Work Session WS

Milwaukie City Council

CITY OF MILWAUKIE

COUNCIL WORK SESSION

City Hall Council Chambers, 10501 SE Main Street
& Zoom Video Conference (www.milwaukieoregon.gov)

AGENDA

AUGUST 19, 2025

Council will hold this meeting in-person and by video conference. The public may come to City Hall, join the Zoom webinar, or watch on the city's YouTube channel or Comcast Cable channel 30 in city limits. **For Zoom login** find the meeting event on the city calendar at www.milwaukieoregon.gov.

Written comments may be delivered to City Hall or emailed to ocr@milwaukieoregon.gov.

Note: agenda item times are estimates and are subject to change. **Page #**

1. **Stormwater System Plan – Update** (4:00 p.m.) **1**
   Staff: Peter Passarelli, Public Works Director

2. **Facility Improvements – Update** (4:45 p.m.) **3**
   Staff: Peter Passarelli, Public Works Director,
   Mandy Byrd, Development Project Manager

3. **Kellogg Creek Dam Removal – Update** (5:00 p.m.) **7**
   Staff: Joseph Brilgio, Assistant City Manager,
   Peter Passarelli, Public Works Director, and
   Mandy Byrd, Development Project Manager

4. **Adjourn** (6:00 p.m.)

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Executive Sessions

The City Council may meet in executive session pursuant to Oregon Revised Statute (ORS) 192.660(2); all discussions are confidential; news media representatives may attend but may not disclose any information discussed. Final decisions and actions may not be taken in executive sessions.

CITY OF MILWAUKIE

COUNCIL WORK SESSION

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MINUTES

AUGUST 19, 2025

Council Present: Councilors Adam Khosroabadi, Robert Massey, and Council President Will Anderson, and Mayor Lisa Batey – absent Councilor Rebecca Stavenjord

Staff Present:
Joseph Briglio, Assistant City Manager
Mandy Bryd, Development Project Manager
Katie Gavares, Climate and Natural Resources Manager
Justin Gericke, City Attorney
Brent Husher, Library Director
Nicole Madigan, Deputy City Recorder
Peter Pasarelli, Public Works Director
Emma Sagor, City Manager

Mayor Batey called the meeting to order at 4:05 p.m.

1. Stormwater System Plan – Update

Passarelli introduced Scott Duren of Water Systems Consulting (WSC), the city's consultant for the Stormwater System Plan and noted that the city was behind on updating the plan and adjusting the data where there was missing or incompatible information. **Duren** expanded on how previous errors had been made in the old Stormwater System Plan and that using the old plan was not productive for forming the new plan.

Duren provided a brief background of WSC and the Stormwater System Plan, noting new permit requirements, aging infrastructure, and that modeling had improved since 2014. Many projects identified in the old plan had been completed.

Councilor Khosroabadi arrived at 4:14pm

Mayor Batey and **Passarelli** discussed stormwater infrastructure related to the replacement of failed drywells and how projects identified in the 2014 plan have since been integrated with other transportation projects or reevaluated as no longer necessary.

Duren explained how the Stormwater System Plan would be updated to algin with the city's other plans, and outlined elements of the update, including hydraulics, growth, climate change, and regulatory drivers. It was clarified that the system currently relies on gravity and drywells, though a small pump station is planned for an upcoming project.

Duren reviewed a map of the city's stormwater facilities and explained how permit requirements such as the municipal separate storm sewer system (MS4) and total maximum daily load (TMDL) standards shape the Stormwater System Plan. The group discussed potential new provisions, including temperature monitoring, shade analysis, and retrofit projects, noting that many requirements are unfunded mandates, and emphasized best practices, partner coordination, and projects like the Kellogg Dam removal in supporting compliance goals.

Duren reviewed the city's drywell inventory and noted that no compliance issues were identified in the recent underground injection control application. The group clarified that while some drywells fall within the two-year travel zone of drinking water wells, they sit far above the groundwater table and pose no health risk. Discussion also touched on historical development patterns and cost factors that influenced the placement of drywells in certain areas.

Duren highlighted several areas with potential capacity challenges, and clarifications were made around city infrastructure that contributes to stormwater flow near privately owned wetlands. **Mayor Batey** commented on persistent flooding issues at Apple, Plum, and Hemlock streets.

Duren and **Passarelli** explained how population growth assumptions were modeled using impervious surface projections based on zoning and buildable land data, noting that expected development would have only minor impacts on stormwater flows and system capacity. They also highlighted how this limited growth influence affects system development charges (SDC) revenue projections. **Duren** reviewed climate model data showing how future storm events could resemble larger return-period storms, and the group discussed precipitation predictions.

Duren described how tree canopy and rain gardens were being analyzed for their role in reducing runoff and expanding green infrastructure. Staff were compiling data on rain gardens to assess rehabilitation needs, staffing impacts, and tree planting opportunities. **Mayor Batey** commented on personal experiences with building a rain garden.

Duren outlined how stormwater standards are informed by regional manuals, noting differences between the City of Portland, Clackamas County, and other jurisdictions, and reviewed the timeline for updating the plan. **Passarelli** emphasized the importance of selecting requirements appropriate for Milwaukie to avoid undue burdens on property owners and staff, while ensuring effective management of rain gardens and green infrastructure. The group discussed the potential to adopt or adapt existing manuals, or develop a tailored version, with a final plan expected by spring 2026.

2. Facility Improvements – Update

Passarelli commended Byrd for a job well done on the facility improvement projects

Byrd reported on seismic improvements at the Public Safety Building (PSB), noting grant funding, design work, and completed construction. **Byrd** described the scope of work completed such as bracing, reinforced polymer installation, steel framing, and replacement of fire bay doors, highlighting the efficiency of the contractor and the project's successful completion.

Byrd expressed appreciation for staff support during the seismic project. The group discussed coordination logistics and anchoring thresholds and seismic standards.

Byrd reported on the installation of solar panels at the Johnson Creek Building (JCB), noting grant funding, contract award, and project completion. **Passarelli** noted that the system provides up to 85–90% of the building's load, with surplus energy net-metered back to the grid. The group discussed solar output, utility savings, future opportunities for battery storage and resilience hubs, and plans to expand electric vehicle (EV) charging infrastructure on the campus.

3. Kellogg Creek Dam Removal – Update

Briglio reported on the dam removal project noting its scale, history, and partnerships. **Briglio** highlighted the city's decades of advocacy, and the momentum gained in recent years through funding, and outlined current challenges which required Council input, including sewer line relocation, conservation easements, and adjacent property considerations, beginning with the sewer line issue.

Passarelli explained the sewer line's location, noted it was not included in the city's Capital Improvement Plan (CIP), and raised concerns about financial and staffing impacts. Passarelli added that the preferred relocation method, a pump station, would add significant costs and long-term maintenance needs.

The group discussed options to relocate the sewer line, noting concerns around costs including operations and maintenance (O&M) if a pump station would be used. The group discussed affordability and CIP trade-offs, potential funding and the risk of moving ahead amid broader project-funding uncertainty. Concerns were raised over ratepayer impacts, delivery roles, funding paths, and timelines before committing. Staff were directed to return with scenarios and deadlines to inform next steps.

Briglio explained the next concern facing the project was conservation easements and that lowering the water level after dam removal would affect adjacent private properties, requiring legal agreements to secure and manage those areas. The city has been working with Metro to support outreach and potential acquisitions, though it remains unclear whether all properties must participate or what legal instruments are required. **Briglio** noted that if voluntary agreements cannot be secured, alternatives such as eminent domain may need to be considered, though many grants prohibit that approach. **Mayor Batey** questioned the number of parcels involved and whether earlier engagement with property owners should have occurred and noted surprise at the scale of the issue.

Briglio explained the final concern with the dam removal was uncertainty in coordinating with the Coho Point at Kellogg Creek project, as both were advancing on similar timelines without clear sequencing. **Briglio** highlighted challenges of designing Kellogg improvements around conceptual Coho Point plans and said staff would continue coordination with partners, with more information expected soon.

The group discussed how the Coho Point project's conceptual design created challenges for Kellogg Dam removal, particularly around a proposed retaining wall and pedestrian underpass. Council agreed to maintain support for both projects while awaiting more clarity on Coho Point's status at an upcoming October 7 meeting, emphasizing the importance of continued coordination and noting the city's potential role in funding related transportation improvements.

4. Adjourn

Mayor Batey adjourned the meeting at 6:05 p.m.

Respectfully submitted,

Nicole Madigan

Nicole Madigan, Deputy City Recorder

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CITY OF MILWAUKIE

WS 1. 8/19/25

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COUNCIL STAFF REPORT

To: Mayor and City Council
Emma Sagor, City Manager

Date Written: Aug. 6, 2025

Reviewed: Katie Gavares, Climate & Natural Resources Manager

From: Peter Passarelli, Public Works Director

Subject: **Stormwater System Plan Update**

ACTION REQUESTED

Council is asked to receive an overview of the city's Stormwater System Plan (SSP) update and provide feedback to staff. This update will include key regulatory drivers, system needs, planning assumptions, and upcoming capital planning efforts.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

June 7, 2022: Council adopted the 2023–2028 Capital Improvement Plan (CIP) and 2023–2024 biennium budget, identifying the SSP update as a priority project.

August 1, 2023: Council authorized an agreement with Water Systems Consulting, Inc. (WSC) to complete the SSP.

ANALYSIS

Milwaukie's current stormwater master plan was adopted in 2014. Since that time, the city has experienced changing land use patterns, more intense precipitation events, and new regulatory requirements, all of which make a comprehensive plan update critical.

The updated SSP is currently in development and will serve as the city's primary strategic document for managing stormwater infrastructure, meeting regulatory requirements, and building resilience to future conditions.

The plan is informed by:

- Hydraulic modeling of system capacity
- Growth and land use forecasts
- Climate change data, including revised 25-year/72-hour storm events
- Canopy gap and urban forest analysis
- Updated regulatory requirements, including:
    - Municipal Separate Storm Sewer System (MS4) National Pollutant Discharge Elimination System (NPDES) permit renewal (due 2026)
    - Willamette River Total Maximum Daily Loads (TMDL) compliance (2026)
    - Underground Injection Control (UIC) system updates

The SSP will also evaluate retrofit opportunities, define future system standards, and provide a framework for capital project prioritization.

Key items to be shared during the Council presentation:

- Summary of the existing stormwater system condition
- Planning assumptions and modeling methodology
- Overview of regulatory obligations
- Draft recommendations for system improvements
- Conceptual capital improvement plan

BUDGET IMPACT
None currently. The SSP is funded through the Stormwater system development charge (SDC) fund. The forthcoming capital improvement plan will inform future budget discussions.

CLIMATE IMPACT
The SSP integrates climate projections and adapts system design assumptions to future conditions. It also considers the role of tree canopy, green infrastructure, and land use in climate resilience.

EQUITY IMPACT
The SSP will inform equitable investment by identifying areas with stormwater vulnerabilities and historically underserved neighborhoods. Canopy gap analysis and retrofit strategies are being used to support climate and environmental justice goals.

WORKLOAD IMPACT
The SSP project is being managed by public works with support from engineering, planning, and climate and natural resources staff. Workload is currently manageable within existing staffing.

COORDINATION, CONCURRENCE, OR DISSENT
Staff from public works, engineering, planning, and the climate and natural resources program are actively collaborating on the SSP update.

STAFF RECOMMENDATION
Staff recommends Council receive the presentation, ask questions, and provide any comments to inform final SSP development and upcoming CIP discussions.

ALTERNATIVES
Not applicable.

ATTACHMENTS
None.

WSC

CITY OF MILWAUKIE

Parametrix

ENGINEERING . PLANNING . ENVIRONMENTAL SCIENCES

GSI Water Solutions, Inc.

City of Milwaukie

Stormwater System Plan Progress Update

August 19th, 2025

Current Plans Last Updated 2014

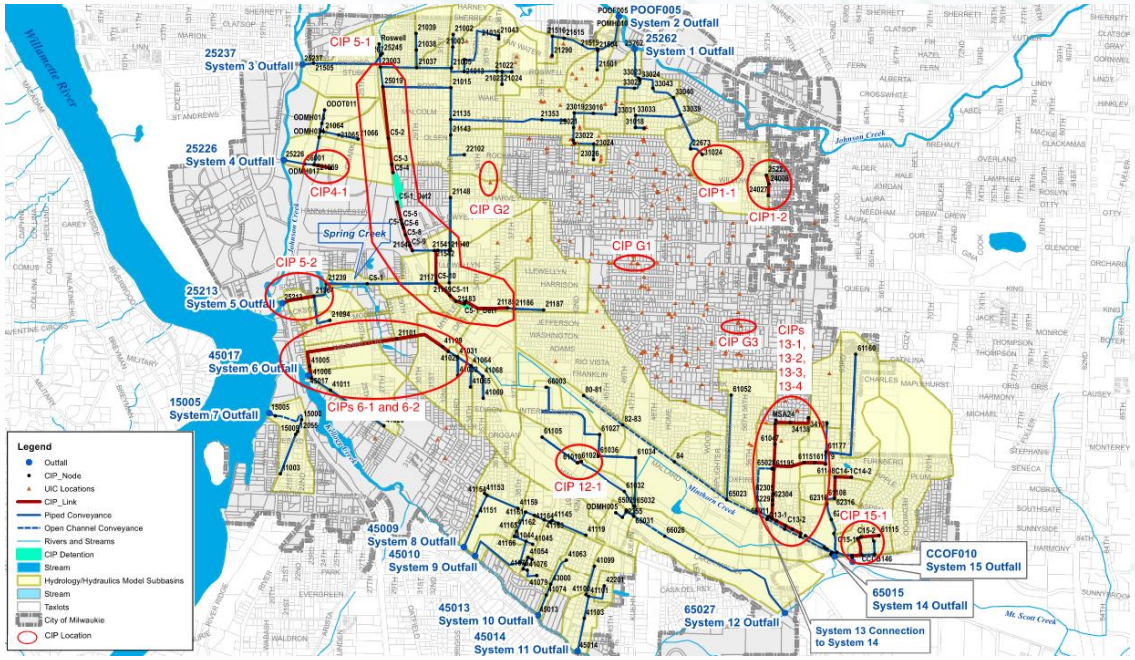
Changes since last update:

- New permit requirements coming in 2026
- Aging infrastructure
- Better modeling data on potential climate change impacts

Current Plans Last Updated 2014

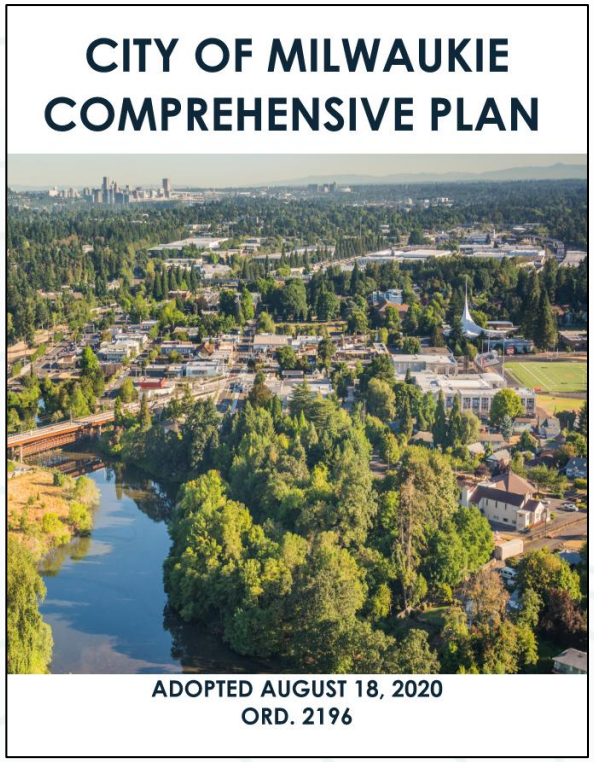
Stormwater Projects Completed Since Last Plan

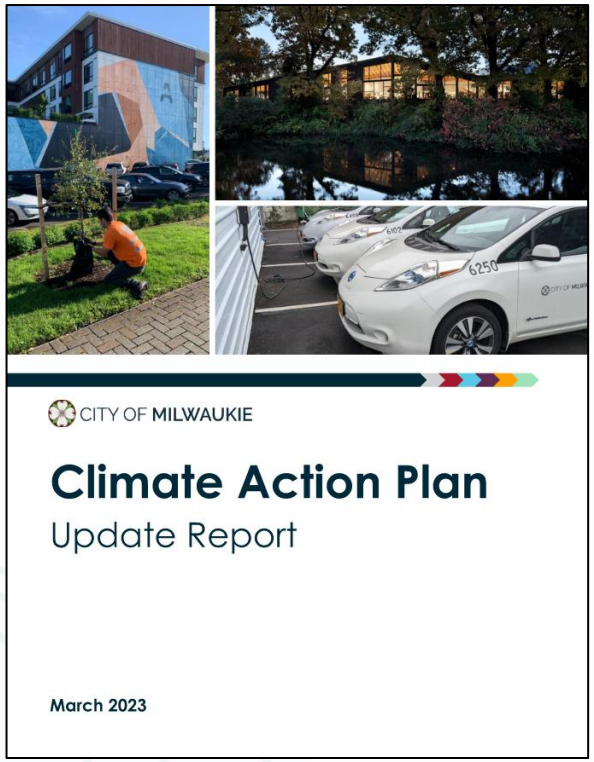
- Stanley Ave Storm Pipe Replacement
- Milwaukie Bay Park Phase I
- Orange Line
- South Downtown Improvements
- Ardenwald Safe
- River & 22nd Ave
- Linwood
- McBrod
- Lake Road
- Home Ave
- 43rd Ave
- Washington Area Improvements



- Downtown Storm and Tree Improvements
- Meek Stormwater Pipeline Improvements
- Willow Pond Retrofit
- UIC Decommissioning

Update to Align with Other Plans





Key Components of System Plan Update

Hydraulics

Is the conveyance system functioning appropriately and if not, what improvements are needed?

Growth

How will future growth impact the stormwater system?

Regulatory Drivers

There are three main regulatory drivers:

- MS4 NPDES
- UIC
- TMDL on Willamette (2026)

Climate Change

How vulnerable is the system to changing precipitation patterns?

