



# PUBLIC WORKS

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## Press Release

### Portland Water Bureau

For Immediate Release

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For more information, contact Public Information Officer Brandon Zero:  
[brandon.zero@portlandoregon.gov](mailto:brandon.zero@portlandoregon.gov) or call or text 503-823-8064.

### Land Use Process a Primary Driver of Filtration Project Delays Leading to Increased Costs, Request for Deadline Extension

*Delays impact City's ability to meet September 2027 compliance deadline. Revised estimate reflects cost increases.*

**PORLAND, Ore.** – Officials with the City of Portland today shared an updated cost estimate and extended timeline for the Bull Run Filtration Project. The revised estimate of \$2.56 billion reflects a \$450 million increase associated with delays in the permitting process. The project will provide safe, high-quality drinking water for Portlanders and communities throughout the region.

While the Land Use Board of Appeals last week issued a decision affirming the project's land use permits, the process caused significant delays to the project's timeline. [Learn more about the land use process and timeline here.](#)

The City has requested from the Oregon Health Authority (OHA) an extension to the September 2027 deadline for serving filtered water. The 24-month extension would account for delays caused by the land use process and provide flexibility to address unforeseen site conditions and weather delays. The additional time will allow the City to deliver this critical project without compromising construction safety or the integrity of the facility. The City remains committed to the interim public health measures required by OHA to protect the regional water supply. [Learn about \*Cryptosporidium\* and the City's Bilateral Compliance Agreement with OHA here.](#)

The Bull Run Filtration Project includes a new filtration facility and pipelines. When completed, it will be the largest filtration facility in Oregon. The project will increase the water system's resilience and comply with federal and state safe drinking water regulations. "Portland is planning for the future. The seismic and weather-ready upgrades of the Filtration Project will provide reliable, consistent, safe and high-quality water to our customers, particularly following a major earthquake, landslide, wildfire or major storm," said Mayor Keith Wilson. "We are doing everything we can to expedite the delivery of this

crucial investment in Portland's economic viability and the public health and safety of our people."

[Click here to learn how the Camp Creek Fire threatened our regional water supply.](#)

### **The City has implemented several fiscal strategies and is pursuing several others to keep the project cost as low as possible**

- A value-engineering team was mobilized to identify cost-effective construction methods without sacrificing safety, resiliency, or quality. Strategies include increasing skilled on-site staffing, incorporating specialized legal expertise, and engaging a [Project Delivery Advisory Team](#) to strengthen internal processes and tools.
- Two Water Infrastructure Finance and Innovation Act (WIFIA) loans were secured to offset costs for customers, reducing borrowing costs and helping smooth rate impacts over time. Additional grant funding opportunities are being pursued to further protect ratepayers.
- Exploring ways to better align capital planning efforts across bureaus to improve coordination, transparency, and long-term decision making.

"Our number one priority now is the Bull Run Filtration Project. The magnitude of investment requires careful attention to every detail of this megaproject from top management and our skilled technical team," said Director of Public Utilities Ting Lu. "We have reached a critical moment in construction and we will finish strong. Our customers are counting on us to deliver this project that's critical to protecting their health and guarding against the risk of wildfire and extreme weather."

### **Financing options coming to Council during budget discussions**

Staff will propose annual adjustments to water and sewer rates for the upcoming 2026–27 fiscal year as part of the budget process. Financing options to fund the filtration facility and pipeline projects while mitigating the impact on rates will be included in the budget development process. Rates will be finalized in May through the utility rate and budget process, which includes opportunities for community input.

"As we move into the annual budget process, our responsibility is to fund this project in a way that is responsible and sustainable," said Deputy City Administrator for Public Works Priya Dhanapal. "We know these decisions have real impacts on customers, which is why we are prioritizing cost control, financing strategies, and transparency about the choices ahead. We are committed to minimizing impacts on monthly bills while delivering the safe, reliable water system our region depends on."

Managing long-term rate impacts has been a critical part of project management. The project team has used value engineering to find smarter, more cost-effective ways to complete construction without sacrificing safety or quality. State and federal funding opportunities have been secured with additional options being pursued to offset costs.

## **Financial assistance program for ratepayers**

We remain committed to providing value for our customers and limiting bill impacts, particularly during challenging economic times. Our robust financial assistance program ensures that customers can continue to access essential services regardless of financial circumstances.

The City offers bill discounts, crisis vouchers, and interest-free payment plans. Anyone who needs support should contact the customer service team at [PWBCustomerService@portlandoregon.gov](mailto:PWBCustomerService@portlandoregon.gov) or 503-823-7770.

## **Focused on a strong finish**

Hundreds of construction crew members remain on-site. Massive concrete work that will protect the City's primary drinking water source from seismic activity is currently underway. Today, officials shared that crews have installed more than 7,000 feet of new pipelines. In the coming months, the new filtration facility will begin to take shape above ground.

[See our digital assets including project construction, pilot ash project and wildfire videos here.](#)

## **About the Portland Water Bureau**

The Portland Water Bureau serves water to almost a million people in the Portland area. Portland's water system includes two great water sources, 54 tanks and reservoirs, and 2,250 miles of pipe. With 600 employees working on everything from water treatment to customer service, the Water Bureau is committed to serving excellent water every minute of every day.

## **About the Public Works Service Area**

The Public Works Service Area keeps Portland running by managing the city's water, sewer, stormwater, parks and transportation systems. It includes the Bureau of Environmental Services, the Portland Bureau of Transportation, Portland Parks & Recreation, and the Portland Water Bureau. Public Works ensures reliable infrastructure, invests in sustainability, and supports essential services that enhance daily life for Portlanders.

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