

RESOLUTION NO. 21-43

A RESOLUTION SUBMITTING A MEASURE TO AUTHORIZE WATER RATE INCREASES OF UP TO 3% ANNUALLY ABOVE THE CHARTER LIMIT FOR 6 YEARS 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 58 of the Oregon City Charter prohibits the City from increasing the water rates more than 3% annually 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 water rate increase up to 6% annually for 6 years 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.



ROCKY SMITH Jr., Commission President

Attested to this 4th day of August 2021:

Approved as to legal sufficiency:



Kattie Riggs, City Recorder



City Attorney

Exhibit A – Ballot Measure Language

EXHIBIT A

CAPTION: AUTHORIZES TEMPORARY WATER RATE INCREASE ABOVE 3% ANNUAL CHARTER LIMIT

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

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

The City's goals:

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

Past rate increases have been kept to the 3% Charter limit – but that amount isn't enough to cover water system fixes. The City seeks a balanced approach to fully fund the improvements by minimizing the required rate increase above the Charter limit by borrowing money. This ballot measure would authorize a temporary annual water rate increase of up to 3% above the Charter limit, for six years.

For a typical household, in six years the monthly water rate would increase \$5.63 under the Charter limit and an additional \$6.56 if the measure is fully implemented.