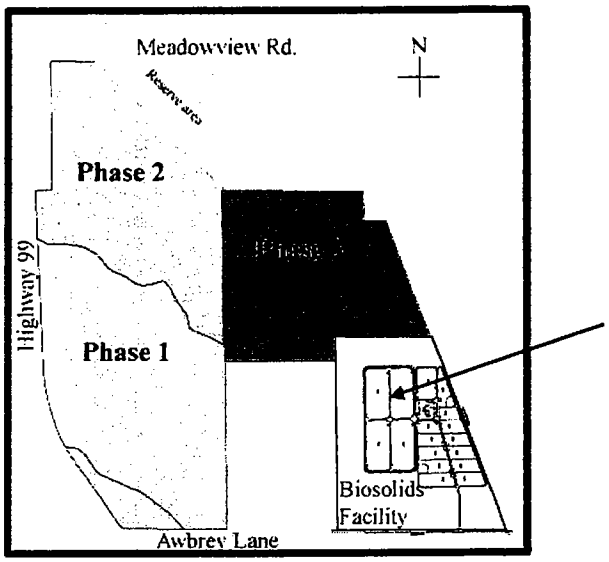
Estimated Project Cost: $3,000,000

Expected Cash Flow: FY 07-08 = $1,503,508

Expenditure/Category:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Design/Construction	$1,496,492	$1,503,508	0	0	0	0	$3,000,000
Other	0	0	0	0	0	0	0
Total Cost	**$1,496,492**	**$1,503,508**	**$0**	**$0**	**$0**	**$0**	**$3,000,000**

Funding Source:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Capital Reserve	$1,490,417	$1,159,583	0	0	0	0	$2,650,000
EPA Grant	0	0	0	0	0	0	0
SDC Reimbursement Reserve	$6,075	$343,925	0	0	0	0	$350,000
SDC Improvement Reserve		0	0	0	0	0	0
Equipment Replacement Reserve	0	0	0	0	0	0	0
Total Cost	**$1,496,492**	**$1,503,508**	**$0**	**$0**	**$0**	**$0**	**$3,000,000**

LINE BIOSOLIDS LAGOONS – PHASE 2



Description: Reline lagoons, Phase 2 – from existing MWMC CIP. In addition, improvements in the moving system for the lagoon dredge.

Justification: Existing clay lagoon liner will reach the end of its useful life. In addition, MWMC desires to reduce exposure of operators to potentially dangerous cable tensioning procedure associated with existing dredge lateral movement system.

Project Driver: MWMC proactively desires to improve the safety of BMF staff, improve operational reliability of the facultative lagoons, and ensure DEQ compliance.

Project Trigger: Monitoring will be conducted to determine the effectiveness of the first phase of the lagoon lining project. The timing of the second and later phases will be partly dependent on the success of the prior phases and further discussions with DEQ.

Project Type: 100% Rehabilitation

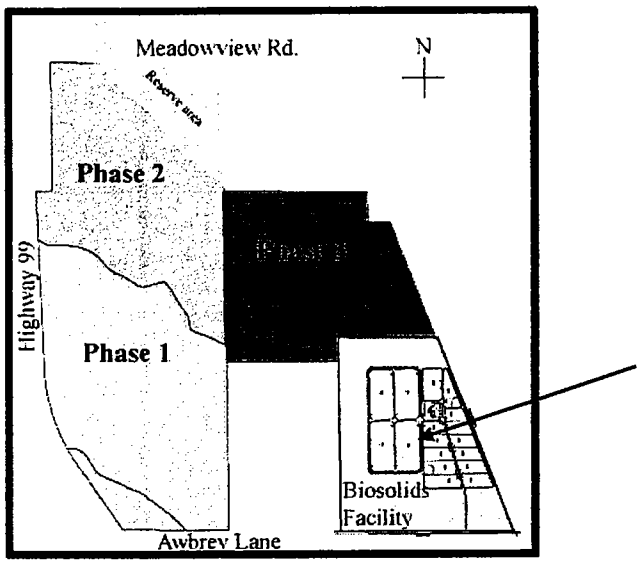
Estimated Project Cost: $2,894,000

Expected Cash Flow: FY 08-09 = $1,200,000; FY 09-10 = $1,694,000

Expenditure/Category:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Design/Construction	0	0	$2,894,000	$0	0	0	$2,894,000
Other	0	0	0	0	0	0	0
Total Cost	**$0**	**$0**	**$2,894,000**	**$0**	**$0**	**$0**	**$2,894,000**

Funding Source:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Capital Reserve	0	0	$2,744,000	$0	0	0	$2,744,000
EPA Grant	0	0	0	0	0	0	0
SDC Reimbursement Reserve	0	0	$150,000	0	0	0	$150,000
SDC Improvement Reserve	0	0	0	0	0	0	0
Equipment Replacement Reserve	0	0	0	0	0	0	0
Total Cost	**$0**	**$0**	**$2,894,000**	**$0**	**$0**	**$0**	**$2,894,000**

LINE BIOSOLIDS LAGOONS – PHASE 3



Description: Reline lagoons, Phase 3 – from existing MWMC CIP. In addition, improvements in the moving system for the lagoon dredge.

Justification: Existing clay lagoon liner will reach the end of its useful life. In addition, MWMC desires to reduce exposure of operators to potentially dangerous cable tensioning procedure associated with existing dredge lateral movement system.

Project Driver: MWMC proactively desires to improve the safety of BMF staff, improve operational reliability of the facultative lagoons, and ensure DEQ compliance.

Project Trigger: Monitoring will be conducted to determine the effectiveness of the first phase of the lagoon lining project. The timing of the second and later phases will be partly dependent on the success of the prior phases and further discussions with DEQ.

Project Type: 100% Rehabilitation

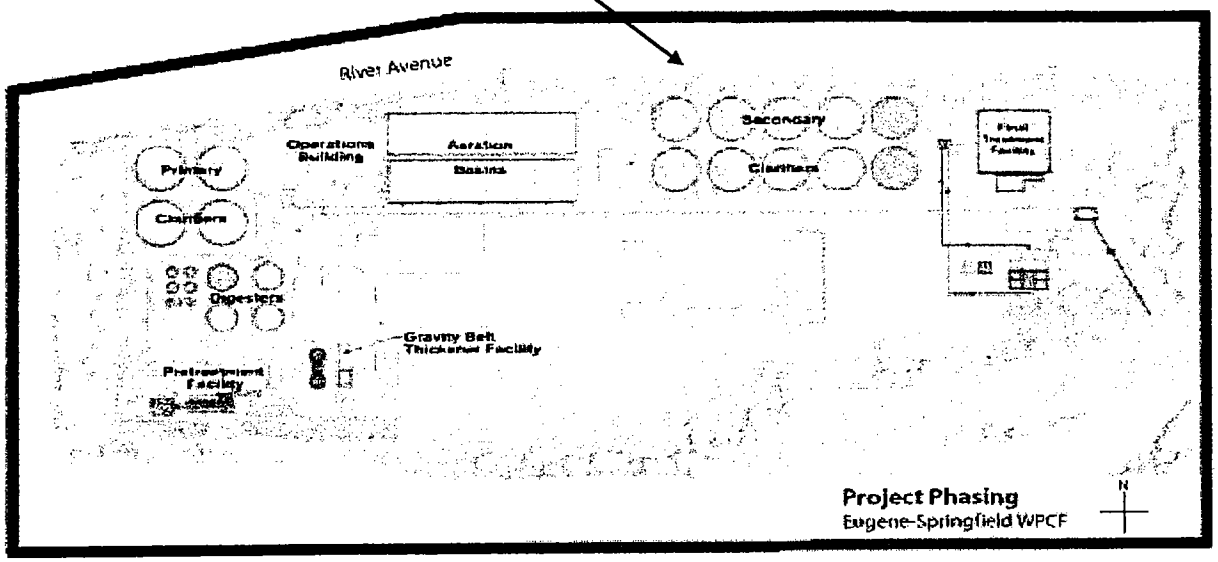
Estimated Project Cost: $3,191,000

Expected Cash Flow: FY 10-11 = $1,200,000; FY 11-12 = $1,991,000

Expenditure/Category:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Design/Construction	0	0	0	0	$3,191,000	0	$3,191,000
Other	0	0	0	0	0	0	0
Total Cost	**$0**	**$0**	**$0**	**$0**	**$3,191,000**	**$0**	**$3,191,000**

Funding Source:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Capital Reserve	0	0	0	0	$3,041,000	0	$3,041,000
EPA Grant	0	0	0	0	0	0	0
SDC Reimbursement Reserve	0	0	0	0	$150,000	0	$150,000
SDC Improvement Reserve	0	0	0	0	0	0	0
Equipment Replacement Reserve	0	0	0	0	0	0	0
Total Cost	**$0**	**$0**	**$0**	**$0**	**$3,191,000**	**$0**	**$3,191,000**

RIVER AVENUE IMPROVEMENTS



Description: Construct road improvements by the City of Eugene (Property Frontage Assessment to MWMC)

Status: As of January 2007, MWMC is waiting for the street improvements to be installed and the City of Eugene to provide the final street assessment to MWMC. The street improvements are scheduled to be built in spring/summer 2007.

Justification: The City of Eugene has contracted to construct this improvement for the entire length of River Avenue, and will be assessing the property owners along the road. The MWMC project cost estimate is based on a City of Eugene October 2006 estimate of the MWMC assessment.

Project Driver: The existing River Avenue is not built to City of Eugene standards.

Project Trigger: City of Eugene schedule.

Project Type: 100% Rehabilitation

Estimated Project Cost: $500,000

Expected Cash Flow: FY 07-08 = $498,637

Expenditure/Category:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Design/Construction	$1,363	$498,637	0	0	0	0	$500,000
Other	0	0	0	0	0	0	0
Total Cost	**$1,363**	**$498,637**	**$0**	**$0**	**$0**	**$0**	**$500,000**

Funding Source:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Capital Reserve	$1,363	$498,637	0	0	0	0	$500,000
EPA Grant	0	0	0	0	0	0	0
SDC Reimbursement Reserve	0	0	0	0	0	0	0
SDC Improvement Reserve	0	0	0	0	0	0	0
Equipment Replacement Reserve	0	0	0	0	0	0	0
Total Cost	**$1,363**	**$498,637**	**$0**	**$0**	**$0**	**$0**	**$500,000**

WET WEATHER FLOW MANAGEMENT PLAN UPDATE

Description: Evaluate collection system flow monitoring data collected since the original WWFMP was finalized in 2000, update and run collection system model and confirm (revise) convey and treat approach. Review importance of private lateral rehabilitation and investigate ways to encourage or require private lateral repairs. This project is a combination of two original projects – one for the update of the WWFMP report, and one for the further pursuit of a private lateral program.

