



OFFICE OF COUNTY COUNSEL

PUBLIC SERVICES BUILDING

2051 KAEN ROAD | OREGON CITY, OR 97045

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November 25, 2020

Board of County Commissioners  
Clackamas County

Members of the Board:

**Second Reading of Ordinance No. 09-2020, Adding Clackamas County Code Chapter 8.10, *Short-Term Rentals* to the Clackamas County Code, and Amending Clackamas County Code Chapter 2.07, *Compliance Hearings Officer***

<b>Purpose/Outcomes</b>	<i>To add a new section to County Code implementing regulations related to short-term rentals, together with corresponding conforming amendments.</i>
<b>Dollar Amount and Fiscal Impact</b>	<i>Implementation of this program would require up to two additional full time employees (FTE), plus additional time for the code enforcement Hearing's Officer. Based on cost estimates from DTD and the Finance Department, the total cost to run the STR program annually will be approximately \$320,000.</i>
<b>Funding Source</b>	<i>Anticipated revenue generated from newly adopted registration fees, potential seed money from the Tourism and Cultural Affairs Department. Otherwise, General Fund would cover any shortfalls in funding from these planned funding sources.</i>
<b>Duration</b>	<i>Indefinite.</i>
<b>Previous Board Action</b>	<i>Policy Sessions: March 13, 2019; June 11, 2019; August 6, 2019; September 25, 2019; October 22, 2019; January 14, 2020; March 11, 2020; and October 13, 2020.</i>  <i>Public Hearings: January 30, 2020; February 13, 2020; and November 5, 2020.</i>
<b>Strategic Plan Alignment</b>	<i>Ensure safe, healthy and secure communities. Build public trust through good government.</i>
<b>Contact Person</b>	<i>Martha Fritzie - 503-742-4529; Nate Boderman - 503-655-8364</i>
<b>Contract No.</b>	<i>N/A</i>

**BACKGROUND:**

The Board of County Commissioners held a public hearing to take testimony on the proposed short-term rental ordinance on November 5, 2020. At that hearing, the Board voted to proceed to a second reading of the proposed ordinance, as drafted. Subsequent conversations among the Commissioners occurred at Issues meetings on November 10<sup>th</sup> and 17<sup>th</sup> but ultimately resulted in confirmation that staff proceed as directed at the November 5<sup>th</sup> hearing.

Staff has made no changes to the draft ordinance, which is attached to this staff report and, if approved, would establish a short-term rental (STR) registration and regulation program through the addition of a new section to the County Code: *Section 8.10 Short-Term Rentals*.

To fully implement the proposed STR program, the following actions would need to occur:

- (1) Adoption of Section 8.10, Short-Term Rentals into the County Code, which would house the entire STR registration program, including all rules and regulations specific to STRs; application processes and requirements; and enforcement processes and actions. This action requires a first and second reading of the ordinance enabling the County Code amendment. The proposed effective date for this STR program is July 1, 2021.

Today's hearing constitutes the second reading of this ordinance.

- (2) Adoption of amendments to the county's Zoning & Development Ordinance (ZDO) to eliminate any conflicts between the ZDO and County Code, and, specifically, to clarify where short-term rentals would be allowed. This action requires a public hearing before the Planning Commission, which occurred on November 23, 2020, and a public hearing before the Board, currently scheduled for December 9, 2020.
- (3) Adoption of the fees and fines associated with the STR program into Appendix A & Appendix B of the County Code, respectively. This action requires Board adoption during the budget process that will occur in the spring of 2021.

As noted in previous meetings and hearings, to fully fund the STR program and not rely on any General Fund moneys to support the program, a registration fee would need to be charged. As drafted, implementation of the STR program is anticipated to require a 2-year registration fee of approximately \$800 - \$900 (or \$400-\$450 annually) in order to support the program. Similar to increases in fees for other types of business uses, Staff expect that this fee would be effectively "passed through" to nightly renters and would likely result in a slight increase in nightly rental rates county-wide. For example, if a unit was rented for an average of 3 nights per month (36 nights per year), nightly rates would need to increase by \$11.11 to generate \$400 annually.

Fines for non-compliance would also need to be established. These fines would need to be substantially similar to other fines identified in the County Code for similar types of infractions.

If at today's hearing, the second reading of the proposed short-term rental ordinance, the Board decides to adopt *Section 8.10, Short-Term Rentals* into the County Code, the first of the three steps needed for full adoption of the STR program would be concluded.

**RECOMMENDATION:**

Staff respectfully requests that the BCC hold this public hearing and approve the amendments included in Ordinance No. 09-2020.

Respectfully submitted,



Nate Boderman  
Assistant County Counsel

Attachments:

- A. ORDINANCE NO.09-2020, An Ordinance Adding Clackamas County Code Chapter 8.10, *Short-Term Rentals* to the Clackamas County Code, and Amending Clackamas County Code Chapter 2.07, *Compliance Hearings Officer*
- B. Written public comments received between 11/5/2020 and 11/16/2020. (*Note: All public comments received since this project began were sent to the BCC previously and are available to view on the project webpage: <https://www.clackamas.us/planning/str>*)

**ORDINANCE NO. 09-2020**

**An Ordinance Adding  
Clackamas County Code Chapter 8.10, *Short-Term Rentals*  
and Amending Clackamas County Code Chapter 2.07, *Compliance  
Hearings Officer***

WHEREAS, the Board of Commissioners of Clackamas County finds that a property owner's short-term rental of a dwelling unit is an acceptable activity within the unincorporated areas of Clackamas County; and

WHEREAS, the Board finds that it is in the public's interest to regulate short-term rentals in order to enhance public safety and livability; and

WHEREAS, the Board finds that the short-term rental of dwelling units could have negative impacts on the cost of housing in Clackamas County, and therefore wish to limit those impacts by requiring those short-term rentals located within the Portland Metropolitan Urban Growth Boundary to be located on the same tract as the owner's primary residence,

Now, therefore, the Board of Commissioners of Clackamas County ordains as follows:

**Section 1:** Chapter 8.10, as shown on Exhibit "A", which is attached hereto and incorporated herein by this reference, is hereby added to the Clackamas County Code.

Section 2: Chapter 2.07 is hereby amended to add a reference to Chapter 8.10, *Short-Term Rentals*, in the second paragraph of Section 2.07.010 for purposes of clarifying that enforcement of the *Short-Term Rental* Chapter shall be processed under the provisions of Chapter 2.07.

**Section 2:** Effective Date. This Ordinance shall be effective on July 1, 2021.

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

BOARD OF COUNTY COMMISSIONERS

\_\_\_\_\_  
Chair

\_\_\_\_\_  
Recording Secretary

## Chapter 8.10

### 8.10 SHORT-TERM RENTALS

#### 8.10.010 Purpose

The purpose of this chapter is to regulate short-term rentals in order to enhance public safety and livability within the unincorporated areas of Clackamas County. Specifically, this chapter addresses public safety concerns typically associated with short-term rentals, and clarifies the process for both property owners and staff related to permitting short-term rentals and enforcing violations of these standards.

#### 8.10.020 Definitions

Except where the context otherwise requires, the definitions given in this section govern the construction of this chapter.

- A. ADMINISTRATOR means the County Administrator of Clackamas County or his/her designee.
- B. DWELLING UNIT is a single unit providing complete independent living facilities for one or more persons, including permanent provisions for living, sleeping, eating, cooking and sanitation. For the purposes of this chapter only, a guest house is considered to be part of the dwelling unit to which it is accessory, even though it is a separate structure. Guest house shall have the meaning given to that term in Section 202 of the Clackamas County Zoning and Development Ordinance.
- C. OCCUPANTS means persons who are authorized to stay overnight within a short-term rental.
- D. OWNER is the owner or owners of a dwelling unit used as a short-term rental.
- E. OVERNIGHT means anytime between the hours of 10 p.m. and 7 a.m. on the following day.
- F. PREMISES means the short term rental and the lot on which it is located.
- G. PRIMARY RESIDENCE means a dwelling unit where an owner lives most of the time. At a given time, an owner does not have more than one primary residence. For purposes of determining whether a dwelling unit is a primary residence, the County may consider factors that include, but are not limited to: whether the dwelling unit is the legal residence of the owner for purposes of voting, motor vehicle/driver licensing, income tax calculation, and the time the owner has spent at the dwelling unit.
- H. REGISTRANT means the owner, or agent of the owner, designated on the registration to act for the owner, who is responsible for ensuring the short-term rental adheres to all applicable requirements to maintain a short-term rental registration.
- I. REGISTRATION means a short-term rental registration.
- J. SHORT-TERM RENTAL means a dwelling unit, or portion of a dwelling unit, that is rented to any person or entity for lodging or residential purposes, for a period of up to 30 consecutive nights.
- K. SLEEPING AREA means a room or other space within a dwelling unit designed and intended primarily for sleeping.

**8.10.030 Applicability**

This chapter shall apply within the unincorporated areas of Clackamas County including within urban growth boundaries, but shall not apply within the boundaries of any incorporated city.

This chapter does not apply to hotels, motels, bed and breakfast facilities, hostels, campgrounds, recreational vehicle (RV) camping facilities, or organizational camps.