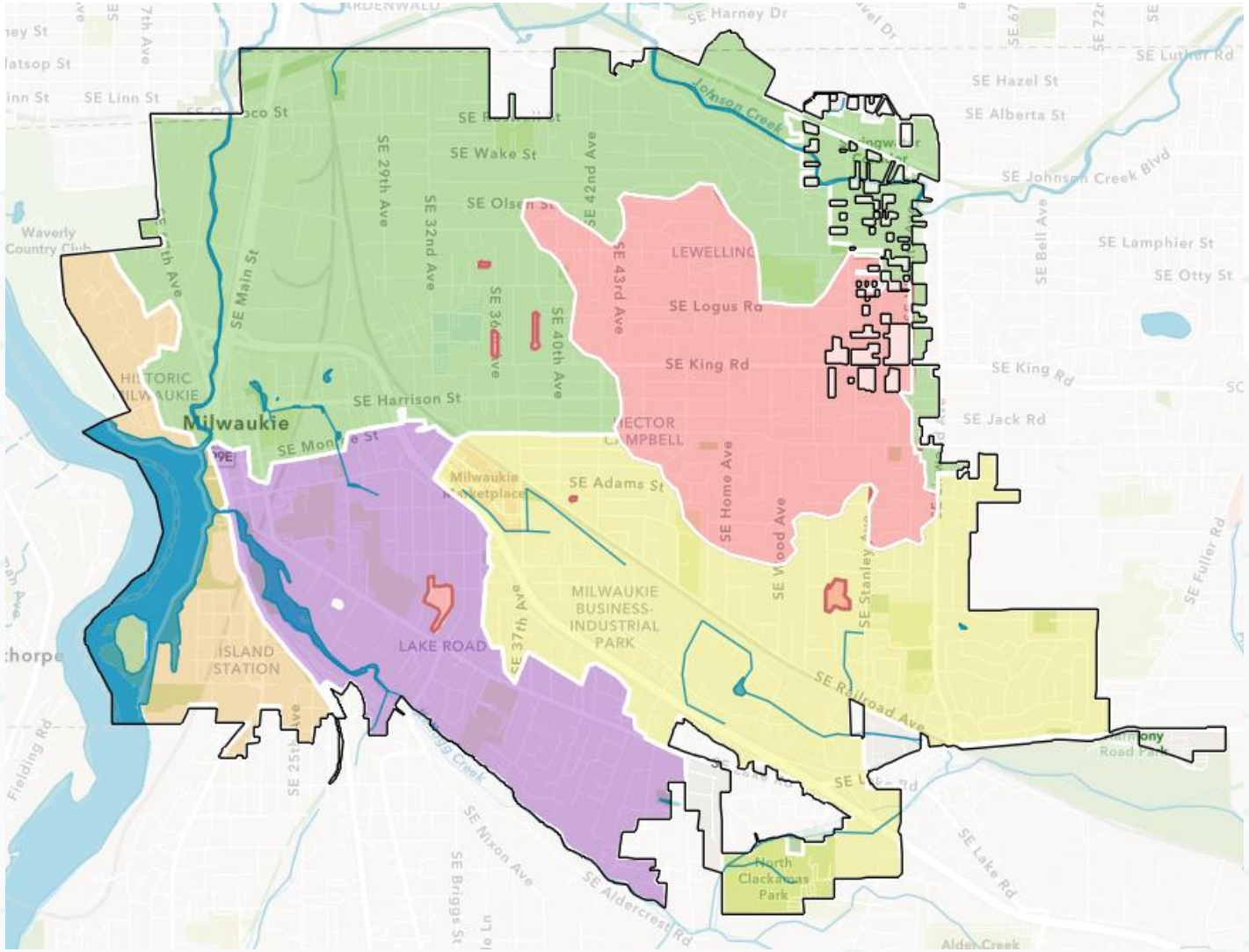
Standards

What are the best standards for meeting the City's future needs?

Operations & Maintenance

Matching recommendations to operational capacity and prioritizing replacement and rehabilitation. efforts

Existing Stormwater Facility Regulatory Requirements



Surface Water Outfalls

- Johnson Creek
- Kellogg Creek
- Mt. Scott Creek
- Regulated by NPDES MS4 permit

Injection Wells

- Regulated by WPCF Permit for Class V UICs

NPDES MS4 Current Coverage

- NPDES Phase I Individual Permit issued by DEQ to City in 2021
  - Updated in 2023 to include monitoring required for pesticides
  - The City is one of 12 co-permittees within Clackamas County
- Current Coverage addresses City stormwater discharges to the Willamette River or its tributaries
  - Compliance is achieved through the approved Stormwater Management Plan (SWMP)
- New Permit will be issued in 2026

Stormwater Management & System Plan Overlap

Public Involvement

- Outreach, Education, and Participation

Runoff Control

- Construction Site Runoff Control
- Post-Construction Site Runoff for New Development and Redevelopment

Industrial and Commercial Facilities

Illicit Discharge Detection and Elimination

Pollution Prevention and Good Housekeeping for Municipal Operations

Hydromodification Assessment – 2026 Update

Pollutant Monitoring Plan – 2026 Update

Stormwater Retrofit Strategy – 2026 Update

Total Maximum Daily Loads On the Willamette

TMDLs Covered in Current NPDES MS4

- Mercury
- Bacteria

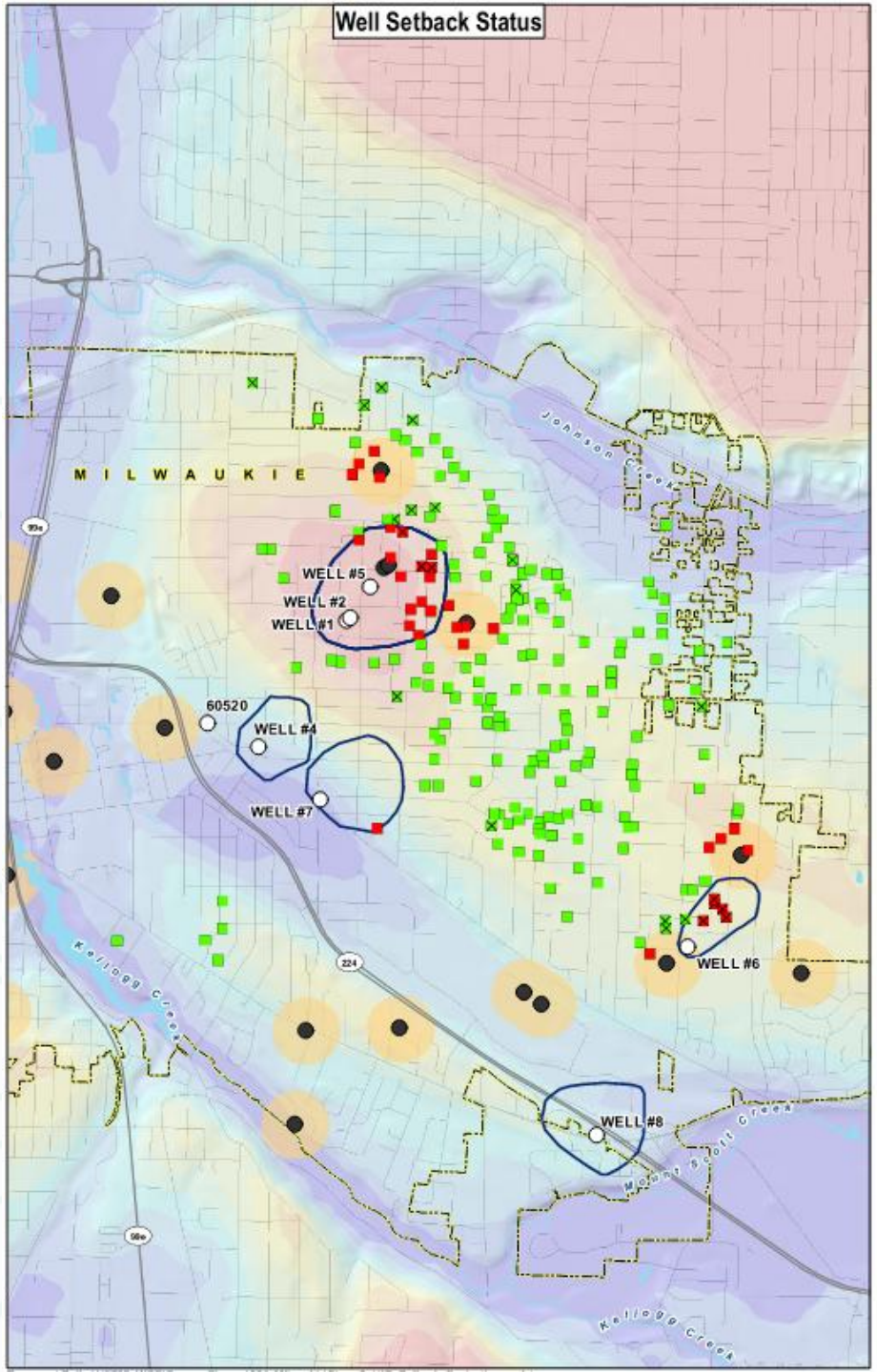
Will be Included in 2026 NPDES MS4

- Temperature

Water Pollution Control Facility Permit

WPCF for Class V Stormwater Underground Injection Control System

- Total of 205 UIC devices
- Renewal application submitted April 19, 2024 requiring a System-wide Assessment
- Application review has not yet occurred



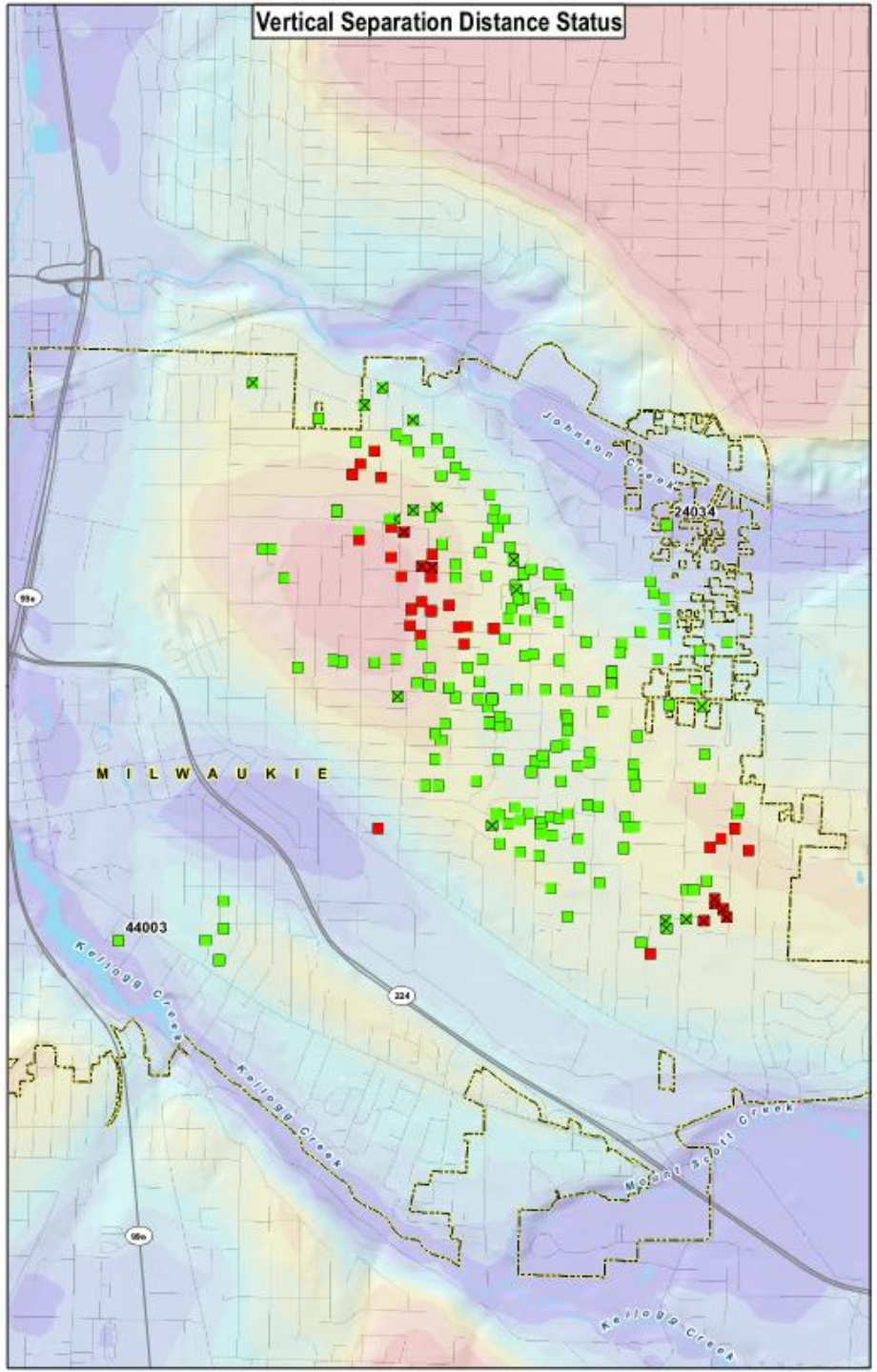


FIGURE 3

UIC Setback Evaluation

City of Milwaukie
System-Wide Assessment

LEGEND

- Municipal Well
- Non-Municipal Well

Underground Injection Control (UIC) Locations

Status

- Active
- Closed

Well Setback Status

- Outside Well Setback/ 2-Year Time of Travel Zone
- Inside Well Setback/ 2-Year Time of Travel Zone

Vertical Separation Distance Status

- Wet Feet
- Dry Feet (224 Total)

USGS (2008) Groundwater Depth

- 0 - 10 feet
- >10 - 20 feet
- >20 - 30 feet
- >30 - 40 feet
- >40 - 50 feet
- >50 - 60 feet
- >60 - 70 feet
- >70 - 80 feet
- >80 - 90 feet
- >90 - 100 feet

All Other Features

- 2 Year Time of Travel Zone
- 500-Foot Well Setback
- City Boundary
- Road
- Watercourse
- Waterbody

N

0 1,000 2,000 3,000
Feet

Date: July 22, 2024
Data Sources: BLM, ESRI, ODOT, USGS, Aerial Photo 2020

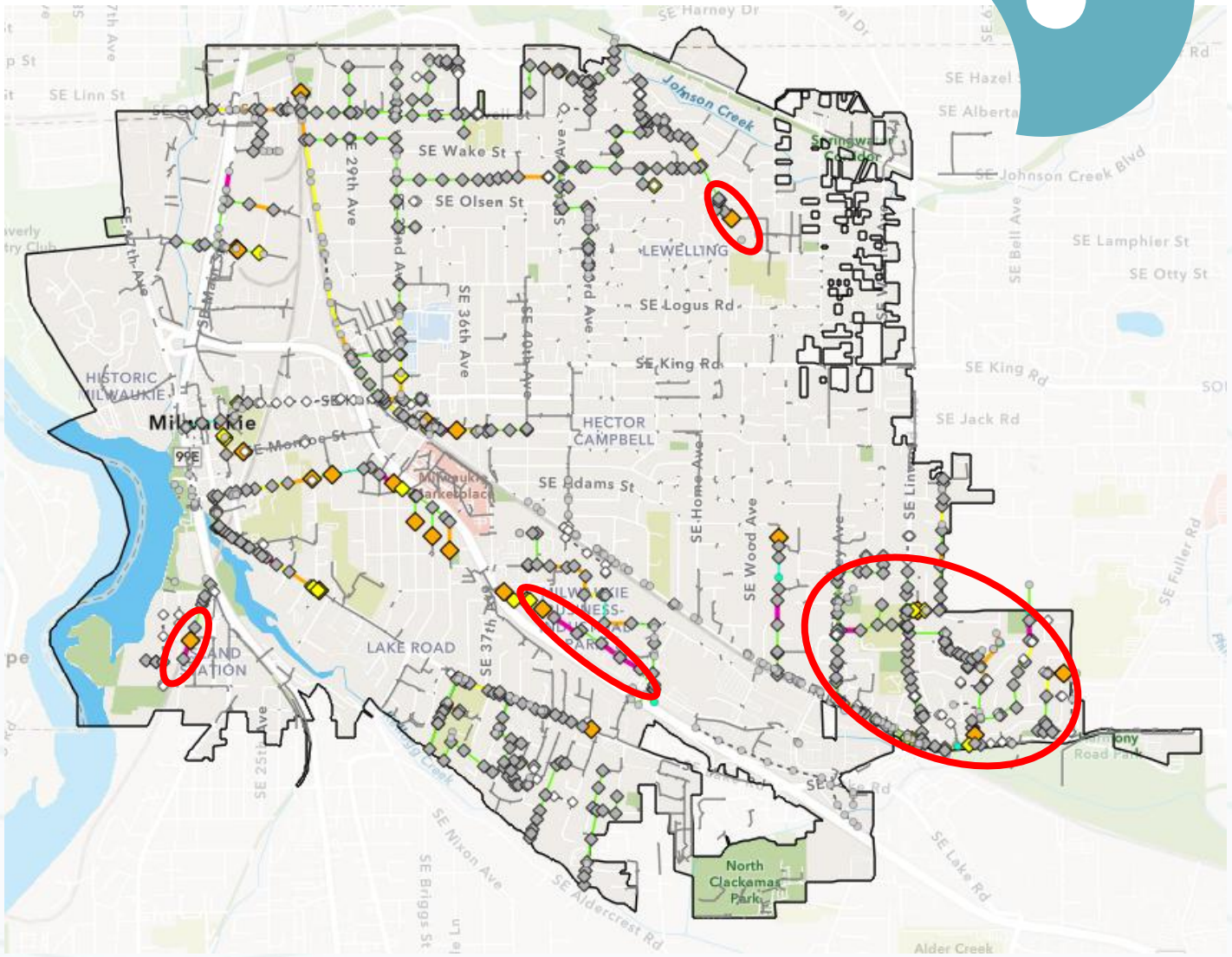
GSI Water Solutions, Inc.