Status: MWMC has negotiated a contract with CH2M HILL for the Model Update portion of the work. Initial project. meeting has been held and the data collection task is underway.

Justification: Ongoing monitoring data might impact I/I reduction priorities and will affect future decisions regarding transport and treatment capacity to be planned for.. Private lateral infiltration remains an important issue to address.

Project Driver: Ongoing goal to find the most cost effective means of reducing I/I. Requirement to prevent overflows in the system during 5 year storm by 2010.

Project Trigger: The modeling effort is already under way. Further work will depend on the results of the model update effort.

Project Type: 100% Performance

Estimated Project Cost: $532,000

Expected Cash Flow: FY 07-08 = $413,972

Expenditure/Category:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Design/Construction	0	0	0	0	0	0	0
Other	$118,028	$413,972	0	0	0	0	$532,000
Total Cost	**$118,028**	**$413,972**	**$0**	**$0**	**$0**	**$0**	**$532,000**

Funding Source:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Capital Reserve	$118,028	$413,972	0	0	0	0	$532,000
EPA Grant	0	0	0	0	0	0	0
SDC Reimbursement Reserve	0	0	0	0	0	0	0
SDC Improvement Reserve	0	0	0	0	0	0	0
Equipment Replacement Reserve	0	0	0	0	0	0	0
Total Cost	**$118,028**	**$413,972**	**$0**	**$0**	**$0**	**$0**	**$532,000**

FACILITY PLAN ENGINEERING SERVICES

Description: Engineering services for analysis, project definition, cost estimating, and general consultation regarding the 20-Year Facilities Plan.

Status: This year, work has been completed to analyze and provide assistance in discussions with Department of Environmental Quality (DEQ) regarding influent pumping redundancy requirements, analysis of screw pump capacity, review of staff-preferred alternative for influent pumping, help in clarifying drivers and triggers of projects and re-analyzing priorities and timing of projects.

Justification: Projects were developed to varying levels of specificity in the 20-Year Facilities Plan and there is an on-going need to have a consistent resource to help in further refining projects and generally assisting with implementation of the plan. Another need addressed by this resource is assurance that the new improvements maintain the overall integrity of the plan in terms of treatment processes and hydraulics.

Project Driver: Ongoing goal to efficiently follow and update the 20-Year Facilities Plan.

Project Trigger: On-going need.

Estimated Project Cost: $379,600

Expected Cash Flow: FY 07-08 = $55,125; FY 08-09 = $57,881; FY 09-10 = $60,775; FY 10-11 = $63,814; FY 11-12 = $67,005

Expenditure/Category:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Design/Construction	0	0	0	0	0	0	0
Other	$75,000	$55,125	$57,881	$60,775	$63,814	$67,005	$379600
Total Cost	**$75,000**	**$55,125**	**$57,881**	**$60,775**	**$63,814**	**$67,005**	**$379,600**

Funding Source:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Capital Reserve	$75,000	$55,125	$57,881	$60,775	$63,814	$67,005	$379,600
EPA Grant	0	0	0	0	0	0	0
SDC Reimbursement Reserve	0	0	0	0	0	0	0
SDC Improvement Reserve	0	0	0	0	0	0	0
Equipment Replacement Reserve	0	0	0	0	0	0	0
Total Cost	**$75,000**	**$55,125**	**$57,881**	**$60,775**	**$63,814**	**$67,005**	**$379,600**

2010 PARTIAL FACILITY PLAN UPDATE

Description: Review of the Facilities Plan assumptions and costs. Consideration of new regulations, information, and technology to modify the plan.

Justification: Regulatory requirements and system data are not static and the plan may require course correction to meet new needs.

Project Driver: Ongoing goal to keep planning up to date.

Project Trigger: Scheduled update.

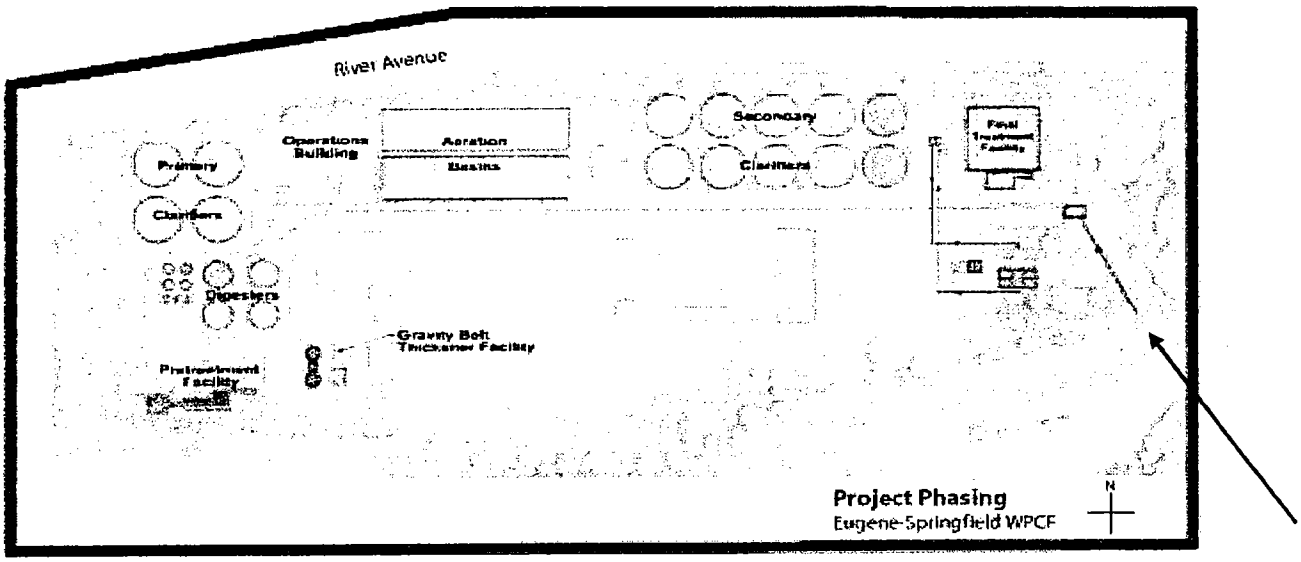
Estimated Project Cost: $221,000

Expected Cash Flow: FY 10-11 = $221,000

Expenditure/Category:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Design/Construction	0	0	0	0	0	0	0
Other	0	0	0	0	$221,000	0	$221,000
Total Cost	**$0**	**$0**	**$0**	**$0**	**$221,000**	**$0**	**$221,000**

Funding Source:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Capital Reserve	0	0	0	0	$221,000	0	$221,000
EPA Grant	0	0	0	0	0	0	0
SDC Reimbursement Reserve	0	0	0	0	0	0	0
SDC Improvement Reserve	0	0	0	0	0	0	0
Equipment Replacement Reserve	0	0	0	0	0	0	0
Total Cost	**$0**	**$0**	**$0**	**$0**	**$221,000**	**$0**	**$221,000**

OUTFALL MIXING ZONE STUDY



Description: Update the 1994 Mixing Zone Study to account for additional 100 million gallons per day (mgd) (approximate) bankside outfall capacity and for changes to the Willamette River morphology that may have occurred since the last study was conducted.

Status: Under the Facilities Plan Engineering Services contract, CH2M Hill is currently reviewing the hydraulics at the tail end of the plant to reevaluate the need for and sizing of the new outfall. This information will be necessary prior to initiating a mixing zone study.

Justification: Mixing zone regulations have changed since the last mixing zone study was completed. Addition of a new bankside outfall will trigger the need to study how mixing in the river will occur downstream of the outfall and may impact design of the outfall.

Project Driver: Current diffuser and bankside outfall may be insufficient to accommodate peak wet weather flows.

Project Trigger: Capacity to handle peak flows in the plant by the year 2010.

Project Type: 100% Performance

Estimated Project Cost: $186,000

Expected Cash Flow: FY 07-08 = $186,000

Expenditure/Category:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Design/Construction	0	0	0	0	0	0	0
Other	0	$186,000	0	0	0	0	$186,000
Total Cost	**$0**	**$186,000**	**$0**	**$0**	**$0**	**$0**	**$186,000**

Funding Source:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Capital Reserve	0	$186,000	0	0	0	0	$186,000
EPA Grant	0	0	0	0	0	0	0
SDC Reimbursement Reserve	0	0	0	0	0	0	0
SDC Improvement Reserve	0	0	0	0	0	0	0
Equipment Replacement Reserve	0	0	0	0	0	0	0
Total Cost	**$0**	**$186,000**	**$0**	**$0**	**$0**	**$0**	**$186,000**

GLENWOOD PUMP STATION UPGRADE

Description: Expand Glenwood Pump Station capacity. The existing pump station is built to be expandable in capacity when the need arises.

Justification: Additional pumping capacity will be required at this Regional pump station to handle increasing flows in Glenwood and the Laurel Hill area of Eugene.

Project Driver: Keep up with capacity needs, maintain required pumping redundancy, and prevent overflows.

Project Trigger: The regional sewer system computer model estimates that a capacity increase will be needed by 2010. Continued monitoring of flows and updating of the model will determine when the improvements are actually needed. The timing will be impacted by the effectiveness of I/I removal in the contributing sewer basins and the rate and type of development in the area.

