

## RESOLUTION NO. 21-42

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### **A RESOLUTION CALLING FOR AN ELECTION TO AUTHORIZE BORROWING MONEY FOR WATER SYSTEM IMPROVEMENTS TO THE ELECTORS OF OREGON CITY**

**WHEREAS**, The City's water system is in need of significant improvements, as demonstrated by the water master plan, which was amended in January 2021; and

**WHEREAS**, The City Commission has reviewed the needs of the City's water system and methods to bring the infrastructure up to a condition where it will adequately serve the citizens of Oregon City, now and in the future; and

**WHEREAS**, Two methods available to the City to improve its water system are increasing water rates and borrowing funds. The City Commission has chosen to take a balanced approach by relying on both methods, rather than one; and

**WHEREAS**, Section 47 of the Oregon City Charter prohibits the City's voluntary floating indebtedness from exceeding \$25,000 without a vote of the people and Section 58 of the Oregon City Charter prohibits the City from issuing general obligation bonds or revenue bonds without a vote of the people.

#### **NOW, THEREFORE, OREGON CITY RESOLVES AS FOLLOWS:**

**Section 1.** An election is called in and for the City of Oregon City, to be held Tuesday, November 2, 2021. The Clackamas County Clerk shall conduct the election.

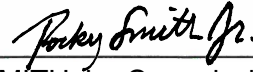
**Section 2.** At that election, the question of whether to authorize borrowing up to a principal amount of \$38 million for water system improvements shall be submitted to the voters of Oregon City.

**Section 3.** The City Commission adopts the ballot title attached to this Resolution in Exhibit A to describe the measure and directs the City Manager to file the ballot title with the City Recorder.

**Section 4.** The City Commission directs the City Recorder to take all actions necessary to hold the election, including publication of the notice of receipt of the ballot title.

**Section 5.** This resolution shall take effect immediately upon its adoption by the City Commission.

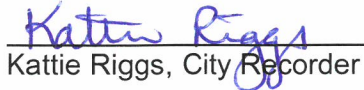
Approved and adopted at a regular meeting of the City Commission held on the 4th day of August 2021.



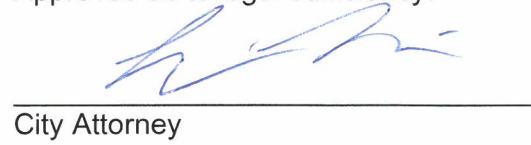
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ROCKY SMITH Jr., Commission President

Attested to this 4th day of August 2021:

Approved as to legal sufficiency:



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Kattie Riggs, City Recorder



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City Attorney

Exhibit A – Ballot Measure Language

## EXHIBIT A

### BALLOT TITLE

CAPTION: AUTHORIZES THE CITY TO BORROW FUNDS FOR WATER SYSTEM IMPROVEMENTS

QUESTION: Shall Oregon City be authorized to borrow up to \$38 million for water system improvements?

SUMMARY: Oregon City's water system needs significant improvements, demonstrated by its water master plan. The plan identifies projects to strengthen the water system and improve its ability to recover from wildfire, major storms, and drought while providing safe, reliable water year-round.

The City seeks a balanced approach to fully fund the water system improvements minimizing rate increases above the 3% Charter limit by borrowing money. This measure would authorize Oregon City to borrow funds to support water system improvements. The City expects to repay the borrowed money over 20 to 30 years with water system revenues and may pledge its full faith and credit to improve the terms. This measure will not result in additional property taxes.

Voter authorization to borrow money will:

- Enable the City to apply for low interest federal and state loans
- Provide a large sum of money at one time, allowing projects to be completed earlier
- Allow future users to contribute resulting in a smaller annual water rate increase