



## Legislation Text

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Oregon City Water Distribution System Capital Improvement Program Update, Including Preliminary Findings of the Associated Financial Needs Analysis

**RECOMMENDED ACTION (Motion):**

A presentation on the citywide water system Capital Improvement Plan (CIP) and other water system program needs. This CIP is an update and amendment to the CIP presented in the adopted 2012 Water System Master Plan. Additionally, the presentation will share the current status of work underway related to the water rate and system development updates reflective of the updated CIP.

In 2012, the City adopted Ordinance No. 12-1001, an update to the Oregon City Water Distribution System Master Plan (WMP), that included the City's Water Capital Facilities Improvements Plan (CIP), pursuant to ORS 223.309(1), and the CIP lists of the capital improvements projects that the City desired to construct at that time.

In 2017, the City retained Murraysmith to evaluate capital improvements to address efficiency, system capacity, and condition of the water distribution system, and to provide an updated CIP project list that addresses the existing operational and future capacity needs. The draft updated CIP project list report by Murraysmith was submitted to the City in November 2018, and reviewed by City Public Works staff for providing direction on the final draft CIP report to Murraysmith.

The City Public Works review comments resulted in the need to include additional task items that were not within the original scope of work. Some of the additional task items are related to emergency supply planning and improvements as a result of the recent South Fork Water Board (SFWB) shutdown of the SFWB 30-inch water transmission supply line to Oregon City, and the Molalla Avenue grant project for the design of Molalla Avenue streetscape improvements to include a new waterline for transmission capacity from Mountain View Pump Station to Henrici Reservoir to mitigate the existing transmission problem during peak demands in the summer-time months.

In March 2019, the City contracted with FCS Group to complete the Water Rate and SDC Update associated with the updated CIP. The goal of the study is to ensure that the City's water rates and SDCs as proposed reflect the capital improvement plan (draft and final) and also to reflect the current operating budget. This presentation will share the first blush update of the associated financial needs analysis.

This presentation topic is in alignment with City Commission Goal 5 - "Differed Water Infrastructure" and a crucial step forward in the City's efforts to begin the community outreach and communications regarding long term water rates and the need for water infrastructure replacement.