Project Type: 100% Capacity

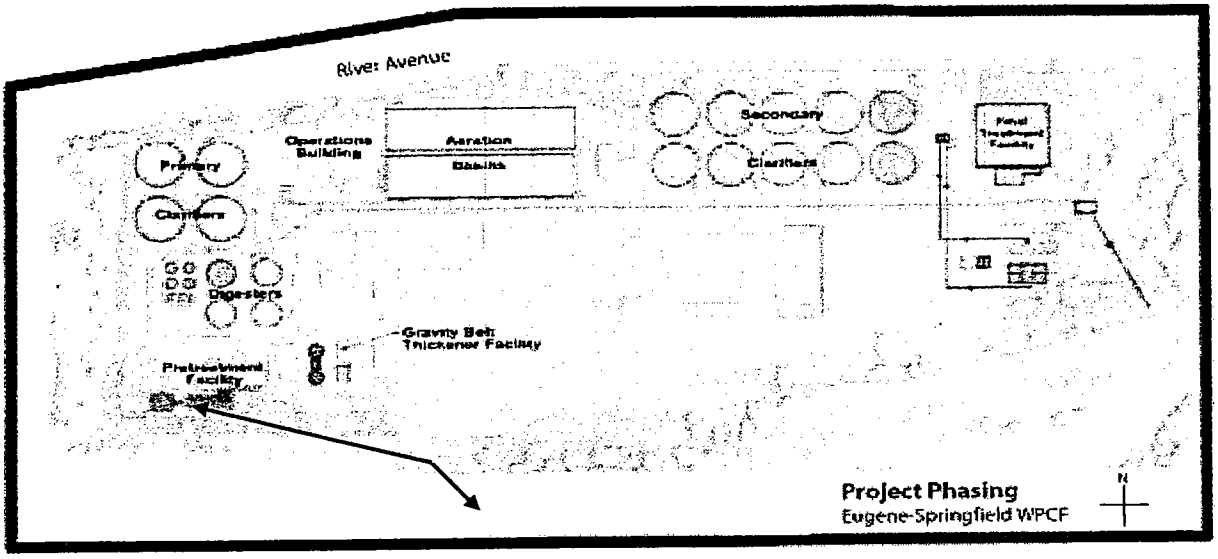
Estimated Project Cost: $741,500

Expected Cash Flow: FY 10-11 = $200,000; FY 11-12 = $541,500

Expenditure/Category:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Design/Construction	0	0	0	0	$741,500	0	$741,500
Other	0	0	0	0	0	0	0
Total Cost	**$0**	**$0**	**$0**	**$0**	**$741,500**	**$0**	**$741,500**

Funding Source:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Capital Reserve	0	0	0	0	$741,500	0	$741,500
EPA Grant	0	0	0	0	0	0	0
SDC Reimbursement Reserve	0	0	0	0	0	0	0
SDC Improvement Reserve	0	0	0	0	0	0	0
Equipment Replacement Reserve	0	0	0	0	0	0	0
Total Cost	**$0**	**$0**	**$0**	**$0**	**$741,500**	**$0**	**$741,500**

INFLUENT PUMPING IMPROVEMENTS AND HEADWORKS EXPANSION (COMBINED INFLUENT PUMP STATION/ WILLAKENZIE PUMP STATION/ DRY WEATHER HEADWORKS)



Description: This project provides influent pumping improvements and headworks expansion required to accommodate the 2025 peak wet weather flow of 277 mgd. The scope and budget of this project incorporates the following three (3) projects previously described in the FY 06/07 CIP budget report: Willakenzie Pump Station Expansion, Influent Pumping Improvements, and Dry Weather Headworks. The budget for this project includes $360,000 from the Equipment Replacement Reserve for the replacement of Equipment #'s 15884 through 15889 (Pressure Line Gates) and newly included in the FY 07-08 budget, it includes $45,000 from the Equipment Replacement Reserve for replacing 2 fans for the biofilter odor control system and $12,000 from Major Rehabilitation Reserves for the replacement of two grit channel metal rails. The project Includes landscaping and screening around the new construction area.

Status: The RFP for preliminary design was issued August, 2006, Proposals were evaluated and consultant for preliminary design (up to 30%) was selected in November, 2006, Commission approved negotiation of preliminary design contract with selected firm on December 14th, 2006..

Justification: Improved influent pumping and headworks hydraulic capacity are required to increase total plant influent hydraulic capacity to 277 mgd. There are also outstanding issues regarding the redundancy requirement for pumping which may affect the ultimate solution.

Project Driver: Systematic elimination of sanitary sewer overflows by the year 2010.

Project Trigger: Collection system computer model estimates the current wet weather peak flow to plant to be 264 mgd. Overall existing peak flow capacity is 175 mgd so there is already a capacity deficit.

Project Type: 100% Capacity

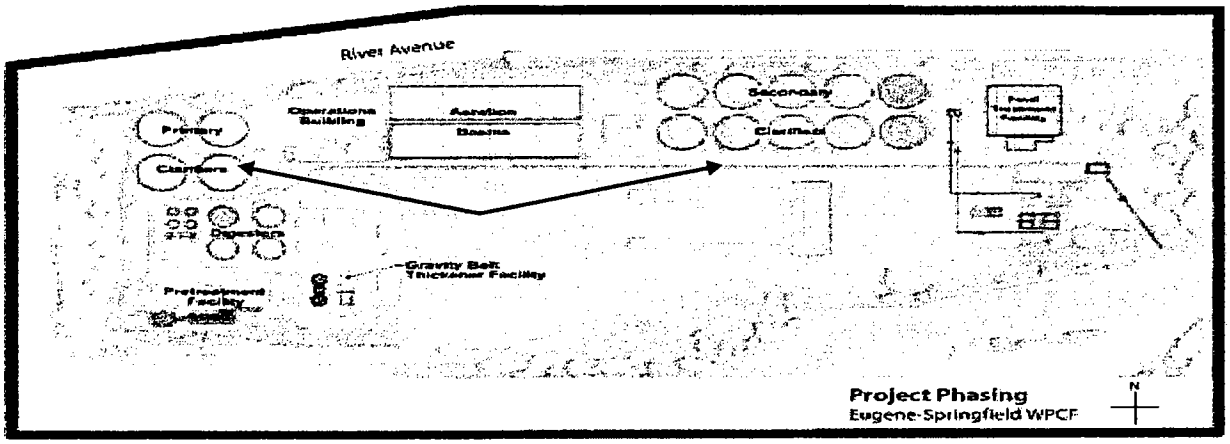
Estimated Project Cost: $27,715,000

Expected Cash Flow: FY 07-08 = $1,515,000, FY 08-09 = $25,166,652

Expenditure/Category:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Design/Construction	$1,033,348	$26,681,652	0	0	0	0	$27,715,000
Other	0	0	0	0	0	0	0
Total Cost	**$1,033,348**	**$26,738,652**	**$0**	**$0**	**$0**	**$0**	**$27,772,000**

Funding Source:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Capital Reserve	$1,033,348	$24,293,652	0	0	0	0	$25,327,000
EPA Grant	0	0	0	0	0	0	0
SDC Reimbursement Reserve	0	$1,400,000	0	0	0	0	$1,400,000
SDC Improvement Reserve	0	$1,000,000	0	0	0	0	$1,000,000
Equipment Replacement Reserve	0	$45,000	0	0	0	0	$45,000
Total Cost	**$1,033,348**	**$26,738,652**	**$0**	**$0**	**$0**	**$0**	**$27,772,000**

CLARIFIER IMPROVEMENTS



Description: Clarifier Improvements (originally Primary Clarifier Enhancements, Secondary Clarifier Enhancements and new 9th and 10th Secondary Clarifiers). Also added to this project: the Equipment Replacement projects to replace clarifier drives ($720,000) and to replace existing gates and operators in the Secondary Clarifiers ($120,000); and the Major Rehabilitation of existing Clarifier floors ($1,080,000) and rehab of existing rake arms in the Primary Clarifiers ($240,000). An additional $540,000 was transferred to the project for construction of the Contractor Courtyard and Tertiary Treatment Tie-In. includes landscaping in vicinity.

Status: The MWMC clarifier construction phase is underway by MKB (general contractor). Project completion is anticipated by June/July 2008.

Justification: Enhancing the existing clarifiers will increase primary and secondary treatment capacity and will maximize the facilities investment in existing infrastructure. Adding the two new clarifiers will increase secondary treatment capability and increase ability to handle peak flows.

Project Driver: Increase capacity to treat base and peak flows and improve effluent quality and reliability so that a blended primary and secondary effluent can meet the current National Pollutant Discharge Elimination System (NPDES) total suspended solids limits.

Project Trigger: From the MWMC 2004 Facilities Plan – the trigger for this project is unacceptably high clarifier surface overflow rates and wet weather flows.

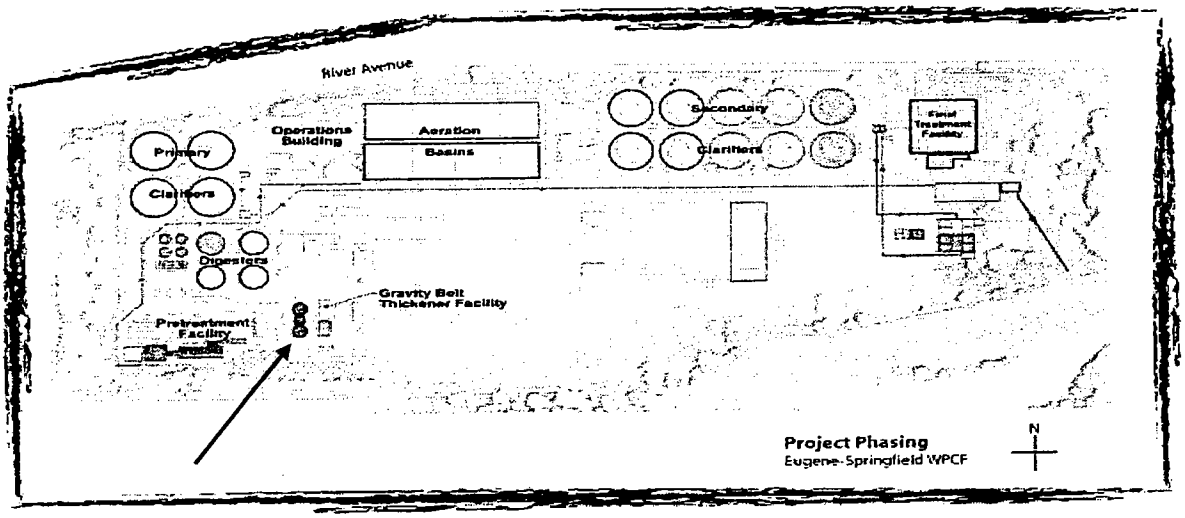
Project Type: 100% Capacity – Primary Clarifier Enhancements
50% Capacity and 50% Performance – Secondary Clarifier Enhancements
100% Capacity – 9th and 10th Secondary Clarifiers

