

W. 8. C.

Memorandum Date: March 4, 2009
Order Date: March 18, 2009

TO: Board of County Commissioners

DEPARTMENT: CAO/ Community & Economic Development

PRESENTED BY: Mike McKenzie-Bahr, Community and Economic Development Coordinator

AGENDA ITEM TITLE: RESOLUTION/ORDER IN THE MATTER OF ACCEPTING A \$1,000,000 COMMUNITY DEVELOPMENT BLOCK GRANT FUND FOR THE ROW RIVER WATER SYSTEM IMPROVEMENT PROJECT AND AUTHORIZING THE COUNTY ADMINISTRATOR TO SIGN THE GRANT AGREEMENT DOCUMENTS

I. MOTION

Move to accept the \$1,000,000 Community Development Block Grant and authorize the County Administrator to sign the grant agreement documents.

II. AGENDA ITEM SUMMARY

The State of Oregon Community & Economic Development Department has awarded a \$1,000,000 Community Development Block Grant to Lane County to replace the Layng Creek water treatment system to serve the residents of the Row River Valley Water District.

III. BACKGROUND/IMPLICATIONS OF ACTION

A. Background / Analysis

The Layng Creek water system has been the water source for the City of Cottage Grove and the Row River Valley, where the water enters the system, for 94-years. For the past 10 years, the City has been under order from with Department of Human Services, Public Health Division, Drinking Water Program to solve turbidity issues and provide clean water year round.

The City of Cottage Grove ended water service in the Row River Valley in February 2009, when they turned the system over to the Row River Valley Water

District. The system serves 107 water connections, including 94 single family residences, two mobile home parks (with 46 residents), two schools, the only general store in the area, and two County parks.

In addition to not meeting clean water standards year round, the water treatment system is also old and dilapidated and is costly to operate and maintain.

Lane County assisted local residents to form the Row River Valley Water District and assisted the District to seek funds to replace elements of the dilapidated system. The County applied for the Community Development Block grant on behalf of the District as the District is not eligible to apply for these funds.

The OECD has now awarded \$1,000,000 in grant funds to the County. The County must formally accept the grant by Board Order and sign the grant contract documents with the state, an IGA with the Row River Valley Water District for management element of the project and Lane Council of Governments for grant management assistance and federal wage standard monitoring.

B. Policy Issues

The Board has the following policy issues to consider:

- 1) Should the County accept Community Development Block Grant funds from the state, and allocate staff time, in order to undertake this project?

C. Board Goals

The accepting of the CDBG funds and undertaking the water treatment project will meet the following Board goals:

- 1) Develop Lane County's economic engine
- 2) Provide outstanding customer/constituent service
- 3) Build public trust through intensive communication and engagement

D. Financial and/or Resource Considerations

The \$550,000 match required by the grant will be paid by the Row River Valley Water District to the County. The County will retain \$7,500 from the total project funds to administer the project and pay for project related expenses.

E. Analysis

The award of this grant is the culmination of several years of work. Accepting the CDBG funds will allow the water treatment system to be replaced and clean water to be provided to the residents of the Row River Valley.

F. Alternatives/Options

The Board may:

- 1) Approve the ORDER accepting the grant funds;
- 2) Delay approving the Order if the Board needs additional information that could not be provided at the Board meeting;
- 3) Do not approve the ORDER and do not accept the grant.

IV. TIMING/IMPLEMENTATION

Upon Board approval of the ORDER, grant contracts will be sent through County Counsel review process and prepared for signing by the County Administrator. Upon signing of the contracts, the project will begin.

V. RECOMMENDATION

The Lane County Community & Economic Development Coordinator recommends the Board of Commissioners approve the motion to accept the grant so we can ensure no interruption in water service and ensure safe clean drinking water to the Dorena, Culp Creek and Row River Valley communities.

VI. FOLLOW-UP

Staff will keep the BCC updated on the project. Any issues needing Board attention will be brought to the Board in a timely manner.

VII. ATTACHMENTS

- 1: Board Order
- 2: OECDD Award letter

IN THE BOARD OF COUNTY COMMISSIONERS OF LANE COUNTY, OREGON

RESOLUTION/ORDER NO.

