



Memorandum

To: Board of County Commissioners (BCC)
From: Public and Government Affairs (PGA)
Date: February 28, 2023
RE: FY2024 Congressionally Directed Spending Recommended List

Action Requested:

PGA is seeking two actions from the BCC:

- Approval of the Recommended List (below) as the projects for which the county will submit for FY2024 Congressionally Directed Spending
- Approval of support letters for two cities submitting their own projects for Congressionally Directed Spending (attached)

Recommended Projects List:

PGA recommends the following four projects as highly competitive requests for the Congressionally Directed Spending process. Each project can prove preliminary conditions that showcase their readiness, indicated below.

Clackamas Rural Transit Enhancements	Request: \$3,400,000
<p>Purpose: Funding for a bike stall, electric buses, an electric shuttle, and a maintenance bay</p> <p>This project</p> <ul style="list-style-type: none">• meets BCC goals to address transit and access for businesses/residents; also advances the BCC goal of becoming carbon neutral by 2050• is unique in that it advances projects for five different agencies across the county, including Wilsonville, Canby, South County (Molalla), Sandy, and Mt Hood Express; feedback indicates the “group” application will be more competitive than each agency pursuing individual requests• meets Congressional and local goals to advance the electric fleets and other multimodal amenities• can quickly garner a wide range of support by the March 3 submission deadline <p>PGA will submit to the Senate process only (March 3) to balance the other transit request the County recommends advancing.</p>	

Mt Hood Transit Enhancements	Request: \$2,800,000
<p>Purpose: Development of a park and ride along Highway 26 in the Welches area, and public restrooms and bus stop enhancements in Government Camp</p> <p>This project:</p> <ul style="list-style-type: none"> • meets BCC goals to address transit and access for businesses/residents; also advances the BCC goal of becoming carbon neutral by 2050 • meets Congressional and local goals to advance the Vision Around the Mountain on Mt. Hood • can quickly garner support from stakeholders <p>PGA will submit to the 1st Congressional District process only (date uncertain) to balance the other transit request the County recommends advancing.</p>	

911 Safety, Wellness, and Services Enhancements	Request: \$800,000
<p>Purpose: Funding for facility safety improvements, evacuation readiness, a mobile trailer, employee respite space, and facility sound improvements</p> <p>This project:</p> <ul style="list-style-type: none"> • meets long-standing safety goals for service providers • includes a competitive match • can quickly garner a wide range of support in time for the March 3 Senate Submission process • aligns well with congressional priorities. <p>PGA will submit both to the Senate process (March 3) and the 5th Congressional District process (date uncertain).</p>	

School-Based Behavioral Health and Substance Abuse Juvenile Justice Prevention Program (Formerly: High School Pilot Expansion)	Request: \$1,000,000
<p>Purpose: Expand a pilot program to middle school and older elementary students to improve their well-being, prevent substance abuse, and keep the community safe. The current program is being piloted with high schools students.</p> <p>This project:</p> <ul style="list-style-type: none"> • meets BCC goals to address addiction • meets congressional goals to curb addiction in partnership with education programs and community based organizations • can quickly garner a wide range of support in time for the March 3 Senate submission process 	

PGA will submit both to the Senate process (March 3) and the 5th Congressional District process (date uncertain).

PGA researched whether a partner agency could submit this project, but due to the licensing of the program held by the County Juvenile Office it makes the most sense for the county apply here.

Projects that are NOT Recommended:

The following projects were part of the original vetting list. A brief explanation of why they are not recommended is included below. Not achieving the “recommended list” is not a reflection of the value of the project, but rather a lack of readiness for the FY2024 Congressionally Directed Spending process. PGA can work with departments to improve readiness for future CDS requests or other grant opportunities as they become available.

Withdrawal Management (aka: Detox)	Request: \$4,000,000
Purpose: 2-year pilot program to broaden drug addiction services	
Assessment: This project is not able to prove a competitive match for this round of funding, and the request is notably too high after inquiring with delegation offices and Summit Strategies.	

Stabilization Center	Request: \$1,000,000
Purpose: Following the initial investment to launch a 23 hours crisis stabilization center in 2023, we will be seeking funds to expand the building and increase services.	
Assessment: Due to the timing of when CDS funds would arrive, and prioritization of H3S and CCSO to advance this project in 2023, it is presently unclear how these funds would be utilized. The lack of clarity makes this request vague, and thus, not ready for submittal.	