Estimated Project Cost: Authorized budget for this project is $17,480,000. Estimated cost to complete is $16.1 million.
Expected Cash Flow: FY 07-08 = $5,591,337

Expenditure/Category:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Design/Construction	$11,888,663	$5,591,337	0	0	0	0	$17,480,000
Other	0	0	0	0	0	0	0
Total Cost	**$11,888,663**	**$5,591,337**	**$0**	**$0**	**$0**	**$0**	**$17,480,000**

Funding Source:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Capital Reserve	$11,888,663	$3,566,337	0	0	0	0	$15,455,000
EPA Grant	0	0	0	0	0	0	0
SDC Reimbursement Reserve	0	$1,425,000	0	0	0	0	1,425,000
SDC Improvement Reserve	0	$600,000	0	0	0	0	600,000
Equipment Replacement Reserve	0	0	0	0	0	0	0
Total Cost	**$11,888,663**	**$5,591,337**	**$0**	**$0**	**$0**	**$0**	**$17,480,000**

PRIMARY SLUDGE THICKENING



Description: Thin primary sludge pumping and piping systems to gravity thickeners, two, 50' foot diameter gravity thickeners (covered for odor control), supernatant overflow pumping and piping, thickened sludge piping/pumping to digesters. Includes funds for landscaping in vicinity of thickeners. See Odorous Air Treatment for treatment of odors.

Justification: Meet class B biosolids requirements without building additional digester capacity.

Project Driver: Meet class B biosolids requirements during peak two-week solids loading event with all three digesters in service.

Project Trigger: Peak two-week hydraulic loading to digesters exceeds level where class B biosolids can be produced with all three digesters in service.

Project Type: 100% Capacity

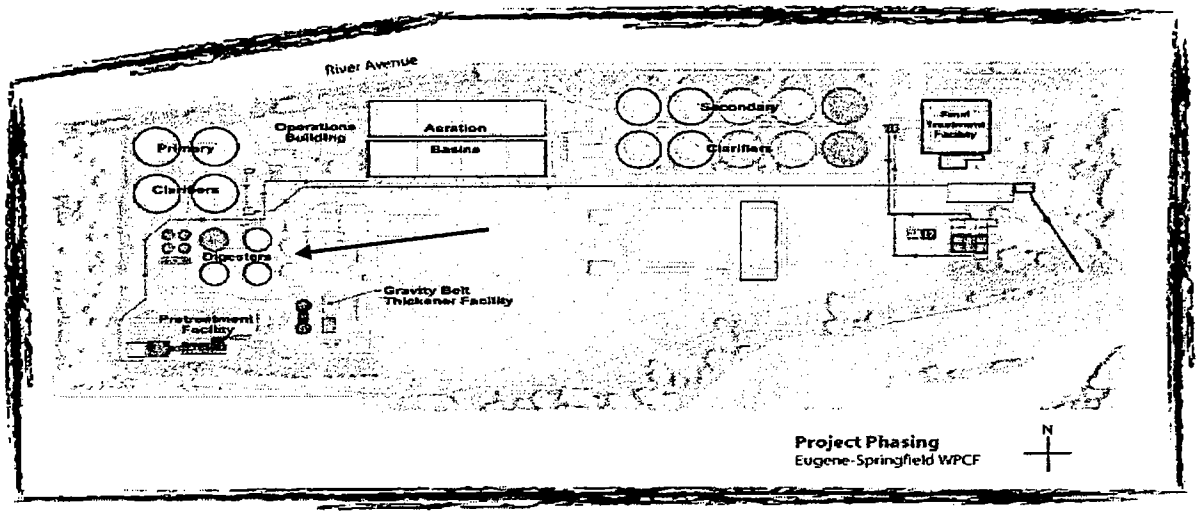
Estimated Project Cost: $4,378,000

Expected Cash Flow: FY 07-08 = $440,000, FY 08-09 = $2,700,000, FY 09-10 = $1,238,000

Expenditure/Category:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Design/Construction	0	$4,378,000	0	0	0	0	$4,378,000
Other	0	0	0	0	0	0	0
Total Cost	**$0**	**$4,378,000**	**$0**	**$0**	**$0**	**$0**	**$4,378,000**

Funding Source:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Capital Reserve	0	$3,878,000	0	0	0	0	$3,878,000
EPA Grant	0	0	0	0	0	0	0
SDC Reimbursement Reserve	0	0	0	0	0	0	0
SDC Improvement Reserve	0	$500,000	0	0	0	0	$500,000
Equipment Replacement Reserve	0	0	0	0	0	0	0
Total Cost	**$0**	**$4,378,000**	**$0**	**$0**	**$0**	**$0**	**$4,378,000**

DIGESTER MIXING IMPROVEMENTS



Description: Replace gas mixing systems at three existing digesters with pump mixing systems. Includes funds for landscaping in the vicinity of digesters.

Status: The MWMC digester mixing system upgrades are underway by John Hyland Construction (general contractor). As of December 13, 2006, one digester mixing system has been upgraded and will soon be filled with sludge for functional testing. This is a phased construction project with only one digester off-line at a time for construction work. Project completion is anticipated by April 2008.

Justification: This project will increase the active volume of the digesters, thus allowing for additional solids stabilization volume and potentially deferring the need to construct an additional digester.

Project Driver: Need for improved digester mixing to increase active digester volume.

Project Trigger: Sludge residence time (SRT) and volatile solids reduction design criteria.

Project Type: 50% Capacity; 50% Performance

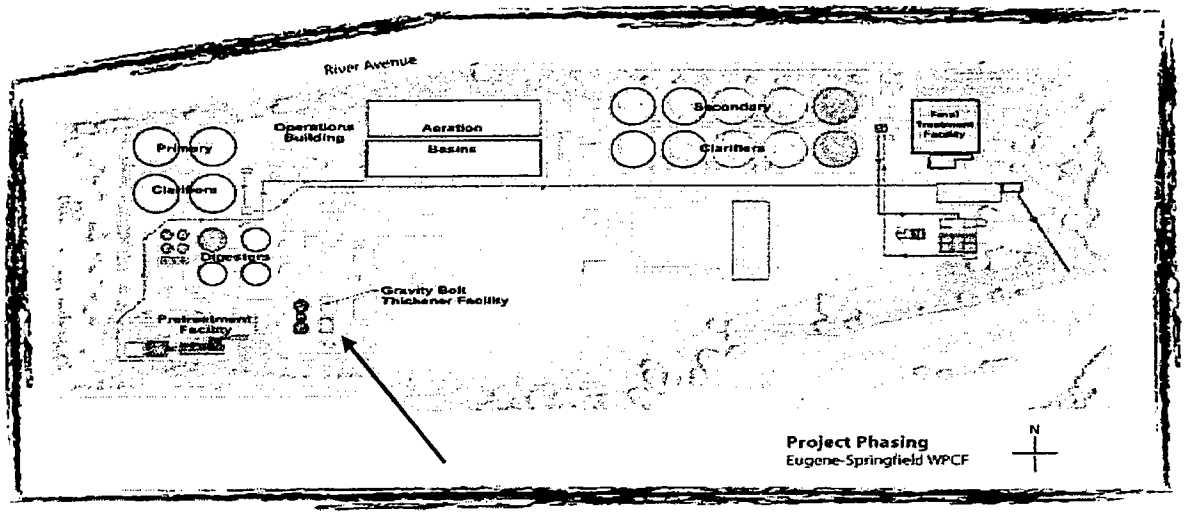
Estimated Project Cost: $2,957,000

Expected Cash Flow: FY 07-08 = $690,281

Expenditure/Category:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Design/Construction	$2,266,719	$690,281	0	0	0	0	$2,957,000
Other	0	0	0	0	0	0	0
Total Cost	**$2,266,719**	**$690,281**	**$0**	**$0**	**$0**	**$0**	**$2,957,000**

Funding Source:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Capital Reserve	$2,266,719	$690,281	0	0	0	0	$2,957,000
EPA Grant	0	0	0	0	0	0	0
SDC Reimbursement Reserve	0	0	0	0	0	0	0
SDC Improvement Reserve	0	0	0	0	0	0	0
Equipment Replacement Reserve	0	0	0	0	0	0	0
Total Cost	**$2,266,719**	**$690,281**	**$0**	**$0**	**$0**	**$0**	**$2,957,000**

WASTE ACTIVATED SLUDGE THICKENING



Description: Third gravity belt thickener (GBT) with associated at grade building. Assumes additional basement floor space is not required. Includes funds for landscaping in vicinity of thickeners.

Justification: Provides additional capacity for WAS thickening and, along with addition of primary thickening, will help to eliminate the need for additional digester capacity.

Project Driver: Additional capacity to provide WAS thickening with one unit offline at WWMW upper limit flow projections. Nitrification required by the NPDES permit and increasing wastewater flows and loads generates more WAS solids. Provide ability to conduct recuperative thickening so that need for additional digestion volume can potentially be deferred.

Project Trigger: Exceeding solids and hydraulic loading rate design criteria. The latest evaluations of need for Waste Activated Sludge thickening indicates a need by about 2012 or later. After the secondary treatment modifications are completed and operational for a time, the timing of need for this project should be reevaluated.

