

Work Session Agenda Report

Date Prepared: September 15, 2021
For Meeting Date: September 20, 2021
To: Mayor Jules Walters and West Linn City Council
From: John R. Williams, Deputy City Manager/Community Development Director *JRW*
Through: Jerry Gabrielatos, City Manager **JG**
Subject: Overview of major unfunded capital needs and next steps

Purpose

Council discussion of status and next steps for City of West Linn major unfunded capital needs.

Question(s) for Council:

Does Council have direction on any of these projects? Does Council agree with the prioritization described in this memo? Does Council believe other unfunded projects should be added to this list?

Background & Discussion:

The Council, community, and staff have discussed a variety of large *unfunded* capital projects recently for which the majority of funding is expected to come from West Linn sources (Highway 43 is not included, for example, because we expect a large share of funding will come from regional/State/Federal sources).

The attached overview is an attempt to summarize the status of each, allowing Council to provide direction to staff on prioritization and process.

Council Options:

Each of these projects will require extensive community and Council involvement and staff resources. Council options in this high-level discussion range from overall prioritization to direction on public engagement to right-sizing project scale and scope.

Staff Recommendation:

Staff recommendations are described in the attached overview document.

Attachments:

1. City of West Linn major unfunded capital needs overview.
2. UAB fact sheet including definitions and West Linn ballot measure timeline.

Overview of main unfunded capital projects proposed for West Linn funding in near/mid future.

- **Oppenlander Fields**
 - *Definition:* Potential purchase of 10-acre Oppenlander Fields property from WLWV School District for fields/park use.
 - *2021 Council Goal?* No.
 - *Status/timeline:* Initial agreement with District reached. Next phase is to define improvements to be included in project, working with park users, neighborhood, and public. Public outreach planned for October, bringing decisions on bond scope to Council in November/December. Council must approve ballot measure materials by late February in order to be included in May 2022 election.
 - *Estimated cost:* Likely at least \$7.5 Million; depends on Dec. 2021 appraisal of property value and Council decision on capital improvements to be included with bond.
 - *Revenue source:* General Obligation (GO) Bond for purchase and capital improvements. Note that ongoing O&M in the future is not addressed in current Parks & Recreation budget.
 - *Staff leads in current phase:* John Williams, Lauren Breithaupt.

- **Abernethy Bridge Water Line Replacement**
 - *Definition:* West Linn receives entire water supply via pipe under the I-205 bridge deck. This line must be replaced as part of the bridge improvements and West Linn has a long-standing written agreement with ODOT requiring West Linn to fund this work.
 - *2021 Council Goal?* Yes – item 2(5)a.
 - *Status/timeline:* ODOT finalizing designs, bid documents, requesting City commitment to fund the work by end of October 2021 via IGA. IGA and cost estimates under review by staff, City Attorney office. Current plan is for water line to be shut off for several months starting around October 2023 while bridge decks are moved. Water would be provided via Lake Oswego/Tigard treatment plant during outage; if this is not possible costs will increase beyond current estimates due to the expense of providing an interim pipeline across the Willamette River during shutoff.
 - *Estimated cost:* \$16 Million based on new ODOT engineering estimates.
 - *Potential revenue sources:* water rates/revenue bonds/ARPA/GO Bond.
 - *Staff leads in current phase:* Lance Calvert, Lauren Breithaupt.

- **Ice Storm Damage – Street Tree Replacement**
 - *Definition:* Over 1,600 street trees will need to be planted to restore the City’s tree canopy following the February 2021 ice storm, and an equal number of stumps need to be addressed. Council discussion at June 7, 2021 meeting provided direction to plan a phased approach to the restoration of tree canopy and noted that a funding strategy needed to be identified.
 - *2021 Council Goal?* No – unexpected due to ice storm emergency.
 - *Status/timeline:* Public Works staff is in process of soliciting bids for tree trimming to allow street sweeping access in areas not accessible since the ice storm. Trimming work is anticipated to be completed by winter. Stump removal, tree planting, and associated repairs to sidewalk, curbs, etc. will follow and is anticipated to take 2-4 years to complete.
 - *Estimated cost:* \$2,000,000 (stump removal and tree replacement) to be phased over several years, funding is not currently budgeted.
 - *Potential funding sources:* Public Works and General Fund
 - *Staff leads in current phase:* Lance Calvert

- **Water System – Other Water Line Replacement/Capital Needs**
 - *Definition:* Anticipated shortfall between water rate funding capacity and capital system needs.
 - *Status/timeline:* An update of the water system master plan is funded in this biennium and anticipated for completion Fall 2022. This would allow discussion of how to fund these needs beginning in the winter of 2022-2023.
 - *2021 Council Goal?* Referenced in item 2(5)a.
 - *Estimated cost:* TBD
 - *Potential revenue sources:* water rates/revenue bonds/ARPA.
 - *Staff leads in current phase:* Lance Calvert.

- **City Operations Facility**
 - *Definition:* Replacement of antiquated, undersized, and substandard Public Works/Parks Operations facility on Norfolk Street.
 - *2021 Council Goal?* Yes – item 2(4)a.
 - *Status/timeline:* Purchase of ODOT I-205 property in process. Funds for design work included in 22-23 biennium, planned to be initiated early 2022. Will require engagement with surrounding residents. Designs could be ready for Council decisions in 2023.
 - *Estimated cost:* Too early to say; likely over \$10 Million.
 - *Potential revenue sources:* Utility rates/revenue bonds/GO Bond/System Development Charges/sale of existing Operations property.
 - *Staff leads in current phase:* Lance Calvert, Ken Warner.

- **Community Recreation Center**
 - *Definition:* Consideration of community recreation facility, components TBD, potentially on City-owned property adjacent to Tanner Creek Park.
 - *2021 Council Goal?* Referenced in item 2(4)a.
 - *Status/timeline:* Work not underway; pending Council direction to prioritize. This would be a major effort requiring extensive staff resources and public input/engagement.
 - *Estimated cost:* TBD, but likely \$15 Million and up (Lake Oswego and Hillsboro centers underway estimated at \$35 Million+)
 - *Potential revenue sources:* Rates/revenue bonds/SDCs/GO Bond.
 - *Staff lead in current phase:* NA.