**8.10.040 Short-Term Rental Registration Requirements and Fee**

- A. All short-term rentals shall be registered, except that any short-term rental that qualifies for an exemption to the Transient Room Tax under Section 8.02.060(C), as “incidental” use of the property, shall be exempt from the registration requirements set forth herein.
- B. Application forms for a registration for a short-term rental will be available at County offices. Applications for initial and renewal registrations for a short-term rental must be submitted to the County and must be signed under penalty of perjury. The application documents must include at least the following:
1. The location of the premises.
  2. The true names, telephone numbers, and addresses and any aliases of the persons that have, or have had within the preceding year, a financial interest in the premises.
  3. A Land Use Compatibility Statement, signed by a Planning & Zoning Division representative, affirming that the short-term rental complies with Section 8.10.060(A).
  4. Signed affidavit of compliance with all building and fire standards in Section 8.10.060(G), and all applicable requirements in Section 8.10.060(D-F).
  5. Evidence that all current taxes and fees owed to Clackamas County have been paid for the premises.
  6. Evidence that a Transient Room Tax registration form has been submitted to the County.
  7. The name, telephone number, and address of a contact person who shall be responsible and authorized to respond to complaints concerning the use of the short-term rental.
  8. Proof of liability insurance coverage on the short-term rental.
  9. A statement that the registrant of the short-term rental has met and will continue to comply with the standards and requirements of this chapter.
  10. A site plan that identifies, at a minimum, all structures on the property, driveway(s), off-street parking spaces, and garbage receptacles.
  11. A dwelling unit floor plan that identifies, at a minimum, all sleeping areas and other rooms in the dwelling unit.
  12. If the premises includes a guest house to be used as a short-term rental, verification that the guest house is equipped with indoor plumbing equipped with a water closet, lavatory, shower, bathtub or combination bath/shower. All plumbing fixtures must be connected to an approved water supply, and an approved sanitary sewer or private sewage system.
- C. A separate registration application must be submitted for each proposed short-term rental; however only one short-term rental registration shall be approved per dwelling unit.
- D. At the time of submission of a short-term rental registration application, the registrant must pay a short-term rental registration fee. The fee amount shall be set by resolution of the Board of County Commissioners.

- E. A registration is transferable to a new registrant, so long as the new registrant submits notification to the administrator, signed by the original registrant, of the transfer and agrees in writing to comply with the requirements of this chapter. A change of registrant notification form will be available at County offices.
- F. No short-term rental may be publicly advertised for rent unless it has been registered with the County

#### **8.10.050 Registration Termination – Renewal – Fee**

- A. A short-term rental registration terminates automatically two years after the date of issuance, unless a new registration application is approved by the county.
- B. Registrants wishing to continue uninterrupted operation of a short-term rental shall submit a new application to the County a minimum of 30 days prior to the expiration of the registration.
- C. At the time of submission of a new short-term rental registration application, the registrant must pay the short-term rental registration application fee. The fee amount shall be set by resolution of the Board of County Commissioners.
- D. A short-term rental registration terminates automatically if state statutes, regulations or guidelines are modified or changed to prohibit operation of the short-term rental under this chapter.

#### **8.10.060 Standards and Conditions**

Any short-term rental must comply with the following standards at all times, in addition to any other state and local requirements:

- A. Dwelling Unit. The short-term rental must be operated within a legally-established, permanent dwelling unit.
  1. The dwelling unit associated with a short-term rental shall not have been established through a land use approval or other approval process that specifically limited the use of the dwelling unit, the occupancy of the dwelling unit, or the duration of the existence of the dwelling unit. Examples of non-qualifying dwellings include those approved as an accessory farmworker dwelling, a caretaker dwelling, or a temporary dwelling for care.
  2. Guest houses may only be used as a short-term rental if the guest house has been legally-established and where a registrant can demonstrate that the structure is equipped with indoor plumbing, a water closet, lavatory, shower, bathtub or combination bath/shower.
  3. Temporary sleeping accommodations such as tents and recreational vehicles are not considered to be dwelling units under the county's zoning and development ordinance and may not be used as a short-term rental.
- B. Maximum Overnight Occupancy. The number of overnight occupants in the short-term rental shall not exceed the number of occupants authorized in the registration. The maximum overnight occupancy shall be clearly posted in the short-term rental, disclosed in any advertising of the availability of the short-term rental, and included in any rental agreement with tenants. The maximum overnight occupancy authorized in the registration for the short-term rental shall be calculated as follows:
  1. Two occupants per sleeping area, plus four additional occupants.

2. Roll-out beds, fold-out couches, or other similar temporary beds shall not be considered a “sleeping areas” for the purposes of calculating maximum allowed occupancy, but could accommodate the four additional occupants.
  3. In no case shall more than 15 occupants be authorized by a short-term rental registration. If only a portion of a dwelling unit is used as a short-term rental, all occupants, including those occupying the portion of the dwelling unit not used as a short-term rental, shall be counted toward the 15-occupant maximum.
- C. Noise. Notice shall be clearly posted in the short-term rental that identifies and informs occupants of their obligation to abide by the County’s current noise control ordinance standards (Clackamas County Code Chapter 6.05).
- D. Parking. One off-street motor vehicle parking space per two sleeping areas is required. Garage space may be used to meet required parking standards if evidence is provided that there is sufficient cleared garage space to fit a vehicle(s). All required parking spaces must be available for occupants to use.
1. If the short-term rental contains only one sleeping area, one off-street parking space is required.
  2. If the short-term rental cannot provide the required number of parking spaces based on sleeping areas, the registrant may request a reduced maximum overnight occupancy based on available parking. In no case shall the registrant advertise for, or rent to, more persons than are authorized under the reduced maximum occupancy total.
  3. Short-term rentals in dwellings approved under the “resort accommodations” category in the Rural Tourist Commercial district are not required to provide more off-street parking than was required and approved under Zoning and Development Ordinance provisions.
  4. In no event shall vehicles block access for emergency vehicles, block access to the premise, block a parked motor vehicle, or otherwise park in a manner that violates the County’s current parking and towing ordinance standards (Clackamas County Code Chapter 7.01). Violation of this section may subject the offending vehicle to immediate tow pursuant to ORS 98.853.
- E. Garbage. All garbage from a short-term rental shall be legally removed from the premises by the owner, occupant or franchised service provider at least once per week during any week, or portion thereof, in which the short-term rental is occupied. All outdoor garbage receptacles shall be covered. Recycling container(s) shall be available for use by renters.
- F. Registration Identification. The registration identification number assigned to the short-term rental by the administrator shall be included on any advertisement or rental platform where the short-term rental is offered to the public for occupancy.
- G. Building and Fire Safety. A short-term rental shall comply with all ordinances that apply to a dwelling, and all structural components shall be kept in sound condition and good repair. In addition:
1. Working smoke detectors and carbon monoxide detectors shall be installed and maintained in locations as required by the Oregon Residential Specialty Code.
  2. Working fire extinguishers shall be placed in the kitchen and next to each wood burning appliance in an easily accessible location. A minimum of two (2) extinguishers are required in each Dwelling Unit.
  3. Code-compliant pool and hot tub barriers shall be present, if applicable.



4. Every sleeping area shall have not less than one operable emergency escape and rescue opening, including basement sleeping areas. Windows must meet the egress size required when the Dwelling Unit was built and permitted. Use the chart below to determine minimum size egress window based upon the year the house was built.

Year of Construction	Sill Height	Net Opening	Min. Height	Min. Width
Prior to 1964	No requirement	5.0 Sq. feet	No requirement	No requirement
1964 to 1970	48"	5.0 Sq. feet	24"	24"
1970-1976	48"	5.0 Sq. feet	22"	22"
1976-Present	44"	5.7 Sq. feet	24"	20"

5. All exterior building exits shall be clear, operable and available to renters. For Premises located at elevations above 3,500', doors that exit under active roof snow slide zones do not need to be available or operable when snow is present, unless the exit is part of the required primary egress for the Dwelling Unit or building.
  6. All electrical wiring shall be covered, and wall outlets, switches and junction boxes shall have code-approved covers in place.
  7. Electrical panels shall have a clear working space of at least 30 inches wide in front of the panel, and a clear space 78 inches high in front of the panel. All circuit breakers and/or fuses shall be clearly labeled in the event the power needs to be shut off to a certain area or appliance.
  8. All restrictions and prohibitions for burning as determined by the local Fire District shall be observed. All wood-burning fire pits and fireplaces shall be covered or made otherwise unavailable during burn prohibition periods. Contact information for the local Fire District shall be clearly posted in the short-term rental.
  9. The dwelling shall have no open building or zoning code violations.
- H. For any short-term rental located within the Portland Metropolitan Urban Growth Boundary, the dwelling unit to be used as a short-term rental must be located on the same tract as the owner's primary residence. However, the owner is not required to be present on the tract when the short-term rental is occupied. Tract shall have the meaning given to that term in Section 202 of the County's Zoning and Development Ordinance.

**8.10.70 Registration Review**

- A. The administrator shall, within thirty (30) days after receipt of a complete application for a short-term rental registration and applicable fee, either issue the owner a registration or provide notice of denial.
- B. Upon approval, the administrator shall furnish notice of the approval to all property owners of record within 300 feet of the premises, and contiguous properties under the same ownership. This approval notice shall provide the name, telephone number, and address of a contact person who shall be responsible and authorized to respond to complaints concerning the use of the short-term rental.
- C. The administrator may deny a registration application for failure to submit the materials or fee set forth in Section 8.10.040, for failure to meet the standards and conditions set

forth in Section 8.10.060, for submitting falsified information to the County, or for noncompliance with any other applicable County ordinances.

#### **8.10.080 Examination of Books, Records and Premises**

To determine compliance with the requirements of this chapter, the Clackamas County Zoning and Development Ordinance, and any local tax measures, the administrator may examine or cause to be examined by an agent or representative designated by the administrator, at any reasonable time, the premises, and any and all financial, operational and facility information, including books, papers, and state and federal income tax returns. Every owner is directed and required to furnish to the administrator the means, facilities and opportunity for making such examinations and investigations.