Project Type: 100% Capacity

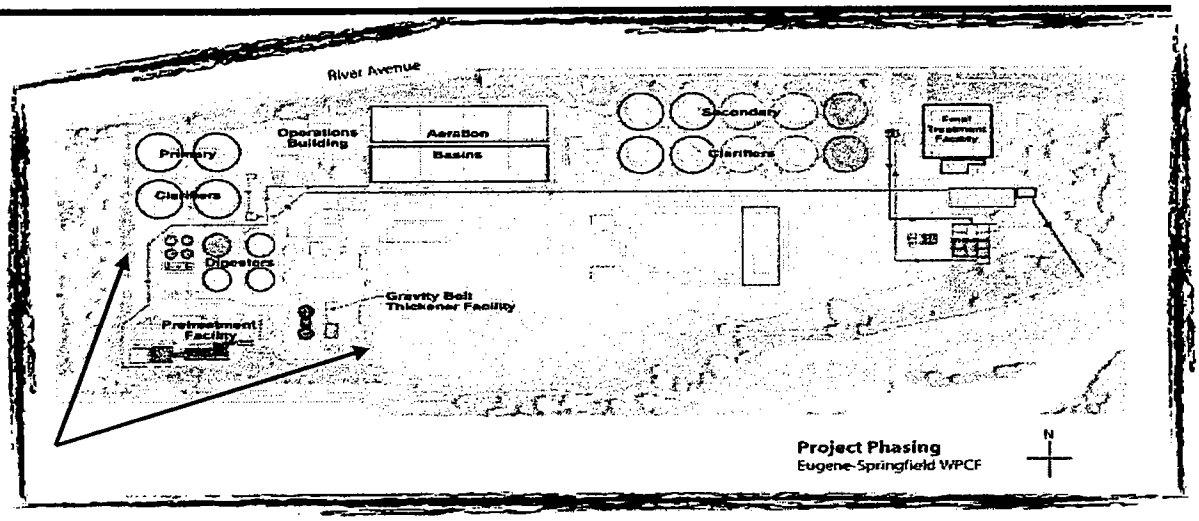
Estimated Project Cost: $3,391,000 (2012 dollars)

Expected Cash Flow: FY 11-12 = $3,391,000

Expenditure/Category:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Design/Construction	0	0	0	0	0	$3,391,000	$3,391,000
Other	0	0	0	0	0	0	0
Total Cost	**$0**	**$0**	**$0**	**$0**	**$0**	**$3,391,000**	**$3,391,000**

Funding Source:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Capital Reserve	0	0	0	0	0	$2,753,000	$2,753,000
EPA Grant	0	0	0	0	0	0	0
SDC Reimbursement Reserve	0	0	0	0	0	$255,000	$255,000
SDC Improvement Reserve	0	0	0	0	0	$383,000	$383,000
Equipment Replacement Reserve	0	0	0	0	0	0	0
Total Cost	**$0**	**$0**	**$0**	**$0**	**$0**	**$3,391,000**	**$3,391,000**

ODOROUS AIR TREATMENT 1



Description: Biofilters or other treatment for odors from primary clarifiers, expanded pretreatment area and screw pumps/influent pumping. Includes the complete covering of the primary clarifiers, which would be a deviation from the Facilities Plan concept of covering only the weirs and launders in the clarifiers.

Status: Planning stage.

Justification: Primary clarifiers are odor sources. Although the Facilities Plan indicated that most odors are generated and can be captured at the weirs and launders of the clarifiers, information from other treatment plants which have used this technology indicates that the only effective means of odor control on the primaries would be complete coverage. This change in concept must be further investigated and approved through the Commission before implementation. The expanded pretreatment facilities and screw pumps/influent pumping expansion will also be additional odor sources that must be dealt with.

Project Driver: Maintain MWMC's status as environmental stewards. Address neighborhood odor complaints and community concerns regarding odors.

Project Trigger: Will need to be coordinated with the design of the pretreatment expansion and influent pumping expansion and must be on-line in coordination with construction of those facilities.

Project Type: 100% Performance

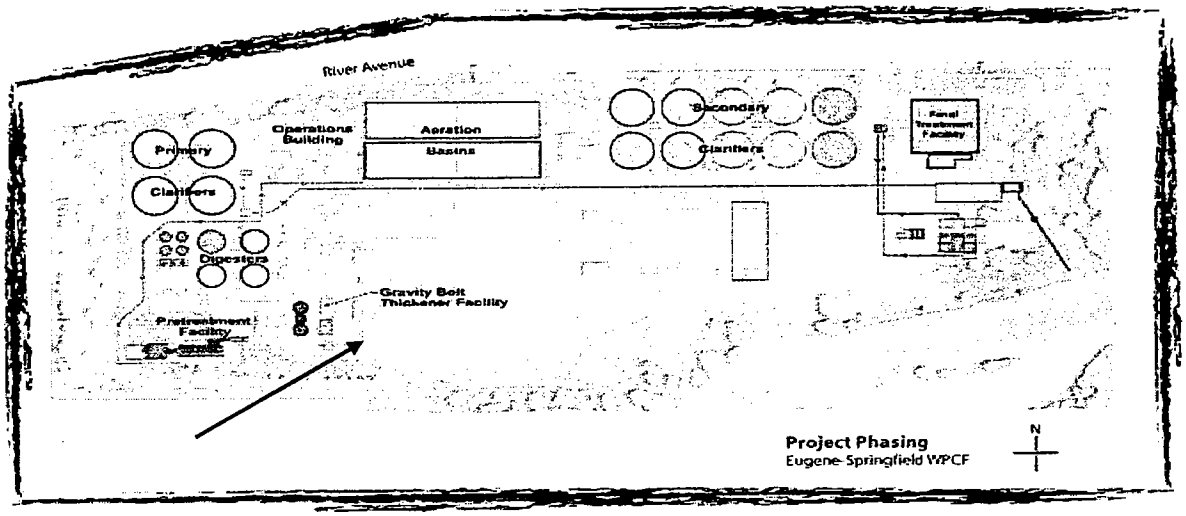
Estimated Project Cost: $9,510,000

Expected Cash Flow: FY 07-08 = $3,600,000; FY 08-09 = $5,657,705

Expenditure/Category:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Design/Construction	$252,295	$9,257,705	0	0	0	0	$9,510,000
Other	0	0	0	0	0	0	0
Total Cost	**$252,295**	**$9,257,705**	**$0**	**$0**	**$0**	**$0**	**$9,510,000**

Funding Source:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Capital Reserve	$252,295	$9,107,705	0	0	0	0	9,360,000
EPA Grant	0	0	0	0	0	0	0
SDC Reimbursement Reserve	0	0	0	0	0	0	0
SDC Improvement Reserve	0	$150,000	0	0	0	0	150,000
Equipment Replacement Reserve	0	0	0	0	0	0	0
Total Cost	**$252,295**	**$9,257,705**	**$0**	**$0**	**$0**	**$0**	**9,510,000**

ODOROUS AIR TREATMENT 2



Description: Provide covers over new Gravity Sludge Thickeners (primary sludge thickeners) and convey odorous air to biofilters. Expand biofilters to accommodate the additional needed odor control.

Justification: The Gravity Sludge Thickeners will be a significant source of odor if not controlled.

Project Driver: Maintain MWMC's status as environmental stewards. Address neighborhood odor complaints and community concerns regarding odors.

Project Trigger: New construction requires greater odor control. Must be coordinated with the construction of Gravity Sludge Thickeners

Project Type: 100% Performance

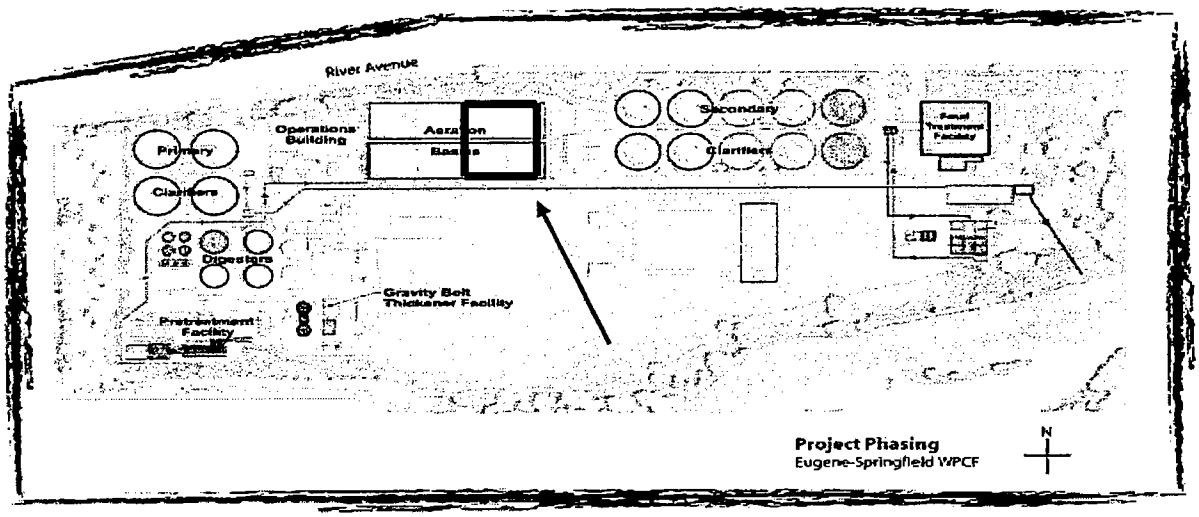
Estimated Project Cost: $1,704,000

Expected Cash Flow: FY 08-09 = $1,000,000; FY 09-10 = $704,000

Expenditure/Category:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Design/Construction	0	0	$1,704,000	0	0	0	$1,704,000
Other	0	0	0	0	0	0	0
Total Cost	**$0**	**$0**	**$1,704,000**	**$0**	**$0**	**$0**	**$1,704,000**

Funding Source:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Capital Reserve	0	0	$1,704,000	0	0	0	$1,704,000
EPA Grant	0	0	0	0	0	0	0
SDC Reimbursement Reserve	0	0	0	0	0	0	0
SDC Improvement Reserve	0	0	0	0	0	0	0
Equipment Replacement Reserve	0	0	0	0	0	0	0
Total Cost	**$0**	**$0**	**$1,704,000**	**$0**	**$0**	**$0**	**$1,704,000**

AERATION BASIN IMPROVEMENTS – PHASE 1



Description: Add step feed, anoxic selectors, and fine bubble diffusers to 4 of the 8 cells of the aeration basins and make hydraulic improvements. This project was originally the South Aeration Basin Improvements project, however further study showed that improvements to the 4 easternmost basins as a first phase would allow for better hydraulics and more flexibility. The budget also includes $312,000 of funding from the Equipment Replacement Reserve for the replacement of Equipment #'s 11216, 11219, and 11220 (Aeration Diffusers.)

