

TO: Board of County Commissioners
FROM: Nancy Bush, County Operating Officer
RE: Approval to Adjust ARPA Funds Between WES' Approved Stormwater Projects

REQUEST: Staff respectfully requests the BCC approve WES' proposed plan to ensure efficient and full use of allocated ARPA funds by:

1. Reallocating ARPA funds between the two WES stormwater projects as described below.
2. Authorizing WES to make future adjustments to obligated ARPA funds between these two projects, as necessary, to ensure full compliance with ARPA spending requirements and to address changes in project needs through December 31, 2026.

BACKGROUND: The BCC previously approved \$2,373,413 in ARPA funds for two WES stormwater projects:

- **SE Aldercrest Culvert Replacement & Kellogg Creek Restoration:** \$1,865,013
- **SE Clackamas Road Drainage Infrastructure:** \$508,400

Recent modeling, alternatives analysis, and revised project concepts have resulted in updates to the scope and cost estimates for both projects. To reflect these updates, WES proposes reallocating ARPA funds between the two projects as outlined below and allowing future adjustments within the projects, as necessary, to address evolving project costs and requirements while maintaining compliance with federal regulations.

- SE Aldercrest Culvert Replacement and Kellogg Creek Restoration project
 - **Revised ARPA Allocation:** \$1,327,173 (a reduction of \$537,840)
 - **Scope Update:** The original concept for this project included the replacement of 5 driveway culverts and restoration of approximately 1,200 linear feet of stream. Based on refined modeling and discussion with property owners, replacing three culverts and restoring 1,000 linear feet of stream were determined to be the most critical elements for reducing flooding on Clackamas Rd and improving water quality. The reduction in scope decreases total project costs.
- SE Clackamas Road Drainage Infrastructure project
 - **Revised ARPA Allocation:** \$1,046,240 (an increase of \$537,840)
 - **Scope Update:** The original concept for this project included only new storm pipe installation. Updated modeling identified additional measures to significantly reduce flooding on Clackamas Rd and improve water quality. The revised scope includes adding 13 storm system inlets in Clackamas Rd, installing or replacing over 600 feet of storm pipe, and re-routing the open drainage from Tidwells to the existing wetland south of Clackamas Rd. These updates have increased total project costs.

RECOMMENDATION:

Staff recommends that the BCC approve:

1. Reallocating the previously approved ARPA funds between the two projects as described above to align funding with revised project scopes and estimated costs.
2. Future adjustments of ARPA obligations between the two projects as needed to fully expend funds in compliance with ARPA regulations.