

May 13, 2026

To: Portland Mayor Keith Wilson
Portland City Council President Jamie Dunphy, District 1
Portland City Councilor Candace Avalos, District 1
Portland City Councilor Loretta Smith, District 1
Portland City Councilor Dan Ryan, District 2
Portland City Councilor Elana Pirtle-Guiney, District 2
Portland City Councilor Sameer Kanal, District 2
Portland City Councilor Angelita Morillo, District 3
Portland City Councilor Steve Novick, District 3
Portland City Councilor Tiffany Koyama Lane, District 3
Portland City Councilor Mitch Green, District 3
Portland City Councilor Eric Zimmerman, District 4
Portland City Councilor Olivia Clark, District 4

CC: City Auditor Simone Rede, City Administrator Mr. Raymond Lee III, Deputy City Administrator Priya Dhanapal, Public Utilities Director Dr. Ting Lu

This coming Wednesday, May 13, 2026, you will be asked to vote to approve \$525 million of debt in the form of water revenue bonds on behalf of the City of Portland, primarily driven by the Bull Run Filtration Plant. This item represents an opportunity to challenge, adapt, and fix what was broken in the old form of government: bureau fiefdoms, black-box project management, cost overruns from missing project elements (in this case 7 miles of pipeline), and what appears to be a revolving door between city staff and firms who “score city contracts¹.”

If you approve this debt request as-is, you will, in the words of former City Administrator Mike Jordan, “be raising rates at a rate that will drive [ratepayers] nuts. And [City Council] will be constraining the operational budget at the same time².”

¹ “Joe Glicker, the engineer who heads Portland's 40-employee MWH division, was once the chief engineer for the Portland Water Bureau. Once Glicker joined with MWH in 1994--after a 14-year career with the city--his new firm immediately scored a contract with the Water Bureau to assess the safety of the open reservoirs. Since then, the MWH contract has been amended eight times, sending total fees collected by the firm up to \$2.1 million--more than twice the amount of the original deal.” Clark, Taylor. *A friend in the business*. Willamette Week. April 2003. <https://www.wweek.com/portland/article-2423-a-friend-in-the-business.html>

² Former City Administrator Mike Jordan. City Club of Portland Exit Interview. January 9, 2026. Full excerpt: “It will be \$4 billion once they’re done...I guarantee it. The amount of debt that will need to be issued and paid back for the filtration plant will put the City right in the exact same place as the Bureau of Environmental Services 15/20 years ago when they worked on Project Big Pipe.

But, it is not late into the project to adapt to new information in this new form of government with new leadership. **On behalf of the TAP (Together for an Affordable Portland) campaign, we respectfully urge you to amend the water revenue bond amount to only include the amount required for maintenance of existing city infrastructure.**

We ask you direct staff to hold an emergency work session for Portland City Council to offer cost-effective alternative approaches to (1) renew the variance outlined in the bilateral agreement with the Oregon Health Authority to the United States Environmental Protection Agency and (2) approve a contingency plan to the Bull Run Filtration Plant in an emergency case of cryptosporidium.

This work session and possible action by the City Council must occur before and in conjunction with proposed water rate increases for FY 2026-2027 because it locks the water rate increases in for the next 10 fiscal years, at minimum. Portland City Council and the public must have full and up-to-date information and greater involvement and opportunity to understand all options, the difference between required and desired outcomes, and the impacts to the residents and businesses who will bear the costs.

To avoid further costs to ratepayers, damage to nearby local farmers, and destruction of the watershed itself, we urge Mayor Wilson and Portland City Council to direct staff to instruct construction firms to halt construction at the site. We appreciate the hard work that project staff are doing to wrangle in the project risk and uncertainty. But, without Mayor Wilson and Portland City Council intervening to help rightsize the overall approach, staff are put in a near-impossible position.

We also value and thank the hard work of our local tradeswoman and men. We hope that our tradeswomen and men also understand that in order for all of us to be successful and to have future projects, the City of Portland must phase and fund these large capital projects in ways that do not constrain the city's budget, reduce the city's credit and ability to issue future bonds, lose ratepayers, and lead to greater loss of and burden to the people and businesses within the Portland region³.

Together for An Affordable Portland (TAP) Campaign

The City will be raising rates at a rate that will drive you nuts. And they will be constraining the operational budget at the same time. You should be talking to the City Council about this issue. There is nowhere I could look from the chair I sat in and not see a fiscal problem.” Watch the video at: <https://www.youtube.com/watch?v=JKj863c8Jxc> at the 1:15:00.