#### **8.10.090 Emergency Revocation**

- A. In the sole determination of the Clackamas County Building Official, when a violation of the building code or applicable county ordinance exists at a short-term rental that presents an immediate serious fire or life safety risk, the Clackamas County Building Official may immediately revoke the short-term rental registration as a fire or life safety risk. The Clackamas County Building Official shall provide written documentation of the violation, and notification of the owner's right to appeal, as provided in 8.10.100.
- B. Upon an emergency revocation, the short-term rental shall not be rented or used as a short-term rental unless the revocation is withdrawn or a new short-term rental registration has been obtained.
- C. At any time following the emergency revocation of a short-term rental registration pursuant to this subsection, the Clackamas County Building Official may reinstate the registration upon a re-inspection by the Clackamas County Building Official verifying that the subject building code or county ordinance violation has been corrected.

#### **8.10.100 Administration and Enforcement**

The County encourages owners, registrants, occupants, and affected residents and owners of nearby properties, to cooperate directly to resolve conflicts arising from the occupancy of any short-term rental. Along those lines, the first attempt to remedy a violation of any of the standards in this chapter should be to contact the representative associated with the registration, as identified in the approval notice and the required short-term rental posting. In the event that the listed representative does not respond within 24 hours or does not adequately remedy the issue, the Clackamas County Department of Finance should be notified.

- A. For acts of noncompliance, the Code Enforcement Program of the Department of Transportation and Development shall administer, supervise, and perform all acts necessary to enforce this chapter or any other chapters of the Clackamas County Code applicable to short-term rentals, except as otherwise provided for in state law or in the Clackamas County Code such as, but not limited to, those regulations for which the Clackamas County Sheriff's Office has been vested with enforcement authority.
- B. Except as otherwise provided in this chapter, Chapter 2.07 of the Clackamas County Code shall govern the process for enforcement of this chapter, including but not limited to the notice and procedures associated with any compliance hearing.

- C. An owner that operates a short-term rental without an approved registration, or fails to pay the fees prescribed herein, shall be subject to immediate citation. Additionally, an owner that fails to pay the fees prescribed herein may have their short-term rental registration immediately revoked.
- D. A person who receives a citation for violation of this chapter shall respond within fourteen (14) days of the issuance of the citation by payment of any penalties established under this chapter, or by requesting a hearing as provided in this section.
- E. In addition to citation, the Code Enforcement Program of the Department of Transportation and Development may require an inspection of the premises.
- F. In addition to citation, the Hearings Officer may:
  - 1. Suspend the short-term rental registration until the short-term rental is in compliance with the standards and conditions set forth in Section 8.10.060; or
  - 2. Revoke the short-term rental registration if there have been three separate violations of this chapter related to the same short-term rental within the applicable two-year registration period or three separate documented violations by any occupant of the same short-term rental within the applicable two-year registration period related to the County's noise control ordinance standards (Clackamas County Code Chapter 6.05) or the County's parking and towing ordinance standards (Clackamas County Code Chapter 7.01).
- G. Alleged acts of noncompliance must be based on either:
  - 1. The personal observation of the Sheriff or designee, code enforcement officer, or Clackamas County Department of Finance staff; or;
  - 2. A determination by the Sheriff or designee, code enforcement officer, or Clackamas County Department of Finance staff that there are reasonable grounds to conclude that the alleged acts of noncompliance did, in fact, occur, after either an investigation or following a sworn statement of a person who personally witnessed the alleged incident.

**8.10.110 Penalties**

Violation of this chapter shall be punishable by suspension or revocation of a short-term rental registration, or by a penalty or fine in an amount set by resolution of the Board of County Commissioners. Except in the case of an emergency revocation, any owner may not obtain or renew a short-term rental registration on the premises sooner than one year after the date of revocation.



Fritzie, Martha

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**From:** Carol Williams <carolrealtor@yahoo.com>  
**Sent:** Monday, November 16, 2020 12:07 PM  
**To:** Fritzie, Martha  
**Subject:** Short term rental proposed rules

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

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Warning: External email. Be cautious opening attachments and links.

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Hello,  
I attended several meetings at the beginning of this process but then with the postponement due to covid I lost track a little bit. What is the address I can send comments to at this time? In reading it again and comparing it to the City of Milwaukie rules (we are in Oak Grove so unincorporated) I am most concerned with the proposed fees. City of Milwaukie only has a yearly tax of less than 200 and yet these unincorporated Clackamas County rules say 800-900 every two years? Wow that is a huge difference when you're a very small business trying to make a good portion of your income (especially now when my business is much less than normal and my husband has been furloughed from his 30-year job since March with no end in sight). We have been paying the STR tax for years now, if there was a one-time fee for some sort of inspection that's understandable too. But this ongoing fee seems out of line.

If you could forward this to the right party or tell me who to send it to that would be much appreciated!

Thanks so much,

Carol Williams

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[Phishing Email](#)

**Fritzie, Martha**

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**From:** Heidi Brewer <hmbwolf@yahoo.com>  
**Sent:** Tuesday, November 10, 2020 2:14 PM  
**To:** Fritzie, Martha  
**Subject:** Re: Short term and vacation rentals

I recently learned that I was mistaken about the regulations on the short term and vacation rentals that are being preposed.  
I am very much FOR these regulations.  
Sorry for my past mistake.  
Thank you.  
Heidi Brewer

On Thursday, October 22, 2020, 1:26:03 PM PDT, Fritzie, Martha <mfritzie@clackamas.us> wrote:

Thank you, Heidi. Your comments will be forwarded to the Board of County Commissioners prior to the November 5<sup>th</sup> hearing.

All upcoming meeting information and materials will be posted on our webpage:  
<https://www.clackamas.us/planning/str>.

Martha

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Martha Fritzie, Principal Planner

Clackamas County DTD|Planning & Zoning Division

150 Beaver Creek Road|Oregon City, OR 97045

(503) 742-4529

Office hours 7:30am to 6:00pm|Monday – Thursday

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Due to COVID-19, I am working remotely and will do my best to respond in a timely manner. I appreciate your understanding during this challenging time.

For general planning questions, contact our main customer service desk at 503-742-4501 or email at [zoninginfo@clackamas.us](mailto:zoninginfo@clackamas.us). The Development Services lobby is currently open for limited hours. Please visit our [webpage](#) for updates on services available online, service hours and other related issues. Thank you.

Ordinance No. 09-2020  
Short-Term Rentals  
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*The Clackamas County Department of Transportation and Development is dedicated to providing excellent customer service. Please help us to serve you better by giving us your [feedback](#). We appreciate your comments and will use them to evaluate and improve the quality of our public service.*

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**From:** Heidi Brewer <hmbwolf@yahoo.com>  
**Sent:** Sunday, October 18, 2020 1:27 PM  
**To:** Fritzie, Martha <MFritzie@clackamas.us>  
**Subject:** Short term and vacation rentals

Warning: External email. Be cautious opening attachments and links.

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I am concerned about allowing more short term and vacation rentals. I live next to a vacation rental, it is noisy and annoying, and I never know who will be there or when. It bothers me not knowing who my neighbors are or what they are like. They have no investment in the neighborhood and don't care about it. Even the people who own the houses live elsewhere and the rentals they have here are only an income to them or at the best a place to go on the weekends. That's not a true home the way it is for those of us who live here, and they don't feel the same way or respect it as much as we do.

I moved onto the mountain 18 years ago for the peace and quiet and my neighbors were here for the same reasons. I do not want my home overrun by strangers who don't respect or care about my home.

Heidi Brewer

20465 East Donny Dell Lane

Rhododendron OR 97049

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NOTE: This message was trained as non-spam. If this is wrong, please correct the training as soon as possible.

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Fritzie, Martha

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**From:** Paul Marks <paul.marks64@gmail.com>  
**Sent:** Sunday, November 8, 2020 11:32 PM  
**To:** Fritzie, Martha  
**Subject:** short-term/vacation rental (STR) regulations

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Paul Marks  
PO Box 67  
Brightwood, OR 97011

Martha Fritzie  
Planning & Zoning, Development Services Building  
150 Beaver Creek Road  
Oregon City, OR 97045

Dear Ms Fritzie,

I would like to provide input to the upcoming hearing on the future Clackamas County short-term/vacation rental (STR) regulations. I have a cabin in Welches and from time to time over the last few years have put our one-room guest house and my master bedroom on AirBnb. I only did it sparingly, so I have never made more than a few hundred dollars a month. The proposed owner's fee of \$800 - \$900 for a two year period would basically force me to stop renting out these spaces. You probably know AirBnB has an option where they adjust the price of your place based on demand. My minimum was usually \$35 but sometimes AirBnB would increase it up to \$40 or \$45. Basically your fee amounts to a large tax on me that will significantly cut into my revenue. By forcing me out of business you will distort the market because only owners who rent out their places full time or who have places at the higher end of the market will remain in business. They will be able to charge more both to cover your fee and because people will be forced into more expensive places when those at the low end like mine exit the market. Please ask the commissioners if making Mount Hood accessible only to the wealthy is fair and equitable and sends the right message for what Clackamas County stands for.

In sum, the county really needs to find a way to have a flexible fee based on the amount of money that a landlord makes - or to create an exemption if rental collections are below a certain amount.

