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The Honorable Senator Fred Girod, Co-Chair
The Honorable Representative Rob Nosse, Co-Chair
Joint Committee on Ways and Means Subcommittee on Capital Construction
Oregon State Legislature
Salem, OR 97301

May 9, 2025

RE: City of Dayton's \$1.2 Million Fisher Farms Wells Improvement Request

Dear Senator Girod and Representative Nosse:

Thank you for the opportunity to provide written testimony in support of the City of Dayton's capital funding request for the Fisher Farms Wells Improvement Project.

The City is requesting \$1,218,750 to support the development of an alternative municipal water source.

In January 2025, one of Dayton's primary wells ceased producing. At that time, the city was already running its remaining wellfield continuously. This led to a Stage 2 water curtailment—an unusual step during the winter months. Although the curtailment has since been lifted, production from our water sources remains below typical levels. Without additional sources of water, the city may be required to impose additional curtailments or a building moratorium as we enter the drier months.

The city's existing wellfield is shared with neighboring agricultural users. In 2000, the City of Dayton entered into a Settlement Agreement with the Dayton Prairie Water Users Association, in which it committed to developing deeper, separate wells to reduce the city's use of the shared groundwater resource. Developing an independent water source is necessary for the city to remain in compliance with that agreement.

The Fisher Farms Wells Improvement Project will activate four existing, city-owned wells located outside the shared wellfield. These wells have not yet been used. The project includes installation of new well pumps, methane strippers, booster pumps, and a pipeline to convey water to the city's treatment plant.

The city has completed several preparatory steps. These include land acquisition, transfer of water rights, and preliminary design work. Additional steps—including water quality testing, permitting, and final regulatory approvals—will be completed prior to construction.

In 2023, Dayton completed Oregon's second Urban Growth Boundary land swap, making more than 100 acres available for future residential development. While multiple infrastructure improvements will be required to serve this area, water capacity is a key issue that must be addressed before development can proceed.

Fifty-five percent of Dayton residents are considered low- to moderate-income. Recent upgrades to the city's wastewater system have already placed upward pressure on utility rates. Without external support, the burden of additional infrastructure costs would fall disproportionately on a community where the majority of residents are low- to moderate-income.

We respectfully request your support for this funding.

Cost and Local Investment

- Total project cost: \$1,993,750
- City contribution: \$775,000 (39%), already invested in land acquisition and preliminary work
- State funding request: \$1,218,750 (61%)

Thank you for your consideration.

Sincerely,



Jeremy B. Caudle
City Manager