



November 29, 2018

Board of County Commissioners
 Clackamas County

Members of the Board:

Approval of Amendment No. 3 to the Cooperative Intergovernmental Agreement
Between the Library District of Clackamas County and Library Cities

Purpose/Outcomes	Amend the Cooperative Intergovernmental Agreement Between the Library District of Clackamas County and Library Cities (“Library District Master IGA”) to implement the Settlement Agreement between Clackamas County and the City of Gladstone and to proceed with plans to construct and operate two new library facilities for the Oak Lodge and Gladstone library service areas.
Dollar Amount and Fiscal Impact	Potentially \$360,000 (if the Library District Master IGA is not amended by December 31, 2018)
Funding Source	County General Fund (if the Library District Master IGA is not amended by December 31, 2018)
Duration	The Library District Master IGA can only be terminated upon dissolution of the District.
Strategic Plan Alignment	<ul style="list-style-type: none"> • Build public trust through good government • Build a strong infrastructure • Ensure safe, healthy and secure communities
Previous Board Action	<ul style="list-style-type: none"> • <i>October 12, 2017 BCC Business Meeting:</i> Approval of Settlement Agreement in the case City of Gladstone v. Clackamas County • <i>February 15, 2018 BCC Business Meeting:</i> Approval of Amendment #1 to Settlement Agreement Between the City of Gladstone and Clackamas County • <i>March 6, 2018 BCC Policy Session:</i> Library Task Force • <i>July 17, 2018 BCC Policy Session:</i> Settlement Agreement Implementation Task Force recommendations
Contact Person	Laura Zentner, BCS Director, 503-742-4351 Greg Williams, BCS Deputy Director, 503-742-4399

BACKGROUND:

In October 2017, the County and the City of Gladstone entered into a Settlement Agreement to resolve pending litigation. The Settlement Agreement contemplates the County will construct and operate two new libraries, one located within the City of Gladstone, and one located in unincorporated Clackamas County within the Oak Lodge Library service area. The Settlement Agreement indicates that if necessary amendments to the Cooperative Intergovernmental Agreement between the Library District of Clackamas County and Library Cities (“Library District Master IGA”) are not made by a specific deadline, the County will pay the City of Gladstone \$360,000. In February 2018, the Board approved an amendment to the Settlement Agreement, extending the deadline for making any necessary Library District Master IGA amendments to December 31, 2018.

In March 2018, the Board approved the creation and composition of a Settlement Agreement Implementation Task Force. The Task Force was charged with recommending the minimum changes necessary to the Library District Master Order and/or Master IGA in order to implement the Settlement Agreement and facilitate the construction of two new library facilities. This Task Force consisted of County and City of Gladstone staff and legal counsel, one County Commissioner, and three citizen members (including the Oak Lodge and Gladstone representatives to the Library District Advisory Committee). Task Force meetings were open to the public. In July 2018, the Task Force's recommendations were submitted to and accepted by the Board of County Commissioners. The Library District Master IGA amendments include:

- An amended section 1.6, which designates the County, and not the City of Gladstone, as the eventual recipient of retained funds currently held in trust by the District to support the construction of new library facilities for the Gladstone and Oak Lodge service areas.
- A new section 2.4, which establishes Clackamas County as the permanent Library Service Provider for the Oak Lodge Library Service area and memorializes the intent for Clackamas County to construct and manage two new libraries using District distributions, accumulated reserves, and other revenues.
- An amended Attachment B, which eliminates language regarding service area boundary changes which were originally contemplated when it was anticipated that the City of Gladstone would construct a single facility to serve both the Gladstone and Oak Lodge library service areas.

County staff distributed the proposed amendments to all Library Cities and, during September and October 2018, made presentations to various City Councils and Commissions. Out of a total of eleven Library Cities, ten have approved the amendments, above the two-thirds threshold required by the Library District Master IGA for amendments of this nature.

County Counsel has reviewed this amendment as to form and content. Please note, the amendment is to be signed by the Board both as Governing Body of the Library District of Clackamas County and as Board of County Commissioners for Clackamas County acting as Library City for the Oak Lodge Library service area.

RECOMMENDATION:

Staff recommends Board approval of Amendment No. 3 to the Cooperative Intergovernmental Agreement between the Library District of Clackamas County and Library Cities.

Respectfully submitted,

Laura Zentner, CPA
Director, Business and Community Services

AMENDMENT NO. 3
TO THE
COOPERATIVE INTERGOVERNMENTAL AGREEMENT
BETWEEN
THE LIBRARY DISTRICT OF CLACKAMAS COUNTY
AND
LIBRARY CITIES

THIS AMENDMENT NO. 3 (this “Amendment”) is entered into this ____ day of _____, 2018, by and between the Library District of Clackamas County (the “District”) a county service district formed under ORS Chapter 451, Clackamas County, a political subdivision of the State of Oregon (“County”), each of the Cities of Canby, Estacada, Gladstone, Happy Valley, Lake Oswego, Milwaukie, Molalla, Oregon City, Sandy, West Linn, and Wilsonville (each, a “City” and collectively, the “Library Cities”).