Existing System Hydraulics Areas of Interest

Modeling indicates minor capacity concerns in a few areas:

- Milwaukie Business Industrial Park
- Piping near Dave Green Wetlands
- Island Station near Railroad Tracks
- Southeast area near Apple/Plum/Hemlock Streets

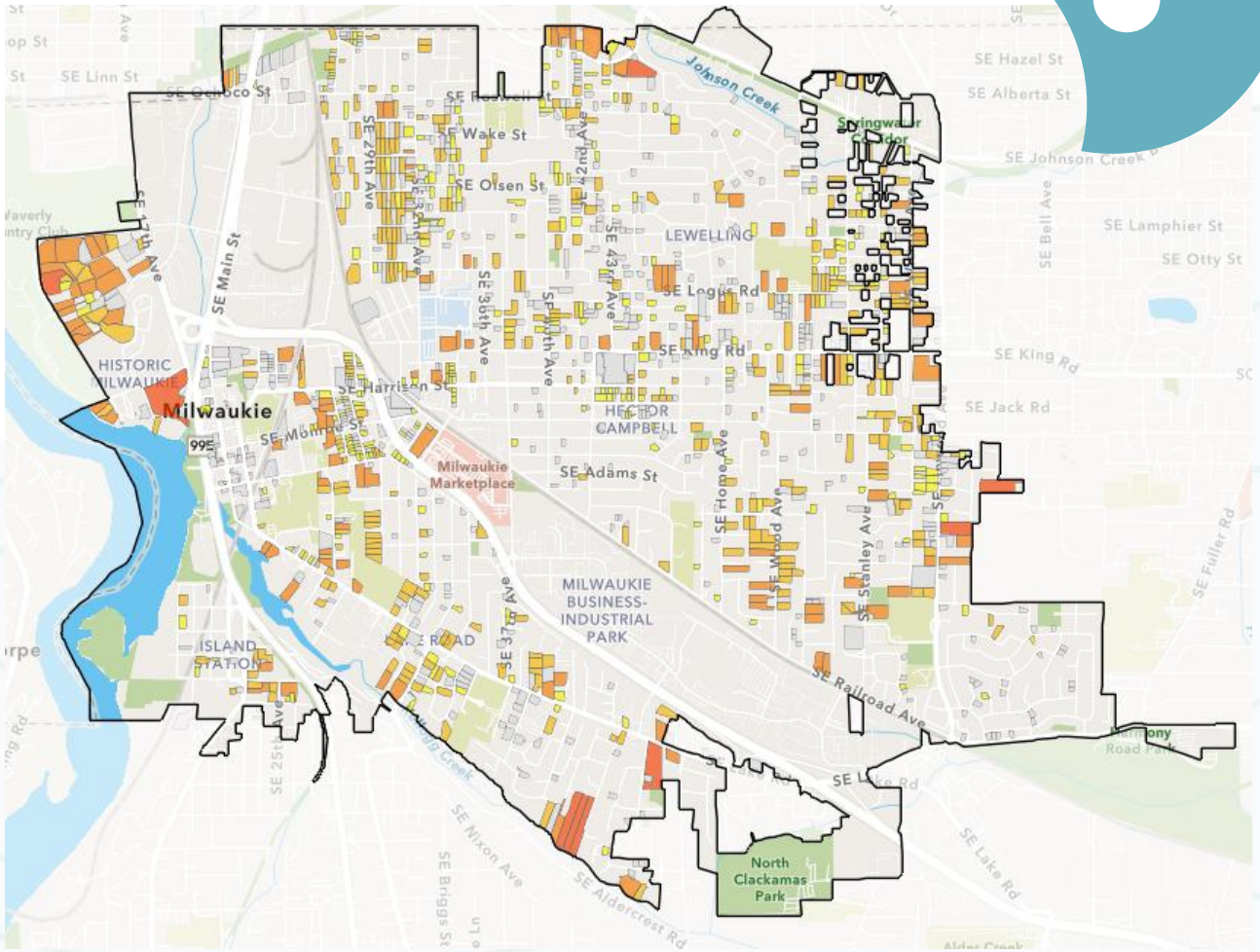
Data accuracy likely requires some improvement before addressing deficiencies



Future Growth Increases to Impervious Area

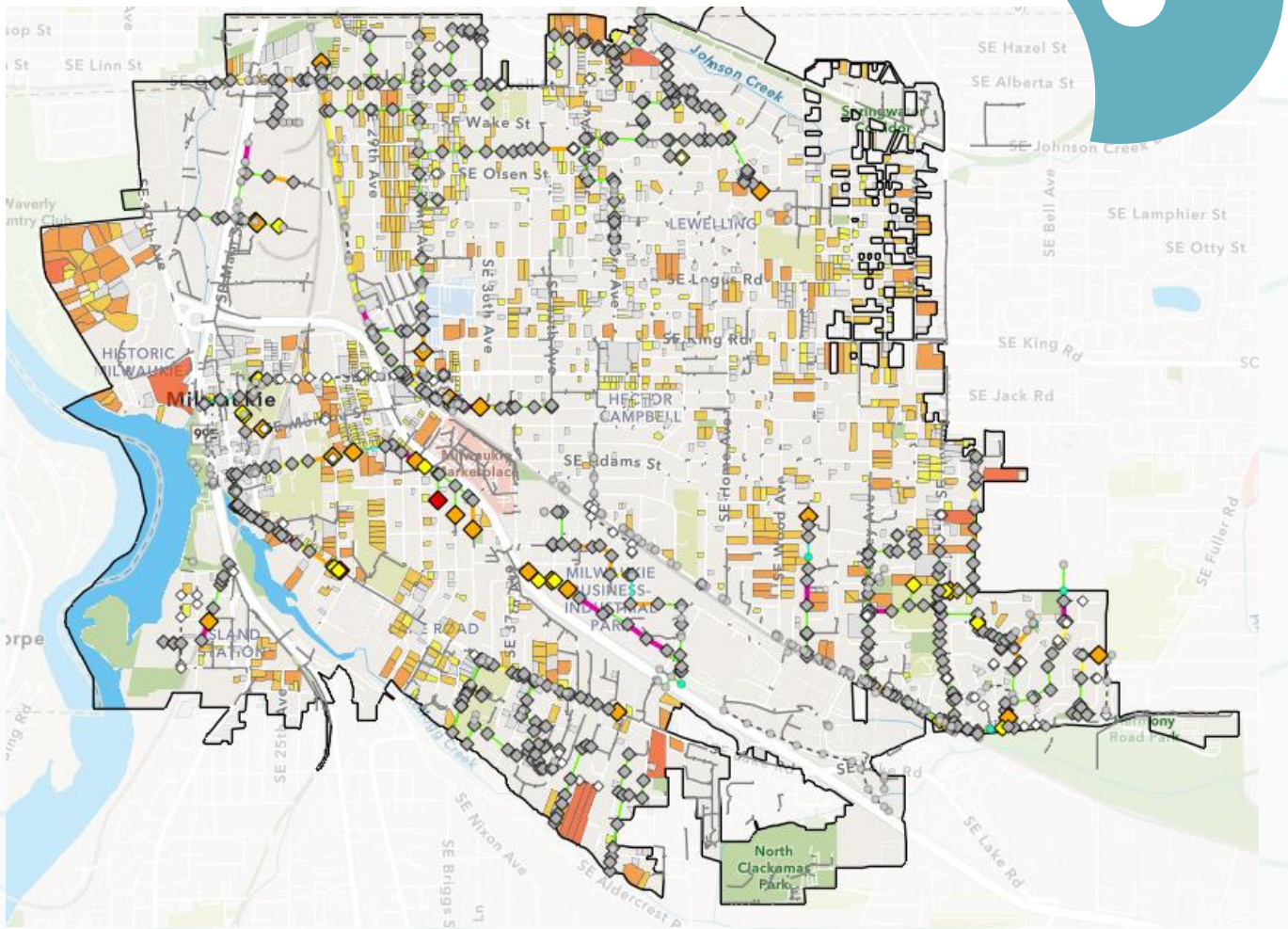
Growth projections based on:

- Buildable lands inventory
- City comprehensive plan
- Current development standards

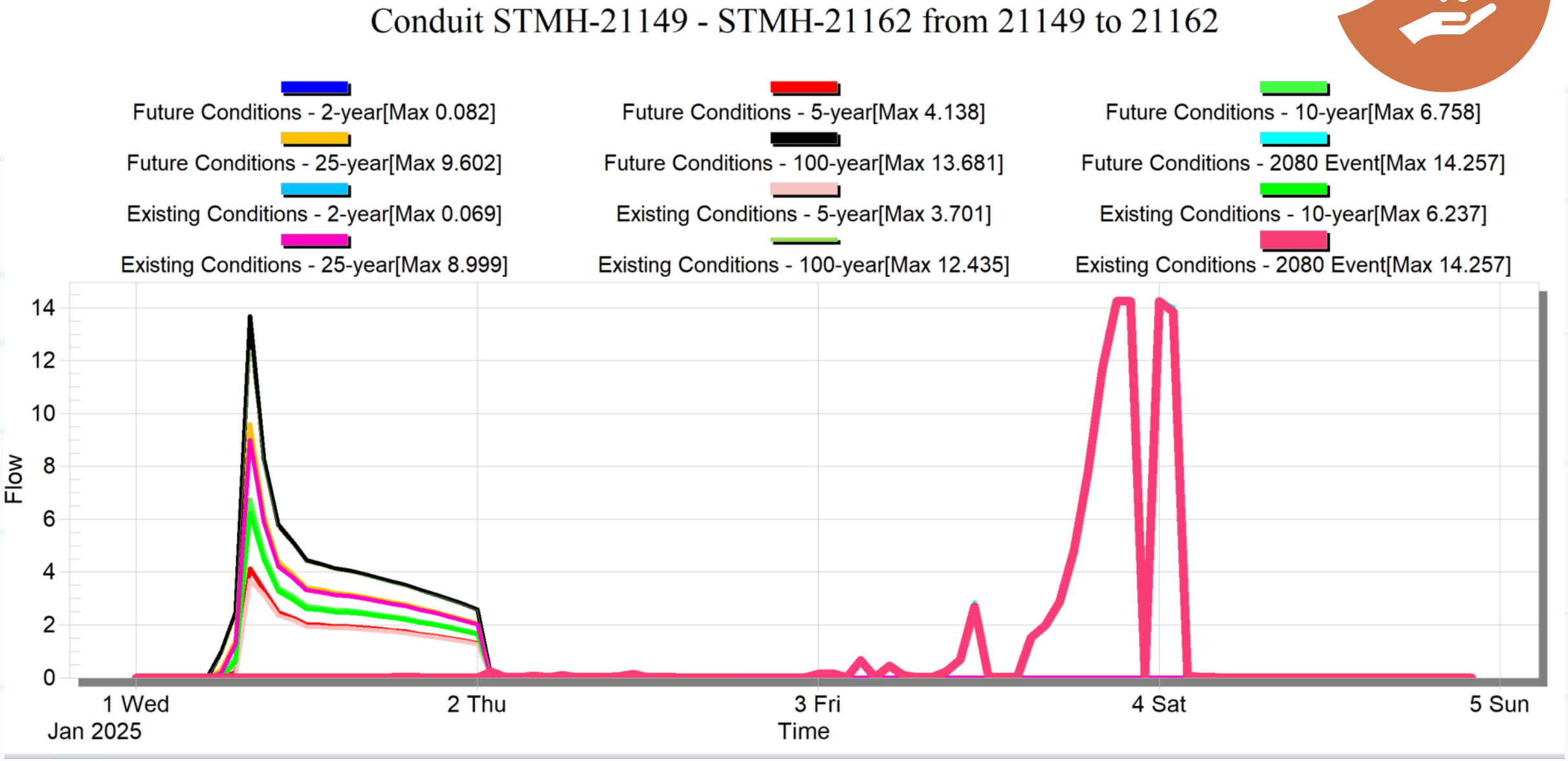


Future System Hydraulics Areas of Interest

Modeling indicates that future growth does not present significant hydraulic issues for current system



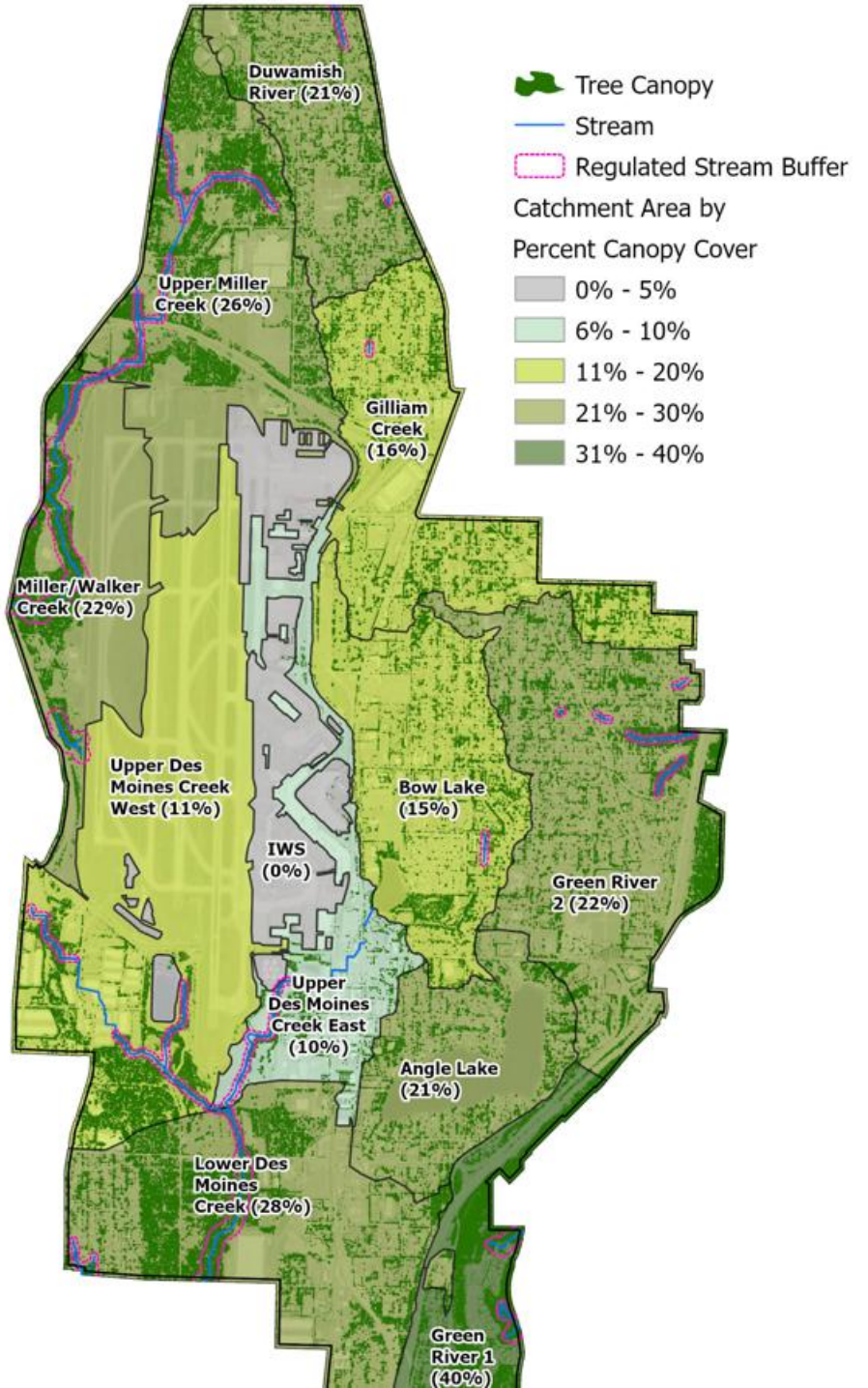
Climate Model Precipitation Predictions



Future Tree Planting Prioritization

Recommendations for tree planting prioritization will consider:

- Current tree canopy by drainage subasin using 2019 Metro LiDAR
- Future climate change vulnerability
- Assessments of existing rain gardens for compatibility



Operations & Maintenance

Groupings of City Stormwater Assets

- Ponds and Rain Gardens
- Open Conveyance
- Catch Basins and Manholes
- Pipes and Culverts
- Drywells

Pond Condition Assessment
Field Evaluation

Date: _____ Asset Type: _____

Location: _____ Asset ID: _____

Field Staff: _____ Weather: _____

Category	Factor	Weight	Score Description	Score	Raw Site Score	Weighted Site Score	Notes
Likelihood of Failure	Structural & Mechanical Components Condition Structural (outlet, inlet, orifice, trash rack, emergency spillway, etc.). Mechanical (valves, pumps, fence, locks, etc.).		Structural component(s) are not functioning appropriately, and could be impeding function of the pond/swale. Inlet/outlet pipes may show cracks wider than 1/2 inch, or have evidence of soil entering at joints.	5			
			Component(s) partially function as intended but required maintenance (handled during visit).	3			
			All structural components are functioning appropriately and do not need repair/replacement.	1			
	Condition of Pretreatment Note whether pretreatment (forebay) exists, and any additional comments regarding function.		No pretreatment exists, OR existing pretreatment requires further maintenance beyond clearing of debris, weeds, trash.	5			
			Yes pretreatment exists, appears to partially function but needed maintenance (clearing debris, weeds, trash).	3			
			Yes pretreatment exists, appears to be functioning as intended/	1			
	Vegetation/Site Maintenance Need Note cause limiting flow into/out of pond (i.e., vegetation, roots, debris, trash, etc.).		High degree of vegetation, roots, debris, trash impeding asset purpose. Evidence of disturbance by pests. May be plugging or limiting flow through structural components. May require relocation of vegetation or trash & pest prevention techniques.	5			
			Some maintenance needed (vegetation or debris near inlet/outlet), but handled during site visit.	3			
			Seems to be recently maintained,no immediate maintenance required. Tall plants and shrubs offer shade and minimize weed pressure.	1			
	Capacity Evaluation Evaluate water level in storage area.		Storage area is at capacity casuing flows to bypass treatment OR there is no evidence of water at all, causing plantings to die.	5			
			Storage area may be near capacity or have little standing water. Asset should be monitored over time.	3			
			Storage area appears to be adequately sized for its function. No observed issues of bypassing flows or vegetation drying out.	1			
	Erosion & Sediment Accumulation Note any maintenance performed during visit.		Large amounts of sediment in/near inlet/outlet. Erosion on side/longitudinal slopes. Downhill of steep gradient. Requires frequent visits to maintain.	5			
			Some sediment observed. Steep side/longitudinal slopes may show erosion. Minimal maintenance performed.	3			
			No sediment observed. Slopes aren't steep and show no signs of erosion.	1			
	Overall Visual Assessment Note observations and recommendations (as needed).		Large amount of pest/animal actitivity (moles). Trash. Unpleasant odor/mosquitoes. Scum/algal blooms. Evidence of vehicle activity in/near pond. Largely unshaded.	5			
			Some trash, pest activity, trespassing observed. Some level of maintenance may be required, and will be observed/noted over time.	3			
			No nuisance pest activity, no unpleasant odor, no trash, no trespassing.	1			
				Field Total			
				Total Number of Factors			
				Field Likelihood of Failure Average Score			