Sincerely  
Paul Marks  
65796 East Springbrook Street  
Welches OR 97067

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[Phishing Email](#)



Fritzie, Martha

Page 5 of 13

**From:** Warren Neth <mail@warrenneth.com>  
**Sent:** Saturday, November 7, 2020 8:46 AM  
**To:** Fritzie, Martha  
**Subject:** Short-term rental policy

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Warning: External email. Be cautious opening attachments and links.

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Greetings,

My father and I own a vacation rental property in Government Camp at 89047 E Government Camp Loop, and have feedback on the new short-term rental policy.

Government Camp and the larger Mt. Hood Territory is a tourist and recreation area, with long traditions. One is having bunk rooms for multiple kids to stay in one room. The criteria you are trying to impose will end a tradition that has gone on without issue in Government Camp.

In pursuit of fixing problems that are largely clustered in the Portland Metro area(valley), it would be a shame to end the mountain 'lodge' traditions of things like bunk rooms in Government Camp Village for skiers, let alone trying to 'fix' nonexistent parking issues.

The Government Camp CPO should have a tool to amend the Short-term rental policy based on local knowledge of parking concerns, etc.

Thanks,  
Warren Neth  
360-771-1296

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**Fritzie, Martha**

**From:** John Ingersoll <john@highcascade.com>  
**Sent:** Friday, November 6, 2020 7:13 PM  
**To:** Fritzie, Martha  
**Subject:** Re: Short-term rental regulations RTC parking

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Warning: External email. Be cautious opening attachments and links.

Martha,

I did see the posting on STR .. thanks for reaching out. thanks for including me on the update list. And thanks for the inserted language (exception) for RTC including the RTC zone in Government Camp. it matches county approved on-street parking in the RTC. .

I had a concern that others are not aware of the STR regulations being proposed. I was happy to see last week VRBO sent an email and asked their Clackamas clients to be aware /involved of this process..

I still plan to attend the public meetings .

Kind regards

BOARDWALK  
— LODGE —

John Ingersoll Owner and Manager

t: 503.501.7500

e: [john@highcascade.com](mailto:john@highcascade.com)

I am a confident, vibrant and respectful man. 11/19/94

On Nov 3, 2020, at 4:34 PM, Fritzie, Martha <[MFritzie@clackamas.us](mailto:MFritzie@clackamas.us)> wrote:

Hi John – I am not sure if you have reviewed the materials posted for this week’s hearing on the short-term rental regulations yet, but I wanted to make sure you saw the following “exception” that was added under the parking provisions:

*Short-term rentals in dwellings approved under the “resort accommodations” category in the Rural Tourist Commercial district are not required to provide more off-street parking than was provided and approved under Zoning and Development Ordinance provisions.*

If you have not yet seen the whole packet for the hearing, you can find it here: <https://www.clackamas.us/meetings/bcc/business>.

Let me know if you have any questions or if you have any concerns about this additional language.

Thanks,  
Martha

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Martha Fritzie, Principal Planner  
Clackamas County DTD | Planning & Zoning Division  
150 Beavercreek Road | Oregon City, OR 97045  
(503) 742-4529  
Office hours 7:30am to 6:00pm | Monday – Thursday

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**Due to COVID-19, I am working remotely and will do my best to respond in a timely manner.** I appreciate your understanding during this challenging time.

For general planning questions, contact our main customer service desk at **503-742-4500** or via email at [zoninginfo@clackamas.us](mailto:zoninginfo@clackamas.us). The Development Services lobby is currently **open for limited hours**. Please visit our [webpage](#) for updates on services available online, service hours and other related issues. Thank you.

*The Clackamas County Department of Transportation and Development is dedicated to providing excellent customer service. Please help us to serve you better by giving us your [feedback](#). We appreciate your comments and will use them to evaluate and improve the quality of our public service.*

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NOTE: This message was trained as non-spam. If this is wrong, please correct the training as soon as possible.

[Spam Email](#)

[Phishing Email](#)

Fritzie, Martha

**From:** Mark Skinner <mwskinner55@gmail.com>  
**Sent:** Thursday, November 5, 2020 2:00 PM  
**To:** Fritzie, Martha  
**Subject:** STRs  
**Attachments:** 25 cars 9 August 2020 at 1124 SE River Forest Rd. 1.jpg; 25 cars 9 August 2020 at 1124 SE River Forest Rd. 2.jpg

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Warning: External email. Be cautious opening attachments and links.

Hello to you and Commissioners,

I tuned in to most of the STR discussion this morning 5 November 2020. Here are my thoughts:

1. As written the regulations are a good start, and fair to all parties.
2. Without registration there will be no accountability, and the program will fail. All STR owners need to register, and the fine for not registering—done so that owners don't have to pay the fee or be accountable or respect the rule of law—should be a strong deterrent. \$1000 for a first time violation, and another \$1000/year of operation without registration sounds about right. You can be sure neighbors will let the county know of violators, because we detest them for ruining our peace of mind and want to see them comply for the good of the neighborhood.
3. In my experience—I have three STRs as immediate neighbors—most STR owners are irresponsible people who are making money at the expense of their neighbors and refuse to discipline their “guests” for obvious infractions. Commissioners who spoke of this matter as a minor problem involving some parking excesses are misinformed. STRs are ruining neighborhoods, including mine.
  - a. The fact that AirBnB has a “no party” rule is as of today completely meaningless; AirBnB does not enforce that rule and is unresponsive to violations (proven again last summer when various neighbors complained to AirBnB and got nowhere). Owners do not enforce that rule. The naive might think that writing “No Parties” on your STR listing achieves something, but it doesn't since neither the owners nor AirBnB nor “guests” care about it at all.
    - i. This last summer we had one event across the street at 1124 SE River Forest Rd. with 25 cars strewn about the neighborhood and fifty people singing *Kumbaya* to the entire neighborhood. I hate that song.
    - ii. We had giant pool parties full of screaming kids that BEGAN at 7AM on Sunday morning at that same address. It was loud 300 feet away in my bedroom.
    - iii. We had a bachelorette party with young women hanging around in the street smoking and drinking, and far more than the 12 person limit that supposedly obtains at that “No Parties” address of 1124 SE River Forest Rd. These were very loud people.

What happened to the rule of law? I can see it being reestablished in this case with these regulations, and if the Sheriff starts writing some complaints instead of issuing warning after warning after warning. Warnings have no effect since it's the same problem different people every week. And that's the point: without some regulations and some enforcement we as neighbors are powerless to make things better in our neighborhoods.

In summary, I support the regulations though I wish they were stronger about noise and had a smaller maximum occupancy. I moved into a quiet neighborhood, which STRs are gradually ruining with more people, more cars, more lights, more strangers, and more tension. Why is your freedom to use your property the way you want more important than mine to do the same?

Thank you,

Mark

Mark W. Skinner, Ph.D.  
Skinner and Associates  
1275 SE River Forest Rd.  
Milwaukie, OR 97267  
971-337-7132

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[Phishing Email](#)





**Fritzie, Martha**

**From:** Craig Thiry <craig@iambam.org>  
**Sent:** Thursday, November 5, 2020 11:55 AM  
**To:** Fritzie, Martha  
**Subject:** Re: adjacent property to owners? not in draft reg?

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Warning: External email. Be cautious opening attachments and links.

One additional comment to add to Jim Bernards comment about future costs and how this might work.

I have real estate in 5 other states and the smarter government operators come up with a tiered costing structure, based on number of problems and visits that are required due to county call outs, inspections, etc.

You might consider this, as it is further incentive for owners to be good operators, and also minimizes costs for those who don't bring the same cost to the county.

I have to leave the meeting before adding this verbally. Thanks again, hopefully this will provide some good food for thought! :-)

Craig Thiry

On Thu, Nov 5, 2020 at 11:28 AM Craig Thiry <[craig@iambam.org](mailto:craig@iambam.org)> wrote:

Hi Martha,

I have attended and commented during public meetings about having partitioned my duplex into two single family residences with a shared wall. I pay additional taxes, due to higher value, greater insurance costs, etc.

During verbal comments and some of the posts on the County website there were modifications to make sure that I would not be penalized for having partitioned my property, as my primary residence is part of this duplex that was partitioned.

I don't see clear reference to that in the draft document, unless maybe I don't understand the definition of tract.

Could you clarify this for me? Will my two SFR's that are adjacent qualify so that I can continue to do Short Term Rental on my other 1/2 of my building?

I will hope to get in public comment but I have to depart for another meeting and not sure I will be allowed to speak.

Thanks,



--  
Craig Thiry  
Intelligent Asset Management Companies (IAM LLCs)

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Craig Thiry  
Intelligent Asset Management Companies (IAM LLCs)

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[Phishing Email](#)



Gregory L. Geist  
Director

November 25, 2020

Board of County Commissioners  
Acting as the governing body of  
Surface Water Management Agency of Clackamas County

Members of the Board:

Approval of a Resolution Authorizing a Financing for New Capital Projects for  
Surface Water Management Agency of Clackamas County

<b>Purpose/Outcomes</b>	Approval of a Resolution Authorizing a Financing for New Capital Projects for Surface Water Management Agency of Clackamas County.
<b>Dollar Amount and Fiscal Impact</b>	Issuance of up to \$50 million in new debt.
<b>Funding Source</b>	WES monthly service charge revenues will be used to pay annual debt service associated with the borrowing. No County General Fund revenues are involved.
<b>Duration</b>	Debt is anticipated to be issued for a 25 year term.
<b>Previous Board Action/Review</b>	Prior discussions related to budget and financing strategies.
<b>Counsel Review</b>	This Resolution was reviewed and approved by County Counsel on November 16, 2020.
<b>Strategic Plan Alignment</b>	1. Build Public Trust Through Good Government: The issuance at this time of very low interest rates should result in significant interest expense savings. 2. Build Strong Infrastructure: Construction of necessary facilities to meet the needs of current customers and future growth.
<b>Contact Person</b>	Chris Storey, WES Assistant Director (503-742-4543)
<b>Contract No.</b>	<i>Resolution No. not assigned yet.</i>

Water Environment Services (“WES”) was established by an intergovernmental agreement that was entered into pursuant to Oregon Revised Statutes (“ORS”) Chapter 190 by Clackamas County Service District No. 1, the Tri-City Service District, and the Surface Water Management Agency of Clackamas County (collectively, the “Partners”). This agreement allows WES to enter into financing agreements if the above parties to the intergovernmental agreement each approve WES entering into such financing agreements after each holds a public hearing. Therefore, each of the Partners and WES itself must authorize entering into the proposed financing and each must hold a public hearing as part of the overall authorization.