Stable Homes	Request: \$1,200,000
Purpose: 2 year pilot project that integrates existing home-based services to address a more comprehensive set of challenges that prevent families from being stable	
Assessment: This project did not include a local match, or have adequate details that confirmed an appropriate funding account in the CDS process.	

Lake Road Health Centers	Request: \$3,000,000
<p>Purpose: Seeking funds to cover ownership and/or renovation of Lake Road Health Center, outpatient BH clinics to families and adults + contracted pharmacy + administrative staff</p> <p>Assessment: Since vetting, this project has encountered technical hurdles that make it not ready for the CDS process.</p>	

3-Creeks Watershed Restoration	Request: \$1,500,000
<p>Purpose: Provide funds to stage restoration of the 3-Creeks Project near Clackamas Community College Harmony Campus</p> <p>Assessment: This project requires additional inter-project coordination, struggled to confirm a required funding match, and struggled to land neatly in a relevant funding account for the CDS process.</p>	

Libraries	Request: \$1,000,000
<p>Purpose: To help fund capital construction projects for two libraries</p> <p>Assessment: CDS accounts that support libraries are very limited in what they can fund, and recent information from Summit Strategies suggests library projects may not thrive in one, and perhaps both chambers of Congress. PGA recommends advancing other projects that are more competitive.</p>	



BOARD OF COUNTY COMMISSIONERS
PUBLIC SERVICES BUILDING
2051 KAEN ROAD | OREGON CITY, OR 97045

Honorable Ron Wyden
221 Dirksen Senate Office Bldg.
Washington, D.C. 20510

Honorable Jeff Merkley
531 Hart Senate Office Bldg.
Washington, D.C. 20510

February **DRAFT**, 2023

Dear Senator Wyden and Senator Merkley:

On behalf of the Clackamas County Board of County Commissioners, I am writing to express our support for the City of West Linn's request for financial assistance with the replacement of the City's water line on the Abernethy (I-205) Bridge. West Linn's entire drinking water supply is delivered through this line, making it an incredibly important part of our region's basic infrastructure.

West Linn's water line had over 20 years of usable lifespan remaining when the Oregon Department of Transportation (ODOT) notified the City the line needed to move and West Linn would have to cover the entire \$13.7 million cost. As a result, the City did not have time to plan for this substantial project. The cost will take all of the city's repayment capacity, and has forced the City to shelve almost all critical water maintenance projects and system upgrades for the foreseeable future. This will have a significant negative impact on West Linn's financial health, and on the long-term safety and future of their drinking water system.

The City of West Linn is currently seeking a share of funding from the State of Oregon for this work and expects its own ratepayers to cover up to half of the total cost. Federal funding would be a critical final piece of the financial puzzle, allowing West Linn to restart some amount of basic maintenance and replacement elsewhere in its system.

Thank you for your support of this vital project and for your service to the residents and businesses of Clackamas County.

Sincerely,

Tootie Smith, Chair
On behalf of the Clackamas County Board of Commissioners



Honorable Ron Wyden
221 Dirksen Senate Office Bldg.
Washington, D.C. 20510

Honorable Jeff Merkley
531 Hart Senate Office Bldg.
Washington, D.C. 20510

February **DRAFT**, 2023

Dear Senator Wyden and Senator Merkley:

I am writing to express Clackamas County's full support for the City of Estacada's congressionally directed spending request for their Wastewater Plant update. The City of Estacada is a small town with just over 5,300, but is among the fastest growing cities in the state of Oregon. Their population has grown 70% between 2016 and 2022. As a result of this growth their infrastructure faces great strain. Their wastewater plant will be at 100% capacity by 2025. With over 1,200 lots already through the planning process but not yet built, they need to update their wastewater system.