Operations & Maintenance

- City Operations staff conducting assessments
- Anticipate completion in Fall 2025
- Recommendations for rehabilitation and replacement
- Annual R&R budget setting
- Operations staffing
- Prioritized locations for tree plantings

Current Standards

Currently Development Standard:

- Based on requirements from the 2016 Portland Stormwater Manual
- Includes a Tree Credit worksheet to offset impervious area

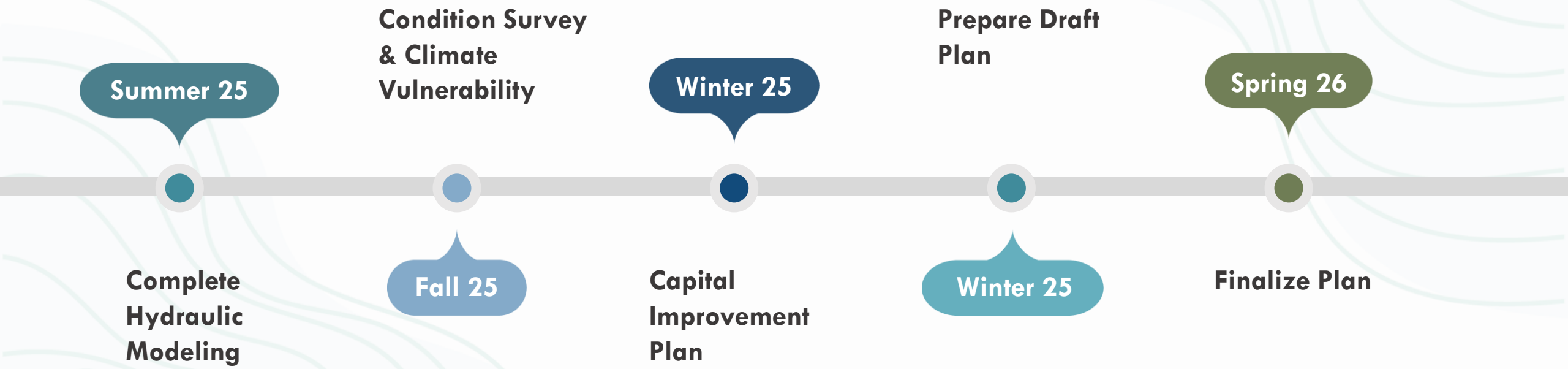
The following newer standards are available:

- 2020 Portland Stormwater Management Manual
- 2025 Portland Stormwater Management Manual
- 2024 Clackamas Water Environment Services

Will review the administrative impacts of each to determine the right-fit for Milwaukie

Timeline

Planning to complete the Stormwater System Plan Update in Spring of 2026



Thank you!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WSC

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WS 2. 8/19/25

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COUNCIL STAFF REPORT

To: Mayor and City Council
Emma Sagor, City Manager

Date Written: Aug. 6, 2025

Reviewed: Peter Passarelli, Public Works Director

From: Mandy Byrd, Development Project Manager

Subject: **Project Completion Presentation – PSB Seismic and JCB Solar**

ACTION REQUESTED

Council is asked to receive a presentation summarizing the successful completion of two recent public works projects: 1) a seismic retrofit at the Public Safety Building (PSB), and 2) a rooftop solar panel installation at the Johnson Creek Boulevard (JCB) administration building.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

PSB Seismic

September 6, 2022: Council authorized a grant agreement with the State of Oregon Seismic Rehabilitation program.

December 6, 2022: Council authorized an engineering services contract with Peterson Structural Engineers to provide design services for seismic retrofits at PSB.

September 5, 2023: Council received a project update from the public works director.

February 6, 2024: Council authorized a public improvement contract with 2KG Contractors for the construction of the PSB seismic retrofits.

April 16, 2024: Council authorized an increase to the previously authorized contract amount for seismic retrofits with 2KG Contractors.

JCB Solar

April 2023: The city applied for capital funding from the state for the design and construction of a 120 kW-DC solar system at its JCB public works facility.

October 2023: The state approved the city's funding request in the amount of $375,000.

November 7, 2023: Council authorized a grant agreement with Oregon Department of Administrative Services (DAS) for design and construction of rooftop solar panels at Milwaukie Public Works Johnson Creek Campus.

May 21, 2024: Council authorized the use of alternative contracting using the design-build method for JCB solar project.

September 3, 2024: Resolution authorizing a contract for design-build services with Elemental Energy for rooftop solar panels at the JCB public works facility.

ANALYSIS

PSB Seismic

PSB was constructed in 1992, prior to updates to seismic building codes, which spurred a seismic evaluation in 2022 that outlined structural and nonstructural retrofits required to meet seismic performance requirements found in American Society of Civil Engineers (ASCE) 41-17. The needed upgrades included retrofits to the building structure and mechanical, electrical, plumbing, elevator, and architectural upgrades.

In September 2022, the city received a $1.2 million grant to perform the design and construction of the seismic retrofits and Peterson Structural Engineers (PSE) was selected through a request for qualifications process to provide a range of services that included design services, bid assistance, and construction management. Then, in 2023 staff released a bid for the public improvement contract, whereby 28 contractors attended the pre-bid conference and tour, and the city received four responsive bids. The city ultimately awarded the contract (low bid) to 2KG Contractors to perform the retrofit in 2023. The grant required that the retrofit be complete by the fall of 2024.

The construction scope included a variety of activities ranging from minimally invasive to more extreme. Some of the minimally invasive work was anchoring furniture that was more than 4' in height, to walls and/or the floor. This was to keep heavy items such as bookcases or shelving from falling onto people in case of a seismic event. Anchors and tie-downs were used to secure these items. The relative simplicity of this work was contrasted with the installation of fiber-reinforced polymer (FRP), which entailed tearing off sheetrock to expose the concrete wall structure beneath, and applying the FRP which is a thick tape-like material that provides enhanced strength and stiffness. Once applied, the material was inspected and strength tested, and ultimately, after the FRP was fully cured, the drywall was patched and repaired, back to its pre-existing condition.

Another portion of the scope involved modifying the ceiling grid to allow space for movement in a seismic event, rather than having the grid rigid (i.e., tight to the walls), which could cause it to break into pieces and fall onto people. This required facilities staff assistance in moving furniture out of the contractor's way, temporarily relocating any affected staff, and then moving everything back into place once the contractor was finished. Initially, the ceiling grid work had seemed cumbersome and time consuming, but with the help of city facilities' staff and the flexibility of PSB staff—it was seamless.

Other scope items included:

- Replacing the four sectional doors and adding steel framing at the fire bay to allow for movement in a seismic event, rather than having the doors and frames rigid,
- Bracing heavy equipment such as information technology (IT) servers and heating, ventilation, and air conditioning (HVAC) units,
- Tying the roof to the structural concrete walls to hold the building together in a seismic event, and
- Bracing the screening wall near the generator go avoid the wall tipping over onto someone.

In summary, the contractors were great to work with, and the project was completed on time and on budget.

JCB Solar

In 2023, the city received a $374,000 grant from the DAS to install solar panels at the JCB public works campus. Staff used an alternative contracting method to issue a request for proposals (RFP) for design and construction services in 2024. The city had one responsive bidder who was awarded the contract: Elemental Energy.

Design services included 1) an assessment of the existing conditions, including electrical infrastructure, roof structure analysis, building orientation, sun exposure/shading, etc.; and 2) design and engineering of a solar array system (including construction drawings and specifications) that would meet the project goals.

After determining the roof coverage and structural/electrical capacity, the contractor was able to maximize the system under those parameters. The original goal was for a 120-kW system and the contractor's design was able to upsize the system to 164.8 kW. This sized system produces approximately 85-90% of the current load at Johnson Creek.

The construction was quick and straight-forward, which was again thanks to the flexibility of onsite staff working below, who could hear some of the roof work and had to deal with some inconveniences in the parking lot—overall everything went well. Like the previous project, the contractor was great to work with, and the project was completed on time and on budget.

BUDGET IMPACT

- PSB Seismic – The city's match amount was $200,000 and was identified in the facilities' budget and Capital Improvement Plan (CIP) for the 2023-2024 biennium budget.
- JCB Solar – The city's match amount was $100,000 which were included in the facilities budget within the CIP for fiscal year (FY) 2025.

CLIMATE IMPACT

- PSB Seismic – None.
- JCB Solar – Building operations are one of the largest sources of carbon emissions in Milwaukie, comprising 44% of Milwaukie's 2020 local emissions. These emissions come from the fuels and energy that are used to operate equipment, power lights and technology, and run heating and cooling systems. The city's Climate Action Plan (CAP) addresses the carbon intensity of various energy sources (electricity, methane, and other fuels) and the energy efficiency of city buildings and assets. The CAP identifies adding solar as one way to reduce emissions and to promote future resilience of the community.

  This solar project helped the city address climate change by increasing the city's clean energy sources. Adding solar power to the JCB office aligns with the city's climate goal to become completely carbon neutral by 2045.

EQUITY IMPACT

- PSB Seismic – Seismic upgrades to the public safety building will create a safer work environment for first responders and public safety staff and promote continuous operations during seismic events to perform the functions and duties required for assisting the city's most vulnerable populations.

  In terms of procurement, construction contracts were awarded by low-bid and therefore exempt from equity-related procurement requirements under the city's public contracting rules.

- JCB Solar – By installing solar panels at the Johnson Creek campus, the city reduced its carbon footprint. From an equity standpoint, carbon emissions and climate change tend to have the most negative impacts on vulnerable and underrepresented populations such as low-income communities, people with disabilities, and Black, Indigenous, and other people of color (BIPOC).

  Additionally, by continuing to model solar installations at city facilities, the city popularizes solar for residents and businesses alike, furthering climate goals which are directly related to equity. The city's climate action plan rates community solar projects as one action item that fully addresses inequities (see CAP p. 30).

  Lastly, the design-build contracting method required the city to award scoring of at least 20% of the total score towards businesses certified by the Oregon Certification Office for Business Inclusion and Diversity (COBID), which increases the contracting opportunities and promotes economic growth to disadvantaged businesses that are certified.

WORKLOAD IMPACT

- PSB Seismic - City staff supplemented inspection needs of the project as necessary. City staff temporarily moved furnishings and other materials during the project.
- JCB Solar - City staff managed the project from solicitation through to installation.

COORDINATION, CONCURRENCE, OR DISSENT

- PSB Seismic – This project was coordinated with staff from Milwaukie Police Department (MPD), IT, and Clackamas Fire District #1 (CFD1), as well as the city's building, planning, and engineering departments.
- JCB Solar – This project involved coordination with building, planning, and engineering.

STAFF RECOMMENDATION

Not applicable.

ALTERNATIVES

Not applicable.

ATTACHMENTS

None.

WS 2. 8/19/25
Presentation

PSB Seismic
&
JCB Solar

City Council
August 19, 2025

Peter Passarelli, Public Works Director
passarellip@milwaukieoregon.gov
and
Mandy Byrd, Development Project Manager
byrdm@milwaukieoregon.gov

PSB Seismic – Project Timeline

2022 → 2023 → 2024

PSB Seismic – Retrofit Scope

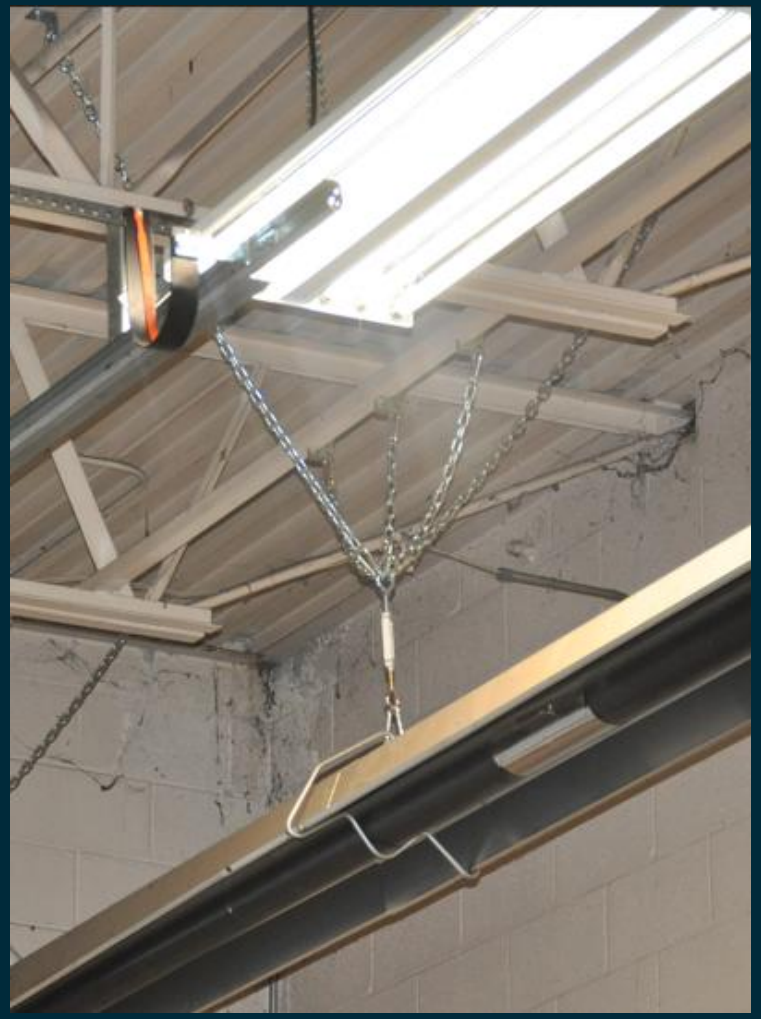
Interior

- Furniture anchoring
- Equipment bracing
- Fiber Reinforced Polymer (FRP)
- Suspended ceiling retrofit

Exterior

- Sectional doors
- Coiling door
- Roof to CMU wall connection
- Screening wall bracing

PSB Seismic – Photos

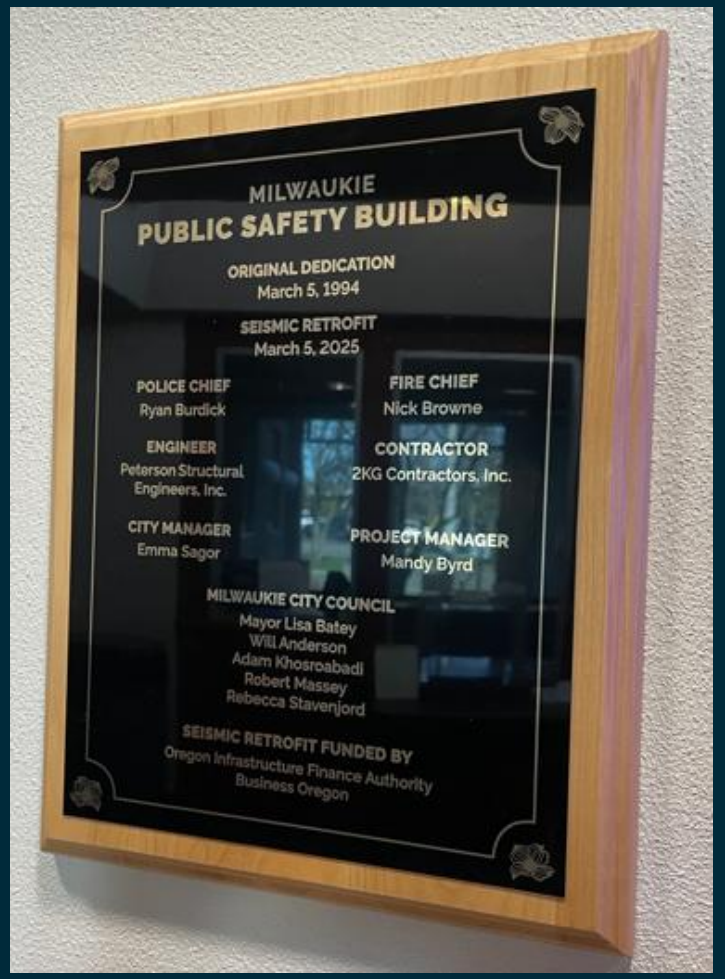


PSB Seismic – Photos

PSB Seismic – Photos

PSB Seismic – Photos

PSB Seismic – Photos



JCB Solar – Project Timeline

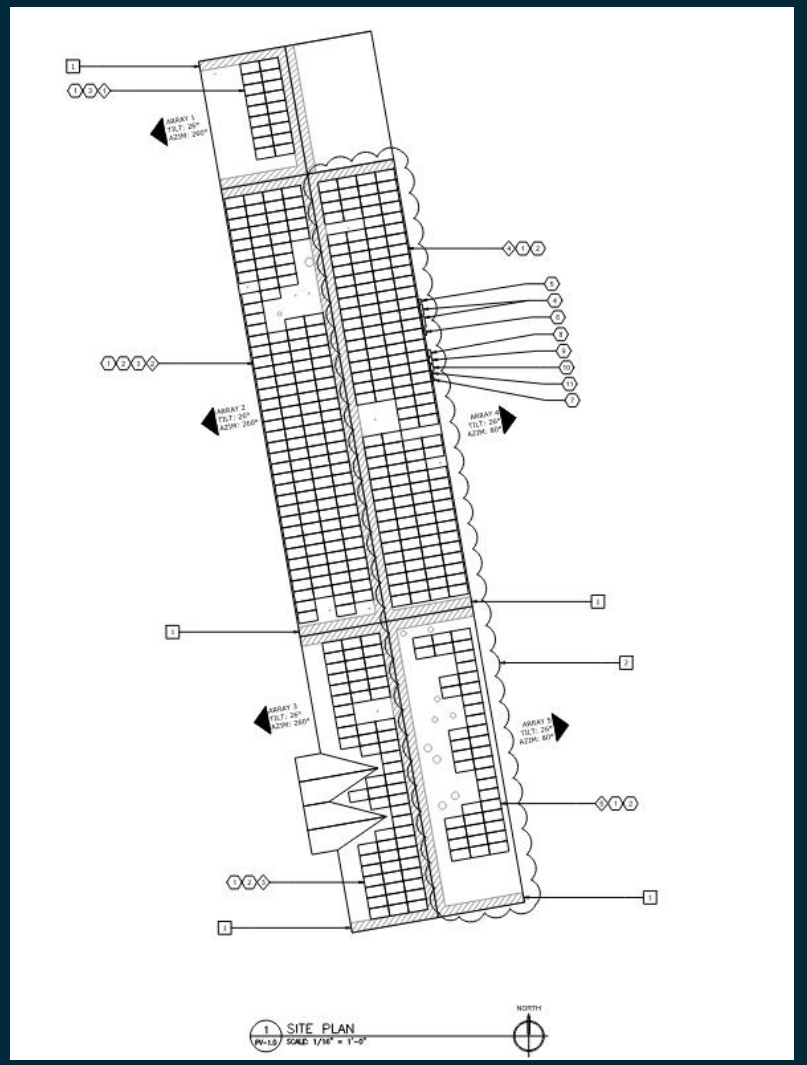
ELEMENTAL ENERGY

2023 2024 2025

JCB Solar – Scope

Design Capacity

- Roof coverage and capacity
- The original grant request estimated a 120 kW system
- Upsized to a 164.8 kW system
- Produces approximately 85-90% of the current load



