



June 16, 2021

Water Environment Services Board
 Board of County Commissioners
 Clackamas County

Members of the Board:

Approval of Amendment No. 2 to Intergovernmental Agreement between
 Water Environment Services and the City of Happy Valley, Oregon
 For Street Sweeping Services

Purpose/Outcomes	Board approval of Amendment No.2 to the IGA between WES and the City of Happy Valley for street sweeping services would extend the contract for two additional years.
Dollar Amount and Fiscal Impact	\$83,000 per year of WES funds are required. Current FY funds are in the approved WES Budget.
Funding Source	WES Surface Water Operating Fund. No General Funds are impacted.
Duration	Effective July 1, 2020. Expires June 30, 2022.
Previous Board Action/Review	Approval of previous IGA on 03/24/16 VI. 1., Board Order No. 2016-27, Approval of Amendment #1 to the IGA on 6/29/2016 V.1. Presented to the Board at Issues on June 8, 2021.
Counsel Review	This IGA was reviewed and approved by County Counsel on December 22, 2020.
Strategic Plan Alignment	<ol style="list-style-type: none"> 1) Aligns with WES’s Watershed Protection Program result that streams within WES’ jurisdiction meet or exceed water quality standards. 2) Aligns with WES’s Field Operations and Maintenance Program that 75% of all WES Maintenance activities will be planned efforts to address performance deficiencies or enhancements. 3) Aligns with the Board’s Strategic Priorities to Build a Strong Infrastructure and to Honor, Utilize, Promote and Invest in our Natural Resources.
Contact Person	Ron Wierenga, Environmental Services Manager, 503-742-4581
Contract No.	N/A

BACKGROUND:

Water Environment Services (“WES”) has an Intergovernmental Agreement (“IGA”) with the City of Happy Valley, Oregon to provide enhanced street sweeping activities. The Project has two primary objectives:

- a) Improve water quality and reduce storm system maintenance by sweeping designated streets and arterial roads within WES’ service area to remove dirt and debris from the road surface before it enters the storm system and is conveyed to nearby streams and waterways;

b) Demonstrate a cooperative approach to meeting the Oregon Department of Environment Quality (“DEQ”) Municipal Stormwater Permit (“MS4”) and Total Maximum Daily Load (“TMDL”) requirements for municipal operations and pollution prevention.

The IGA authorizes the City of Happy Valley to seek reimbursement for costs associated with the increased frequency of street sweeping on designated roadways in and adjacent to the city. This IGA was originally approved by the Board in March 2016 and amended in July 2016.

Amendment No. 2 amends the IGA to extend the agreement for two additional years through June 30, 2022, and authorizes the funding to reimburse the City of Happy Valley up to \$83,000 per year for enhanced street sweeping activities.

Amendment No. 2 was reviewed and approved by County Counsel in December 2020, and signed by the City of Happy Valley on March 8, 2021.

RECOMMENDATION:

WES staff recommends the Board, acting as the governing body of Water Environment Services, approve Amendment No. 2 to the Intergovernmental Agreement between Water Environment Services and the City of Happy Valley, Oregon for Street Sweeping Services.

Respectfully submitted,

Greg Geist
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Date: 2021.06.02 16:18:44 -07'00'

Greg Geist
Director, Water Environment Services

Attachments:

- 1) Amendment No. 2 to Intergovernmental Agreement between Water Environment Services and the City of Happy Valley, Oregon For Street Sweeping Services

**AMENDMENT No. 2
TO THE
INTERGOVERNMENTAL AGREEMENT BETWEEN
CLACKAMAS COUNTY SERVICE DISTRICT NO. 1,
AND
CITY OF HAPPY VALLEY FOR
STREET SWEEPING SERVICES**

This AMENDMENT NO. 2 to the INTERGOVERNMENTAL AGREEMENT (this “Amendment No. 2”) is made and entered into on the 8th of March, 2020 by and between Water Environment Services, an intergovernmental entity formed pursuant to ORS Chapter 190 (“District”), and the City of Happy Valley, Oregon (“City”), for providing street sweeping services on designated streets and arterials within the boundaries of the District, hereinafter referred to as the “Services.”

Recitals

City and Clackamas County Service District No. 1 (“CCSD1”) entered into that certain intergovernmental agreement dated January 25, 2016 for providing street sweeping services, and was amended July 29, 2016 (the “Agreement”);

CCSD1 assigned all obligations under the Agreement to Water Environment Services as of July 1, 2018;

The Agreement automatically renewed for the five years authorized under the terms and expired June 30, 2020, but the parties continued to perform in accordance with the terms of the Agreement;

The parties desire to extend the Agreement for two additional years pending the negotiation of a new intergovernmental agreement, and retroactively ratify the work completed since June 30, 2020;

NOW, THEREFORE, for good and sufficient consideration, the parties hereby agree that:

Terms

1. The parties acknowledge that work pursuant to the Agreement has continued after its expiration, and the parties hereby ratify work performed in accordance with the terms of the Agreement after June 30, 2020 until the present date.
2. To reflect an adjustment of the termination date of the term, the Agreement’s Paragraph 1 is hereby replaced in its entirety with:
 1. **Effective Date and Duration.** This Agreement shall commence retroactively on July 1, 2015. Unless earlier terminated or extended, the Agreement shall expire on June 30, 2022.

3. To reflect two additional years of compensation (\$83,000/year) and an increase in the total not-to-exceed amount under the Agreement from \$415,000 to \$581,000, the following sentence shall be added to end of Section 3, Consideration:

“The cumulative not-to-exceed amount under this Agreement shall be \$581,000.00.”
4. The District and the City ratify the remainder of the Agreement and affirm that no other changes are made hereby.