) RESOLUTION & ORDER IN THE
) MATTER OF ACCEPTING A \$1,000,000
) COMMUNITY DEVELOPMENT BLOCK
) GRANT FUND FOR THE ROW RIVER
WATER SYSTEM IMPROVEMENT
PROJECT AND AUTHORIZING THE
COUNTY ADMINISTRATOR TO SIGN
THE GRANT AGREEMENT
DOCUMENTS

WHEREAS, in early 2006, the residents of the Row River Valley were informed by the City of Cottage Grove that their current water system would only be maintained for another two years, and

WHEREAS, the Lane County Board of County Commissioners, acting on a citizens petition, formed the Row River Valley Water District, and

WHEREAS, the Board of County Commissioners, working with the Row River Valley Water District, applied for a \$1,000,000 Community Development Block Grant, and

WHEREAS, on March 2, 2009 the Oregon Community & Economic Development Department awarded a \$1,000,000 grant of Community Development Block Grant funding to Lane County for the Row River Water System Improvement project; and

WHEREAS, the Board of County Commissioners may appropriate dedicated grant funds as per ORS 294.326(3);

NOW THEREFORE, IT IS HEREBY RESOLVED & ORDERED THAT: the Lane County Board of Commissioners approves accepting a \$1,000,000 CDBG Public Works Grant from the State of Oregon Economic & Community Development Department; and

FURTHER ORDERED that an intergovernmental agreement will be prepared and executed with the Row River Water District and Lane Council of Governments to complete the project administration and management, including a \$550,000 match from Row River Water District to be paid to Lane County, in accordance with grant requirements, and authorizes the County Administrator to sign the aforementioned intergovernmental agreements; and

FURTHER ORDERED that revenues and expenses in the amount of \$1,550,000 is appropriated for the Row River Water Improvement Project for FY 08-09 in Special Revenue SubFund 269 General Expense.

DATED this 18th day of March, 2009.

Peter Sorenson, Chair
Lane County Board of Commissioners

APPROVED AS TO FORM

Date 3-12-09 lane county

OFFICE OF LEGAL COUNSEL

OREGON
ECONOMIC & COMMUNITY
DEVELOPMENT DEPARTMENT

March 4, 2009

Honorable Faye Stewart
Lane County Board of Commission Chair
125 E. Eighth Avenue
Eugene, OR 97401

Dear Commissioner Stewart:

Congratulations on your successful application for the *Award for Community Development Block Grant Lane County Row River Valley Water District System Improvements, Project # P08032!* You will be receiving a grant for \$1,000,000 from the Community Development Block Grant program. This program, administered by the Oregon Economic and Community Development Department (OECDD), provides grant funds to cities and counties to upgrade public infrastructure, develop community facilities and provide essential services to the workforce and your citizens.

Please note that the legal obligation for funding is subject to execution of a contract between your jurisdiction and the state acting by and through the Oregon Economic and Community Development Department. Contract documents will be sent to you shortly for your review and signature. For your convenience, we have enclosed the Grant Management Handbook, explaining how to manage the project in accordance with the requirements of the Community Development Block Grant Program is enclosed.

Funds cannot be obligated or spent for any activity until the environmental review process described in Chapter 3 of the Grant Management Handbook has been completed for each activity. Grant administration and engineering are exempt from environmental review and can be started as soon as your Certifying Officer completes a Finding of Exemption for those two activities.

We encourage you to expand public awareness of your project's purposes and benefits through events and the media. Please notify your Oregon Economic and Community Development Department Regional Coordinator of any event celebrating your project.

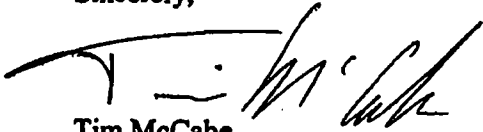
GOVERNOR THEODORE R. KULONGOSKI

775 Summer St. NE, Suite 200 • Salem, Oregon 97301-1280

Phone 503-986-0123 • TTY 1-800-735-2900 • Fax 503-581-5115 • <http://econ.oregon.gov>

We look forward to working as a partner with you to complete this important project. The OECDD's Community Development Division staff members are available to answer questions that may arise during implementation of your project. If you need assistance, please contact your Regional Coordinator, Louise Birk, at (503) 986-0130 or email: louise.r.birk@state.or.us .

Sincerely,

A handwritten signature in black ink, appearing to read 'Tim McCabe', is written over a horizontal line.

Tim McCabe
Director

enclosure

c: Mike McKenzie-Bahr, Community/Economic Development Coordinator
Fiscal
File