

Testimony by City of Wilsonville Mayor Tim Knapp to Amend HB 5017:

Improve State Support for Local Communities' Water Infrastructure

Scheduled for public hearing on February 21, 2019, before the Joint Committee on Ways and Means Subcommittee on Natural Resources

Co-Chairs Taylor and Reardon and Members of the Committee:

As one of Oregon's fastest growing communities for the past 20 years—doubling in population to over 25,000 during that timeframe—the City of Wilsonville has become very familiar with domestic-water infrastructure and water-quality related issues. The City operates water-treatment, wastewater-treatment and stormwater facilities in the watershed of the Willamette River, and provides water to the City of Sherwood. The City is also working with the Tualatin Valley Water District (TVWD) on the Willamette Water Supply Project to provide a long-term water supply to Washington County customers of TVWD and the cities of Hillsboro and Beaverton.

The City of Wilsonville works closely the Oregon Department of Environmental Quality (DEQ) to protect Oregon's waterways. We share DEQ's objective and commitment to protecting public health and improving water quality through sound public policy and the timely issuance of scientifically based permits. In order to do this important job well, DEQ needs resources for all aspects of its water quality mission, including the Total Maximum Daily Load (TMDL), water quality standards and permitting programs.

We have been tracking DEQ's budget proposal concepts and have worked closely with League of Oregon Cities (LOC) and Oregon Association of Clean Water Agencies (OACWA) to develop an alternative proposal that would provide a more modest and balanced approach with lower fee impacts to permittees. The Governor's proposed budget for DEQ Water Quality programs would be very problematic if adopted.

The DEQ budget package before this committee includes a large amount of additional resources and staffing only in the Water Quality Permitting program. Wilsonville supports a more modest and balanced approach that includes providing resources to the important foundational programs of DEQ.

We acknowledge and appreciate the strides made by new leadership at DEQ, but more needs to be done to improve the permitting process, work quality, responsiveness and accountability—the volume of permits is not the only consideration of success; rather, quality and the ability to implement are also important. In addition, fee impacts to local, especially small, communities must be considered.

The DEQ budget package would result in permit fee increases greater than 40% over the biennium, which would be a substantial burden on our ratepayers and our community. Already the costs of providing clean water and planning to expand water-related infrastructure are raising complaints from residents and businesses impacted by rising water rates and increasing systems development charges to fund capacity improvements.

The City of Wilsonville suggests that a more balanced approach should include several important elements:

- The 40% rate increase in the proposed budget is too high for local communities; a • lower rate with a phased-in approach would allow local governments to plan and budget in way that does not harm other important community programs;
- Balance new resources across the TMDL, water quality standards, and permitting programs;
- Ensure all Oregonians are investing in clean water by retaining public investment in an effective permit program by adhering to the longstanding 60% fees and 40% general fund agreement;
- No increase in stormwater fees for the permitting program since increases in 2018 were very high and were not balanced with any general fund support for the permitting program; and
- Avoid overly centralizing DEQ, instead resuming support of hands-on involvement of regional staff in permitting.

The City of Wilsonville respectfully urges as outlined above consideration of amendments to HB 5017. Thank you.

Sincerely,

Lim Knapp, Mayor

City of Wilsonville