The parties hereto have caused this Amendment No. 2 to be executed in duplicate by their duly authorized officers or representatives as of the day and year first above written.

CITY OF HAPPY VALLEY

WATER ENVIRONMENT SERVICES



 Authorized Signatory

 Chair

City Manager

 Title

 Date

3/8/2021

 Date

 Recording Secretary



June 16, 2021

Water Environment Services Board
 Board of County Commissioners
 Clackamas County

Members of the Board:

Approval of a Resolution Authorizing the Director of Water
 Environment Services to Release Liens in the North Clackamas
 Revitalization Area

Purpose/Outcomes	Allow release of liens for homeowners in the NCRA experiencing financial hardship
Dollar Amount and Fiscal Impact	Potentially foregoing an increase in SDC revenues of ~\$5,800 per release.
Funding Source	No additional cost. Foregone additional revenue only.
Duration	Perpetual
Previous Board Action/Review	Adopted policy regarding NCRA sewer connections in 2009.
Counsel Review	Resolution reviewed by Amanda Keller in May 2021.
Strategic Plan Alignment	1) This supports Good Government by creating a more flexible, less bureaucratic approach to unique cases. 2) This approach allows for a greater pursuit of WES' goals to increase equity by allowing economic hardship to be considered in the release of liens.
Contact Person	Chris Storey, WES Assistant Director 503 742 4543
Contract No.	N/A

BACKGROUND:

Clackamas Water Environment Services (“WES”) through its constituent predecessor Clackamas County Service District No. 1 (“CCSD#1”) annexed the area known as the North Clackamas Revitalization Area (“NCRA”) in 2009 to extend sewer service. The NCRA’s boundaries are defined by an urban renewal district created by the Clackamas County Development Agency (“CCDA”). In 2009, CCSD#1 and CCDA entered into an agreement whereby the development agency pre-paid the wastewater system development charges (“SDCs”) for homes and businesses in this area at the then-current rate of \$2,200 per equivalent dwelling unit.

The SDC subsidy was agreed to as an incentive to connect and remove homes from septic systems, many of which were failing and impairing water quality in the area. To prevent profiteering by rapidly flipping the home, the utilization of the incentive came with the condition that the homeowner stay in the home for 5 years. This condition, along with an agreement that if it was not met that the homeowner would pay the difference between the 2009 SDC rate of \$2,200 per EDU as prepaid and the then-current rate for development (\$8,005 in this 20-21

fiscal year), were documented in a restricted transfer agreement and lien which was recorded against the properties that took advantage of the incentive.

WES staff, as the continuing administrators of the program, have been approached by some customers inquiring about the ability to waive or end the restrictions due to economic hardship arising from the pandemic and related shut down of economic activity. The proposed resolution would grant the WES Director the discretion to waive or remove the restrictions in case of economic hardship.

RECOMMENDATION:

WES staff recommends the Board, acting as the governing body of Water Environment Services, approve the Resolution Authorizing the Director of Water Environment Services to Release Liens in the North Clackamas Revitalization Area.

Respectfully submitted,

Greg Geist Digitally signed by Greg
Geist
Date: 2021.06.02
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Greg Geist
Director, Water Environment Services

Attachments: Resolution

**BEFORE THE BOARD OF COUNTY COMMISSIONERS
OF CLACKAMAS COUNTY, STATE OF OREGON**

In the Matter of Providing Authorization
to the Director for Water Environment
Services to Release Liens in the North
Clackamas Revitalization Area

Resolution Order No. _____
Page 1

WHEREAS, Water Environment Services (“District”) partnered with the Clackamas County Development Agency (“Agency”) in 2009 to facilitate the process of providing sanitary sewers within the North Clackamas Revitalization Area (“NCRA”), an urban renewal district previously served by septic systems, and annexed a portion of the NCRA into its District boundaries;

WHEREAS, pursuant to the policy outlined under that partnership, any property owner within the NCRA that connected to the District system would owe a reduced amount for system development charges (“SDC”) to incentivize elimination of failing septic systems and improving water quality in the area;

WHEREAS, to document the substantial reduction of SDC fees reflected in the incentive, the property owner would sign a Restricted Transfer Agreement (“RTA”), which is recorded as a lien against the property;

WHEREAS, the RTA prohibits certain transfers of the property (“Restricted Transfers”) for a period of five years after the SDC credit is applied, and a property owner that engages in a Restricted Transfer prior to the end of the five year period is required to pay the difference between the credited SDC and the current SDC charge – a policy adopted with the intent of preventing developers from flipping the houses and profiting from the appreciation in value accruing due to access to sewer;

WHEREAS, the COVID-19 pandemic has resulted in extraordinary hardship on many property owners, including those in the NCRA, who may be required to sell or transfer ownership of their property prior to the expiration of the RTA’s five year term;

WHEREAS, the District is seeking the authority to release an RTA lien prior to completion of the five years without charging the property owners the difference in the SDCs in cases where the pandemic or other factors has created an economic hardship that is necessitating a Restricted Transfer;

THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS, AS THE GOVERNING BODY OF WATER ENVIRONMENT SERVICES, THAT:

The Director of Water Environment Services is hereby authorized to approve the early release of Restricted Transfer Agreement liens in the North Clackamas Revitalization Area without collecting additional system development charges in situations of economic hardship as determined in the Director's discretion based on available facts.

DATED this ____ day of June 2021
CLACKAMAS COUNTY BOARD OF COUNTY
COMMISSIONERS as the Governing Body
of Water Environment Services:

Chair

Recording Secretary