³ Kish, Matthew. The Oregonian. 40%-plus of Portland residents are considering moving. Here's why. <https://www.oregonlive.com/portland/2026/05/40-plus-of-portland-residents-are-considering-moving-heres-why.html>

Created in late April 2026, the TAP Campaign has quickly garnered partnership with statewide, regional and local groups, local farmers and farmer associations, volunteer firefighters, local businesses, and residential ratepayers. TAP is powered by and accountable to people, our local businesses, and our vision for Portland to be a place where everyone can call home for generations to come. The TAP Campaign also builds on the wisdom of several community leaders who have researched the project We come together to advocate for water affordability, accountability, and alternatives that work.



Bull Run and a Resilient Water System

Portland's water system provides water to about ¼ of Oregon's population. Oregonians in the water system are fortunate to have an amazing, near-pristine primary water source of rainfall collected in a 102 square mile watershed area near the Mt. Hood National Forest and a very safe secondary source from wellfields out in East Multnomah County (Columbia South Shore Well Field).

In the rare event of cryptosporidium (a diarrhea-inducing parasite from wildlife feces) or even a wildfire, we are able to use the back-up well fields. We're actually using them over the Mother's Day weekend as a result of a leak at Bull Run (reported on Friday, May 8, 2026⁴). Because these wells are so deep, the risk of cryptosporidium is near zero. The City also could issue a boil water notice. As Director Dr. Ting Lu reflected in response to tapping into the secondary source:

⁴ KGW News. *Portland is tapping into its backup supply of drinking water after springing a leak.* May 8, 2026.

<https://www.kgw.com/article/news/local/portland-drinking-water-supply-backup-pipe-leak-bull-run-groundwater-well/283-a0e73756-3039-4ed9-acb4-2d83527aab24>

“Our water system is designed for resilience. Having two high-quality drinking water sources, the Bull Run Watershed and our groundwater system, ensures we can respond rapidly to maintain a safe, reliable water supply for our community.”

We have a strong, resilient water system to steward and maintain. We urge Portland City Council to take more active positions in advocating for policies and investments that protect Mt. Hood National Forest and our primary water source. There have been increased legislative threats to Mt. Hood National Forest and water resources, particularly from the federal government⁵. We also ask the City Council to note the strong foundation of our current water system without the Bull Run Filtration Plant.



“The Bull Run River starts as a series of springs in the temperate rainforests around the watershed.” Courtesy of City of Portland

Pursuing a Renewed Variance/Alternative Back-up Plans for a Cryptosporidium Mandate

⁵ Ehrlich, April. OPB. As Google’s water demands grow, The Dalles aims to pull more from Mount Hood forest. January 23, 2026.

<https://www.opb.org/article/2026/01/15/as-googles-water-demands-grow-the-dalles-aims-to-pull-more-from-mount-hood-forest/>

Pattiz, Jim. Hatch. Trump administration orders dismantling of the U.S. Forest Service The headquarters is going to Utah. Every regional office is being shuttered. The research program is being destroyed. April 2, 2026.

<https://www.hatchmag.com/articles/trump-administration-orders-dismantling-us-forest-service/7716263>

We understand and acknowledge the need to comply with the federal mandate for cryptosporidium. Given Portland's strong and resilient water system, we also understand that, for years, the City earned a variance as part of a bilateral agreement with the Oregon Health Authority. Recognizing the low probability of cryptosporidium and the safe secondary water source, we urge Portland City Council to seek a renewal of this variance with the Oregon Health Authority as the initial pathway to comply with the federal mandate.

If the City of Portland did desire developing more back-up options (which is not bad thinking in itself), bureau staff have already identified alternatives that are more cost-effective at complying with the EPA mandate. For example, the City could install U/V technology for a fraction of the price (a couple hundred million at most...which is cost-effective compared to the estimated \$2.56 billion for the Bull Run filtration plant or the estimated \$4 billion if you asked former administrator Mike Jordan). The City could also choose a closer location - one that doesn't require 7 miles of new pipeline (which requires dynamite blasting out in the watershed). We provide a comprehensive list of alternatives in Appendix A.

What we're left with by not learning and examining other alternative back-ups is an outdated and oversized back-up plan for near-pristine water that will lead to mass water shut-offs, strained household budgets for our working families, and business closures, especially local businesses.

Appreciating and Strengthening our Emergency Planning: Wildfire Resilience

We appreciate hearing concerns from some of Council and staff that the Bull Run Filtration Plant will help create resiliency to more frequent and severe natural disasters, such as wildfire. But, as the City of Portland staff reflect:

“Fire has and will occur in the Bull Run Watershed, like in all forests, though large fires are very infrequent in temperate rainforests. There is evidence that major, high-severity wildfires burned the watershed in 1493, 1663, 1693, 1873, and 1881. The fire in 1493 burned nearly the entire watershed, while the others averaged roughly 5000 acres, or about eight square miles. While infrequent, large wildfires can degrade water quality if sediments and nutrients are washed into streams during and after a fire.”

The last large fire since 1881, the 2023 Camp Creek Fire (pictured to the right), burned through the Bull Run Watershed (2,055 acres of the forest). Although a significant fire, the City of Portland notes that, with



respect to the water source quality, “the Camp Creek Fire was a low severity fire which hasn’t produced any water quality concerns to date⁶.” This further reinforces our strong foundational, resilient water system without the Bull Run Filtration Plant.

We urge Mayor Wilson and Portland City Council to take more proactive positions to ensure there is adequate staffing and funding of our federal and state partners who take lead in responses to fire in the watershed, particularly in the U.S. Forest Service, Bureau of Land Management, and Oregon Department of Forestry⁷.

If Mayor Wilson and Portland City Council and bureau staff seek to add staffing capacity, technology, or capital projects as part of emergency preparedness, we urge Mayor Wilson and Portland City Council to build a broad and diverse coalition to generate public awareness and support to advocate for larger grants to offset significant costs. Ratepayer increases should be a fraction - or a match - of building preparedness; putting the entire financial burden of these large multi-billion dollar efforts defeats the major goal of resiliency planning: building stronger communities in the face of changing conditions.

Avoiding Double-Digit Water Rate Increases, New Fees on Businesses, and Strained City Budgets for the Foreseeable Future



Already in a budget-constrained environment, we urge Mayor Wilson and Portland City Council to have full, accurate information of all viable strategies and associated costs, including (1) renewing the variance with Oregon Health Authority and (2) assessing alternative back-up strategies to treat cryptosporidium, and (3) and continuing onward with the Bull Run Filtration Plant.

We have two major concerns for the fiscal impacts of the proposed project as-is: (1) continued skyrocketing project cost increases with over 1.5 billion more expected than the \$2.56 billion estimate provided to you (former City Administrator Mike Jordan) and (2) 100% of the project’s costs put onto a shrinking pool of ratepayers⁸.

⁶ <https://www.portland.gov/about-portlands-water-system/about-bull-run>
⁷ Camp Creek Fire. Mt. Hood National Forest and Portland Water Bureau. April 15, 2024.
<https://storymaps.arcgis.com/stories/d424dd9b587649a4b646a322a693b6eb>

⁸ Thomas, Keaton. KATU Staff. Gresham decides to tapping own water supply less expensive than staying on Portland water. May 3, 2021
<https://katu.com/news/following-the-money/gresham-decides-tapping-own-water-supply-less-expensive-than-staying-with-portland>

First, we appreciate our newer City of Portland staff's work to wrangle in the project's uncertainty and begin to establish a higher level of confidence. It is a herculean task to fill in crucial information gaps of a multi-year, multi-billion dollar, complex project. But, a recent public interview from former City Administrator Mike Jordan - someone with intimate knowledge and control of the project - "guaranteed the project would be over \$4 billion before it's all said and done⁹." Given the project's complexity that involves blasting through a layer of basalt rock and the project's over 2,000 change orders, we urge the City Council to rein in the spending before it's too late.

Second, we are concerned that the entire multi-billion dollar Bull Run Filtration Plant is funded exclusively by water ratepayers. The often referenced WIFIA Loan, with up to 4.49% interest rate, still needs to be paid back entirely by water ratepayers. If the Bull Run Filtration Plant moves forward as-is and these Water Revenue Bonds are approved without direction for an alternative course, Portland water ratepayers will need to be ready to absorb at least 10% increases each year for at least the next 10 years.

Beginning January 2027, Portland businesses will also need to find ways to absorb a brand new transportation fee that is calculated at 4.3% of their entire utility bill¹⁰. In Appendix B, you'll find some sample profiles to better understand how these percentages will impact Portland residents and businesses.

Currently, it is not too late for Mayor Wilson and Portland City Council to adapt to new information and changing conditions. The Bull Run Filtration Plant project is only at an estimated completion rate of 30% as of May 5, 2026¹¹. We urge Portland City Council to amend the water revenue bond amount to only include the amount required for maintenance of existing city infrastructure.

We ask Mayor Wilson and Portland City Council to direct staff to hold an emergency work session for Portland City Council to offer cost-effective alternative approaches to (1) renew the variance outlined in the bilateral agreement with the Oregon Health Authority to the United States Environmental Protection Agency¹² and (2) approve a contingency plan to the Bull Run Filtration Plant in an emergency case of cryptosporidium.

We also ask Mayor Wilson and Portland City Council to direct the Government Affairs team to develop an engagement plan to develop shared 'funding asks' for projects, programs, and

⁹ *Id* at City Club of Portland Exit Interview of Mike Jordan.

¹⁰ City of Portland. Accessed May 11, 2026.

<https://www.portland.gov/transportation/budget/online-open-house-local-transportation-funding/section-6-transportation>

¹¹ City of Portland Dr. Ting Lu to the Portland Utility Board. May 5, 2026.

¹² On March 14, 2012, DWS issued a Final Order granting a variance from the requirements to treat the water for Cryptosporidium and to provide at least two disinfectants, due to the nature of the raw water source and lack of detection of cryptosporidium .

<https://yourwater.oregon.gov/portland/variancefinalorder.pdf> Bilateral Compliance Agreement.

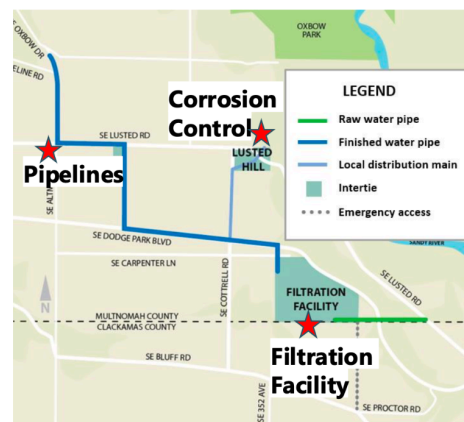
https://yourwater.oregon.gov/docs/enforcements/00657_20171218_ma.pdf

services that can help all of us work to effectively bring bigger resources to Oregon (e.g., federal grants, state grants, regional planning grants). Consistently increasing or creating new fees and taxes is untenable and unsustainable for residents, local businesses, and the city fiscal goals, itself.

Supporting Local Farmers and Watershed Health from Bulldozers and Dynamite Blasts

What Bull Run Treatment Projects Include

- **Filtration Facility**
Treats Bull Run water to meet federal and state requirements
- **Pipelines and Connections**
Connects the treatment facility to the existing distribution system
- **Improved Corrosion Control Facility (2022)**
Protects public health by reducing lead exposure at the tap



Together, these components ensure regulatory compliance and long-term system resilience.

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The Bull Run Filtration Plant site selection combined with the construction design is not only the most expensive option, it is the most intrusive and destructive. The site of the proposed filtration plant, pipelines, and corrosion control facility is located near active local nursery farms and the headwaters of the Johnson Creek Watershed.

Because of Bull Run Filtration Plant’s location, the plant requires approximately 7 miles of brand new pipeline to connect to the current system (the original estimate failed to include the pipeline’s costs or impacts). Construction of the plant and pipelines on the 94-acre project site requires the excavation of nearly 600,000 cubic yards of soil, dynamite blasts to break through a layer of Boring lava deep underground, and construction truck trips through the Gresham-Barlow school district, nursery farms, and rural residential neighborhoods. Multiple neighboring public bodies have opposed the project, raising questions and concerns and providing documentation of damages, disturbances, and unanswered requests for assistance¹³.

¹³ Redden, Jim. *Portland Bull Run plant location opposed by Gresham-Barlow*. Tribune. March 4, 2023. “The resolution said the bureau has not responded to numerous safety concerns raised by the school district. It passed by a vote of 4 to 0 on Wednesday, March 1.” <https://www.koin.com/news/civic-affairs/portland-bull-run-plant-location-opposed-by-gresham-barlow/>

Sincerely,

Samuel Diaz
Executive Director
1000 Friends of Oregon

Cheyenne Holliday
Director of Policy and Advocacy
Verde

Devin Ruiz
Deputy Director
Next Up

Dr. Sandra Comstock
Executive Director
Hygiene4All

Molly Hogan
Executive Director
Welcome Home Coalition

Nick Sauvie
Executive Director
Rose Community Development Corporation

Jeff Stone
Executive Director
Oregon Association of Nurseries

Carolee Orloff
Alameda Neighborhood Association