

To: Joint Ways and Means Committee

From: Scott Officer, Mayor, City of Prairie City

SB5506 Testimony

We are in support of SB5506, this funding is critical to our Capital Improvement needs.

The City of Prairie City is in a unique situation. We have a mill that has reopened after over a decade of being closed, this mill, Prairie Wood Products is essential to the economic stability of not only the City but Grant County as a whole. Providing much needed jobs to the entire area. A part of this effort is there plan to reopen their biomass fired electrical co-generation plant. The cogen will provide for 25 additional jobs in Prairie City. It will also provides a much needed outlet for biomass coming off of the surrounding forest in the concerted effort to reduce the risks of catastrophic wild fire.

As part of the reopening of this plant they are being required by DEQ to connect to the City sewer for the disposal of the affluent water from the cogen. This additional volume of water in our sewer system will tax it to the limit.

This makes it a necessity for the City make repairs to the existing system. We have old dilapidated concrete sewer mainlines that are taking in groundwater. This I&I needs to be eliminated with projects that we have proposed, to ensure that we have adequate capacity for the affluent water from Prairie Wood Products. We have repaired some of the sewer mains already with a measured effect of reducing I&I by 30 million gallons annually. Our proposed Capital Improvement Project would reduce I&I by a similar amount.

This Capital Improvement project will assist us in being in compliance with our Recycled Beneficial Water Use Plan. It will also assist us in maintaining safe levels in our Waste Water Lagoons and expand our irrigation capabilities to ensure compliance with DEQ.

Another benefit our Capital Improvement project will have is the ground water kept from our sewer collection system will remain in the subsurface flows immediately adjacent to the John Day River and Dixie Creek both of which are critical spawning habitat for Anadromous fish species (Chinook Salmon and Mid Colubia Steelhead) in the only remaining pure wild population in the State.

This Capital Improvement project also provides for capacity for sustained growth of housing with in the city. Lack of current housing is the largest deterrent for any area employers to attract employees.

The City of Prairie City is asking for funding for two Capital Improvement projects. For the Waste Water Improvement project with benefits outlined above we are asking for \$4,959,856.00. This is 91% of the project cost of \$5,459,856.00. This project includes collection line replacement and repair, force main replacement, new lift station, irrigation site expansion, inspection and monitoring equipment, and a hauled waste dump station. The hauled waste station would allow the City to collect revenues to help offset the cost of ongoing operations.

The second Capital Improvement request that we have made is for Water Distribution Improvements. The City has experienced severe water shortages over the past two decades. This has resulted in detrimentally large costs to the City to haul water to our system to be able to even meet the basic needs

of our citizens. We have recently completed installing a water main line from City owned wells 7,200 feet to our water treatment facility. This Water Distribution Improvement request for \$3,640,115.00 is 97% of the project cost of \$3,756,615.00.

This project would update 5425 ft of old aged steel distribution lines, add 4350 ft of properly sized water lines to complete loops in the water distribution lines, install valves that allow for isolation of parts of the sytem for maintenance, and add 13 additional fire hydrants to bring us into compliance with current fire codes. This would also provide for much needed maintenance on our 1.0 million gallon storage facility and maintenance and improvements to existing wells to ensure that the City has adequate water supply capacity to do our part in the continued economic growth of the John Day Valley and provide for facilities such as Prairie Wood Poducts in the effort to effectively utilize biomass and in turn reduce the risks of catastrophic wild fire in the region.

Thank you for considering funding for the City of Prairie City's Capital Construction Projects as we continue to strive to be a valuable partner in the success and of Prairie City and Grant County.

Scott Officer
Mayor, Prairie City, Oregon