



Ann Vileisis
Mayor, City of Port Orford

May 11, 2025

To: Honorable Subcommittee Co-Chairs Senator Girod and Representative Nosse, and Members of the Oregon Legislature's Joint Committee on Ways and Means Subcommittee on Capital Construction

Re: Request for Funding Port Orford's Critical Water Infrastructure Project

Dear Co-Chairs and Members of the Subcommittee:

I write to respectfully request your support for Port Orford's Critical Water Infrastructure Project—a high-priority pipe replacement effort that serves as a vital first step in addressing our aging water system and ensuring the long-term resilience and reliability of water service for our community.

Port Orford is a small, rural town on Oregon's rugged South Coast. Our economy is anchored in tourism and commercial fishing, and our population includes many retirees, disabled individuals, and veterans living on fixed incomes. With just 720 water accounts to fund our municipal water and wastewater systems, we have long faced financial challenges in upgrading critical infrastructure—despite the dedicated efforts of our public works team to maintain the system.

Over the past three years, our city has been forced to restrict new water hook-ups due to an inability to reliably serve even existing homes, schools, and businesses during times of drought, system breaks, and low flows. This has not only jeopardized public health and safety, but has stalled much-needed affordable and workforce housing development—an urgent need as regional housing costs continue to rise.

The system's fragility was laid bare in 2024 when a major line break caused a rapid drop in treated water supply, resulting in depressurization across much of the city and boil-water notices affecting hundreds of households. Our system's water loss rate routinely exceeds 50 percent, meaning we are effectively paying to produce twice the water we actually deliver—an unsustainable drain on our budget due to escalating costs of chemicals, electricity, and labor.

This inefficiency is accelerating wear on our infrastructure, straining staff capacity, and preventing us from building the reserves needed for capital improvements.

As a City Councilor and now as Mayor, I have prioritized addressing these water infrastructure challenges. Based on our engineer's assessment, reducing water loss by replacing our most failure-prone lines is the most urgent step we can take.

In 2023, we submitted a \$6.7 million FEMA Building Resilient Infrastructure and Communities (BRIC) grant proposal to fund replacement of ten critical, aging water lines with larger-gauge, seismically resilient PVC or HDPE piping. This proposal reflected our growing vulnerability—not only from drought, but from increasing wildfire threats, such as the major fire that came within six miles of our town in 2023. We were proud to be one of just two small cities in Oregon selected to move forward in the competitive BRIC process, and so we were deeply disappointed when the entire federal program was cancelled in early 2025.

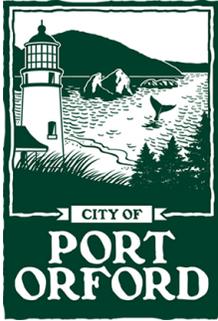
Given this setback, the Capital Construction Funding Request we now submit to you is all the more essential. Your support would enable us to replace one of our most critical and failure-prone water lines—providing immediate benefit and serving as a foundational step in our long-term plan to modernize and strengthen our water system.

We are deeply grateful for your time and consideration, and for our hometown Senator David Brock Smith's invitation and support in making this request. With your help, we can begin to reverse a cycle of vulnerability and move toward a more sustainable and resilient future for Port Orford.

Sincerely,

A handwritten signature in cursive script, appearing to read "Amy Valdez".