Status: The construction bidding phase is anticipated to occur in January 2007 with bid opening in February, 2007. At the March 1, 2007 MWMC meeting, staff will provide the bid results for Commission consideration to enter into a construction contract and discuss any project budget issues based on cost estimates/forecasting to complete this project.

Justification: Increase the dry weather aeration basin treatment capacity to 65 mgd with respect to ammonia (i.e. with nitrification) and increase the sustained (i.e., on a weekly basis) wet weather treatment capacity to 130 mgd.

Project Driver: NPDES permit includes ammonia limit requiring nitrification in dry weather and expansion of wet weather capacity to treat wet weather flows to meet NPDES monthly and weekly suspended solids limits.

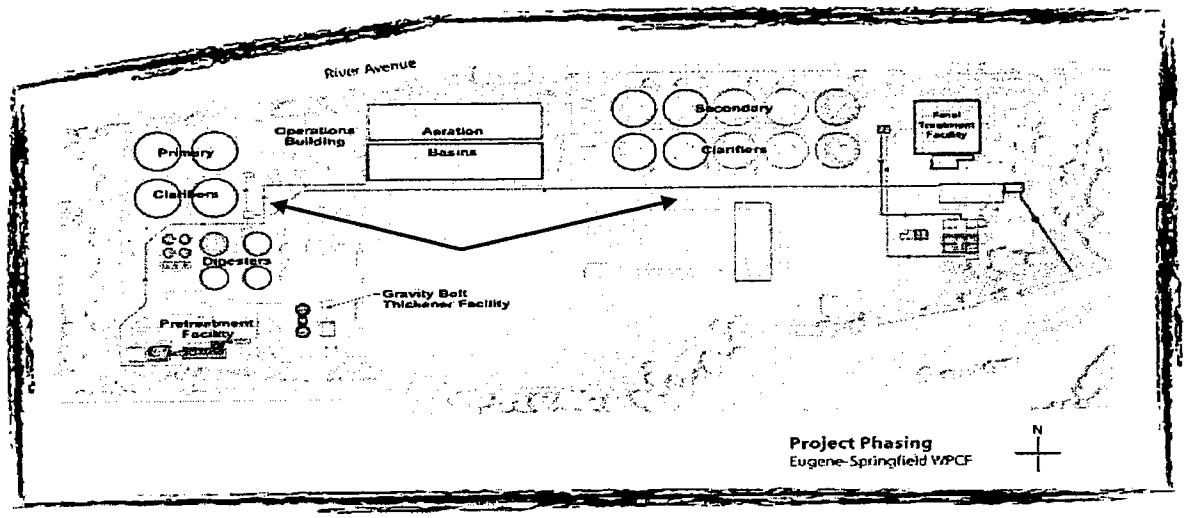
Project Trigger: Maximum month dry weather flow of 25 mgd requires nitrification. Peak wet weather flows above 103 mgd require hydraulic modifications.

Project Type: 50% Capacity; 50%Performance
Estimated Project Cost: $10,189,680
Expected Cash Flow: FY 07-08 = $7,990,129

Expenditure/Category:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Design/Construction	$2,199,551	$7,990,129	0	0	0	0	$10,189,680
Other	0	0	0	0	0	0	0
Total Cost	**$2,199,551**	**$7,990,129**	**$0**	**$0**	**$0**	**$0**	**$10,189,680**

Funding Source:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Capital Reserve	$2,199,551	$6,590,129	0	0	0	0	$8,789,680
EPA Grant	0	0	0	0	0	0	0
SDC Reimbursement Reserve	0	0	0	0	0	0	0
SDC Improvement Reserve	0	$1,400,000	0	0	0	0	$1,400,000
Equipment Replacement Reserve	0	0	0	0	0	0	0
Total Cost	**$2,199,551**	**$7,990,129**	**$0**	**$0**	**$0**	**$0**	**$10,189,680**

PARALLEL PRIMARY/SECONDARY TREATMENT



Description: Piping, pumping, and flow split boxes to enable primary and secondary treatment to be operated in parallel. Includes funds for landscaping in disturbed area of the plant.

Justification: This project expands the peak wet weather treatment capacity to 277 mgd through flow management techniques.

Project Driver: DEQ requirement that the peak wet weather flow (5-year, 24-hour rain event) be treated by the E/S WPCF and meet secondary effluent standards (diverted blended flow receives equivalent of primary treatment).

Project Trigger: Elimination of sanitary sewer overflows by the year 2010.

Project Type: 100% Capacity

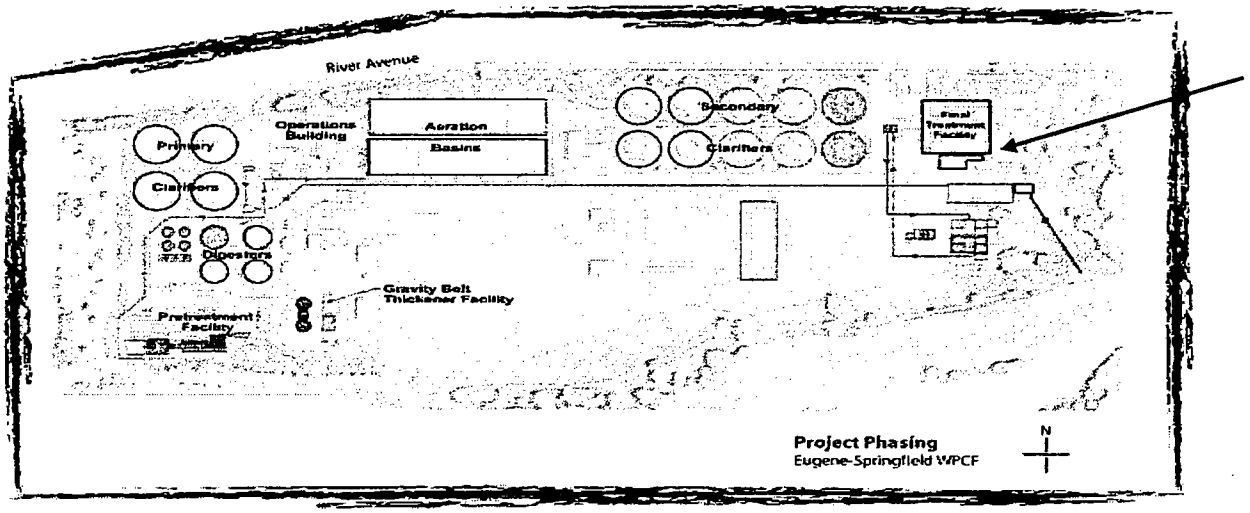
Estimated Project Cost: $16,838,000

Expected Cash Flow: FY 07-08 = $1,500,000; FY 08-09 = $8,500,000; 09-10 = $6,838,000.

Expenditure/Category:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Design/Construction	0	$1,500,000	$15,338,000	0	0	0	$16,838,000
Other	0	0	0	0	0	0	0
Total Cost	**$0**	**$1,500,000**	**$15,338,000**	**$0**	**$0**	**$0**	**$16,838,000**

Funding Source:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Capital Reserve	0	$1,500,000	$15,038,000	0	0	0	$16,538,000
EPA Grant	0	0	0	0	0	0	0
SDC Reimbursement Reserve	0	0	0	0	0	0	0
SDC Improvement Reserve	0	0	$300,000	0	0	0	$300,000
Equipment Replacement Reserve	0	0	0	0	0	0	0
Total Cost	**$0**	**$1,500,000**	**$15,338,000**	**$0**	**$0**	**$0**	**$16,838,000**

SODIUM HYPOCHLORITE CONVERSION



Description: Convert existing chlorine gas system to sodium hypochlorite for the base flow. Retain the existing chlorine contact basins. Install system with capability for high rate disinfection of PE diversion assuming high dosages of chlorine into a new chlorine contact basin. Includes funds for landscaping in vicinity of improvements.

Justification: Liquid sodium hypochlorite and sodium bisulfite system will replace the existing chlorine and sulfur dioxide gas systems and increase the disinfection capacity from 175 mgd to 277 mgd. The high rate disinfection of the primary effluent is a key component of the primary/secondary split treatment, which is needed for meeting the flow capacity needs of the plant.

Project Driver: Operator and community safety issues and meeting flow capacity requirements for 2010 peak flows.

Project Trigger: Phasing with other related projects and need to meet 2010 peak flow treatment.

Project Type: 50% Capacity; 50% Performance

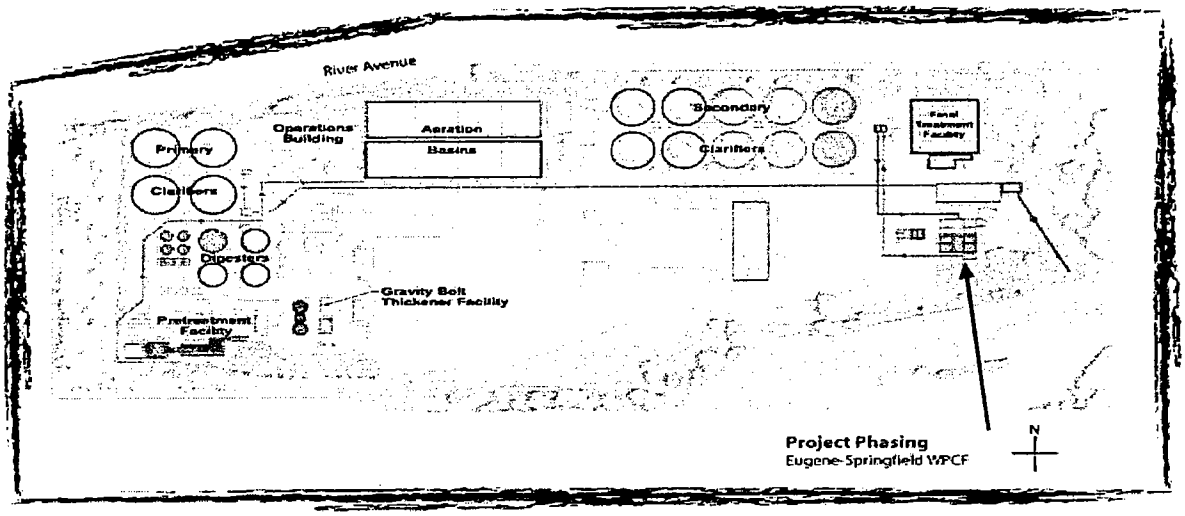
Estimated Project Cost: $12,760,000

Expected Cash Flow: FY 07-08 = $2,400,000; FY 08-09 = $10,360,000

Expenditure/Category:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Design/Construction	0	$12,760,000	0	0	0	0	$12,760,000
Other	0	0	0	0	0	0	0
Total Cost	**$0**	**$12,760,000**	**$0**	**$0**	**$0**	**$0**	**$12,760,000**

Funding Source:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Capital Reserve	0	$12,760,000	0	0	0	0	$12,760,000
EPA Grant	0	0	0	0	0	0	0
SDC Reimbursement Reserve	0	0	0	0	0	0	0
SDC Improvement Reserve	0	0	0	0	0	0	0
Equipment Replacement Reserve	0	0	0	0	0	0	0
Total Cost	**$0**	**$12,760,000**	**$0**	**$0**	**$0**	**$0**	**$12,760,000**

TERTIARY FILTRATION 1



Description: Filtration: includes infrastructure/support facilities for 30 mgd of filters; install filter cells sufficient for only 10 mgd. Includes funds for landscaping in vicinity of facilities.