WES, as an ORS 190 entity, is responsible for managing the WES’ debt portfolio separately from the County. WES is rated AAA by Standard and Poor’s rating agency, their highest rating, reflecting the overall financial health of WES as an organization. This high rating may enable WES to borrow at the lowest available interest rates and overall cost to finance several of the

key projects included in the adopted Capital Improvement Plan. The attached orders and associated public hearings authorize the issuance of debt to accomplish this purpose.

**BACKGROUND:**

WES is estimating the need to borrow up to approximately \$50 million to supplement existing reserves to fund needed capital projects over the next three years through the issuance of revenue obligations with a term of 25 years. At the closing of the bond sale, the Internal Revenue Service will require a finding of a reasonable expectation to spend 85% of the proceeds of the borrowing within three years of the date of borrowing. Consequently, WES has identified projects in its approved Capital Improvement Plan (“CIP”) that will be initiated over the next three years and that will be financed with the borrowed funds, as well as acknowledging that the CIP is updated annually and some additional projects may be funded thereby. The following are brief summary descriptions of those projects.

- ***Clackamas Interceptor Capacity Improvements – Estimated cost over the next 36 months: \$33 million.*** The existing Clackamas Interceptor has been shown in past studies to lack capacity to serve the existing service area into the future. Additionally, parts of the interceptor require rehabilitation. A conceptual design has been completed. Work is underway to assess the current condition as well as the current and future capacity needs for the areas served by the interceptor. Improvements along the length of the interceptor will be designed together. Construction will then be phased over several years through a series of projects to assure the ability to serve existing and future customers.
- ***Tri-City Water Resource Recovery Facility (“WRRF”) Wet Weather Outfall – Estimated cost over the next 36 months: \$12.75 million.*** Projected total future wastewater flows to the Tri-City WRRF were developed as part of the Collection System Master Plan (“CSMP”) and are expected to be approximately 176 million gallons per day (“MGD”) under build-out conditions. The capacity of the existing outfall is approximately 75 MGD and is expected to be exceeded as flows increase over the next several years. The new outfall will provide the additional capacity needed and will be sufficient except for peak wet weather in future years. The projected flows and sizing of the new outfall assume the reductions in inflow and infiltration (“I/I”) cited in the CSMP. The citizens of the City of Oregon City recently voted to approve the construction of the portion of this project that will need to occur in Jon Storm Park.
- ***Tri-City WRRF Solids Handling Improvements Project – Estimated cost over the next 36 months: \$9.1 million.*** WES has identified the need to expand and refurbish the solids handling processes at the Tri-City WRRF. Project costs include construction and engineering services during construction. The project could include new sludge stabilization and dewatering facilities, electrical distribution upgrades, digester feed tank, digested sludge storage, cake storage and load out facility, centrate storage, biogas utilization and upgrades to existing facilities. The new cogeneration system will provide approximately half of the power required at the facility and provide heat for the process and space heat for several buildings. Construction is expected to be completed in 2021.
- ***Multiple Pump Station Upgrades – Estimated cost over the next 36 months: \$8 million.*** Eight pump stations need rehabilitation. Upgrades will include pumps and electrical systems, HVAC and structural components. The pump stations include Willamette, Sieben Lane, South Welches, Golf Course Terrace, Gladstone, Clackamas, 82nd Drive, and Timberline Rim.

- **Tri-City WRRF Liquids Expansion – Estimated cost over the next 36 months: \$5 million.** The results of the Collection System Master Plan show that peak wet weather flow to the Tri-City WRRF exceeds its hydraulic capacity. The Willamette Facilities Plan (“WFP”) has started and is a planning effort for the Tri-City and Kellogg Creek WRRFs needed to define facilities that will be required to provide peak wet and dry weather capacity for the near and long term. This project, yet to be defined, will address the wet weather expansion required to be completed within the next five years. The costs are placeholders and will be better defined upon completion of the Willamette Facilities Plan in 2021. Note that projected flows and project sizing assumes the I/I reductions noted in the Collection System Master Plan. Construction of this estimated total \$85M expansion will continue beyond 2025.
- **Kellogg Creek WRRF Solids Improvement Project – Estimated cost over the next 36 months: \$5 million.** Currently, digested sludge from the Kellogg Facility is hauled to, and dewatered at, the Tri-City facility. Dewatered biosolids are hauled to eastern Oregon for beneficial reuse. This project would provide dewatering at the Kellogg Facility with improvements to the digester complex, including updating the biogas utilization system. The budget for this project was increased to include new thickening equipment.
- **Pipe and Manhole Rehabilitation and Replacement – Estimated cost over the next 36 months \$3 million.** Sanitary sewer pipe and manholes are subject to degraded condition through exposure to chemicals, organic growths, and soil movement. This degradation leads to defects in pipe which can result in surface water and groundwater infiltration into the collection system, straining treatment capacities and increasing risk of pipe failure. This project will repair and/or replace damaged and aging pipelines utilizing methods including pipelining, pipe bursting and replacement. This project will also rehabilitate aging manholes which have degraded condition through normal exposure to chemical and biological components and soil movement. Rehabilitation efforts to reduce risk will range from cleaning and spray lining to complete manhole replacement depending upon the degree of wear.
- **Inflow and Infiltration Reduction Program – Estimated cost over the next 36 months \$3 million.** Inflow and Infiltration (“I/I”) is clean groundwater and/or rainwater that enters the sewer system through direct connections such as roof drains or area drains or defects such as leaking joints or manholes. When the amount of I/I becomes excessive it can cause capacity deficiencies in the sewer system and possible overflows. When the amount of I/I becomes excessive it is more cost effective to remove the I/I than upsize infrastructure or treatment facilities to transport and treat the extraneous clean water. This project will involve activities to identify areas of high I/I and their sources and include design and construction of sewer rehabilitation projects, to abate the I/I. The Mount Talbert and Gladstone Area Sanitary Sewer Evaluation Survey (“SSES”) and I/I Reduction Project are funded by this Program.

The attached resolution has been reviewed and approved by County Counsel and outside Bond Counsel.

**RECOMMENDATION:**

Staff respectfully recommends that the Board, as the governing body of the Surface Water Management Agency of Clackamas County, adopt the resolution authorizing Water Environment Services to enter into financing agreements necessary to fund its adopted Capital Improvement Plan.

Respectfully submitted,

**Chris Storey** Digitally signed by Chris Storey  
Date: 2020.11.17 15:47:41  
-08'00'

Chris Storey, Assistant Director  
WES

Attachments: Authorizing Resolution

BEFORE THE BOARD OF THE SURFACE WATER MANAGEMENT AGENCY OF  
CLACKAMAS COUNTY

FOR THE STATE OF OREGON, FOR THE COUNTY OF CLACKAMAS

A Resolution Approving Water Environment ) RESOLUTION NO. \_\_\_\_\_  
Services Entering into One or More Financing )  
Agreements; and Providing an Effective Date. )  
)  
)

**The Board of County Commissioners of Clackamas County (“Board”), acting as the governing body of the Surface Water Management Agency of Clackamas County (the “District”), finds as follows:**

**A.** Pursuant to Oregon Revised Statutes (“ORS”) Chapter 190, the District, Tri-City Service District, and Clackamas County Service District No. 1 (collectively, the “Partners”) entered into an Intergovernmental Partnership Agreement, as amended (the “Partnership Agreement”), which created a new municipal entity known as Water Environment Services (“WES”) for the purpose of providing more efficient and cost-effective wastewater and surface water services on a more regional basis. The Partnership Agreement became fully effective on June 30, 2018.

**B.** The Partnership Agreement authorizes WES to borrow money and issue debt instruments, bonds, securities or provide for the borrowing of money and issuance of debt instruments in support of any lawful purpose of WES, and provides that it is the intention of the Partners that all future debt necessary to support the WES system shall be issued by WES if revenue-based.

**C.** ORS Section 190.080(1) provides that intergovernmental entities may enter into financing agreements to accomplish the public purposes of the parties if the parties to the intergovernmental agreement approve the entity entering into financing agreements after a public hearing.

**D.** WES desires to enter into one or more financing agreements in an aggregate principal amount not to exceed \$50,000,000 to finance real and personal property for the sanitary and storm sewer system of WES (the “System”), including the Clackamas Interceptor Capacity Improvements, Tri-City Water Resource Recovery Facility Wet Weather Outfall, Tri-City Solids Handling Improvements, Pump Station Upgrades, Tri-City Liquids Expansion, Kellogg Creek Solids Improvements, Pipe and Manhole Rehabilitation and Replacement, the Inflow and Infiltration Reduction Program, and other projects listed on WES’ adopted capital improvement plan (collectively, the “Projects”), which accomplish a public purpose of the District, and intends to pledge the net revenues of the System to pay amounts due under the financing agreements.

