

IMPACT STATEMENT

Legislation title: Authorize the Bureau of Environmental Services to transfer up to \$166,250 to the Multnomah County Drainage District #1, under an existing Intergovernmental Agreement, for expenses related to a critical stormwater infrastructure replacement project (Ordinance; Contract No. 30003999)

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Purpose of proposed legislation and background information:

A critical stormwater pipe links two waterways in northeast Portland. The pipe was installed in 1936 and is at the end of its useful life. The pipe, a 1,000' long, 60" corrugated metal pipe, is at a high risk of failure. The expected life span of corrugated metal pipes is 25 years. This pipe is almost 60 years past that expected life.

City infrastructure and privately-owned buildings are located above the pipe. BES relies on this pipe as part of its stormwater infrastructure system. Failure of the pipe could include; property and roadway flooding upstream of the pipe and/or damage to public and private infrastructure located within the easement of the 1000-ft long pipe. The properties drained by this pipe do not have another legal drainage connection, so the pipe cannot be decommissioned.

This pipe has not been in the Bureau's inventory, and the ownership record is far from definitive; despite a dedicated effort by the Tri-Jurisdiction Orphan Infrastructure Advisory Group, the ownership of the pipe cannot be determined. However, MCDD has agreed to take ownership of this drainage asset once the replacement has been completed.

BES and MCDD have an existing intergovernmental agreement (IGA) regarding stormwater services within MCDD. That agreement (City #30003999) allows for task orders less than or equal to \$50,000 to perform additional work not specifically addressed within IGA. Task orders above \$50,000 require approval from City Council.

This legislation will authorize BES to transfer 12.1% of the cost to replace the pipe (currently estimated to be \$133,000) plus a 25% contingency factor for a total of \$166,250 to MCDD for expenses directly related to stormwater management infrastructure under Section II.K. of the existing IGA. Such transfers will occur on a reimbursement basis and may occur under more than one task order.

Financial and budgetary impacts:

The total cost of the pipe replacement project is currently estimated to be \$1.1 million. The Port of Portland, MCDD, and BES are the three agencies in this area that handle stormwater and flooding. These three agencies are proposing to share the cost of the pipe replacement project proportionate to their benefit. Each agency has contributing drainage area to the pipe. Therefore, the cost would be allocated as such:

BES 12.1% : \$133,000

Port 48.3% : \$531,000

MCDD 39.6% : \$436,000

The estimated cost of BES' 12.1% portion of the project, is currently estimated at \$133,000, plus a 25% contingency factor for a total of \$166,250. Funds are available in the FY 2020-21 Sewer System Operating Fund budget in cost center ESBS000001.

Community impacts and community involvement:

The stormwater pipe lies underneath City infrastructure and privately-owned buildings. BES relies on this pipe as part of its stormwater infrastructure system. Failure of the pipe could include; property and roadway flooding upstream of the pipe and/or damage to public and private infrastructure located near the pipe. The properties drained by this pipe have no other legal drainage connection, so it is a critical piece of infrastructure that they rely on. This funding provides essential support to replace this asset.

Doing nothing creates an unacceptable risk of failure to public and private properties served by this pipe.

100% Renewable Goal:

This funding will be used to support rehabilitation of aging and operationally compromised infrastructure using the most efficient alternative.

Budgetary Impact Worksheet

Does this action change appropriations?

☐ **YES:** Please complete the information below.

☒ **NO:** Skip this section

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount