Lake Oswego Tigard Water Partnership

Lake Oswego's key water supply facilities – the water intake on the Clackamas River and the water treatment plant in West Linn – are more than 45 years old. Over the years the City of Lake Oswego has continued to invest in its water supply system through upgrades, replacements, and maintenance. This has allowed the City to keep water rates low.

Now, despite past investments and ongoing maintenance, the system and most facilities are nearing the end of their expected life. Lake Oswego's water facilities are too old and undersized to continue to reliably and economically serve the community's needs.

In August 2008, the cities of Lake Oswego and Tigard formally endorsed a partnership agreement for sharing drinking water resources and costs. Lake Oswego's water supply system is near capacity, and key facilities would need expansion and upgrades, even without a partnership with Tigard. Tigard residents need a secure, dependable water source. Both cities want to keep water affordable for their customers and sharing the cost of new infrastructure to serve both communities does that.

Lake Oswego customers benefit by sharing the costs with Tigard customers for needed upgrades to the community's water system.

Cost / Funding

The current (2015) estimate is $254 million. Cost estimates for large multi-million dollar infrastructure projects can fluctuate widely as design engineers move from concept to detailed engineering plans. As more is known about a project's elements, the more precise cost estimates become.

For example, when LO Tigard Water Partnership was at about 60% design, there was a fairly high degree of confidence in the costs associated with 60% of the project while another 40% of the cost is an estimation based on experience. Costs only become final when contractors are hired and construction begins. And even then we know surprises can arise. This is why every construction project has working "contingencies" built into their estimates.

The bottom line is that the true final cost of a large project is never known until the last worker leaves the job site and the final bill is paid.

Funding sources for the Partnership project include bonds issued by Lake Oswego and Tigard to be repaid over the years by customers' monthly water charges and SDCs (systems development charges). SDCs enable new connections to the system to pay for their respective share of capacity into the expanded system. Cities typically sell bonds to fund large capital projects. Both Lake Oswego and Tigard are increasing water rates to repay the principal and interest on bonds, and to operate and maintain the joint water supply system.

More Information

To learn more information about the water systems, project information or to sign up for updates on the project, please go to the project website at www.lotigardwater.org.

Web Links

Lake Oswego/Tigard Water Partnership Website

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