Justification: An estimated 30 mgd of filters is required by 2010 to meet dry season mass limits. Facility Plan proposes phasing filters in sooner to facilities development of Level 3 and Level 4 reuse. Provides high quality secondary effluent and potential level 4 reuse water. Also, needed to assist with meeting wet season mass load requirements during peak flow events (under all peak flow management alternatives).

Project Driver: Performance reliability to meet the dry weather NPDES total suspended solids limits of less than 10 mg/L, reuse development, and compliance with peak flow management.

Project Trigger: NPDES permit compliance for TSS: Dry weather maximum month flow in excess of 49 mgd. Also, initially to provide higher quality effluent so that reuse can be developed.

Project Type: 25% Capacity; 75% Performance

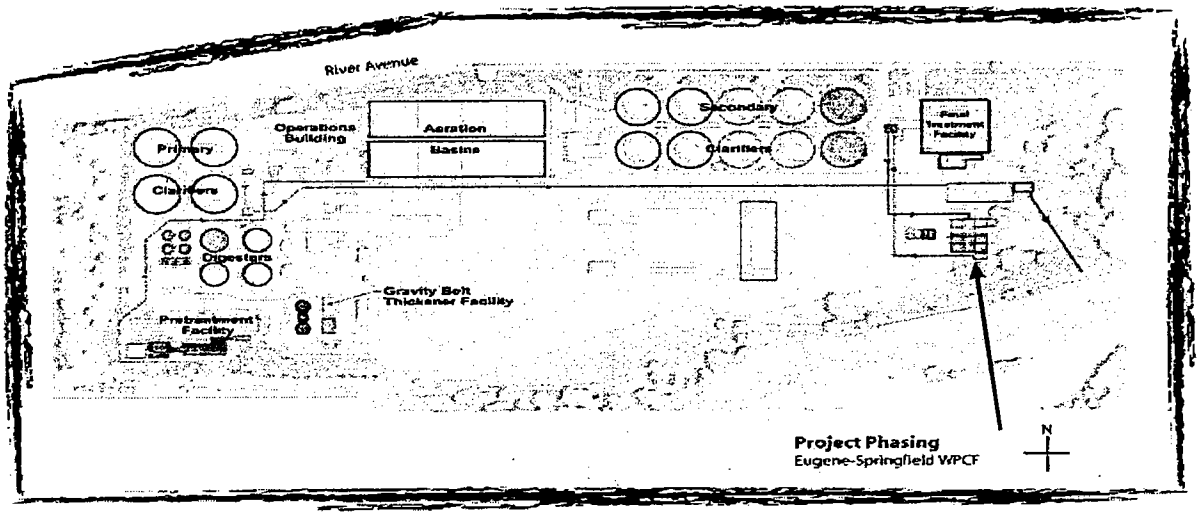
Estimated Project Cost: $14,685,000

Expected Cash Flow: FY 07-08 = $1,500,000; FY 08-09 = $8,500,000; FY 09-10 = $4,685,000

Expenditure/Category:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Design/Construction	0	$1,500,000	$13,185,000	0	0	0	$14,685,000
Other	0	0	0	0	0	0	0
Total Cost	**$0**	**$1,500,000**	**$13,185,000**	**$0**	**$0**	**$0**	**$14,685,000**

Funding Source:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Capital Reserve	0	$1,500,000	$11,785,000	0	0	0	$13,285,000
EPA Grant	0	0	0	0	0	0	0
SDC Reimbursement Reserve	0	0	0	0	0	0	0
SDC Improvement Reserve	0	0	$1,400,000	0	0	0	$1,400,000
Equipment Replacement Reserve	0	0	0	0	0	0	0
Total Cost	**$0**	**$1,500,000**	**$13,185,000**	**$0**	**$0**	**$0**	**$14,685,000**

TERTIARY FILTRATION 2



Description: Additional 10 mgd of filter cells, for a total of 20 mgd. Includes funds for landscaping in vicinity of facilities.

Justification: An estimated 30 mgd of filters is required by 2010 to meet dry season mass limits. The Facility Plan proposes phasing filters in sooner to facilities development of Level 3 and Level 4 reuse. Also needed to assist with meeting wet season mass load requirements during peak flow events.

Project Driver: Performance reliability to meet the dry weather NPDES total suspended solids limits of less than 10 mg/L, reuse development, and compliance with peak flow management.

Project Trigger: NPDES permit compliance for TSS: Dry weather maximum month flow in excess of 49 mgd. Also, initially to provide higher quality effluent so that reuse can be developed.

Project Type: 25% Capacity; 75% Performance

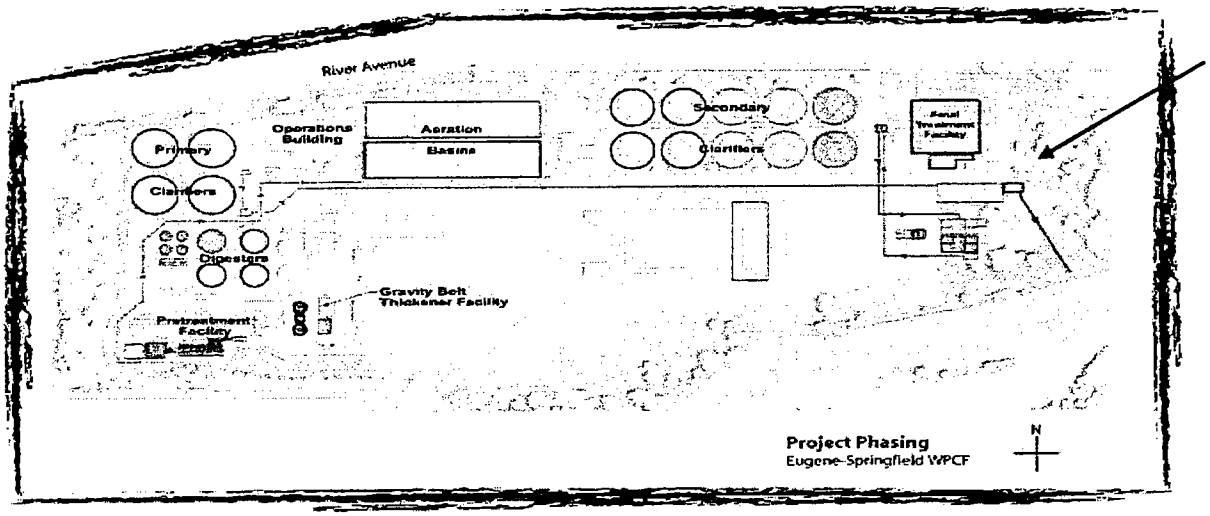
Estimated Project Cost: $8,361,000

Expected Cash Flow: FY 10-11 = $2,500,000; FY 11-12 = $5,861,000

Expenditure/Category:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Design/Construction	0	0	0	0	$8,361,000	0	$8,361,000
Other	0	0	0	0	0	0	0
Total Cost	**$0**	**$0**	**$0**	**$0**	**$8,361,000**	**$0**	**$8,361,000**

Funding Source:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Capital Reserve	0	0	0	0	$8,361,000	0	$8,361,000
EPA Grant	0	0	0	0	0	0	0
SDC Reimbursement Reserve	0	0	0	0	0	0	0
SDC Improvement Reserve	0	0	0	0	0	0	0
Equipment Replacement Reserve	0	0	0	0	0	0	0
Total Cost	**$0**	**$0**	**$0**	**$0**	**$8,361,000**	**$0**	**$8,361,000**

EFFLUENT REUSE 1



Description: Level 4 reuse system: Reuse disinfection, pumping, pipeline, and distribution/irrigation system 2.5 mgd.

Status: Planning Stage

Justification: Implements Level 4 reuse so that thermal load is removed from the Willamette River.

Project Driver: Expansion of dry weather effluent reuse programs. Current NPDES thermal load compliance.

Project Trigger: Potential exceedance of NPDES thermal load limit. Identification of dry weather water needs for potential clients.