JCB Solar – Photos

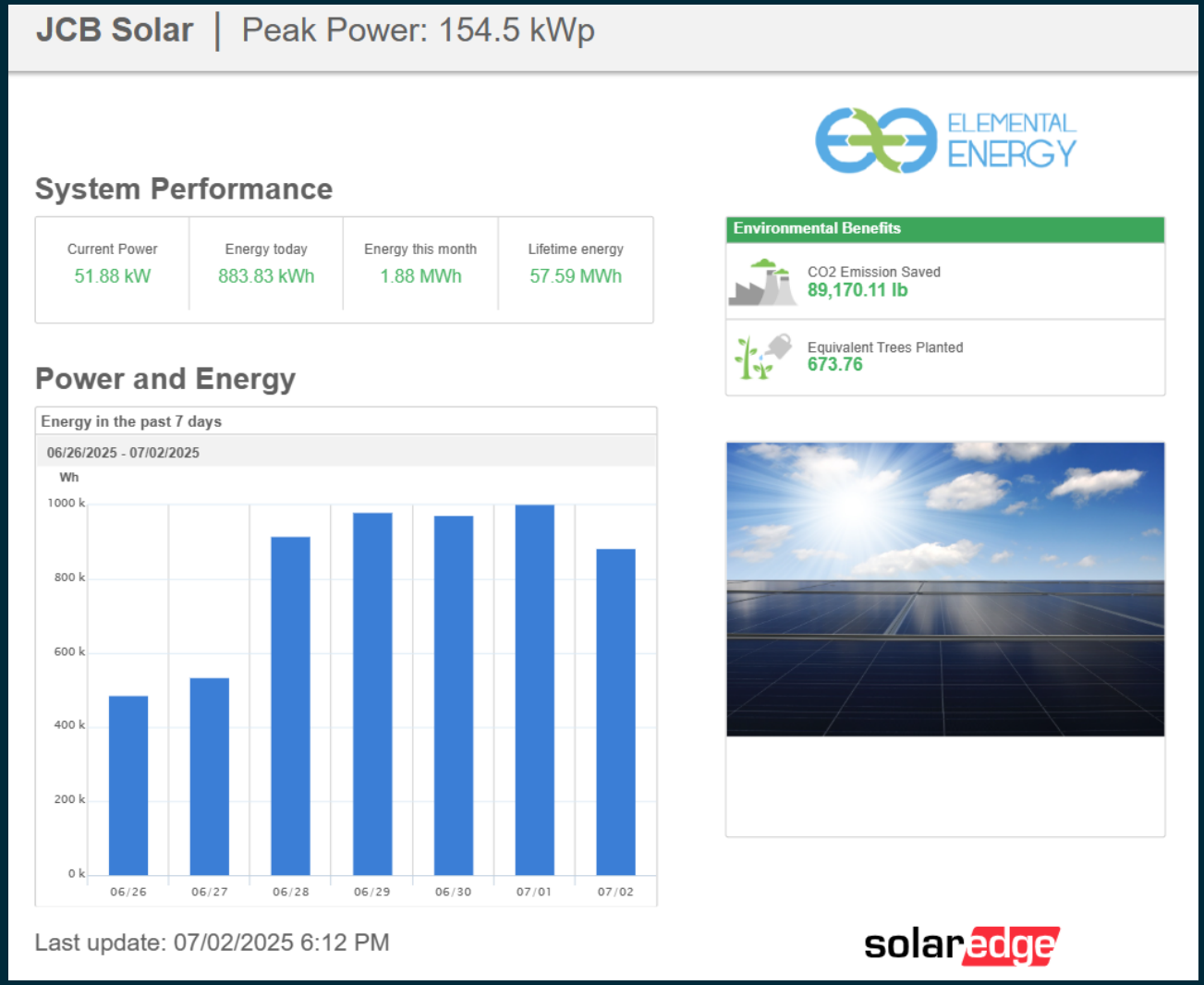
JCB Solar – Photos

VISITOR

JCB Solar – Energy Data Dashboard

View JCB's real-time energy data online:

https://monitoringpublic.solaredge.com/solaredge-web/p/kiosk?guid=5d481317-8443-4f2c-bf24-a8bc7f51abe5



CITY OF MILWAUKIE

WS 3. 8/19/25

OCR USE ONLY

COUNCIL STAFF REPORT

To: Mayor and City Council
Emma Sagor, City Manager

Date Written: July 30, 2025

Reviewed: Joseph Briglio, Assistant City Manager & Acting Community Development Director

From: Peter Passarelli, Public Works Director, and
Mandy Byrd, Development Project Manger

Subject: **Kellogg Creek Restoration & Community Enhancement Project Update**

ACTION REQUESTED

Council is asked to provide direction to staff regarding upcoming and future City resource allocations that will impact/inform design questions posed by the Kellogg Creek Restoration and Community Enhancement design, leadership, and project management teams.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

December 04, 2018: Council received an update on two Portland State University capstone projects related to Kellogg Creek Restoration and an update from the North Clackamas Watersheds Council.

September 15, 2020: Council received a project update from North Clackamas Watersheds Council.

April 12, 2022: Council participated in a walking tour of the Kellogg Creek site with US Senator Jeff Merkley.

October 18, 2022: Council passed a resolution authorizing a cooperative agreement with the North Clackamas Urban Watersheds Council.

December 5, 2023: Council received a project update from North Clackamas Watersheds Council.

June 4, 2024: Council received a project update from Oregon Department of Fish and Wildlife and North Clackamas Watersheds Council.

May 6, 2025: Council received a project update from North Clackamas Watersheds Council.

ANALYSIS

Project Background

Removing the Kellogg Dam under 99E and restoring the natural area has been a city aspiration for decades. For the majority of the past 20-plus years, there has not been a clear path forward regarding if, how, or when dam removal might materialize into a real project. Because of this uncertainty, the city has not, to date, dedicated significant or coordinated staff and financial resources to the effort, though has deputized staff from many departments to stay engaged as planning efforts advanced.

Funding and Momentum

In 2019-2021, the prospect of the Kellogg Dam removal started to gain momentum when the North Clackamas Watersheds Council (NCWC), the City of Milwaukie, and the Natural Resources Office of Oregon Governor Kate Brown convened a collaborative planning process to identify partners and stakeholders for the project. That work helped chart a course forward by identifying needs, constraints, desired outcomes, and multiple potential benefits. Participants included the Oregon Departments of Fish and Wildlife, Transportation, Environmental Quality, Division of State Lands, State Historic Preservation Office, the US Fish and Wildlife Service, National Oceanic and Atmospheric Administration (NOAA) Fisheries, Clackamas Water Environment Services (WES), North Clackamas Parks and Recreation District (NCPRD), Metro, the Confederated Tribes of the Warm Springs Indian Reservation of Oregon, the Confederated Tribes of Grand Ronde, and members of the Oregon Congressional Delegation. This collaboration leveraged approximately $1 million in seed funding from private, local, state, and federal sources for project initiation.

In 2022, the project received a huge jolt of momentum when it was awarded a $15M grant from the NOAA Fisheries Division to help cover all costs associated with planning, design, and permitting for the project. Continuing with the positive funding momentum, the project was also awarded a $10M Metro Large Scale and Community Visions Grant in 2024 to help with local match requirements associated with construction grants. Lastly, the city has also contributed to local matching funds by budgeting $1M in urban renewal area (URA) dollars toward the project. These funding sources, coupled with community and political support, spurred the formal creation of a project leadership team, project management team, communications team, technical advisory team, community advisory team, and various predevelopment activities such as hiring consultants, performing exploratory testing, and kicking off the design and permitting phase.

This momentum changed following the November 2024 election. Changes in policy direction and priorities at the federal level have either delayed or put multiple grant pursuits in jeopardy, which has caused some funding re-strategizing. Project partners continue to advance the project and explore as many alternative funding opportunities as possible. Currently, project planning and design is funded; a gap for project construction dollars remains.

Roles and Responsibilities

The four project partners include Oregon Department of Transportation (ODOT), NCWC, American Rivers (AR), and the City of Milwaukie. Each of these partners has unique expertise and varying interests in the project, as described below:

- ODOT: The dam itself is structurally tied to ODOT's Hwy 99E bridge infrastructure that passes over the confluence of the creek and the dam at the Willamette River, which means that dam removal necessitates a bridge replacement. Therefore, ODOT will be the delivery agency for the overall project, despite the majority of the project area being under city jurisdiction (see Attachment A, project area map).
- NCWC: NCWC has a vested interest in improving the North Clackamas watershed for fish, wildlife, and people. NCWC has been a long-time champion of removing the Kellogg Dam and has catalyzed stakeholder coordination and raised funding to initiate the project. NCWC is a locally based community nonprofit organization.
- AR: AR has a vested interest in restoring rivers and increasing community resilience through dam removal, floodplain restoration, and building partner and community

capacity to support projects through completion. AR's Northwest Dam Removal Program staff develop and manage multi-benefit dam removal and floodplain restoration projects, and support partners in Oregon and Washington.

- City: The city owns most of the project footprint and will potentially have long-term management responsibility for the restored area. The extent of that responsibility will be determined by certain elements of the project that have yet to be developed. The city has a vested interest in quality-of-life aspects for the affected community and has agreed to support the other partners to the extent possible.

Current Status and Key Issues

Currently, the Kellogg Project is in Phase 2 (of 4): Final Design and Permitting. Private, local, state, and federal funding has been secured to complete pre-construction activities and initiate construction procurement. While the design and permitting are currently underway, the construction budget will need to be fully funded before the ODOT bridge design can proceed to complete construction documents and permit submittals.

The design phase has highlighted and clarified a few key issues that need to be addressed by the City. Staff are seeking Council direction on these topics so we can ensure we're proceeding in alignment with the latest articulated priorities of our elected leaders. These issues include (1) sewer line relocation, (2) conservation easement acquisitions, and (3) uncertainty around Coho Point. These issues are discussed below.

Sewer Line Relocation

As part of the Kellogg Creek restoration, the impoundment will be eliminated, and the creek channel will be restored. There is an existing, City-owned, 8-inch gravity-fed sewer line that crosses the impoundment (see Attachment B). Once the new creek channel is graded, the existing elevation of the sewer line could lie within the waterway and block fish passage as well as collect debris and potentially contaminate the newly restored natural habitat. To avoid these conflicts, the design team is advocating that the sewer line be relocated, which would likely require land acquisition for a pump station and new wastewater infrastructure.

Due to the uncertainty of federal funding available for the overall $105 million dam removal and construction budget, the design team has posed the possibility of moving the sewer relocation forward as a separate, city-led project, emphasizing that the sewer relocation is inevitable and will be required at a future point.

Relocating the sewer line, which would not likely be necessary for many years except for this project, will generate long-term maintenance and operational costs associated with the possibility of constructing a new pump station, including site acquisition, permitting, and increased complexity of operations. Additionally, because this sewer relocation is not currently part of the city's adopted Capital Improvement Plan (CIP), staff are working with the city's rate consultant to assess the financial impact to ratepayers of accelerating this work as a standalone project. The current cost estimate for sewer relocation ranges from $3.5 to $5 million.

Proceeding with the sewer line relocation as a standalone project would also have staffing implications. Public Works staff are currently working on a large project with regulatory compliance deadlines to address Per- and Polyfluoroalkyl Substances (PFAS) contamination. Taking on an unplanned capital project of this scale would strain existing resources and could impact on the department's ability to deliver other mandated priorities or previously prioritized capital priorities.

The project partners have identified a potential funding source, a revolving loan fund through the Department of Environmental Quality (DEQ) with the city as applicant, to cover sewer relocation as a separate project This funding source is not a grant and would therefore need to be paid back by the city. The project team is also continuing to explore other funding opportunities to provide more options.

Questions for discussion:

- What direction does Council want to give to staff as they engage with the wider project team on the sewer line issue? For example: are there certain "readiness" benchmarks Council would like to see before the city commits staff time or budget to the sewer relocation?
- Does Council want staff to proceed with incorporating this potential CIP project into rate design work, which will be shared with Council later this fall?

Conservation Easement Acquisitions

Part of the Kellogg Creek restoration will include the impoundment being drained and the creek channel being restored. One goal of the project is to restore the future 14-acre natural area, most of which is currently underwater and nearly all of which currently crosses privately-owned property. Therefore, part of the project entails exploring property owner interest for potentially acquiring conservation easements.

Staff have been working with Metro to provide resources for landowner outreach and negotiations, as well as funds for any potential purchase of real estate/conservation easements. All negotiations, agreements, and transactions would be voluntary. The city would be the easement holder and responsible for long-term maintenance and oversight of any newly acquired easement to ensure sustainable upkeep of the restored areas and alignment with broader parks and natural area management goals. The city has not yet engaged the North Clackamas Parks and Recreation District (NCPRD) to understand their potential assistance and support in future maintenance needs.

Questions for discussion:

- Does Council have any concerns with staff moving forward with an intergovernmental agreement (IGA) with Metro to perform the outreach, negotiations, and potential conservation easement acquisitions?
- If not, does council have any direction pertaining to certain readiness benchmarks, such as exploring how any acquisition could be timed?

Coho Point

The northern adjacent property where the Coho Point development is proposed is currently designed with a multi-use commercial/residential structure. The 30% design exhibit (see Attachment C) includes the construction of a retaining wall with a shared use path at its base that would tie in with the Kellogg pedestrian undercrossing to the west and with the remainder of the path to the east (see Attachment D). The Coho Point development also includes significant excavation from Dogwood Park (see Attachment E), to achieve the balanced cut and fill that is required for flood mitigation as set forth in the Federal Emergency Management Agency's (FEMA) Conditional Letter of Map Revision (CLOMR) approval. It's presently unclear as to whether Coho or Kellogg will initiate and complete construction first. This lack of clarity in the sequencing of development provides design challenges for both projects.

Questions for Discussion

- Staff have been careful not to express preference or prioritization of either project over the other. Both projects provide valuable assets for our community and staff will continue to coordinate with each project team as best as possible to ensure collaboration and information sharing. Does Council have any concerns with this continued approach?

BUDGET IMPACT

Sewer Relocation – could require City funds in the form of the following: revolving loan repayment, capital improvement budget allocation, and long-term maintenance increases that will be passed onto rate payers.

Conservation Easements – could require the city to budget for long-term maintenance increases, possible additional full-time equivalent (FTE) since the city currently has one natural resources tech to manage the additional 14-acre natural area.

Coho Point Design Uncertainty – changes to Coho Point's design, schedule, and sequencing could have a significant impact on Kellogg's project budget, design, and schedule, although any related costs are understood to be included in the project contingency fund and would not be passed onto the city.

CLIMATE IMPACT

Sewer Relocation – relocating the sewer line would minimize the risk of damage and potential overflows into the newly restored creek as well as eliminating occurrence of creek flow and fish passage being blocked or debris getting caught on the sewer line at its existing location. The proposed sewer line relocation, particularly if it involves construction of a new pump station, would have notable climate and environmental impacts. Construction activities would require significant material use, heavy equipment operation, and associated greenhouse gas emissions. Long-term, a pump station would introduce permanent energy demand for pumping and maintenance, increasing the city's operational carbon footprint compared to a gravity-fed system. Preserving a gravity system, if feasible, would avoid these operational emissions and provide a more climate-resilient, low-energy solution.

Conservation Easements – will lead to positive climate impact due to restored natural area, sediment removal, fish habitat, native plants self-watering, creates climate resiliency for species, water quality improvements and off-channel refuge, removes contaminated sediment, flooding risk reduction, and this project was identified in the city's Natural Hazard Mitigation Plan.

Coho Point Design Uncertainty – Coho Point's design uncertainty poses risk to the Kellogg project (and by extension, its climate impact) as discussed above.

EQUITY IMPACT

Sewer Relocation – creek restoration, generally, will lead to improved water quality in two disadvantaged census tracts (41005021200 and 41005020800) that cover a significant portion of Milwaukie. The Kellogg Project site is two blocks from Milwaukie High School (MHS), whose students routinely use the Kellogg Lake pedestrian bridge, Kronberg Park, and the Milwaukie Presbyterian Church Nature Sanctuary within the project area. MHS is currently made up of 49% of students of color, with 59% students on free/reduced lunch. Rowe Middle School, upstream of the impoundment, is 47% students of color and 95% free/reduced lunch. Relocating the sewer line away from the creek will only work to strengthen these improvements and reduce risk of leaks.

Conservation Easements – the 14-acre natural area that will be created with the conservation easements will provide access to nature in an "equity focus area", where environmental burdens are high, access to nature is poor, and the population is rapidly diversifying especially in the western portion of the watershed near Kellogg Dam.

Coho Point Design Uncertainty – Coho Point's design uncertainty poses risk to the Kellogg project (and by extension, its equity impact) as discussed above.

WORKLOAD IMPACT

Baseline workload impacts include attending project meetings, design reviews, and eventual permit review. There are potential added impacts to staff workload related to the above issues, depending on whether Council chooses to prioritize the Kellogg Project over other projects that are already in the pipeline.