WHEREAS, the District, the County and the Library Cities entered into that certain intergovernmental agreement regarding the distribution of funds from the District to the County and Library Cities in support of the provision of library services to the residents of the District (the “Agreement”); and

WHEREAS, in August 2016, the City of Gladstone filed suit against Clackamas County for breach of contract stemming from an IGA between the parties for the construction of a library within the City of Gladstone; and

WHEREAS, on October 16, 2017, the County and the City of Gladstone entered into a Settlement Agreement which contemplates the County will construct and operate two new libraries, one located within the City of Gladstone, and one located in unincorporated Clackamas County within the Oak Lodge Library service area with a specific site to be determined after appropriate public input; and

WHEREAS, as part of the Settlement Agreement, Clackamas County agreed to undertake good faith efforts to effectuate and support any amendments to this Agreement necessary to implement the terms of the Settlement Agreement; and

WHEREAS, Section 3.3 of the Agreement provides for the mechanism of amendment of the Agreement to address these changes;

NOW, THEREFORE, the District, the County, and the Library Cities each agree to the following:

1. This Agreement’s section 1.6 and Attachment B are hereby amended and restated to read in their entirety:

1.6 Transition Payments. The District shall distribute funds to Clackamas County for the operation of the Oak Lodge Library pursuant to the current Oak Lodge Service area map. To the extent the annual distribution of funds to Clackamas County is greater than the annual need to operate the Oak Lodge library, the District shall retain such funds in trust for Clackamas County for distribution at such time as the County is constructing new library facilities. No unincorporated areas assigned to, or reserves accumulated by, the Oak Lodge Library service

area shall be reassigned, contributed or transferred to another Library City.

Attachment B

Service population maps are included as Attachment B.

1. The maps divide Clackamas County into library service areas. These areas are based on distance, roads, rivers, travel patterns, etc. and are intended to define where people are most likely to receive library service, and to give a Library City the ability to meet the library threshold standards in Attachment C. Each Library City's service area has been constructed by assigning Census tracts into library service areas. Based on census data compiled every 10 years, the population in each census tract will be verified and then the total unincorporated population within each service area will be used to calculate the Formula.

[See attached maps]

2. A new section 2.4 is hereby added to this Agreement to read in its entirety:

2.4 Clackamas County as Library City. The City of Gladstone and Clackamas County desire to work cooperatively in the provision of library services in the Gladstone and Oak Lodge service areas. Gladstone and the County may enter into separate agreements regarding the management of their respective libraries. All parties hereto acknowledge the intention of the Plan is to have Clackamas County, through the use of District distributions for the Oak Lodge and Gladstone service areas, accumulated reserves referred to in section 1.6 above and other non-District revenues, to construct and manage both a new Oak Lodge library and new Gladstone library, and that nothing herein shall be construed to restrict or otherwise impair such plan. Clackamas County shall be considered a "Library City" in all respects for the Oak Lodge Library service area.

3. Except as set forth herein, the District, County, and the Library Cities ratify the remainder of the Agreement and affirm that no other changes are made hereby.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers or representatives as of the day and year first above written.

DISTRICT & COUNTY

CLACKAMAS COUNTY BOARD OF COMMISSIONERS, AS THE GOVERNING BODY OF THE	
LIBRARY DISTRICT OF CLACKAMAS COUNTY	
By: _____ Title: _____	
ATTEST: _____	

LIBRARY CITIES

THE CITY OF CANBY	THE CITY OF ESTACADA
By: _____ Title: _____	By: _____ Title: _____
ATTEST: _____	ATTEST: _____


IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers or representatives as of the day and year first above written.

DISTRICT & COUNTY

CLACKAMAS COUNTY BOARD OF COMMISSIONERS, AS THE GOVERNING BODY OF THE	
LIBRARY DISTRICT OF CLACKAMAS COUNTY	
By: _____	
Title: _____	
ATTEST: _____	

LIBRARY CITIES

THE CITY OF CANBY	THE CITY OF ESTACADA
By: _____	By: <u>Denise Carey</u>
Title: _____	Title: <u>City Manager</u>
ATTEST: _____	ATTEST: <u>Smaun</u>

THE CITY OF GLADSTONE	THE CITY OF HAPPY VALLEY
By: <u></u>	By: _____
Title: <u>Mayor</u>	Title: _____
ATTEST: <u>Jami Bannick</u>	ATTEST: _____

