

IMPACT STATEMENT

Legislation title: Authorize an Intergovernmental Agreement with Clackamas County for construction and sharing of data network resources in the amount of \$230,000. (Ordinance)

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Purpose of proposed legislation and background information:

The purpose of this legislation is to authorize the City to enter into an Intergovernmental Agreement with Clackamas County to construct and share data network resources.

Under the IGA, Clackamas County will construct fiber optic data communications cable from the current dead-end of the existing BES data network at the east end of the Sellwood Bridge, across the Sellwood Bridge, then south along Highway 43 to Foothills Road in Lake Oswego with a branch extending to the TCWTP. BES will pay for 50% of the construction cost for extending the fiber optic cable across the Sellwood Bridge and down Highway 43 to Foothills Road and 100% of the cost of extending the fiber cable down Foothills Road to the TCWTP. To the extent allowed under the 1984 Wholesale Sewage Treatment and Disposal Agreement between the City of Portland and the City of Lake Oswego, BES's share of the project costs will be partially recaptured in future payments from the City of Lake Oswego for wastewater treatment over the life of the asset.

In addition to construction of the new fiber optic cable, the agreement provides for "swapping" fibers within existing installed cables in both the City and County communications networks that will allow both BES and Clackamas County to complete communication "rings" that improve system reliability by providing an alternate path for data through the communications network in the event of equipment or cable failure.

The TCWTP is staffed 10 hours per day. Plant operation is monitored and controlled remotely from the Operations Center at the CBTWP for the remaining 14 hours a day. A robust data communications network is critical to successfully operating the TCWTP remotely.

The IGA and TCWTP Fiber Optic Expansion project is consistent with the 2011-2016 BES Strategic Plan priorities and strategies. Specifically, the project is an investment in the TCWTP that implements the BES Strategic Plan Strategy to "Invest in facilities, projects, and approaches that allow us to cost-effectively improve our infrastructure and meet operational and regulatory requirements."

Financial and budgetary impacts:

The total project cost is divided between two BES projects. E07453 Fiber Optic Expansion has a current approved budget of \$200,000 and E10752 TCWTP Fiber Optic Expansion has a current approved budget of \$200,000.

The estimated cost of the IGA of \$230,000 is based on the current estimate for the City's share of the project construction cost. Not all bids have been solicited for the project so the actual cost to the City for the construction work covered in the IGA will be lower or higher than the estimated amount. Based on the current level of design, the scope of work, and experience with similar projects, the range of City's cost for the project is expected to be between \$200,000 and \$260,000.

