



Morrow/Umatilla County infrastructure plan (Note: Central Project, Middle page and East Project, right page, to receive funding under HB 5030)

Update on Umatilla Basin Water Supply Partnership:
In 2015 the Oregon Legislature became partners with the Umatilla Basin by dedicating \$11 million in lottery backed bond funds (HB 5030, Section 13.2). We appreciate your support and believe the Umatilla Basin will solidify that partnership with construction of 2 of our 3 projects in the 2017-2019 biennium

Background

After over 30 years of relationship building, planning and negotiation a broad coalition of interest groups and Umatilla Basin stakeholders were successful in securing \$11 million from the 2015 Oregon Legislative Assembly (Section 13.2 of HB 5030) to facilitate construction of 2 of 3 regional water supply infrastructure projects. This is a critical first step to a multi-biennium plan to sustainably enhance the natural resource based economy, and environmental conditions of the Umatilla Basin and Northeast Oregon.

Facts About the Umatilla Basin Regional Water Supply Effort

Central Project Overview:	East Project Overview:
<ul style="list-style-type: none"> • Total project cost: \$14 million (\$1,750/af) • State investment: \$4 million • Private equity and debt: \$10 million • State investment: 28% of project cost 	<ul style="list-style-type: none"> • Total project cost: \$46 million • State investment: \$7 million • Private equity and debt: \$39 million • State investment: 15% of project cost
Projected Return on Investment: 3,000 jobs and \$600 million in increased business activity (Port of Morrow and 2008 SB 1069 economic study), \$114 million in additional assessed property values (Umatilla County Assessor)	
Progress to Date: <ul style="list-style-type: none"> • “HB 5030 Grant Agreement” signed between the Port of Morrow (local financial administrator) and OWRD, committing basin to completing projects within 2 years from date of bond sale (sale projected in July, 2017) • Letter of Intent Resolution signed by Westland Irrigation District (Central Project Manager) and East Improvement District (East Project Manager), and Port of Morrow • Over \$2 million invested in a state of the art fish screen for the Central Project 	Getting it Right Takes Time: <ul style="list-style-type: none"> • Conditions of state grant agreement and debt service obligations require that water rights and all permits be issued prior to receiving grant funds and completing project • Water rights negotiations on the first mitigation water rights in the state’s history have been complex, and delicate to ensure promises between parties are kept • Size and cost of project requires careful due diligence and solid financing

Needs: Support from the legislature to carry forward the \$11 million in grant spending authority for the Umatilla Basin infrastructure within the OWRD Budget (SB 5542). Continued support for targeted water supply infrastructure development as a critical economic and environmental investment for the State of Oregon.

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