Mayor, City of Port Orford



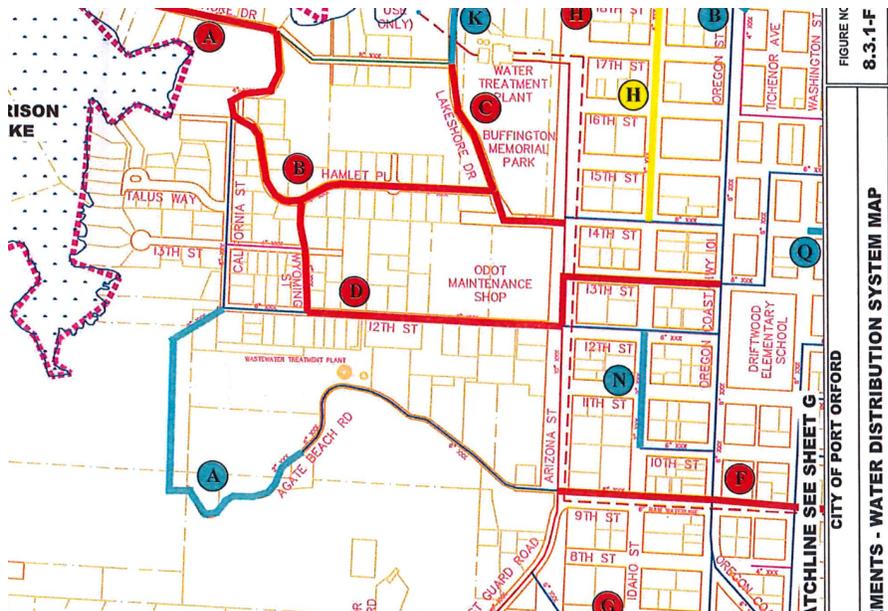
City of Port Orford 2025-27 Capital Funding Request

Port Orford Critical Water Infrastructure Project

Port Orford needs \$994,385 of funding to address critical water infrastructure needs to improve water reliability and security for local residents and businesses and to provide for new housing.

Water Infrastructure is key ingredient for housing

Excessive water loss owing to aging brittle pipes and reservoir related issues have reduced water supply and security to the point that the City of Port Orford had had to implement a curtailment for all new water hook ups. This means that there is no way to increase the housing supply to address our shortage of both workforce and affordable housing. This pipe replacement project will be the first anchoring step in a larger project to make our city’s water infrastructure more secure and resilient —a project for which we are currently seeking federal funding through a FEMA BRIC grant. A Capital Funding Allocation for this pipe replacement would provide our city with the match needed for the larger project to replace all priority one lines (shown in red below). This would enable us to meaningfully reduce water losses. In addition, Port Orford is currently updating its code to encourage more affordable and workforce housing. However, until the city can assure provide more reliable water service for our community, there will be limited opportunity for new housing development. After we reduce water loss, we will be able to allow for new connections, enabling us to allow for housing development.



The **Port Orford Critical Water Infrastructure Project** would replace nearly 3,000 feet of water distribution lines, identified in the City’s Water Master Plan as Priority 1 (red)—highest priority— for replacement.

Port Orford Critical Water Infrastructure Project – Q&A

Project Overview:

Port Orford is requesting \$994,385 in state funding to replace aging water infrastructure critical to ensuring reliable service for residents and businesses, supporting emergency response, and enabling future housing development.

What will the project do?

The project will replace approximately 3,000 lineal feet of deteriorating asbestos-cement water lines in one of Port Orford's oldest neighborhoods. These lines will be upgraded with larger, more durable, seismically resilient PVC or HDPE piping.

Why is it needed?

Port Orford's water system is vulnerable due to aging infrastructure and increasing natural disaster threats. In 2021, drought forced the city to declare a water emergency and halt new hookups. In 2023, a wildfire came within 6 miles of town. In early 2024, a major pipeline break caused system-wide depressurization and boil-water notices. These incidents underscore the need for more robust and reliable infrastructure.

How will this benefit the community?

The existing system suffers from chronic leaks and frequent failures. Replacing high-risk pipe segments will reduce water loss, improve pressure and flow, and ensure better performance during droughts and emergencies such as fires. A modern, dependable system is vital for public health and safety.

Why is state support essential?

Port Orford is a small, economically disadvantaged city. With a median household income of \$32,390—less than half the state median—we cannot shoulder the full cost of these upgrades alone. According to 2022 HUD and Census data:

- 56.6% of residents are low-to-moderate income
- 62% are over age 60
- 39.9% live with disabilities
- 15.6% are veterans
- 15.1% live below the poverty line

Owing to the high percentage of older and disabled residents, Port Orford residents are particularly vulnerable to disruptions of water supply (which often result in the need for boil water notices) and to the hazards that may result from disrupted water supply.