E. The Partners, including the District, desire to authorize WES to enter into such financing agreements under ORS Section 271.390 and the applicable provisions of ORS Chapter 287A.

**NOW, THEREFORE, THE BOARD, ACTING AS THE GOVERNING BODY OF SURFACE WATER MANAGEMENT AGENCY OF CLACKAMAS COUNTY, RESOLVES AS FOLLOWS:**

**Section 1. Approval of Borrowing.** A public hearing was held before the Board on this day, November 25<sup>th</sup>, 2020 regarding WES entering into one or more financing agreements in an aggregate principal amount of up to \$50,000,000 to finance the Projects pursuant to ORS Section 190.080(1)(a), ORS Section 271.390, and the applicable provisions of ORS Chapter 287A (collectively, the “Act”). By adoption of this Resolution, the Board hereby approves of WES entering into one or more financing agreements in an aggregate principal amount of up to \$50,000,000 pursuant to the Act to finance the Projects.

**Section 2. Effective Date.** This Resolution shall become effective immediately upon its adoption.

ADOPTED this 25<sup>th</sup> day of November, 2020.

BOARD OF COUNTY COMMISSIONERS  
as the Governing Body of the  
Surface Water Management Agency of Clackamas County

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Chair

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Recording Secretary



Gregory L. Geist  
Director

November 25, 2020

Board of County Commissioners  
Acting as the governing body of  
Clackamas County Service District No. 1

Members of the Board:

Approval of a Resolution Authorizing a Financing for New Capital Projects for  
Clackamas County Service District No. 1

<b>Purpose/Outcomes</b>	Approval of a Resolution Authorizing a Financing for New Capital Projects for Clackamas County Service District No. 1.
<b>Dollar Amount and Fiscal Impact</b>	Issuance of up to \$50 million in new debt.
<b>Funding Source</b>	WES monthly service charge revenues will be used to pay annual debt service associated with the borrowing. No County General Fund revenues are involved.
<b>Duration</b>	Debt is anticipated to be issued for a 25 year term.
<b>Previous Board Action/Review</b>	Prior discussions related to budget and financing strategies.
<b>Counsel Review</b>	This Resolution was reviewed and approved by County Counsel on November 16, 2020.
<b>Strategic Plan Alignment</b>	1. Build Public Trust Through Good Government: The issuance at this time of very low interest rates should result in significant interest expense savings. 2. Build Strong Infrastructure: Construction of necessary facilities to meet the needs of current customers and future growth.
<b>Contact Person</b>	Chris Storey, WES Assistant Director (503-742-4543)
<b>Contract No.</b>	<i>Resolution No. not assigned yet.</i>

Water Environment Services (“WES”) was established by an intergovernmental agreement that was entered into pursuant to Oregon Revised Statutes (“ORS”) Chapter 190 by Clackamas County Service District No. 1, the Tri-City Service District, and the Surface Water Management Agency of Clackamas County (collectively, the “Partners”). This agreement allows WES to enter into financing agreements if the above parties to the intergovernmental agreement each approve WES entering into such financing agreements after each holds a public hearing. Therefore, each of the Partners and WES itself must authorize entering into the proposed financing and each must hold a public hearing as part of the overall authorization.

WES, as an ORS 190 entity, is responsible for managing the WES’ debt portfolio separately from the County. WES is rated AAA by Standard and Poor’s rating agency, their highest rating, reflecting the overall financial health of WES as an organization. This high rating may enable WES to borrow at the lowest available interest rates and overall cost to finance several of the



key projects included in the adopted Capital Improvement Plan. The attached orders and associated public hearings authorize the issuance of debt to accomplish this purpose.

**BACKGROUND:**

WES is estimating the need to borrow up to approximately \$50 million to supplement existing reserves to fund needed capital projects over the next three years through the issuance of revenue obligations with a term of 25 years. At the closing of the bond sale, the Internal Revenue Service will require a finding of a reasonable expectation to spend 85% of the proceeds of the borrowing within three years of the date of borrowing. Consequently, WES has identified projects in its approved Capital Improvement Plan (“CIP”) that will be initiated over the next three years and that will be financed with the borrowed funds, as well as acknowledging that the CIP is updated annually and some additional projects may be funded thereby. The following are brief summary descriptions of those projects.

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The attached resolution has been reviewed and approved by County Counsel and outside Bond Counsel.

**RECOMMENDATION:**

Staff respectfully recommends that the Board, as the governing body of the Clackamas County Service District No. 1, adopt the resolution authorizing Water Environment Services to enter into financing agreements necessary to fund its adopted Capital Improvement Plan.

Respectfully submitted,

**Chris Storey**  Digitally signed by Chris Storey  
Date: 2020.11.17 15:47:17  
-08'00'

Chris Storey, Assistant Director  
WES

Attachments: Authorizing Resolution



**NOW, THEREFORE, THE BOARD, ACTING AS THE GOVERNING BODY OF CLACKAMAS COUNTY SERVICE DISTRICT NO. 1, RESOLVES AS FOLLOWS:**

**Section 1. Approval of Borrowing.** A public hearing was held before the Board on this day, November 25, 2020, regarding WES entering into one or more financing agreements in an aggregate principal amount of up to \$50,000,000 to finance the Projects pursuant to ORS Section 190.080(1)(a), ORS Section 271.390, and the applicable provisions of ORS Chapter 287A (collectively, the “Act”). By adoption of this Resolution, the Board hereby approves of WES entering into one or more financing agreements in an aggregate principal amount of up to \$50,000,000 pursuant to the Act to finance the Projects.

**Section 2. Effective Date.** This Resolution shall become effective immediately upon its adoption.

ADOPTED this 25<sup>th</sup> day of November, 2020.

BOARD OF COUNTY COMMISSIONERS  
as the Governing Body of Clackamas County Service District No. 1

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Chair

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Recording Secretary



Gregory L. Geist  
Director

November 25, 2020

Board of County Commissioners  
Acting as the governing body of  
Tri-City Service District

Members of the Board:

Approval of a Resolution Authorizing a Financing for New Capital Projects for  
Tri-City Service District

<b>Purpose/Outcomes</b>	Approval of a Resolution Authorizing a Financing for New Capital Projects for Tri-City Service District.
<b>Dollar Amount and Fiscal Impact</b>	Issuance of up to \$50 million in new debt.
<b>Funding Source</b>	WES monthly service charge revenues will be used to pay annual debt service associated with the borrowing. No County General Fund revenues are involved.
<b>Duration</b>	Debt is anticipated to be issued for a 25 year term.
<b>Previous Board Action/Review</b>	Prior discussions related to budget and financing strategies.
<b>Counsel Review</b>	This Resolution was reviewed and approved by County Counsel on November 16, 2020.
<b>Strategic Plan Alignment</b>	<ol style="list-style-type: none"> <li>1. Build Public Trust Through Good Government: The issuance at this time of very low interest rates should result in significant interest expense savings.</li> <li>2. Build Strong Infrastructure: Construction of necessary facilities to meet the needs of current customers and future growth.</li> </ol>
<b>Contact Person</b>	Chris Storey, WES Assistant Director (503-742-4543)
<b>Contract No.</b>	<i>Resolution No. not assigned yet.</i>

Water Environment Services (“WES”) was established by an intergovernmental agreement that was entered into pursuant to Oregon Revised Statutes (“ORS”) Chapter 190 by Clackamas County Service District No. 1, the Tri-City Service District, and the Surface Water Management Agency of Clackamas County (collectively, the “Partners”). This agreement allows WES to enter into financing agreements if the above parties to the intergovernmental agreement each approve WES entering into such financing agreements after each holds a public hearing. Therefore, each of the Partners and WES itself must authorize entering into the proposed financing and each must hold a public hearing as part of the overall authorization.

WES, as an ORS 190 entity, is responsible for managing the WES’ debt portfolio separately from the County. WES is rated AAA by Standard and Poor’s rating agency, their highest rating, reflecting the overall financial health of WES as an organization. This high rating may enable WES to borrow at the lowest available interest rates and overall cost to finance several of the

key projects included in the adopted Capital Improvement Plan. The attached orders and associated public hearings authorize the issuance of debt to accomplish this purpose.

**BACKGROUND:**

WES is estimating the need to borrow up to approximately \$50 million to supplement existing reserves to fund needed capital projects over the next three years through the issuance of revenue obligations with a term of 25 years. At the closing of the bond sale, the Internal Revenue Service will require a finding of a reasonable expectation to spend 85% of the proceeds of the borrowing within three years of the date of borrowing. Consequently, WES has identified projects in its approved Capital Improvement Plan (“CIP”) that will be initiated over the next three years and that will be financed with the borrowed funds, as well as acknowledging that the CIP is updated annually and some additional projects may be funded thereby. The following are brief summary descriptions of those projects.