COORDINATION, CONCURRENCE, OR DISSENT

The Assistant City Manager, Public Works Director, and Development Project Manager have coordinated this effort.

STAFF RECOMMENDATION

Staff recommends Council discuss these issues to provide staff direction that can be relayed to the Kellogg Leadership Team (ODOT, NCWC, and American Rivers).

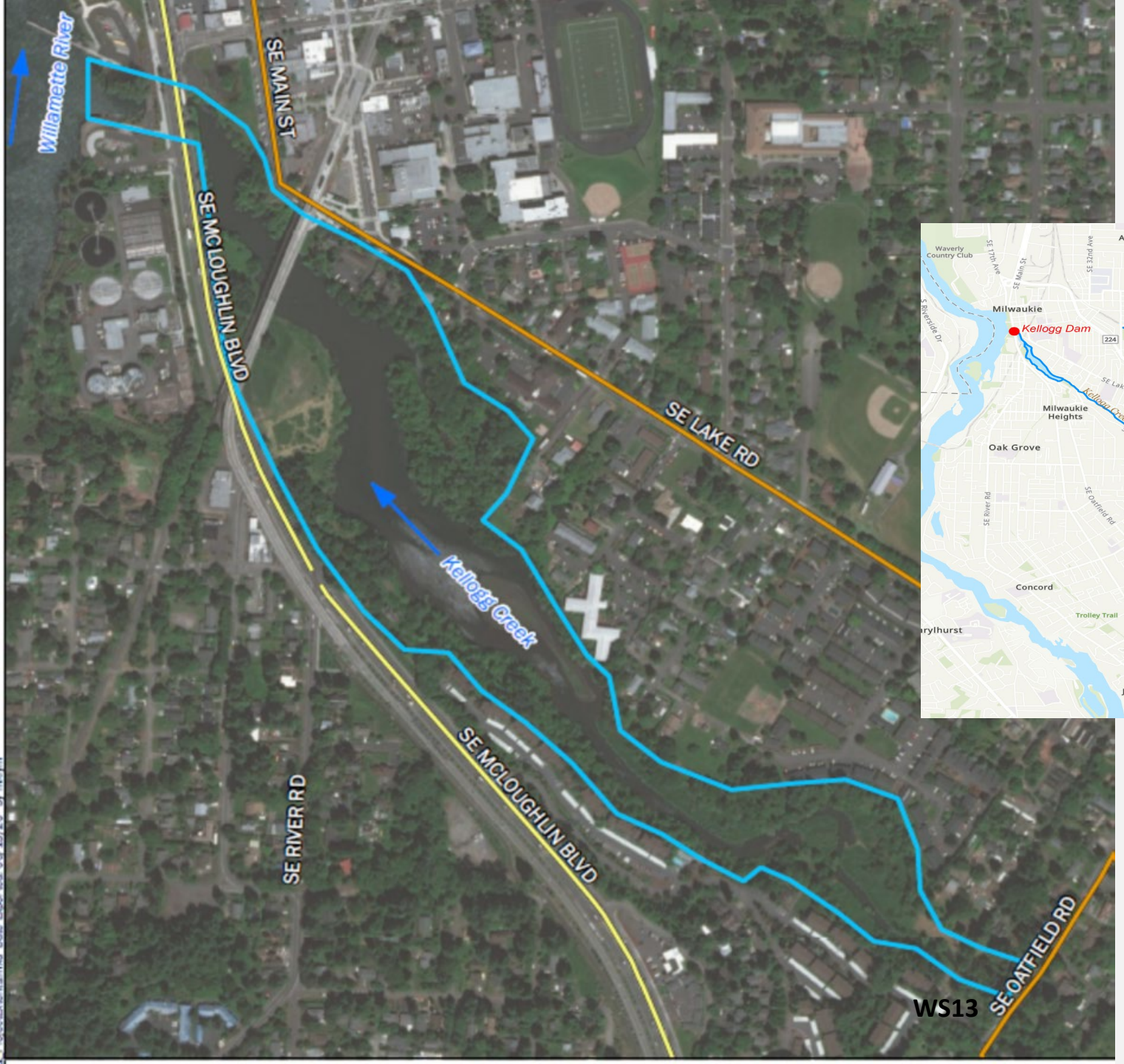
ALTERNATIVES

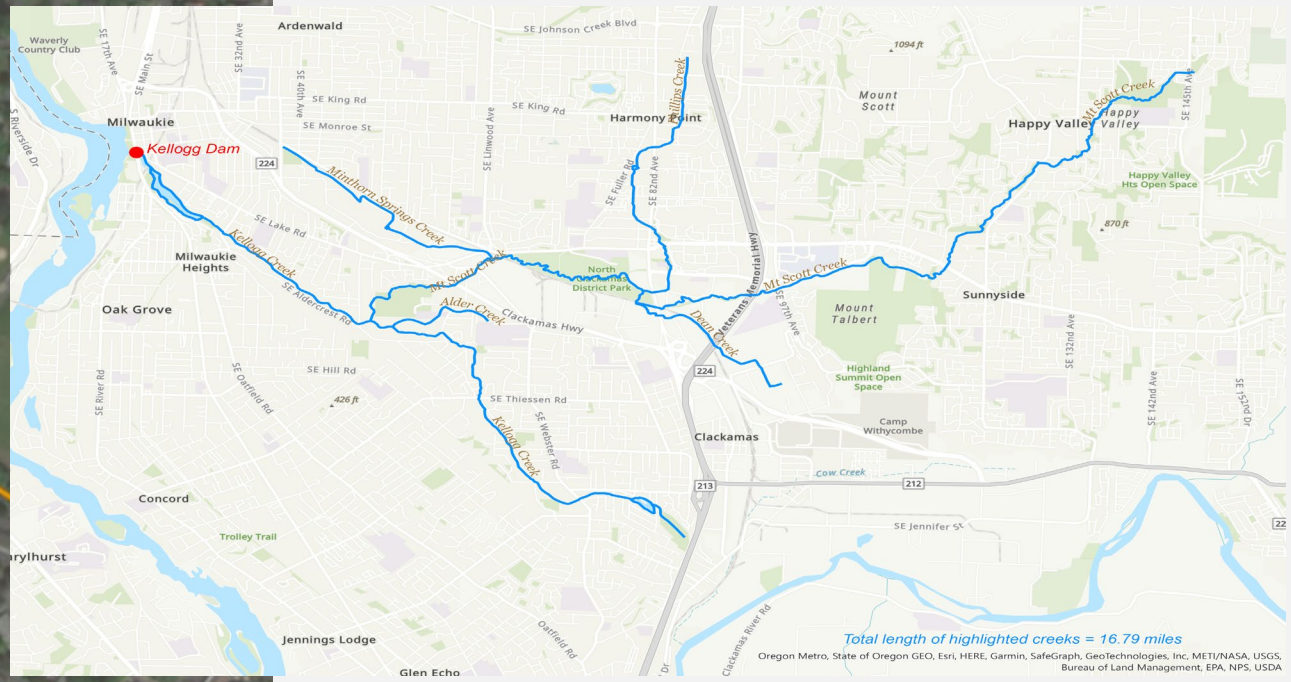
Staff is seeking general direction on the issues described above. No other alternative approaches have been explored. I If Council has new direction in terms of prioritizing staff resources or re-orienting the adopted Council Goals, then staff requests Council direction on project and work plan prioritization in relation to the Kellogg Project.

ATTACHMENTS

A. Project Area Map
B. Sewer Line Map
C. Coho Point Schematic Rendering
D. Coho Shared Use Path
E. Coho Point Cut and Fill Plan

Attachment A
Kellogg Project Area Map



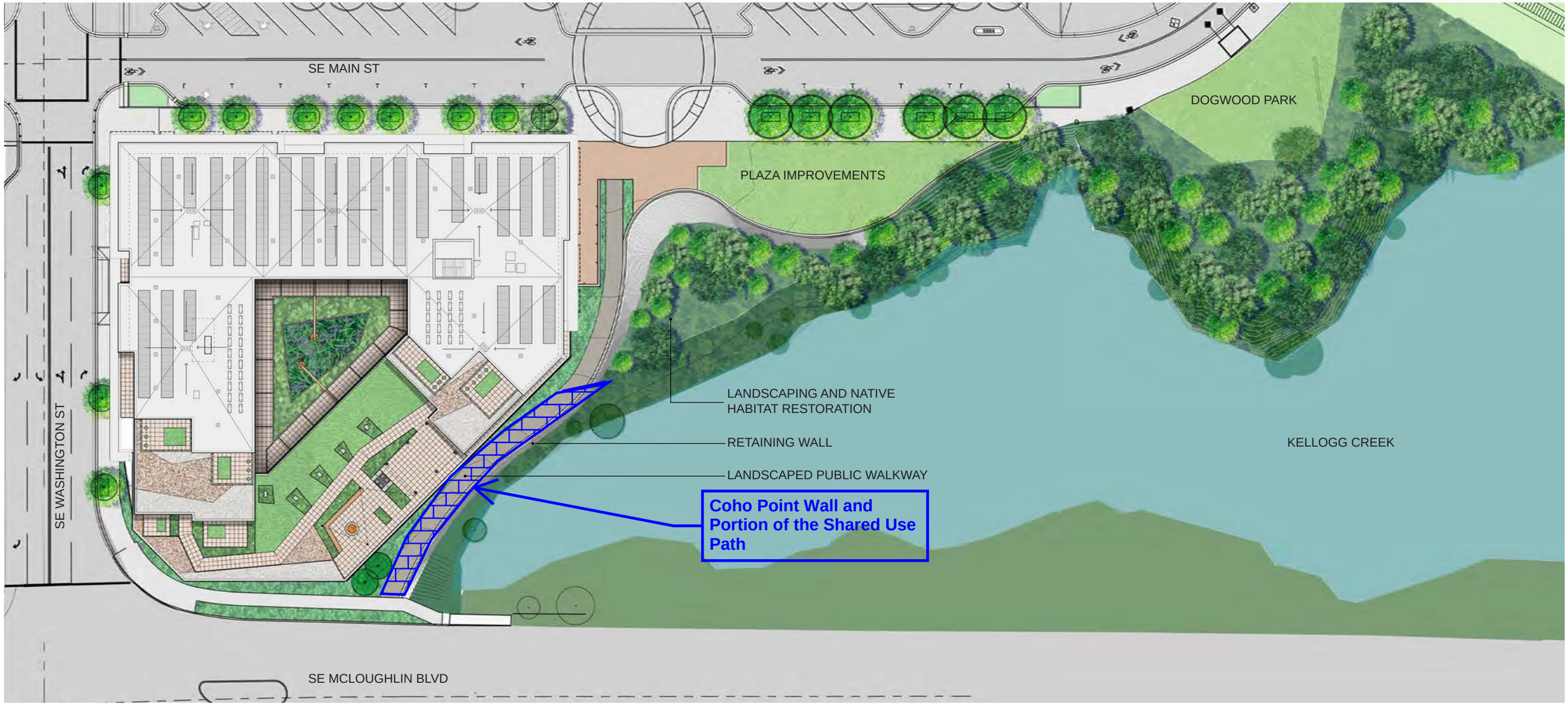


Attachment B
Existing City Sewer Line
Crossing Kellogg Lake

Attachment C
Coho Point Building Rendering

PARK PERSPECTIVE

Attachment D
Pedestrian Undercrossing and Shared Use Path Alignment



Attachment E
CLOMR Cut-Fill Map

LEGEND

- PROPOSED FLOODPLAIN FILL: 3,417 CY
- PROPOSED FLOODPLAIN CUT: 3,576 CY
- 1996 FLOODPLAIN; ELEVATION: 38.0 FEET (SURVEYED BY AKS IN 2018)
- 100 YEAR FLOODPLAIN; ELEVATION: 36.3 FEET (SURVEYED BY AKS IN 2018)
- ORDINARY HIGH WATER LINE (SURVEYED BY AKS IN 2018)
- FEMA FLOODWAY BOUNDARY

N

20 0 20 40
SCALE IN FEET

JONES
JONES ARCHITECTURE
120 NW 9TH AVE. STE. 210
PORTLAND, OREGON 97209
T 503 477 9165
www.jonesarc.com

REGISTERED PROFESSIONAL ENGINEER
OREGON
JANUARY 11, 2005
JEFFREY R. SWEITZER
EXPIRES: 06/30/2024

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Portland, Oregon 97205
971-280-8641
WWW.DOWL.COM

COHO POINT

17-021

11103 SE MAIN ST
MILWAUKIE, OR 97222

CLOMR-F SET

August 03, 2022

REVISIONS:

EXISTING CONDITIONS - FLOODPLAIN

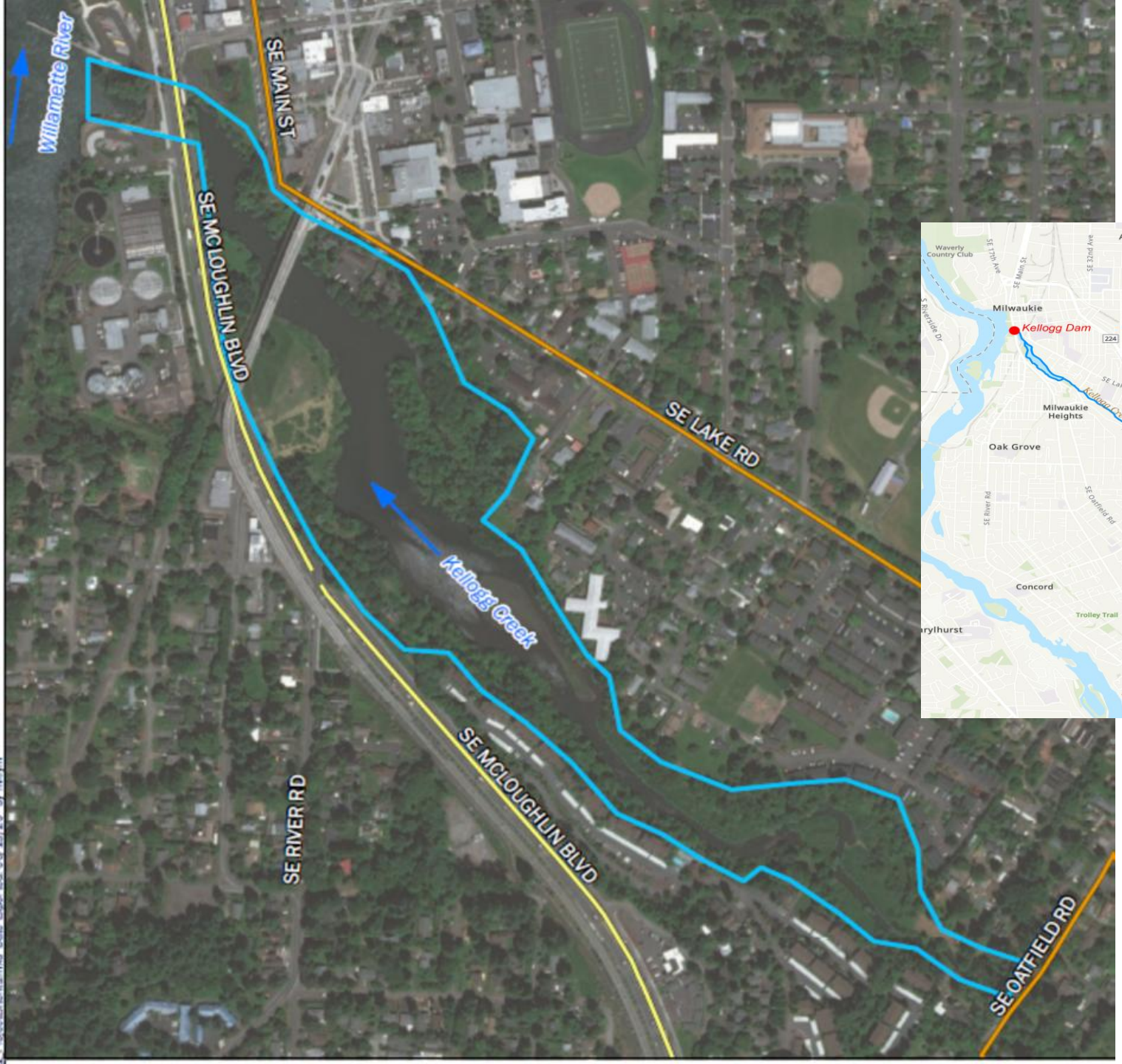
C100

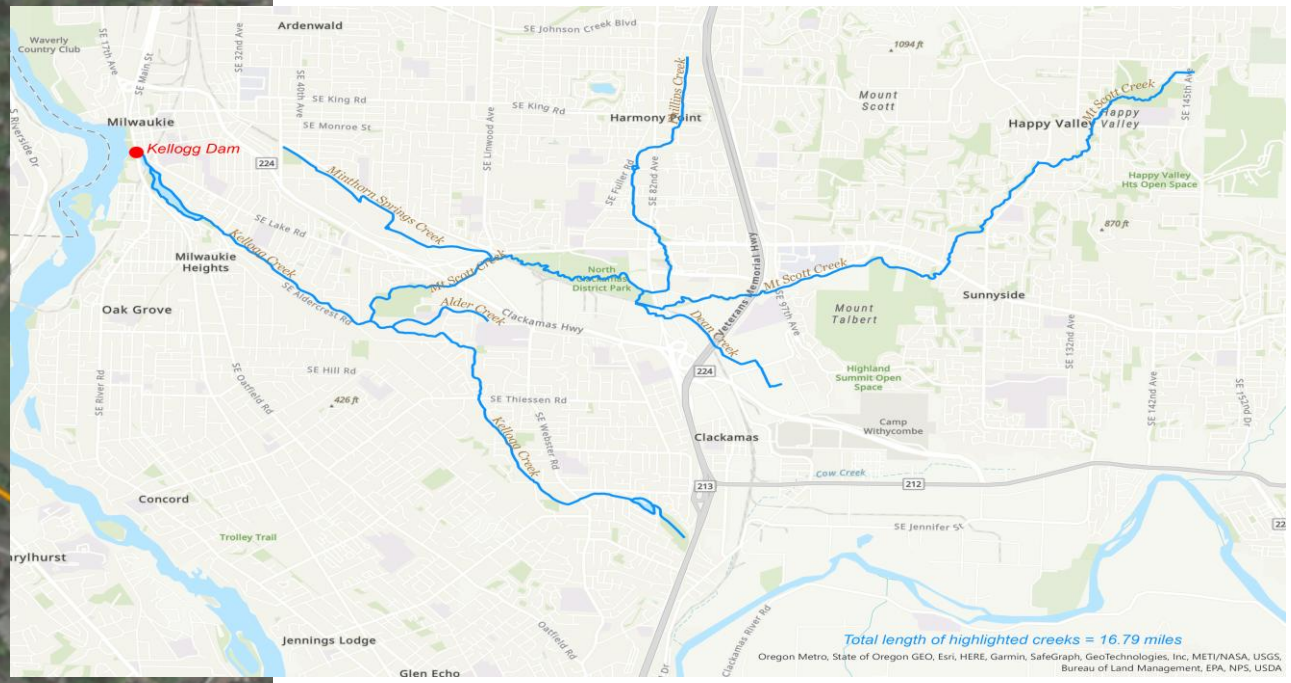
Kellogg Creek Restoration & Community Enhancement Project