The lack of funding for infrastructure is preventing many small cities throughout the state from growing their housing and business capacity. The city has several lots available in its Industrial Park, but inquiries have asked for upwards of one-million gallons of wastewater capacity per day. They will not have this type of capacity until a new treatment plant is built. Even smaller businesses could be impacted by this lack of capacity; a large water/wastewater user such as a laundromat or brewery could be prevented from developing as the system nears capacity. Cities like Estacada need support to grow without placing an undue burden on residents for the necessary costs of infrastructure improvements. Clackamas County believes in building strong infrastructure. Our county residents should have safe and affordable infrastructure.

Estacada plans to break ground in 2024, with the plant construction complete by the end of 2025 to mid-2026. With an estimated \$28 million cost, this project will double residents' wastewater bill each month. Estacada has a poverty rate of 17.4%, but that rate more than doubles – to 41.6% – for those over the age of 60. A successful award will ensure Estacada can decrease the cost to their residents, and we urge your full support.

Sincerely,

Tootie Smith, Chair
On behalf of the Clackamas County Board of Commissioners



Capital Funding Request Supplemental Information

The City of Estacada went through a One Stop with Business Oregon and as a result received a funding offer from DEQ CWSRF. The funding scenario below establishes the amount offered, the rate, and the estimated payment. We are contracted with DEQ for the first portion of this, the Planning and Engineering stage, with a \$3.55 million loan. We have the option to extend this to the additional amount up to the \$25 million as shown in the scenario below.

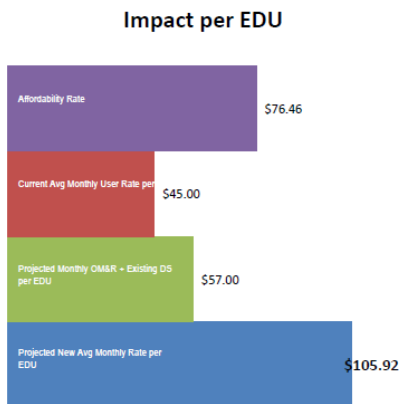
ONE-STOP SCENARIO #1

Estimated Project Cost	\$25,860,000	Projected Monthly OM&R + Existing DS per EDU	\$57.00
Local Contribution	\$860,000	Monthly New DS per EDU	\$48.92
Assistance Requested	\$25,000,000	Projected New Avg Monthly Rate per EDU	\$105.92

Partner	Program	Total Financing	Grant Amount	Loan Amount	Financing Terms		
					Loan Repayment Term (yrs)	Estimated Interest Rate	Annual Debt Payment
DEQ	CWSRF	\$25,000,000	\$500,000	\$24,500,000	30	2.760%	\$1,211,507

Total Financed	\$25,000,000	Financing Gap	\$0
		Annual Debt Service	\$1,211,507

We are hoping to apply for grants between engineering and construction phases to decrease the costs. Also impacting our financing is the 8.6% construction cost index inflation. We are asking for assistance with covering the inflationary costs which will bring the original \$25.8 million up to just over \$28 million.



Notes	
CWSRF	DEQ Rate is "Effective rate" which includes .5% fee. DEQ will require a Debt Service Reserve be established. Fiscal Sustainability Plan and Cost and Effectiveness analysis (both may already be included in the facility plan). Environmental report requires 30 day public comment period). Comply with federal cross cutting authorities Davis-Bacon (or BOLI whichever is more), American Iron and Steel certification. Applications 3 times a year scored regionally. Depending on project timing, may need to document qualifications based procurement for Architectural & Engineering contracts (OR law already requires qualifications based procurements when A&E exceeds \$100K)

The rate per EDU referenced in this scenario is only for the wastewater rate. We also have water and stormwater costs, our current base utility rate is \$72.50. The extreme growth has also forced us

to build a high elevation water reservoir and pump station to serve the new developments. This costs of approx. \$2 million will raise our water rates. We will be conducting a rate study as part of the planning process to determine the necessary rates to cover the debt service.

Our population has grown 70% between 2016 and 2022. We expect to see continued growth with over 1,200 approved lots planned for development, and with the continued influx of building permits. We are forecasted to hit 100% wastewater capacity in 2025. We have considerable acreage still inside our UGB which could be annexed in, but the wastewater capacity will be a limiting factor in future growth. While we don't keep internal data, census data shows that the majority of new residents moved from within the same county. Census data also shows that 26% of employed residents commute to Portland, with another 14% commuting to other Metro cities. We are quickly becoming a bedroom community for Metro workers.