

3-578

Notice of Measure Election

City

Notice

Date of Notice 09/02/2021	Name of City or Cities City of Oregon City	Date of Election 11/02/2021
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Final Ballot Title The following is the final ballot title of the measure to be submitted to the city's voters. The ballot title notice has been published and the ballot title challenge process has been completed.

Caption 10 words which reasonably identifies the subject of the measure.

AUTHORIZES TEMPORARY WATER RATE INCREASES ABOVE 3% ANNUAL CHARTER LIMIT

Question 20 words which plainly phrases the chief purpose of the measure.

May City increase water rates up to an additional 3% annually over limit for six years for water system improvements?

Summary 175 words which concisely and impartially summarizes the measure and its major effect.

Oregon City's water system requires significant improvements, as demonstrated by its water master plan. The planned improvements will strengthen the water system and improve its ability to provide safe, reliable water year-round.

The City's goals (which will require additional action by the City Commission):

- Repair and upgrade the oldest and most likely to fail parts of the system.
- Provide all households reliable water service during the summer months.
- Provide reliable water service to fight wildfires and after storms and earthquakes.

Past rate increases have been kept to the 3% Charter limit – but that amount isn't enough to cover water system fixes. The City seeks a balanced approach to fully fund the improvements by minimizing the required rate increase above the Charter limit by borrowing money. This ballot measure would authorize temporary annual water rate increases of up to 3% annually above the Charter limit, for six years. For a typical household, in six years the monthly water rate would increase \$5.63 under the Charter limit and an additional \$6.56 if the measure is fully implemented.

Explanatory Statement 500 words that impartially explains the measure and its effect.

If the county is producing a voters' pamphlet an explanatory statement must be drafted and attached to this form for:

- any measure referred by the city governing body; **or**
- any initiative or referendum, if required by local ordinance.

Explanatory Statement Attached? Yes No

Authorized City Official Not required to be notarized.

Name Jakob S. Wiley	Title Assistant City Recorder
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Mailing Address P.O. Box 3040, Oregon City, OR 97045	Contact Phone 503-657-0891
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By signing this document:

- I hereby state that I am authorized by the city to submit this Notice of Measure Election; **and**
- I certify that notice of receipt of ballot title has been published and the ballot title challenge process for this measure completed.

Signature Redacted

09/02/2021

Signature

Date Signed

MEASURE EXPLANATORY STATEMENT FOR COUNTY VOTERS' PAMPHLET

Reinvesting in Oregon City's Water System

Oregon City updated its water master plan in January 2021. The plan identifies \$81 million in improvements to strengthen the water system and improve its ability to recover from wildfire, major storms and drought while providing safe, reliable water year around.

The City's goals include:

- Repair and upgrade parts of water system that are oldest and most likely to fail.
- Providing all households, no matter where they are, reliable water service during the summer months.
- Providing reliable water service during and after natural disasters, such as wildfires, major storms, or earthquakes.

Fully funding the fixes for Oregon City's water system requires voter authorization. Approval is needed for any annual water rate increases above 3%. In recent years, rate increases have been kept to 3% – but that amount isn't enough to cover water system fixes identified in the master plan. The investments funded by an additional 3% increase over six years will help Oregon City provide safe, reliable water service.

For a typical household, in six years the monthly rate would increase \$5.63 under the Charter limit and an additional \$ 6.56 if the measure is fully implemented. Water rates would return to the 3% Charter limit after the six-year temporary increase above that limit.

Water System Issues

As the oldest city in the West, Oregon City still has some water pipes over 100 years old. Plus, another 12.6 miles of pipe is 50-100 years old – past its useful life, prone to failure. Old pipes can be replaced with modern, durable, earthquake-proof materials.

2020 provided evidence of vulnerabilities in Oregon City's water system:

- As wildfires swept toward Oregon City on Labor Day weekend, it wasn't clear there would be enough water to combat the fire threat.
- A few months later, in February 2021, combined ice and wind knocked out power to the South Fork water treatment plant – the City's water supply source on the Clackamas River. Without water supplies for 3 days, Oregon City relied on water stored in city reservoirs and tanks – which nearly ran dry.

Oregon City's limited water storage capacity can impact the City's ability to serve every customer equally during the dry season. Also, firefighting can consume large volumes of water, applied at high pressure. To meet these demands, Oregon City plans to build two more reservoirs or storage tanks, strategically located. This added storage will allow Oregon City to provide everyone safe, reliable drinking water – no matter where they are – even in summer months.

New Development Pays its Share

Higher development fees enacted by the City Commission took effect July 1, 2021. These increases ensure that new development will pay its share of water system costs related to growth. In essence, new development must "buy-in", paying a one-time fee (called a system development charge) to purchase a portion of the City's capacity.

I am the person submitting this Measure Explanatory Statement for the City of Oregon City.

Signature Redacted

Jakob S. Wile

City Recorder for the City of Oregon City