

The City has received a number of questions regarding the water project. As a matter of convenience, City communications staff has summarized those questions and staff responses below. This is for informational purposes only.

What historical steps did the City Council take in assessing the water project?

- In 2012, the City Council began taking steps in the planning process to replace our current water treatment plant that was built in 1948 and has reached the end of its life. The plant sits in a precarious location in the Ashland Watershed that is subject to wildfire, landslide and flooding. [View the background.](#)
- This project was first developed as part of the Council-adopted [2012 Water Master Plan](#). The Water Master Plan was developed over a two-year period with consultants, City staff, Council Liaison and a community member group (Ashland Water Advisory Committee). Since that time the project has evolved, and Council has participated in its evolution through project review and formal approvals. The project has also been part of the biennial budget and capital improvement plan approval process since 2012. More background information can be found on our FACT/FAQ page at ashland.or.us/WaterPlant.

Throughout the process, has there been citizen-feedback and input? If so, what has that citizen input looked like?

- A significant portion of the citizen feedback we've received expressed an interest to proceed with the project in order leverage the EPA loan and capitalize on the favorable financing terms available.
- At the same time, a number of citizens are opposed to the project. Their main criticisms have pointed to the cost and need of the new water treatment plant as well criticism there has not been sufficient citizen input.
- Regarding input, these matters have all been discussed in public meetings. Residents are encouraged to attend meetings and have the opportunity to speak on both agenda items and non-agenda topics and electronically submit public comments. The Council takes steps to ensure transparency, accessibility and responsiveness to our citizens. In addition to attending meetings, residents can request to meet with councilors one on one, or email Council as a group. More information at ashland.or.us/Council.

Can you explain why the estimated budget of the project went from \$36 million to the current estimated budget of \$75 million? Can you explain why, despite that large increase, the City still wants to proceed with the project?

- The project's costs have escalated, adding to the concern that any further delay would be detrimental. This concern might be compounded by the persistent uptrend in the costs of goods and services. The cost of goods has increased 30% since 2019.

What is the Council's authority, generally, in making financial decisions for the City? What is the Council's authority in signing off on the bond?

- The City Council is an elected body that is obligated by state statutes to approve projects, budgets, and financing means that exceed certain state thresholds. This project and all other appropriations are discussed as part of the budget process, which involves appointed community members on the budget committee.

Can you provide information as to why Ashland Water Rates are among the highest in the state?

- The Ashland City Council has historically supported infrastructure maintenance and improvement, which has also allowed the City to meet Oregon Health Authority Drinking Water Standards. All local communities have recently increased rates to account for system improvements and will continue to do so as needed. The City of Ashland has not increased rate since 2019 and this is not a sustainable path forward given that labor and materials continue to increase yearly.

Can you please provide information on what the consequences will be to the City if the petition is successful? What are the consequences to the City if the petition is unsuccessful?

- The City council, through the advice of City staff and experts over the last few years, have identified that the water treatment plant is an infrastructure priority. Thus, this petition does not address whether or not the project will go forward. Rather, this petition addresses only how the project will be funded. The consequence of the measure will be: how much costs will be transferred to the consumer? Currently, the terms are favorable. Delaying the project will mean costs will be determined off circumstances and terms we cannot currently predict.
- Rejection of the financing recommended for the project will create a delay. This delay will cause the City to look for other funding sources, which might increase costs due to market forces. Additionally, it also risks the possibility that future financing will not be as favorable as the current proposal and it may transfer the costs from rate payers to taxpayers by assuming debt that requires the full faith credit of the City. Please review the FAQs for the project and financing at ashland.or.us/WaterPlant.