



**Administration
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April 27, 2025

Joint Committee on Ways and Means
Oregon State Legislature
900 Court Street NE
Salem, OR 97301

Joint Subcommittee on Capital Construction
Oregon State Legislature
900 Court Street NE
Salem, OR 97301

Re: City of Carlton Capital Construction Requests

- SE Carlton Water Distribution Improvements
- Sewer Collection Pipe Replacement

Dear Co-Chairs Lieber and Sanchez, Co-Vice Chairs Girod, Gomberg, and Smith, and Members of the Joint Committee on Ways & Means;

Co-Chairs Girod and Nosse, and Members of the Joint Subcommittee on Capital Construction:

On behalf of the City of Carlton, I am writing to express strong support for the City of Carlton's capital construction requests, specifically the SE Carlton Water Distribution Improvements and the Main Street Sewer Collection Pipe Replacement. Both projects are vital to the health, safety, and long-term resilience of the City of Carlton. The SE Carlton Water Project is also included in HB 3939 due to its direct role in enabling shovel-ready affordable housing.

SE Carlton Water Distribution System (also in HB 3939):

The City of Carlton is requesting \$1.5 million to complete a critical two-phase water loop system that replaces aging cast iron lines with modern, resilient infrastructure. This project directly addresses vulnerabilities in the city's water system by increasing flow capacity, improving fire suppression—particularly for the Yamhill Carlton Elementary School—and reducing the frequency and cost of emergency repairs.

This investment is also foundational to the Carlton Workforce Housing Project, a 100+ unit development that will include approximately 30 workforce-priced homes. The new system will ensure the capacity and reliability needed to serve these homes and other future developments within the City's urban growth boundary. With increases in water rates of almost 40% in the last 7 years, residents are already stretched to their limit, and local funding alone cannot carry

this burden. State support will unlock affordable housing and community growth while ensuring that basic service standards can be met for current and future residents.

By addressing capacity and fire flow issues, this project will help meet urgent housing needs for families and essential workers while promoting long-term community sustainability.

Main Street Sewer Collection Pipe Replacement:

The City is seeking \$1 million in state funding to restore lost FY25 federal support, ensuring the replacement of over 1,000 feet of deteriorating sewer mainlines and cast-iron force main—some more than a century old. These pipes have failed multiple times in the past year, causing raw sewage spills that threaten public health and damage the city's downtown core.

This is not just a local infrastructure concern—it is a compliance mandate. In 2024, the City entered into a Mutual Agreement and Final Order (MAO) with the Oregon Department of Environmental Quality (Case No. WQ/M-WR-2022-125) following significant raw sewage discharges into Hawn Creek and the North Yamhill River. The MAO requires major upgrades to Carlton's wastewater treatment facility, now underway, including aeration improvements, disinfection replacement, and outfall modernization.

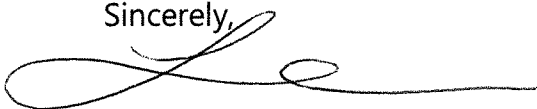
However, the system's failing collection pipes remain a critical vulnerability. During storms, stormwater infiltrates these aging joints, flooding the treatment plant with up to 10x its design capacity (4.5 million gallons vs. 450,000). This project is essential to stop these overflows, prevent further environmental harm, and protect community health.

The City has already raised wastewater rates by 70% in six years to meet infrastructure demands. Without state support, this added cost would overwhelm our residents. Investing now helps avoid costly future emergencies and supports Carlton's path to a clean, sustainable, and economically vibrant future.

Replacing this infrastructure will protect public health, eliminate overflows and sinkholes, and ensure the reliability of Carlton's wastewater system. It will also support housing development, downtown revitalization, and sustainable economic growth.

Thank you for your thoughtful consideration of these essential infrastructure investments.

Sincerely,



Shannon Beaucaire
City Manager