



## Staff Report

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**File #:** 17-637

**Version:** 1

**Date:** 1/8/2018

**Item #:**

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**TO:** Mayor and City Council

**THROUGH:** Steve Powers, Executive Director

**FROM:** Peter Fernandez, PE, Public Works Director

**SUBJECT:**

Mid-Year Project Request for Water System Improvements on Country Club Drive S and Illahe Hill Road S

Ward(s): 7

Councilor(s): Cook

Neighborhood(s): SWAN

**ISSUE:**

Shall City Council authorize the creation of a new mid-year water project, funded by Extra Capacity Facilities Fund 260, for the construction of water system improvements that provide S-1 water service to the Illahe area?

**RECOMMENDATION:**

Authorize the creation of a new water project, "Water System Improvements on Country Club Drive S and Illahe Hill Road S-Developer Reimbursement," in the FY 2017-18 Extra Capacity Facilities Fund 260, funded with Water System Development Charges for construction of water system improvements that provide S-1 water service to the Illahe area.

**SUMMARY AND BACKGROUND:**

This project will provide cost-effective water service to the Illahe area. The City of Salem supplies drinking water to four different service zones in south Salem. Service zones are determined by the water flow and pressure required to meet domestic and fire protection needs. Areas of the City with lower ground elevations are serviced with infrastructure from the G-0 zone, a gravity pressured zone. Areas of the City that have higher ground elevations are serviced by the S-1, S-2, or S-3 zones. These zones are pressurized by a series of pump stations and reservoirs. The S-3 zone serves properties at the highest ground elevations in the City.

Water infrastructure was provided to the G-0 service zone in the Illahe area of south Salem in 2006 when the developer of Bailey Ridge Subdivision constructed approximately 8,000 feet of G-0 water main along River Road S to serve the development. Infrastructure is currently not available to provide water service to the S-1 service zone in the Illahe area.

The Illahe Forest Subdivision is located in the S-1 water service zone and requires new infrastructure improvements in accordance with the Water System Master Plan (see Attachment 1 - Vicinity Map). The most cost effective method for providing S-1 water system improvements to the Illahe Forest Subdivision is by converting the existing G-0 water main in River Road S into an S-1 water main and extending 12-inch and 16-inch water mains from the converted G-0 water main to the Illahe Forest Subdivision. A pressure reducing valve is also required to continue G-0 water service to the Bailey Ridge Subdivision.

## **FACTS AND FINDINGS:**

1. On April 27, 2017, the Planning Administrator granted conditional approval to Urban Growth Area Preliminary Declaration Case No. SUB-UGA17-01 (Illahe Forest Subdivision), setting required improvements that must be constructed as a condition of final plat approval. Condition 7 of Illahe Forest Subdivision required construction of a water booster pump station to meet the  
  
S-1 water needs for the proposed subdivision.
2. On June 28, 2017, the developer of Illahe Forest Subdivision submitted plans to the City for construction of public infrastructure pursuant to SRC 77.090. As part of the plan review process, the developer's engineer and City staff determined that the booster pump station was not a cost-effective solution for providing S-1 water service to the proposed development.
3. On November 22, 2017, the applicant filed a request for amendment to SUB-UGA17-01 by modifying condition 7 to require construction of the 12-inch and 16-inch water mains.
4. Resolution 2018-3, included as a separate item on the City Council agenda, proposes to add the water system infrastructure improvements proposed under this mid-year project request to the Eligible Projects List for Water Systems Development Charges.
5. Upon approval of Resolution 2018- 3 and authorization of this mid-year project, the developer will be eligible for reimbursement from Systems Development Charges after completing construction of the water system improvements.
6. A description of the proposed new capital improvement construction project:

**Project:** Water System Improvements on Country Club Drive S and Illahe Hill Road S - Developer Reimbursement

**Description:** Developer reimbursement associated with the design and construction of water system improvements to provide S-1 water service to the Illahe area.

**Cost:** \$473,000

Attachment: Vicinity Map