

May 9, 2025

Oregon State Legislature
Ways & Means Subcommittee on Capital Construction
900 Court Street NE
Salem, OR 97301



RE: Support for SB 5531 - City of Gold Hill Water Infrastructure Funding

Honorable Chair and Committee Members:

On behalf of the City of Gold Hill, I am writing to express our strong support for Senate Bill 5531, specifically regarding the proposed \$1.5 million allocation to address critical repairs to our water treatment plant, intake, and distribution systems.

Our community of approximately 540 families is facing an urgent infrastructure crisis that threatens public health, economic development, and fire safety. Despite our best efforts to address these challenges internally, including implementing water rate increases and reducing operational costs, we find ourselves unable to generate sufficient revenue to fund the necessary repairs. It is important to note that 60% of our residents live below the Oregon median income, making additional rate increases particularly burdensome for our community.

The requested \$1.5 million allocation would allow Gold Hill to:

1. Make critical repairs to our aging water treatment plant, which has exceeded its operational lifespan and frequently experiences breakdowns that threaten service reliability
2. Modernize our water intake systems to ensure consistent water availability despite increasingly variable seasonal conditions
3. Address significant vulnerabilities in our distribution infrastructure that currently result in water loss and quality concerns
4. Meet current regulatory requirements while preparing for anticipated future standards

Without this crucial support, our community faces several serious consequences:

- **Limited Housing Development:** Our current infrastructure cannot support additional housing connections, preventing much-needed residential growth in a state experiencing a severe housing shortage
- **Unreliable Service:** Continuing system failures threaten consistent water delivery to current residents and businesses
- **Fire Safety Concerns:** As we approach fire season, our compromised water infrastructure places our community at heightened risk during emergency situations
- **Economic Stagnation:** Businesses are hesitant to invest in our community without assurance of reliable water service

The City of Gold Hill has demonstrated our commitment to responsible fiscal management by implementing all available local measures to address these challenges. However, the scale of repairs needed exceeds what our small, economically disadvantaged community can bear alone.

We respectfully urge your support for this critical funding through SB 5531. This investment represents not just infrastructure improvement, but a lifeline for our community's health, safety, and future vitality.

Thank you for your consideration of this urgent request. I would be happy to provide any additional information or answer any questions you may have.

Respectfully submitted,

Lily Morgan, City Manager