- ***Clackamas Interceptor Capacity Improvements – Estimated cost over the next 36 months: \$33 million.*** The existing Clackamas Interceptor has been shown in past studies to lack capacity to serve the existing service area into the future. Additionally, parts of the interceptor require rehabilitation. A conceptual design has been completed. Work is underway to assess the current condition as well as the current and future capacity needs for the areas served by the interceptor. Improvements along the length of the interceptor will be designed together. Construction will then be phased over several years through a series of projects to assure the ability to serve existing and future customers.
- ***Tri-City Water Resource Recovery Facility (“WRRF”) Wet Weather Outfall – Estimated cost over the next 36 months: \$12.75 million.*** Projected total future wastewater flows to the Tri-City WRRF were developed as part of the Collection System Master Plan (“CSMP”) and are expected to be approximately 176 million gallons per day (“MGD”) under build-out conditions. The capacity of the existing outfall is approximately 75 MGD and is expected to be exceeded as flows increase over the next several years. The new outfall will provide the additional capacity needed and will be sufficient except for peak wet weather in future years. The projected flows and sizing of the new outfall assume the reductions in inflow and infiltration (“I/I”) cited in the CSMP. The citizens of the City of Oregon City recently voted to approve the construction of the portion of this project that will need to occur in Jon Storm Park.
- ***Tri-City WRRF Solids Handling Improvements Project – Estimated cost over the next 36 months: \$9.1 million.*** WES has identified the need to expand and refurbish the solids handling processes at the Tri-City WRRF. Project costs include construction and engineering services during construction. The project could include new sludge stabilization and dewatering facilities, electrical distribution upgrades, digester feed tank, digested sludge storage, cake storage and load out facility, centrate storage, biogas utilization and upgrades to existing facilities. The new cogeneration system will provide approximately half of the power required at the facility and provide heat for the process and space heat for several buildings. Construction is expected to be completed in 2021.
- ***Multiple Pump Station Upgrades – Estimated cost over the next 36 months: \$8 million.*** Eight pump stations need rehabilitation. Upgrades will include pumps and electrical systems, HVAC and structural components. The pump stations include Willamette, Sieben Lane, South Welches, Golf Course Terrace, Gladstone, Clackamas, 82nd Drive, and Timberline Rim.

- **Tri-City WRRF Liquids Expansion – Estimated cost over the next 36 months: \$5 million.** The results of the Collection System Master Plan show that peak wet weather flow to the Tri-City WRRF exceeds its hydraulic capacity. The Willamette Facilities Plan (“WFP”) has started and is a planning effort for the Tri-City and Kellogg Creek WRRFs needed to define facilities that will be required to provide peak wet and dry weather capacity for the near and long term. This project, yet to be defined, will address the wet weather expansion required to be completed within the next five years. The costs are placeholders and will be better defined upon completion of the Willamette Facilities Plan in 2021. Note that projected flows and project sizing assumes the I/I reductions noted in the Collection System Master Plan. Construction of this estimated total \$85M expansion will continue beyond 2025.
- **Kellogg Creek WRRF Solids Improvement Project – Estimated cost over the next 36 months: \$5 million.** Currently, digested sludge from the Kellogg Facility is hauled to, and dewatered at, the Tri-City facility. Dewatered biosolids are hauled to eastern Oregon for beneficial reuse. This project would provide dewatering at the Kellogg Facility with improvements to the digester complex, including updating the biogas utilization system. The budget for this project was increased to include new thickening equipment.
- **Pipe and Manhole Rehabilitation and Replacement – Estimated cost over the next 36 months \$3 million.** Sanitary sewer pipe and manholes are subject to degraded condition through exposure to chemicals, organic growths, and soil movement. This degradation leads to defects in pipe which can result in surface water and groundwater infiltration into the collection system, straining treatment capacities and increasing risk of pipe failure. This project will repair and/or replace damaged and aging pipelines utilizing methods including pipelining, pipe bursting and replacement. This project will also rehabilitate aging manholes which have degraded condition through normal exposure to chemical and biological components and soil movement. Rehabilitation efforts to reduce risk will range from cleaning and spray lining to complete manhole replacement depending upon the degree of wear.
- **Inflow and Infiltration Reduction Program – Estimated cost over the next 36 months \$3 million.** Inflow and Infiltration (“I/I”) is clean groundwater and/or rainwater that enters the sewer system through direct connections such as roof drains or area drains or defects such as leaking joints or manholes. When the amount of I/I becomes excessive it can cause capacity deficiencies in the sewer system and possible overflows. When the amount of I/I becomes excessive it is more cost effective to remove the I/I than upsize infrastructure or treatment facilities to transport and treat the extraneous clean water. This project will involve activities to identify areas of high I/I and their sources and include design and construction of sewer rehabilitation projects, to abate the I/I. The Mount Talbert and Gladstone Area Sanitary Sewer Evaluation Survey (“SSES”) and I/I Reduction Project are funded by this Program.

The attached resolution has been reviewed and approved by County Counsel and outside Bond Counsel.



**RECOMMENDATION:**

Staff respectfully recommends that the Board, as the governing body of the Tri-City Service District, adopt the resolution authorizing Water Environment Services to enter into financing agreements necessary to fund its adopted Capital Improvement Plan.

Respectfully submitted,

**Chris Storey** Digitally signed by Chris Storey  
Date: 2020.11.17 15:48:02 -08'00'

Chris Storey, Assistant Director  
WES

Attachments: Authorizing Resolution

BEFORE THE BOARD OF TRI-CITY SERVICE DISTRICT  
FOR THE STATE OF OREGON, FOR THE COUNTY OF CLACKAMAS

A Resolution Approving Water Environment ) RESOLUTION NO. \_\_\_\_\_  
Services Entering into One or More Financing )  
Agreements; and Providing an Effective Date. )  
)  
)

**The Board of County Commissioners of Clackamas County (“Board”), acting as the governing body of Tri-City Service District (the “District”), finds as follows:**

**A.** Pursuant to Oregon Revised Statutes (“ORS”) Chapter 190, the District, Surface Water Management Agency of Clackamas County, and Clackamas County Service District No. 1 (collectively, the “Partners”) entered into an Intergovernmental Partnership Agreement, as amended (the “Partnership Agreement”), which created a new municipal entity known as Water Environment Services (“WES”) for the purpose of providing more efficient and cost-effective wastewater and surface water services on a more regional basis. The Partnership Agreement became fully effective on June 30, 2018.

**B.** The Partnership Agreement authorizes WES to borrow money and issue debt instruments, bonds, securities or provide for the borrowing of money and issuance of debt instruments in support of any lawful purpose of WES, and provides that it is the intention of the Partners that all future debt necessary to support the WES system shall be issued by WES if revenue-based.

**C.** ORS Section 190.080(1) provides that intergovernmental entities may enter into financing agreements to accomplish the public purposes of the parties if the parties to the intergovernmental agreement approve the entity entering into financing agreements after a public hearing.

**D.** WES desires to enter into one or more financing agreements in an aggregate principal amount not to exceed \$50,000,000 to finance real and personal property for the sanitary and storm sewer system of WES (the “System”), including the Clackamas Interceptor Capacity Improvements, Tri-City Water Resource Recovery Facility Wet Weather Outfall, Tri-City Solids Handling Improvements, Pump Station Upgrades, Tri-City Liquids Expansion, Kellogg Creek Solids Improvements, Pipe and Manhole Rehabilitation and Replacement, the Inflow and Infiltration Reduction Program, and other projects listed on WES’ adopted capital improvement plan (collectively, the “Projects”), which accomplish a public purpose of the District, and intends to pledge the net revenues of the System to pay amounts due under the financing agreements.

**E.** The Partners, including the District, desire to authorize WES to enter into such financing agreements under ORS Section 271.390 and the applicable provisions of ORS Chapter 287A.

**NOW, THEREFORE, THE BOARD, ACTING AS THE GOVERNING BODY OF TRI-CITY SERVICE DISTRICT, RESOLVES AS FOLLOWS:**

**Section 1. Approval of Borrowing.** A public hearing was held before the Board on this day, November 25<sup>th</sup>, 2020, regarding WES entering into one or more financing agreements in an aggregate principal amount of up to \$50,000,000 to finance the Projects pursuant to ORS Section 190.080(1)(a), ORS Section 271.390, and the applicable provisions of ORS Chapter 287A (collectively, the “Act”). By adoption of this Resolution, the Board hereby approves of WES entering into one or more financing agreements in an aggregate principal amount of up to \$50,000,000 pursuant to the Act to finance the Projects.

**Section 2. Effective Date.** This Resolution shall become effective immediately upon its adoption.

ADOPTED this 25<sup>th</sup> day of November, 2020.

BOARD OF COUNTY COMMISSIONERS  
as the Governing Body of Tri-City Service District

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Chair

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Recording Secretary



Gregory L. Geist  
Director

November 25, 2020

Board of County Commissioners  
Acting as the governing body of  
Water Environment Services

Members of the Board:

Approval of a Resolution Authorizing a Financing for New Capital Projects for  
Water Environment Services

<b>Purpose/Outcomes</b>	Approval of a Resolution Authorizing a Financing for New Capital Projects for Water Environment Services.
<b>Dollar Amount and Fiscal Impact</b>	Issuance of up to \$50 million in new debt.
<b>Funding Source</b>	WES monthly service charge revenues will be used to pay annual debt service associated with the borrowing. No County General Fund revenues are involved.
<b>Duration</b>	Debt is anticipated to be issued for a 25 year term.
<b>Previous Board Action/Review</b>	Prior discussions related to budget and financing strategies.
<b>Counsel Review</b>	This Resolution was reviewed and approved by County Counsel on November 16, 2020.
<b>Strategic Plan Alignment</b>	<ol style="list-style-type: none"> <li>1. Build Public Trust Through Good Government: The issuance at this time of very low interest rates should result in significant interest expense savings.</li> <li>2. Build Strong Infrastructure: Construction of necessary facilities to meet the needs of current customers and future growth.</li> </ol>
<b>Contact Person</b>	Chris Storey, WES Assistant Director (503-742-4543)
<b>Contract No.</b>	<i>Resolution No. not assigned yet.</i>

Water Environment Services (“WES”) was established by an intergovernmental agreement that was entered into pursuant to Oregon Revised Statutes (“ORS”) Chapter 190 by Clackamas County Service District No. 1, the Tri-City Service District, and the Surface Water Management Agency of Clackamas County (collectively, the “Partners”). This agreement allows WES to enter into financing agreements if the above parties to the intergovernmental agreement each approve WES entering into such financing agreements after each holds a public hearing. Therefore, each of the Partners and WES itself must authorize entering into the proposed financing and each must hold a public hearing as part of the overall authorization.

