

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 18-4947 FOR THE PURPOSE OF AUTHORIZING THE CHIEF OPERATING OFFICER TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT TO ESTABLISH INTERIM GOVERNANCE AND FUNDING FOR THE IMPLEMENTATION OF LEVEE READY COLUMBIA RECOMMENDATIONS

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BACKGROUND

In 2013, the Governor asked Multnomah County and Portland to convene an Oregon Solutions Team to address the potential de-certification (by the US Army Corps of Engineers [USACE]) and de-accreditation (by FEMA) of the Columbia River levee system from the railroad embankment near Expo to the Sandy River.

This Resolution is the fourth in a series of actions taken by the Metro Council in support of the process:

- In May, 2014 the Metro Council adopted Resolution No. 14-4525 authorizing the Chief Operating Officer to execute an intergovernmental agreement providing a \$300,000 Metro funding commitment toward the \$1.4 million engineering assessment of the Peninsula Drainage Districts No. 1 and No. 2 (PEN 1 & 2). Of the four drainage districts along the Columbia River, it was most urgent to initiate work on PEN 1 & 2 because the effective date for the USACE certification had already lapsed. Further, stakeholders impacted by PEN 1 & 2 were already organized and Metro has a significant interest in ensuring the work advanced since Metro is the property owner for The Expo Center.
- In June, 2015 the Metro Council adopted Resolution No. 15-4606 authorizing the Chief Operating Officer to execute a Declaration of Cooperation establishing the overall process and governance for the full effort encompassing the four drainage districts within Metro (PEN 1 and 2, the Multnomah County Drainage District No. 1 [MCDD] and the Sandy Drainage Improvement Company [SDIC]) plus the Sauvie Island Drainage Improvement Company (SIDIC).
- In September, 2015 the Metro Council approved Resolution No. 15-4641 authorizing the Chief Operating Officer to execute an intergovernmental agreement (see Attachment 1 to Resolution No. 15-4641) providing a \$300,000 Metro funding commitment (plus interest) toward the \$3.99 million engineering assessment of the MCDD and SDIC levee system. Multnomah County will be the recipient of an Infrastructure Finance Authority loan through Business Oregon with intergovernmental agreements providing distribution of the cost responsibility between Metro, the drainage districts, Multnomah County and the Cities of Portland, Gresham, Fairview and Troutdale.

Note: there was a separate work scope, budget and distribution of cost responsibility for the Sauvie Island Drainage Improvement Company engineering assessment. That budget includes a pro-rata share of costs for convening the Oregon Solutions process and managing outreach and

stakeholder communications plus the direct cost of their engineering assessment and interface with the USACE and FEMA. Sauvie Island is not within the Metro Boundary and, therefore, Metro is not a signator to that funding agreement.

- This Resolution No. 18-4947 proposes to authorize the Chief Operating Officer to execute an intergovernmental agreement (see Attachment 1 to Resolution No. 18-4947) providing \$50,000 per year (plus escalation) for a potential five-year term for implementation of the permanent governance and funding structure for the repair, reaccreditation and continued operation of the flood control system.

As with the previous funding agreements, this funding agreement is intended to strictly establish the distribution of costs for the implementation efforts and associated Oregon Solutions convening process and is done in the spirit of cooperation and the agreed upon need to conclude the reaccreditation process. This Intergovernmental Agreement does not in any way imply any similar responsibility to fund or share in the funding of the repair or capital improvement costs expected for the actual levee rehabilitation.

ANALYSIS/INFORMATION

1. **Known Opposition:** None Known.
2. **Legal Antecedents:** Metro Code Section 2.04.020 (Requiring the Metro Council approval of contracts that obligate Metro for payment of funds not previously appropriated by the Metro Council. This proposed IGA establishes a Metro funding commitment which will impact the FY 2017-18 Metro budget).
3. **Anticipated Effects:** Adoption of this resolution will authorize the Metro Chief Operating Officer to enter into an Intergovernmental Agreement for the implementation of the Levee Ready Columbia recommendations. This will include seeking legislative and voter support to form a new consolidated flood management district and funding mechanisms for capital improvements and continued operations and maintenance. It will also include participation in the US Army Corps of Engineers “New Start” study process in order to qualify for federal assistance in implementing needed repairs.
4. **Budget Impacts:** The maximum potential cost of the project to Metro is \$50,000 per year (plus escalation) for five years. However, the IGA would be terminated upon implementation of the recommended governance and funding structures which could be in less than five years.

RECOMMENDED ACTION

Recommend adoption of Resolution No. 18-4947