City Council
August 19, 2025

Joseph Briglio, Assistant City Manager,
briglioj@milwaukieoregon.gov
and
Peter Passarelli, Public Works Director,
passarellip@milwaukieoregon.gov

Project Area





Kellogg – Funding & Momentum

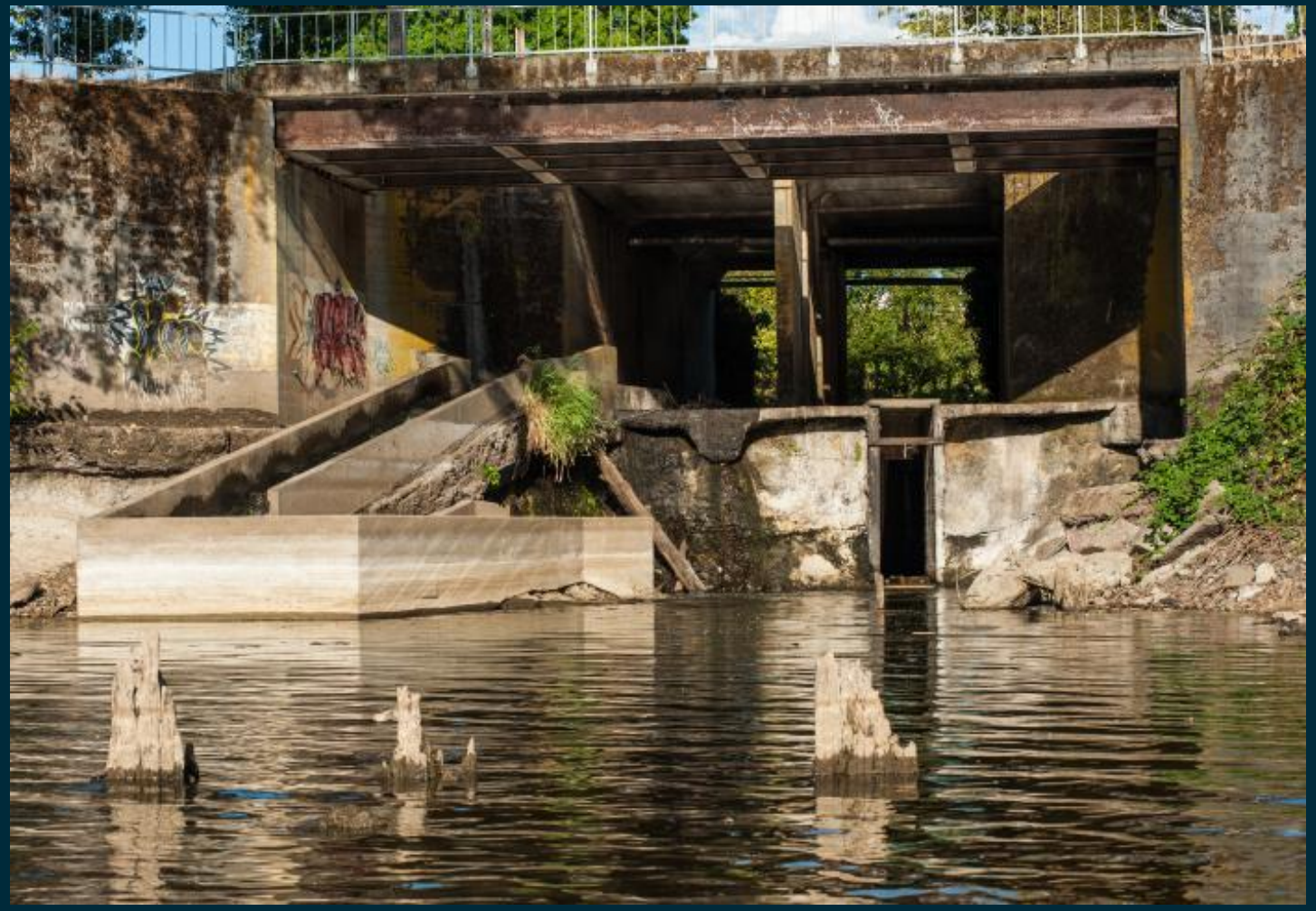
2019-2021
- NCWC collaborative planning process

2022-2024
- $15M grant from NOAA Fisheries Division
- $10M Metro Large Scale Community Visions Grant
- $1M in City URA dollars

2024-Present
- Creation of project partner teams
- Predevelopment activities, design & permitting
- Fundraising

Kellogg – Discussion Items

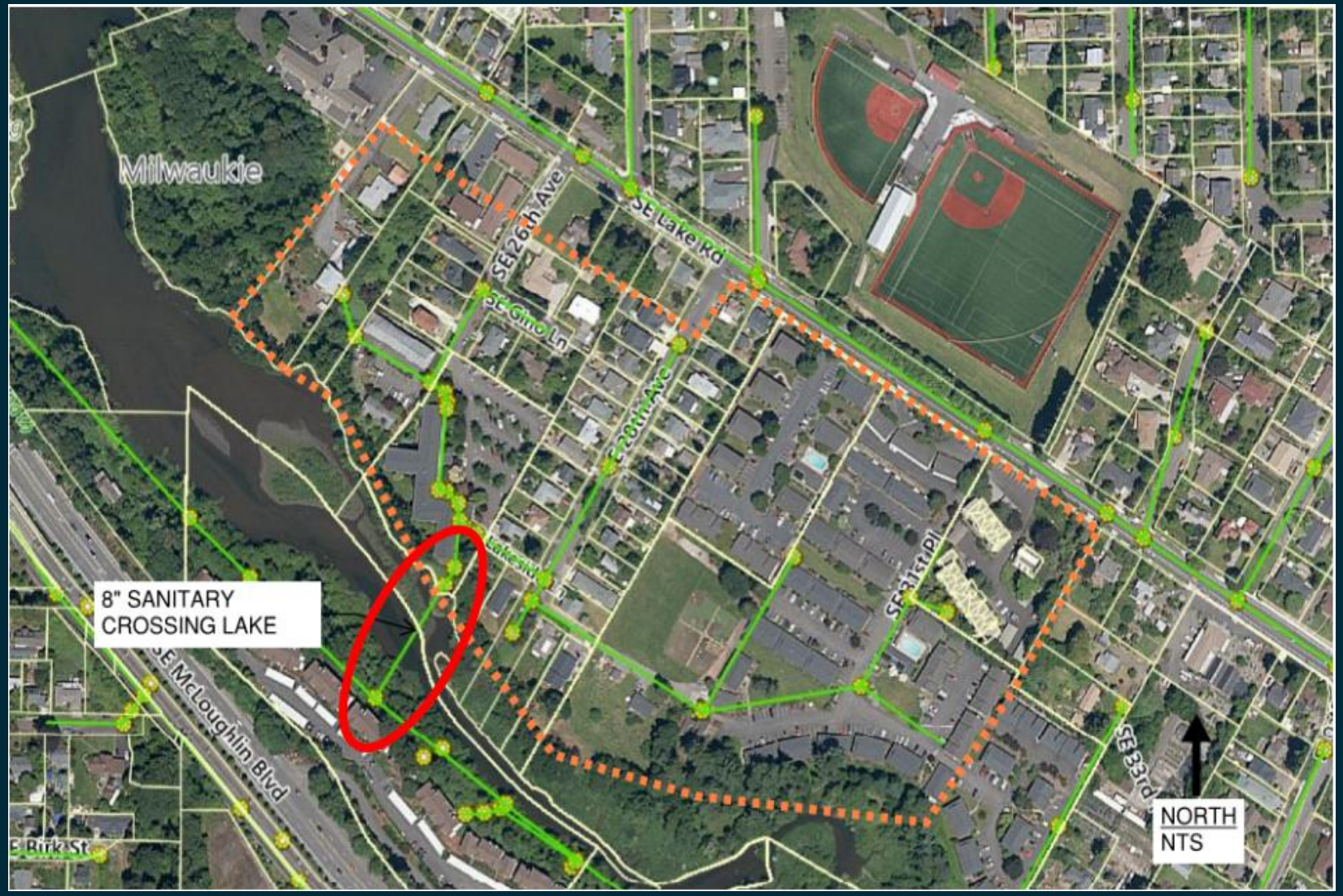
I. Sewer Line Relocation
II. Conservation Easements
III. Coho Point



Kellogg – Sewer Line Relocation

Questions for discussion:

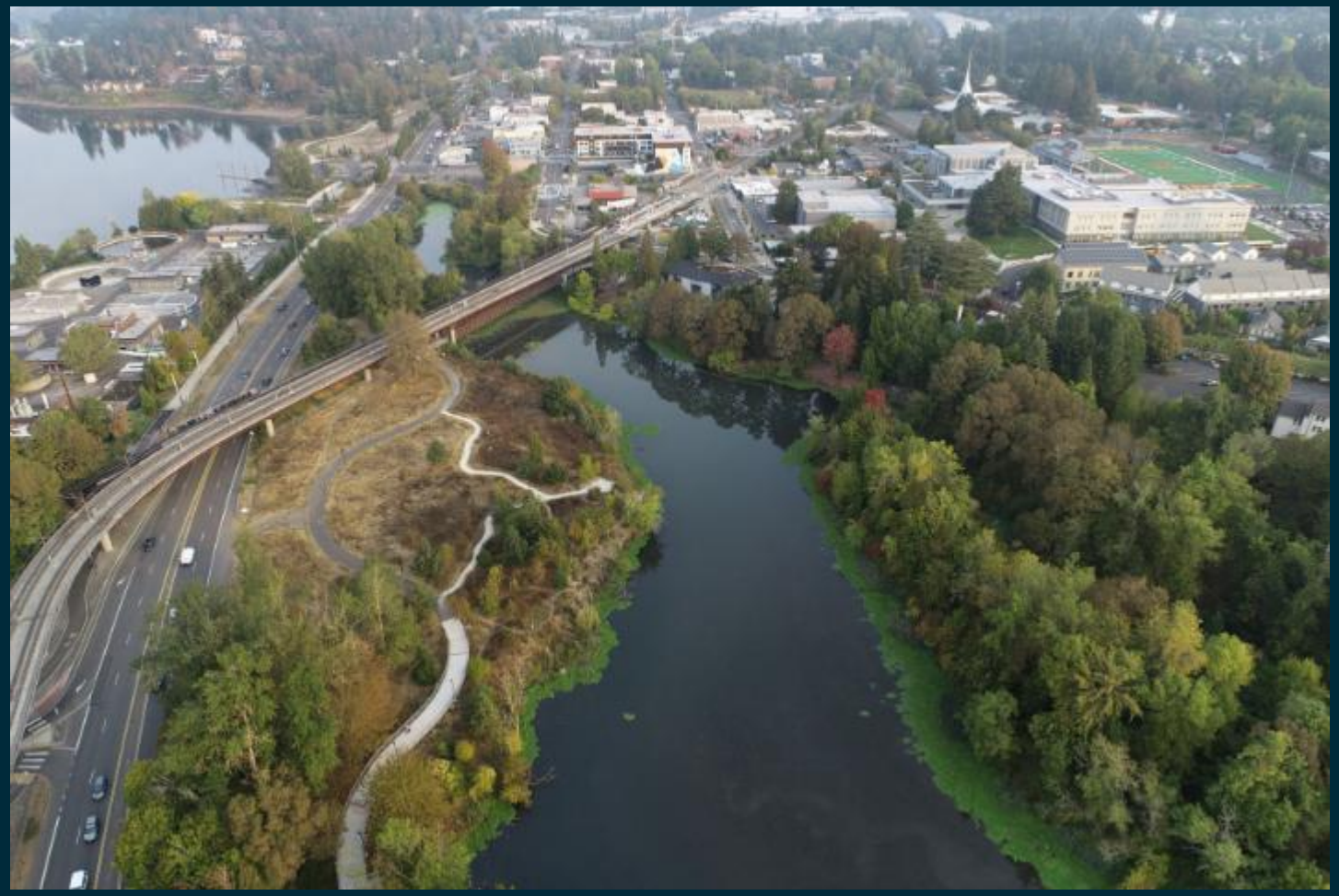
- What direction does Council want to give to staff as they engage with the wider project team on the sewer line issue?
- Does Council want staff to proceed with incorporating this potential CIP project into rate design work, which will be shared with Council later this fall?



Kellogg – Conservation Easements

Questions for discussion:

- Does Council have any concerns with staff moving forward with an intergovernmental agreement (IGA) with Metro to perform the outreach, negotiations, and potential conservation easement acquisitions?
- If not, does council have any direction pertaining to certain readiness benchmarks, such as exploring how any acquisition could be timed?



Kellogg – Coho Point

Question for discussion:

- Both Kellogg and Coho Point provide valuable assets for our community and staff will continue to coordinate with each project team as best as possible to ensure collaboration and information sharing. Does Council have any concerns with this continued approach?

August 18, 2025

TO: Milwaukie City Council

FR: Neil Schulman, Executive Director, North Clackamas Watersheds Council, with information provided by Kellogg Project team professional services consultants: Riverlogic Projects LLC (April McEwen, ENV SP - Project Manager), Interfluve (John Gaffney, P.E. - Restoration Design), Consor North America (Adam Crafts, P.E. - Utility Design).

RE: Kellogg Project Information to Support the 8/19/25 City Council Work Session

CC: Joseph Briglio, Emma Sagor, City of Milwaukie

We look forward to the Council's Work Session on August 19 to discuss the Kellogg Creek Restoration and Community Enhancement Project. The City, as a primary landowner and key partner, plays a critical role in advancing and completing the Kellogg Project. Additional information is provided below to support collaborative planning, and to clarify our perspective on how we can position the project for the greatest success while also addressing vulnerable City infrastructure and reducing long-term risk.

Kellogg Project Background and Secured Funding

For the last several decades, the Kellogg Project has been the subject of broad interest, and political and community support. For several years, the project was hampered by a focus on fish passage improvement without a clear strategy for the Oregon Department of Transportation's (ODOT) involvement , replacement of the bridge, and capacity to plan, manage, and deliver complex dam removal and restoration projects. These issues made it difficult to secure significant funding from state and federal sources. It was clear that one entity alone could not plan, fund, approve, and deliver the Project. A collaborative approach was required. In other words, prior to 2021, there was not a clear path forward. There is now.

We took steps, along with the City, to address these needs. We developed a partnership with American Rivers (AR) in 2021. With input from the Leadership Team entities, a project roadmap was, and several significant actions were taken to support collaboration and move the project forward::

1. Creating a Project Leadership Team to facilitate planning, collaboration, and decision-making between the City, ODOT, NCWC, and AR (collectively referred to as the Leadership Team entities).
2. Developing a Project Roadmap in 2022, that showed a clear path for project delivery from start to finish (*see last page of memo*).
3. Submitting a successful grant application to NOAA's Restoring Fish Passage through Barrier Removal Program (i.e., NOAA Fish Barrier Removal).
4. Providing procurement, grant administration, contract management support, and compliance oversight to all Leadership Team entities.

In our successful NOAA grant application, the Project Roadmap, the makeup of the Leadership Team, and broad community support demonstrated that the Kellogg Project Leadership Team has the knowledge, expertise, organizational capacity, and broad support needed to deliver the project. The Team's grant application , received the highest score in the nation. NOAA subsequently provided its largest project grant award at that time ($15M), for the completion of all Project pre-construction activities.

Prior to this game-changing grant award, NCWC and the City had secured funds from private, local, and state sources of just over $500,000 to initiate Phase 1 of the Project in 2021. The project was also included as part of the City Council Goals: "*Parks and Greenspace: Deliver Milwaukie Bay Park and expand equitable access to greenspace, including the future restored Kellogg Creek Natural Area.*" The City received $585,000 in federal Congressionally Directed Spending to the Kellogg Project. The City retained$53,182 for overhead and administration; the remainder was dedicated to professional services in Phase 1.

Following the NOAA 15M award, agreements and sub-grant awards were developed in 2023 between American Rivers and the City, NCWC, and ODOT for completion of all remaining pre-construction activities. Based on the City's budget request at that time, AR awarded the City a sub-grant of $150,000 for City staff involvement, planning, coordination, and engineering review, beginning November 2023. The City has not billed against that funding source to date.

In 2024, Phase 2 (Final Design and Permitting) began. The Leadership Team began securing construction funding. A $10M from Metro's Large Scale Community Visions Program. $1M was committed by the City towards construction costs. In total, approximately $27M has been secured for the Project to date. The final design and permitting phase is underway, with permit submittals targeted in 2026 and construction document completion targeted in early 2027. Efforts to raise remaining construction funding needed are underway.

Active Participation of the City

The City is an essential partner in planning the Kellogg Project. The City is a member of the Project's Leadership Team – City staff participate in monthly Leadership Team,

Communications Team, and Core Technical/Design Team meetings, and special funding strategy meetings as a party in decisions made about the project. City staff have also participated in community meetings and our first landowner meeting. The City is represented by a single point of contact on the Core Technical/Design Coordination Team, which met monthly in Phase 1, weekly at the beginning of Phase 2, and is now meeting bi-weekly. The purpose of the Design Coordination meetings is to provide and receive technical design and project updates, and to support coordination of technical Leadership Team subject matter experts.