WES, as an ORS 190 entity, is responsible for managing the WES’ debt portfolio separately from the County. WES is rated AAA by Standard and Poor’s rating agency, their highest rating, reflecting the overall financial health of WES as an organization. This high rating may enable WES to borrow at the lowest available interest rates and overall cost to finance several of the

key projects included in the adopted Capital Improvement Plan. The attached orders and associated public hearings authorize the issuance of debt to accomplish this purpose.

**BACKGROUND:**

WES is estimating the need to borrow up to approximately \$50 million to supplement existing reserves to fund needed capital projects over the next three years through the issuance of revenue obligations with a term of 25 years. At the closing of the bond sale, the Internal Revenue Service will require a finding of a reasonable expectation to spend 85% of the proceeds of the borrowing within three years of the date of borrowing. Consequently, WES has identified projects in its approved Capital Improvement Plan (“CIP”) that will be initiated over the next three years and that will be financed with the borrowed funds, as well as acknowledging that the CIP is updated annually and some additional projects may be funded thereby. The following are brief summary descriptions of those projects.

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The attached resolution has been reviewed and approved by County Counsel and outside Bond Counsel.

**RECOMMENDATION:**

Staff respectfully recommends that the Board, as the governing body of Water Environment Services, adopt the resolution authorizing Water Environment Services to enter into financing agreements necessary to fund its adopted Capital Improvement Plan.

Respectfully submitted,

**Chris Storey** Digitally signed by Chris Storey  
Date: 2020.11.17 15:48:22  
-08'00'

Chris Storey, Assistant Director  
WES

Attachments: Authorizing Resolution

BEFORE THE BOARD OF WATER ENVIRONMENT SERVICES  
FOR THE STATE OF OREGON, FOR THE COUNTY OF CLACKAMAS

A Resolution Authorizing a Financing of Real ) RESOLUTION NO. \_\_\_\_\_  
and Personal Property in a Principal Amount )  
Not to Exceed \$50,000,000 and Related )  
Matters )  
)

**SECTION 1. FINDINGS.**

The Board of County Commissioners of Clackamas County (“Board”), acting as the governing body of Water Environment Services (“WES”), finds as follows:

WHEREAS, WES was established by an intergovernmental agreement (the “Partnership Agreement”) that was entered into pursuant to Oregon Revised Statutes (“ORS”) Chapter 190 by Clackamas County Service District No. 1, Tri-City Service District, and the Surface Water Management Agency of Clackamas County (collectively, the “Partners”); and

WHEREAS, WES was created for the purpose of providing more efficient and cost-effective wastewater and surface water services on a more regional basis; and

WHEREAS, the Partnership Agreement authorizes WES to borrow money and issue debt instruments, bonds, securities or provide for the borrowing of money and issuance of debt instruments in support of any lawful purpose of WES, and provides that it is the intention of the Partners that all future debt necessary to support the WES system shall be issued by WES if revenue-based; and

WHEREAS, ORS Section 190.080(1)(a) authorizes WES to enter into financing agreements under ORS Section 271.390 if each of the Partners holds a public hearing and adopts a resolution or order approving entering into the financing agreements; and

WHEREAS, each of the Partners has held one or more public hearings and adopted a resolution or order approving WES entering into one or more financing agreements in an aggregate principal amount not to exceed \$50,000,000 to finance real and personal property for the sanitary and storm sewer system of WES, including but not limited to the Clackamas Interceptor Capacity Improvements, Tri-City Water Resource Recovery Facility Wet Weather Outfall, Tri-City Solids Handling Improvements, Pump Station Upgrades, Tri-City Liquids Expansion, Kellogg Creek Solids Improvements, Pipe and Manhole Rehabilitation and Replacement, the Inflow and Infiltration Reduction Program, and other projects listed on WES’ adopted capital improvement plan (collectively, the “Projects”).

WHEREAS, WES is authorized by ORS Section 271.390 to enter into financing agreements to finance real or personal property that the Board determines is needed so long as

Page 1 of 3 - Order



the estimated weighted average life of the financing agreement does not exceed the estimated dollar weighted average life of the property that is financed; and

WHEREAS, the Board, acting as the governing body of WES, hereby determines that the Projects are needed; and

WHEREAS, it is desirable to obtain financing for the Projects in an aggregate principal amount of not more than \$50,000,000 pursuant to ORS 271.390 and the applicable provisions of ORS Chapters 190 and 287A; and

WHEREAS, WES may make expenditures on the Projects (the "Expenditures") before WES borrows to finance the Projects, and the rules of the United States Internal Revenue Service require WES to declare its official intent to reimburse itself for amounts that WES will spend before it borrows, in order for WES to reimburse itself for those Expenditures from the proceeds of a tax-exempt borrowing;

Now, THEREFORE be it hereby resolved:

## **SECTION 2. AUTHORIZATION.**

WES may finance the Projects under the authority of ORS Section 271.390 and the applicable provisions of ORS Chapters 190 and 287A, by entering into one or more financing agreements in an aggregate principal amount of not more than \$50,000,000 (the "Financing Agreements"). WES may also pay costs associated with the Financing Agreements with proceeds of the Financing Agreements. The Financing Agreements shall be special obligations of WES that are payable solely from the net revenues of WES's Sewer System and related amounts as provided in WES's Amended Master Sewer Revenue Bond Declaration, dated as of June 30, 2018 (the "Master Declaration") or a subordinate lien declaration.

## **SECTION 3. DELEGATION.**

The WES Director or the WES Assistant Director or the person authorized to act on behalf of the WES Director or the WES Assistant Director (each of whom is referred to as a "WES Official") is hereby authorized, on behalf of WES and without further action by the Board, to:

1) Negotiate, execute, and deliver one or more Financing Agreements to accomplish the financing authorized in this Resolution. Subject to the limitations of this Resolution, the Financing Agreements may be in such form and contain such terms as the WES Official may approve.

2) Negotiate, execute and deliver one or more escrow agreements or similar documents (the "Escrow Agreements") that provide for the issuance of one or more series of "revenue obligations" (the "Obligations") that represent ownership interests in the principal and interest payments due from WES under the Financing Agreements. Subject to the limitations of this Resolution, the Escrow Agreements and each series of Obligations may be in such form and contain such terms as the WES Official may approve.

3) Pledge all or any portion of the net revenues of WES's Sewer System, as defined in the Master Declaration to pay the Financing Agreements, and determine the lien status of each pledge and execute a subordinate lien declaration, if applicable.

4) Prepare, execute and deliver one or more declarations that supplement or amend the Master Declaration, in order to issue the Financing Agreements as "Parity Obligations" under the Master Declaration.

5) Deem final and authorize the distribution of a preliminary official statement for each series of Obligations and authorize the preparation and distribution of a final official statement or other disclosure document for each series of Obligations.

6) Undertake to provide continuing disclosure for each series of Obligations in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission.

7) Apply for ratings for each series of Obligations, determine whether to purchase municipal bond insurance or obtain other forms of credit enhancements for each series of Obligations, enter into agreements with the providers of credit enhancement, and execute and deliver related documents.

8) Enter into additional covenants for the benefit of the purchasers of the Obligations that the WES Official determines are desirable to obtain more favorable terms for the Financing Agreements.

9) Appoint and enter into agreements with service providers whose services are desirable for the financing, including municipal advisor, paying agent, and escrow agent.

10) Determine the final principal amount of each Financing Agreement, the interest rate or rates that each Financing Agreement shall bear, WES's prepayment rights, and other terms of each Financing Agreement and each series of Obligations.

11) If beneficial, establish reserve accounts to secure the borrowings with proceeds of the Financing Agreements or other amounts.

12) Solicit competitive bids for the purchase of the Obligations and award the sale to the bidders offering the most favorable terms to WES, select underwriters to purchase the Obligations and negotiate the terms of the sale of those Obligations with the underwriters, or place any Financing Agreement directly with a commercial bank or other lender.

13) Issue any qualifying Financing Agreement as a "tax-exempt bond" bearing interest that is excludable from gross income under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), designate any Financing Agreement as a "qualified tax-exempt obligation" pursuant to Section 265(b)(3) of the Code, if applicable, and enter into covenants to maintain the excludability of interest on those Financing Agreements from gross income under the Code.

14) Issue any Financing Agreement as a "taxable bond" bearing interest that is includable in gross income under the Code.

15) Execute and deliver any other certificates or documents and take any other actions that the WES Official determines are desirable to carry out this Resolution.

**SECTION 4. DECLARATION OF INTENT TO REIMBURSE.**

WES hereby declares its official intent pursuant to Section 1.150-2 of the Treasury Regulations to reimburse itself with the proceeds of the Financing Agreements for any Expenditures paid before the Financing Agreements are issued.

**SECTION 5. EFFECTIVE DATE.**

This Resolution shall take effect immediately upon its adoption.

ADOPTED this 25<sup>th</sup> day of November, 2020.

BOARD OF COUNTY COMMISSIONERS  
as the Governing Body of Water Environment Services

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Chair

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Recording Secretary