Project Type: 100% Performance

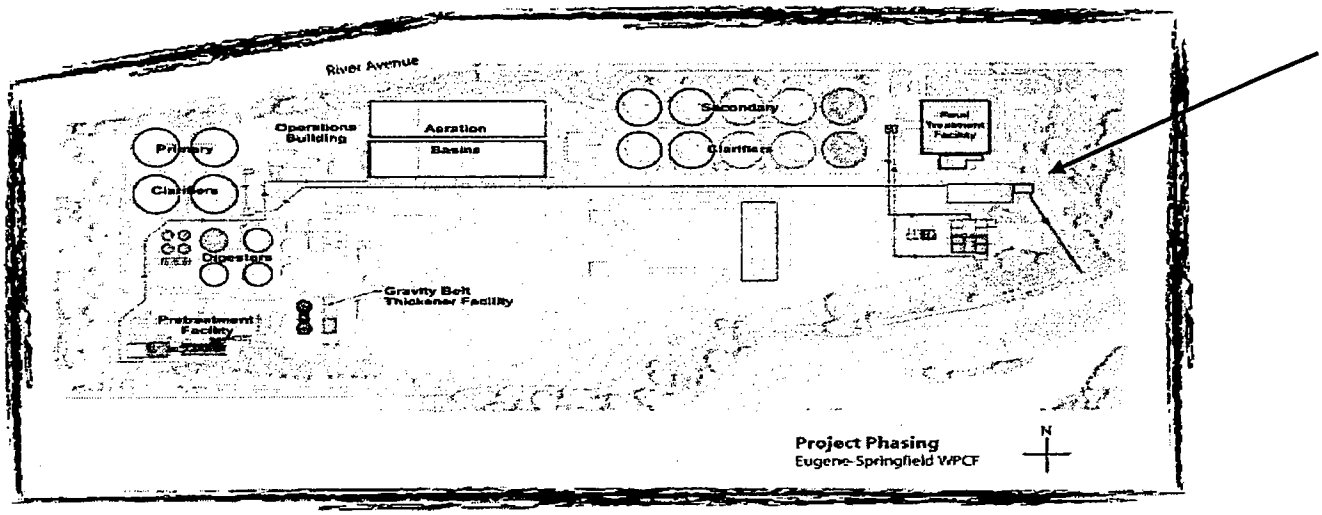
Estimated Project Cost: $2,891,000

Expected Cash Flow: FY 07-08 = $1,250,000; FY 08-09 = $1,541,000

Expenditure/Category:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Design/Construction	$100,000	$2,791,000	0	0	0	0	$2,891,000
Other	0	0	0	0	0	0	0
Total Cost	**$100,000**	**$2,791,000**	**$0**	**$0**	**$0**	**$0**	**$2,891,000**

Funding Source:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Capital Reserve	$100,000	$2,791,000	0	0	0	0	$2,891,000
EPA Grant	0	0	0	0	0	0	0
SDC Reimbursement Reserve	0	0	0	0	0	0	0
SDC Improvement Reserve	0	0	0	0	0	0	0
Equipment Replacement Reserve	0	0	0	0	0	0	0
Total Cost	**$100,000**	**$2,791,000**	**$0**	**$0**	**$0**	**$0**	**$2,891,000**

EFFLUENT REUSE 2



Description: Provide 1.5 mgd of Level 2 reuse water at the Biocycle Farm. Installation of dedicated reuse irrigation pipeline and microspray system. Total reuse of 3.75 mgd in July and August.

Justification: Implements Level 2 reuse so that thermal load is removed from the Willamette River.

Project Driver: Expansion of dry weather effluent reuse programs. Current NPDES thermal load compliance.

Project Trigger: Potential exceedance of NPDES thermal load limit.

Project Type: 100% Performance

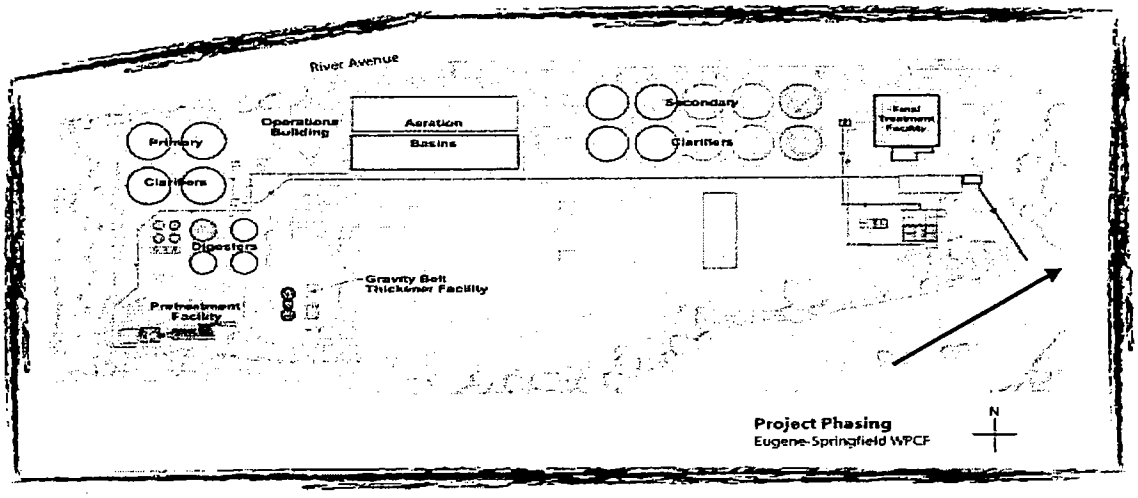
Estimated Project Cost: $5,230,000

Expected Cash Flow: FY 09-10 = $2,800,000: FY 10-11 = $2,430,000

Expenditure/Category:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Design/Construction	0	0	0	$5,230,000	0	0	$5,230,000
Other	0	0	0	0	0	0	0
Total Cost	**$0**	**$0**	**$0**	**$5,230,000**	**$0**	**$0**	**$5,230,000**

Funding Source:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Capital Reserve	0	0	0	$5,230,000	0	0	$5,230,000
EPA Grant	0	0	0	0	0	0	0
SDC Reimbursement Reserve	0	0	0	0	0	0	0
SDC Improvement Reserve	0	0	0	0	0	0	0
Equipment Replacement Reserve	0	0	0	0	0	0	0
Total Cost	**$0**	**$0**	**$0**	**$5,230,000**	**$0**	**$0**	**$5,230,000**

BANKSIDE OUTFALL



Description: Bankside outfall to accommodate 117 mgd (277 mgd less 160 mgd which is the estimated capacity of the existing outfall system after secondary treatment modifications). Includes landscaping in the disturbed area of the outfall as required to mitigate backside disturbance.

Justification: According to the hydraulic calculations in the Facilities Plan, a new bankside outfall will be required to pass the peak wet weather flow to the river.

Project Driver: According to the hydraulic calculation in the Facilities Plan, after secondary treatment modifications are made, a maximum peak flow of 160 mgd can pass through the existing outfall box without submerging the secondary clarifier weirs. CH2M Hill is currently re-evaluating the hydraulics in this area and will provide better clarification of the timing and need for this project.

Project Trigger: Need to provide peak flow capacity in order to treat peak storm flows without overflow by 2010.

Project Type: 100% Capacity

Estimated Project Cost: $3,000,000

Expected Cash Flow: FY 08-09 = $1,100,000; FY 09-10 = $1,900,000

Expenditure/Category:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Design/Construction	0	0	$3,000,000	0	0	0	$3,000,000
Other	0	0	0	0	0	0	0
Total Cost	**$0**	**$0**	**$3,000,000**	**$0**	**$0**	**$0**	**$3,000,000**

Funding Source:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Capital Reserve	0	0	$3,000,000	0	0	0	$3,000,000
EPA Grant	0	0	0	0	0	0	0
SDC Reimbursement Reserve	0	0	0	0	0	0	0
SDC Improvement Reserve	0	0	0	0	0	0	0
Equipment Replacement Reserve	0	0	0	0	0	0	0
Total Cost	**$0**	**$0**	**$3,000,000**	**$0**	**$0**	**$0**	**$3,000,000**

REPAIR AND/OR PARTIAL REPLACEMENT OF BIOSOLIDS FORCE MAIN

Description: Repair and/or replace sections of the biosolids force main (piping system) where struvite deposits reduce the pipe diameter and cannot be removed by acid washing method. The piping system connects the WPCF to the BMF.

Justification: Project will rehabilitate portions of the existing biosolids conveyance system.

Project Driver: Maintain system functionality of the biosolids conveyance system.

Project Trigger: Functionality issues within the existing pipeline.

Project Type: 100% Rehabilitation

Estimated Project Cost: $1,500,000

Expected Cash Flow: FY 10-11 = $70,000; FY 11-12 = $1,430,000

Expenditure/Category:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Design/Construction	0	0	0	0	$100,000	$1,400,000	$1,500,000
Other	0	0	0	0	0	0	0
Total Cost	**$0**	**$0**	**$0**	**$0**	**$100,000**	**$1,400,000**	**$1,500,000**

Funding Source:	Prior Years	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Capital Reserve	0	0	0	0	$100,000	1,400,000	$1,500,000
EPA Grant	0	0	0	0	0	0	0
SDC Reimbursement Reserve	0	0	0	0	0	0	0
SDC Improvement Reserve	0	0	0	0	0	0	0
Equipment Replacement Reserve	0	0	0	0	0	0	0
Total Cost	**$0**	**$0**	**$0**	**$0**	**$100,000**	**$1,400,000**	**$1,500,000**

IN THE BOARD OF COUNTY COMMISSIONERS,
LANE COUNTY, OREGON

RESOLUTION 07-5-23-1	)	IN THE MATTER RATIFYING THE FY 07-08 REGIONAL WASTEWATER PROGRAM BUDGET AND CAPITAL IMPROVEMENTS PROGRAM AS APPROVED BY THE METROPOLITAN WASTEWATER MANAGEMENT COMMISSION

WHEREAS, Board ratification of the Metropolitan Wastewater Management Commission Regional Wastewater Program Budget and Capital Improvements Program occurs on an annual basis, as provided for in the Metropolitan Wastewater Management Commission Intergovernmental Agreement first adopted in 1977; and

WHEREAS, the Metropolitan Wastewater Management Commission, after holding a required public hearing and following additional discussions and deliberation, directed on April 19, 2007, that the FY 07-08 Regional Wastewater Program Budget and Capital Improvements Program be approved and forwarded to the governing bodies for ratification; and

WHEREAS, Lane County, one of the participating governing bodies, has now reviewed the Metropolitan Wastewater Management Commission's proposed Regional Wastewater Program Budget and Capital Improvements Program for FY 07-08.

NOW, THEREFORE, IT IS HEREBY ORDERED that the Metropolitan Wastewater Management Commission's Regional Wastewater Program Budget and Capital Improvements Program for FY 07-08 is hereby ratified.

Dated this 23rd day of May, 2007.

Chair, Lane County Board of Commissioners

APPROVED AS TO FORM
Date 5/15/07 lane county
OFFICE OF LEGAL COUNSEL