

W. C. B.

Memorandum Date: July 11, 2006
Board Order Date: July 19, 2006

TO: Board of County Commissioners

DEPARTMENT: CAO/Economic Development Standing Committee

PRESENTED BY: Mike McKenzie-Bahr, Community and Economic Development Coordinator

AGENDA ITEM TITLE: IN THE MATTER OF APPROVING A CONTRACT WITH COTTAGE GROVE IN THE AMOUNT OF \$15,000 TO PERFORM AN ECONOMIC FEASIBILITY STUDY ON WATER SERVICE ALTERNATIVES FOR THE ROW RIVER AREA, APPROVING THE PROCESS FOR PERFORMING THE STUDY AND INCREASING APPROPRIATIONS IN REVENUES AND EXPENSES IN THE AMOUNT OF \$15,000 IN THE DEPARTMENT OF COUNTY ADMINISTRATION (Special Revenue Fund 267)

I. MOTION

Move to approve a contract with Cottage Grove, the process for performing the feasibility study and increasing appropriations in revenues and expenses in the amount of \$15,000 in the Department of County Administration, Special Revenue Fund 267.

II. AGENDA ITEM SUMMARY

The City of Cottage Grove has received a \$15,000 technical assistance grant to be used for the feasibility study to determine engineering, construction, O&M cost and monthly rates of water service alternatives for the Row River area.

The contract between the City and County would make the County the lead on the feasibility study project. The contract calls for the County to hire an engineer to do the study and to monitor the performance of said engineer. The City will reimburse the County for the expenses for the project up to the grant amount of \$15,000.

The process for the feasibility study is for County staff, working with Ken Jones and representatives of the water users in the impacted area, to develop a scope of work, send it to various engineers, interview engineers interested in the

process, pick an engineer and work with him/her to further refine the scope of work. The County would then contract with the engineer to produce the study. That contract will be for an amount not to exceed \$15,000. We are working to have that contract in place by mid-August.

As part of the Board action, we are requesting an increase in appropriations in revenues & expenses in the amount of \$15,000 in the Department of County Administration, Special Revenue Fund 267.

III. **BACKGROUND/IMPLICATIONS OF ACTION**

A. **Board Action and Other History**

The Board previously approved order 06-4-26-12 to fund up to \$5,000 for attorney's fees and up to \$5,000 for an income survey in order to assist finding a water services solution for the residents along the Row River area east of Baker Bay.

The attorney who was hired for the project, Ken Jones, met with the executive director of the Boundary Commission with regards to forming a water district in order for there to be a legally recognized group to handle water related activities in that area.

It was determined that as part of its decision making process, the Boundary Commission will require a feasibility study.

Such a study would include determining engineering, construction, O&M cost and monthly rates of water service alternatives. This is also information that will be needed for a grant or loan application funding the water system solution.

An immediate funding source was identified that could pay for the study: OECDDB CDBG Technical Assistance grant. However, the County was not eligible for this funding, but Cottage Grove was. Working with Cottage Grove, we submitted the pre-application, then an application, and received funding notification all in the span of about 4 weeks.

B. **Policy Issues**

The Board has previously contracted with cities in regards to improving local infrastructure.

C. **Board Goals**

This project meets the board goal of Contributing to appropriate community development.

D. Financial and/or Resource Considerations

If we stay within the \$15,000 budget for the Feasibility Study, there will not be any additional financial obligations by the County for this project. The grant required a local match and we committed \$5,000 that the board previously approved on April 26 for the Row River project. The money will be used as originally allocated, with some of those functions supporting the preparation of the Feasibility Study.

E. Analysis

The use of these funds allows the creation of one of the key documents in the process of finding a solution for the impacted water users in the Row River area.

F. Alternatives/Options

The Board could choose not to allow the contract and seek funding from some other source.

IV. TIMING/IMPLEMENTATION

Upon approval by the Board, the contract with Cottage Grove will be signed and the process of securing an engineer will go into full swing, with the goal of having an engineer hired by mid-August. A version of the Feasibility Study will be ready for Boundary Commission review in late September.

V. RECOMMENDATION

Staff recommends that the Board adopt the recommendation and the process of finding a water solution for the Row River area will continue.

VI. FOLLOW-UP

The Board will continue to receive project updates as we move forward with this process. The Feasibility Study will be presented for board review once it is completed.

VII. ATTACHMENTS

Board Order

IN THE BOARD OF COUNTY COMMISSIONERS, LANE COUNTY OREGON

) IN THE MATTER OF APPROVING
) A CONTRACT WITH COTTAGE
) GROVE IN THE AMOUNT OF
) \$15,000 TO PERFORM AN
) ECONOMIC FEASIBILITY STUDY
) ON WATER SERVICE
) ALTERNATIVES FOR THE ROW
) RIVER AREA, APPROVING THE
) PROCESS FOR PERFORMING
) THE STUDY AND INCREASING
) APPROPRIATIONS IN
) REVENUES AND EXPENSES IN
) THE AMOUNT OF \$15,000 IN
) THE DEPARTMENT OF
) COUNTY ADMINISTRATION
) (Special Revenue Fund 267)

WHEREAS, the residents of the Row River valley have been informed by the City of Cottage Grove that their current water system will only be maintained for another two years and;

WHEREAS, the residents have voted to create the Row River Valley Water Association with the goal of finding a long-term water service solution;

WHEREAS, the Association needs financial assistance to complete a feasibility study required by the Boundary Commission;

WHEREAS, the City of Cottage Grove has received a Technical Assistance Grant from the Oregon Community & Economic Development Department in the amount of \$15,000 and wishes the County to use the funds to complete the feasibility study;

NOW THEREFORE IT IS HEREBY RESOLVED AND ORDERED that the Lane County Board of Commissioners does hereby approve contracting with the City of Cottage Grove for an amount not to exceed \$15,000;

IT IS FURTHER ORDERED that the process of the County working with the Association to hire an engineer to perform the study is approved;

IT IS FURTHER ORDERED that appropriations of revenues and expenses are increased in the Department of County Administration, Special Revenue Fund 267, in the amount of \$15,000.

DATED this 19th day of July, 2006

APPROVED AS TO FORM
Date 7/12/06 Lane County
Jessica Artale
OFFICE OF LEGAL COUNSEL

Chair, Lane County Board of Commissioners