THE CITY OF LAKE OSWEGO	THE CITY OF MILWAUKIE
By: _____	By: _____
Title: _____	Title: _____
ATTEST: _____	ATTEST: _____

THE CITY OF MOLALLA	THE CITY OF OREGON CITY
By: _____	By: _____
Title: _____	Title: _____
ATTEST: _____	ATTEST: _____

THE CITY OF GLADSTONE	THE CITY OF HAPPY VALLEY
By: _____	By: <u>John Lee</u>
Title: _____	Title: <u>City Manager</u>
ATTEST: _____	ATTEST: _____

THE CITY OF LAKE OSWEGO	THE CITY OF MILWAUKIE
By: _____	By: _____
Title: _____	Title: _____
ATTEST: _____	ATTEST: _____

THE CITY OF MOLALLA	THE CITY OF OREGON CITY
By: _____	By: _____
Title: _____	Title: _____
ATTEST: _____	ATTEST: _____

THE CITY OF GLADSTONE	THE CITY OF HAPPY VALLEY
By: _____	By: _____
Title: _____	Title: _____
ATTEST: _____	ATTEST: _____

THE CITY OF LAKE OSWEGO	THE CITY OF MILWAUKIE
By: <u>Kent Stuchlik</u>	By: _____
Title: <u>Mayor</u>	Title: _____
ATTEST: <u>Anne Marie Simpson</u>	ATTEST: _____

THE CITY OF MOLALLA	THE CITY OF OREGON CITY
By: _____	By: _____
Title: _____	Title: _____
ATTEST: _____	ATTEST: _____

THE CITY OF LAKE OSWEGO	THE CITY OF MILWAUKIE
By: _____	By: <u><i>[Signature]</i></u>
Title: _____	Title: <u><i>City Manager</i></u>
ATTEST: _____	ATTEST: _____

THE CITY OF MOLALLA	THE CITY OF OREGON CITY
By: _____	By: _____
Title: _____	Title: _____
ATTEST: _____	ATTEST: _____

THE CITY OF GLADSTONE	THE CITY OF HAPPY VALLEY
By: _____	By: _____
Title: _____	Title: _____
ATTEST: _____	ATTEST: _____

THE CITY OF LAKE OSWEGO	THE CITY OF MILWAUKIE
By: _____	By: _____
Title: _____	Title: _____
ATTEST: _____	ATTEST: _____

THE CITY OF MOLALLA	THE CITY OF OREGON CITY
By: <u><i>[Signature]</i></u>	By: _____
Title: <u>CITY MANAGER</u>	Title: _____
ATTEST: <u><i>Keeey A Richardson</i></u>	ATTEST: _____

THE CITY OF GLADSTONE	THE CITY OF HAPPY VALLEY
By: _____	By: _____
Title: _____	Title: _____
ATTEST: _____	ATTEST: _____

THE CITY OF LAKE OSWEGO	THE CITY OF MILWAUKIE
By: _____	By: _____
Title: _____	Title: _____
ATTEST: _____	ATTEST: _____

THE CITY OF MOLALLA	THE CITY OF OREGON CITY
By: _____	By: <u>Anthony J. Konkol III</u>
Title: _____	Title: <u>City Manager</u>
ATTEST: _____	ATTEST: <u>Katti Riggs, City Recorder</u>

AMEN #3
LIBRARY
TGA



THE CITY OF SANDY	THE CITY OF WEST LINN
By: <u>Kenn E. Jamashita</u>	By: _____
Title: <u>City manager</u>	Title: _____
ATTEST: <u>Kenn E. Jamashita</u>	ATTEST: _____

THE CITY OF WILSONVILLE	CLACKAMAS COUNTY AS LIBRARY CITY FOR THE OAK LODGE LIBRARY SERVICE AREA
By: _____	By: _____
Title: _____	Title: _____
ATTEST: _____	ATTEST: _____

THE CITY OF SANDY	THE CITY OF WEST LINN
By: _____	By: <u>Gillem Steier</u>
Title: _____	Title: <u>City Manager</u>
ATTEST: _____	ATTEST: <u>Kathy Mollway</u>

THE CITY OF WILSONVILLE	CLACKAMAS COUNTY AS LIBRARY CITY FOR THE OAK LODGE LIBRARY SERVICE AREA
By: _____	By: _____
Title: _____	Title: _____
ATTEST: _____	ATTEST: _____

THE CITY OF SANDY	THE CITY OF WEST LINN
By: _____	By: _____
Title: _____	Title: _____
ATTEST: _____	ATTEST: _____

THE CITY OF WILSONVILLE	CLACKAMAS COUNTY AS LIBRARY CITY FOR THE OAK LODGE LIBRARY SERVICE AREA
By: 	By: _____
Title: <u>City Manager</u>	Title: _____
ATTEST: 	ATTEST: _____