The project is now in the Final design phase. Decisions are needed related to various design elements: OR99E Shared Use Path undercrossing, utility conflicts including the City's sewer pipe, integrated planning with the Coho Point development, acquisitions and easements, etc. We cannot make these decisions without the City being fully engaged. The input needed and related decisions involve City departments: Public Works, Planning, Community Development, Parks, Engineering, etc. For the project to succeed, it is essential that staff can represent the City and provide input on key technical and management aspects, participate in design coordination, and attend less frequent design review and other meetings. Equally important is the distribution of accurate information to and from City staff, coordination across departments for better understanding and approvals, and technical input make decisions about project elements as part of the Project team. We recognize that this is an increase in the amount of staff time from previous phases, where City action was mostly in the fundraising and partnership development sphere, with Joseph Briglio, the City Council, Mayor Batey and previously Mayor Gamba being the most engaged. **We ask that the Council express that the Kellogg Project is a priority in advancing the City's goals, and that participation by staff and coordination across departments is a priority.**

Sewer Pipe

The City's Sewer Pipe relocation is a critical path element of the Kellogg Project. The proposed creek channel regrading will expose an 8-inch public gravity sewer main owned by the City of Milwaukie that currently crosses the impoundment. (As you are aware, until the Kellogg Project revealed it, the City was not aware it owned this pipe). The pipes creates a utility conflict with the Kellogg Project. . There are increased infrastructure vulnerability, maintenance issues, and potential liabilities associated with an exposed sewer in a dynamic river environment. This includes increased potential for the exposed line to trap debris, be damaged, and leak or spill sewage into the creek. In addition, an exposed sewer line creates long-term risk in meeting Kellogg Project objectives related to fish passage and stream restoration.

Not addressing the sewer line and, for example, changing the grade of the proposed stream channel profile to accommodate the existing line, would introduce additional risk to upstream and downstream infrastructure. As the primary owner of the restored natural area

resulting from Kellogg Project implementation, these risks could pose future unplanned costs and unintended liabilities to the.

Aa no-action alternative would pose major risks to t to the Kellogg Project, and would threaten project funding and viability. It would also leave the City with an existing sewer line in poor condition. The existing sewer line is sagging in the middle, an issue that impeded video inspection by the City in 2022, could trap solids, and require ongoing maintenance. The existing City sewer line also has the inherent risks of an aging sewer pipe in a waterway that has ESA-listed species presence, and is also in a liquefaction zone. Accessing the existing pipe for maintenance, since it is currently buried in several feet of Kellogg Lake sediment, could create a tremendous future cost for the City , as well as challenging permitting, specialized contractor qualifications and expertise, and the need for specialized equipment similar to what was used to access that area of the impoundment during Kellogg sediment characterization. The current sewer line is through two-thirds of its intended 75-year service life.

To avoid City risks and liabilities, the sewer line requires relocation. The Kellogg design team prepared a Draft Sewer Line Relocation memo that evaluates three options:

1. raising the pipe,
2. lowering the pipe, and
3. removing the pipe from crossing Kellogg Creek, realigning existing service to combine the discharge into the Lake Road main.

All three options require installation of a pump station. Options 1 and 2 are not significantly less in terms of capital cost for construction and increase overall risk. The Design Team recommends Option 3, realignment and removing the pipe from crossing Kellogg Creek and rerouting flow into the Lake Road main.. The design consultant is evaluating the life cycle and maintenance costs of all three options, which will be provided to City staff soon. Our shared objective is to work with the City to approve a solution that creates the least risk, vulnerability, and liability for the City and project partners, while also supporting the City's planning and inevitable growth.

Kellogg Project Sequencing with Sewer Pipe Relocation

The project design team recommends the sewer realignment occur prior to the beginning of the Kellogg Project's regulatory in-water work window in 2028, due to the following factors:

- The regulatory in-water work window creates challenging time constraints and complex sequencing. Adding the sewer line work to this season would mean the inability to complete in-water work within the targeted in-water work window(s), and would extend the number of construction seasons/years. This would bring significant increases in costs with de-mobilization, re-mobilization, staging, channel rewatering and the need to repeat temporary water management and aquatic organism salvage and relocation. These increased costs would cost more than the relocation of the sewer line.

- The sewer line presents a physical barrier to equipment excavating sediment and regrading the channel for stream and floodplain restoration in the middle-upper impoundment. Leaving the sewer line in place could create additional acquisition needs and costs for upstream access to the impoundment (e.g., at Oatfield Road).
- The City requires uninterrupted sewer line service. Therefore relocation needs to happen prior to the gravity sewer pipe being decommissioned and removed.

Collaborative Effort for Sewer Line Relocation

The Leadership Team is committed to working with the City to address the sewer line conflict. The following effort can be achieved with a collaborative approach:

a. *Design* - The Kellogg Project design team will design the improvements and can begin immediately with support and involvement from City planning and engineering staff. *The City has an existing $150,000 sub-grant that would cover City staff time required for coordination and design review. The NOAA grant will cover design costs.*
b. *Permitting* - In-water work activities would be included in Kellogg Project permitting. The City would be responsible for any additional City permits and any acquisition approvals needed for pump station siting and line realignment above the in-water work area. *The City's existing $150,000 sub-grant should also cover local permits required for upland work.*
c. *Implementation*
    i. Upland work - City staff would need to procure and oversee implementation of any upland construction, including pump station siting and pipe realignment to tie-in with existing lines. *Costs to complete construction of a new pump station or wastewater infrastructure would require an additional funding source to allow the City to procure a contractor and implement the realignment project prior to the beginning of Kellogg Project in-water work. targeted to begin in 2028. (See fundraising strategy below).*
    ii. In-water work - the Kellogg Project contractor would complete demolition and disposal of the old sewer line and pilings that are currently buried in the impounded sediment of Kellogg Lake, as part of Kellogg Project impoundment restoration.. Significant costs associated with these in-water work activities will be covered in the prime construction contract for the implementation of the Kellogg Project.
d. *Long-term Operations and Maintenance*

    Under any feasible sewer pipe treatment, an additional pump station would be added. The City would be responsible for its maintenance. The cost of long-term operations and maintenance should be weighed with the avoided costs of no longer needing to maintain or replace the existing sagging gravity sewer line, which is two-thirds through its life cycle, and in an extremely vulnerable and difficult to reach location. Permitting, access, and the need for specialized contractors and equipment for emergency maintenance or leak represents a significant unplanned expense for the City, as well as regulatory risk and liability associated with potential sewage spills into a water of the

U.S. Pump Station maintenance assessments cost must bear in mind that the City did now know it owned the sewer line and was therefore not maintaining it.

Potential Funding Source for Sewer Pipe Realignment

The pipe realignment can be designed and constructed without the use of additional City funds, if the City actively participates in the fundraising process. The Kellogg Project Leadership Team has identified the following as potential funding source(s) for currently unfunded City capital costs involving procurement and implementation.

a. Oregon Clean Water Revolving Fund (OCWRF): The loan program provides funding for capital water and wastewater projects. In addition to the $1M already allocated to the Project by the City, up to $2M in loan forgiveness is possible (the entire Kellogg Project qualifies for this program). The City is the only eligible entity on the Leadership Team that can be the applicant (nonprofits and the state are ineligible). The Kellogg team is committed to working with the City to evaluate all risks, and how secured project construction funding can be used to repay any amount of the loan not covered through principal forgiveness.
b. Wastewater grants through Business Oregon: Joseph Briglio is currently reaching out to Business Oregon to evaluate eligibility for wastewater funding to offset upland construction costs.

The application deadline for the OCWRF is December 2025, which will require the City to be an active applicant). The Kellogg Project Manager and project team can assist with application development, principal forgiveness management, reporting, and other grant administration and compliance oversight.

Acquisition

Two private landowners (Kohl and Miramonte) own land extend below the high-water impoundment mark. Others may own small slivers of the current impoundment due to bank erosion; this will not be fully known until property line surveys are completed. The draining of the impoundment and the restoration of the stream will change these small portions of their property. We are in the process of determining right of way needs and what landowner agreement may be necessary, ranging from acquisition/easements to written agreement to the dropping water level. The Leadership Team has formed a relationship with Metro (In addition to the $10M funding) to use Metro 2019 Bond funds for acquisition, and Metro staff for real estate negotiations. The City is currently negotiating an IGA with Metro for those services. The city will hold any property/easements, and will need to coordinate with Metro, the Watershed Council, and landowners. The Watershed Council is meeting with landowners to strengthen relationships in advance of negotiations.

Coho Point and the Proposed Shared Use Path OR99E Undercrossing

The City has been clear that one of its primary Kellogg Project objectives is to include a pedestrian and multi-use undercrossing of OR99E in the new replacement of the ODOT

transportation structure. The Watershed Council shares this goal. This project element, referred to as the Shared Use Path (SUP) undercrossing, increases the overall amount of infrastructure built as part of the Project, the cost,, and imposes risks to Kellogg Project. Risks involve lack of critical geotechnical investigation within the Coho Point developer's footprint needed to inform structural and slope stability, specific design of the retaining wall proposed by the Developer, and tie-in with Kellogg SUP design. The intersection of the Kellogg Project with Coho Point and the SUP requires coordination with staff as these two projects' designs and timing must be managed in close coordination. Finally, the elevation of the new bridge is required to maintain OR-99E alignment, and the SUP will be subject to periodic inundation. City involvement in the planning and design is critical to this project element.

City Staff Capacity

We have recognized for several years that the Kellogg Project is a once-in-a-generation opportunity and will require City staff time investment. Funds of over $200,000 have been made available to the City through project grants. $150,000 is known to be currently available to cover City staff or consultant costs. NCWC has written additional city resources into a pending OWEB grant. We are committed to working with the City to boost capacity through future funding requests as well, including writing those funding requests and supporting grant management and reporting.

Funding Pathways for the Kellogg Project

While the uncertainty associated with changes at the federal level has raised questions about timing of construction funding sources, pathways exist:

- Oregon Environmental Restoration Fund (nonfederal) – targeting distributing funds in 2026
- The $10M from Metro does not expire until 2031
- CDS and Programmatic Appropriations requests via Senators Wyden & Merkley, & Congresswoman Bynum (As of this writing, a CDS request of $850,00 by Congresswoman Bynum passed House Appropriations. The Senate has not taken this up yet).
- FHWA Culvert Aquatic Organism Passage (AOP) - In July, the Senate THUD Appropriations Committee reinstated $200M for the Culvert AOP program for FY26, with report language requiring the funding of the $400M withheld from previous years. The Project will be better positioned with completion of the Final Design Acceptance Package to submit an AOP grant application in 2026.

Advancing Project planning and the design process to "shovel ready" (addressing the sewer pipe, completing permit-level design and advance plans, acquisition, etc.), will keep the Project positioned to secure the remaining funding needed so the Project can stay on schedule.

Request of City Council

We ask that the City Council express that the Kellogg Project is a priority, and give staff clear direction to participate and coordinate across departments to move the project forward at a critical time.

Fit With City Council Goals

The Kellogg Project fits with the City Council goals as follows:

Goal 1: Economic Development: Reconnecting downtown to the Willamette River and downtown Milwaukie will bring new vibrance to downtown, create strong connections between downtown businesses and recreational users of Milwaukie Bay, the Willamette River, the Trolley Trail, and natural area visitors. This will generate increased downtown foot traffic, make events and tourism both safer for pedestrians and more appealing. (Economic Development Council Goal Action Plan)

Goal 2: Parks and Greenspaces - The Kellogg Project and the restored Kellogg Creek Natural Area is explicitly part of this Goal. The Kellogg Project is part of the Council Goal Action Plan. It will also increase the % of residents living within a 10-minute walk of an accessible greenspace or park, and increase acres of tree canopy through the revegetation of the current impoundment (Parks and Greenspace Council Goal Action Plan)

Goal 3: Affordability: The Kellogg Project will create quality of life and human health improvements for income-restricted housing, including affordable housing at Coho Point, renters of workforce housing at Miramonte Apartments, Chestnut Place, and Lake Village Apartments that adjoin the future impoundment and will have a new greenspace next door. Living next to a natural area and stream is too often a privilege for the wealthy. Similarly, residents of affordable housing along Lake Road by residents of the Khwat Yaka Haws ("Auntie's Place" in the Chinook language) operated by Native American Youth Association will have access to the new natural area. The modernization of the sewer pipe infrastructure reduces risk to infrastructure that has not been maintained and could decrease future maintenance/replacement costs that would be more expensive overall to ratepayers.

It also addresses previous City Council goals:

Climate Action: The Kellogg Project will increase climate resilience:

- *Cold Water Refugia:* The removal of the dam and restoration of Kellogg Creek will remove a warm-water hazard to fish, and potentially people. The impoundment adds 5 degrees F to Kellogg Creek: with the impoundment drained, Kellogg Creek will be vital cold-water refugia for salmon, steelhead, lamprey, and trout migrating through the Willamette system, as well as potential spawning access to 17 miles of Kellogg - Mt. Scott Creek.
- *Harmful Algal Bloom Reduction*: The removal of the impoundment will remove the threat of growing harmful algae blooms that are developing in the impoundment as

summers warm. As has been seen in River Forest Lake and the Ross Island Lagoon, algal blooms are getting worse as summers warm, pose threats to people and pets, and lower oxygen in creeks as algae decomposes.

- *Urban Tree Canopy, Urban Heat Island Effect, and Improved Air Quality:* The revegetation of the impoundment will help the City meet its urban canopy goals, provide shade and relief from the extreme heat on vulnerable populations who may not have access to air conditioning, lower air temperatures, and reduce particulate from highway 99E, with subsequent improvements on respiratory health.
- *Reduced Flood Risk:* creation of 15 acres of floodplain storage where the impoundment sits, creating a natural area where flood waters can expand onto the floodplain without risk to property or flooding along Lake Road

Equity, Justice & Inclusion: The project is in an Equity Focus Area (Metro 2022) on the western end of Kellogg Creek, where environmental burdens are high and the need for restoration is greatest. The census tracts on the south side of the impoundment were listed in Justice 2040 as an environmental justice area. As the Staff Report notes, the Kellogg Project site is two blocks from Milwaukie High School (MHS), whose students routinely use the Kellogg Lake pedestrian bridge, Kronberg Park, and the Milwaukie Presbyterian Church Nature Sanctuary within the project area. MHS is currently 49% of students of color, with 59% students on free/reduced lunch. Rowe Middle School, upstream of the impoundment, is 47% students of color and 95% free/reduced lunch. The Kellogg Project has been providing real-life scientific monitoring experience to these populations. The ongoing community engagement process, conducted in partnership with the City and the Clackamas Chapter of Unite Oregon has also focused on equitable engagement and robust discussion of environmental justice issues for inclusion in the final design.

Kellogg Creek Restoration and Community Enhancement Project
SCHEDULE ROADMAP

Identifies critical path milestones organized by project delivery phases, sponsor, and funding sources.

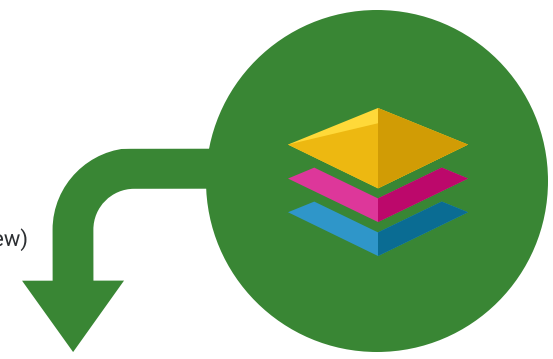
PHASE 1:
Initiation and Feasibility
Sponsor: NCWC, City
Funding: $2M private-public

April 2022 - December 2023

- TAC convened
- CDS Fund Approval
- Phase 2-3 Funding Secured
- Sediment Sampling & Analysis (P1)
- Select Preferred Restoration Alt
- Produce Phase 1 - Conceptual Restoration Design Package
- Complete Project Scoping and Procurement Docs

January 2024 - Dec 2026

- Confirm permitting pathway
- Procure Final Design Team
- Sediment Sampling & Analysis (P2/Final)
- PSET Sed Suitability Determination
- Design Acceptance Package: 30% (TAC review)
- Construction Funding App submittals
- Preliminary Plans: 60% (TAC review)
- Permit Application submittals
- Advanced PS&E (TAC Review)
- Final PS&E (TAC Review)



PHASE 2:
Design + Permitting Integrated Project Elements
Sponsor: American Rivers
Funding P2 - P3: $15M NOAA
Delivery Agency: ODOT (Phases 2 - 4)

PHASE 3:
Construction Approvals & Procurement (Initial Construction Activities)

Dec 2026 - Dec 2027

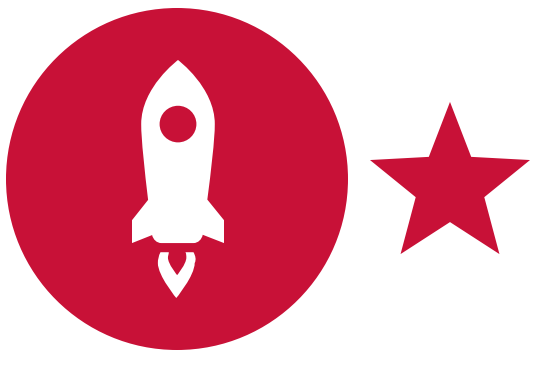
- Final Funding + Partner Agreements
- Final Regulatory Approvals
- ROW Certification
- Procurement: Long-lead Materials
- Procurement: Construction Management
- Procurement: Bid Package Finalized and Advertised, Contract Negotiation
- Contractor Notice to Proceed

Jan 2028 - Dec 2029

- Mobilization, staging, accelerated sequencing
- Begin sediment/water/fish management for In-water work
- Bridge traffic control
- Bridge footprint work (Demolition, foundation pouring, channel restoration through dam site)
- Broader Footprint: Upper channel/floodplain restoration and bridge work
- Revegetation and >OHWM elements
- As-built surveys
- Substantial Completion approved

PHASE 4:
Construction
Delivery Agency: ODOT
Funding: City ($1M), Metro LSCV ($10M).
Targeted: USDOT FHWA (2), OERF, ODFW PFA

Post-Project:
Natural Area Utilization and Adaptive Management/Maintenance
Natural Area Adaptive Management: City, NCWC, NCPRD
OR99E Operations & Maintenance: ODOT



Beginning 2030

- Continued educational programs, workforce development, community events, and natural area utilization
- Long-term effectiveness monitoring
- Adaptive management and maintenance

July 2025. Version 8.

Contact: April McEwen, Kellogg Project Manager, april@riverlogicprojects.org, 206-407-2210.