



City of Oregon City

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Staff Report

File Number: 18-230

Agenda Date: 5/16/2018

Status: Consent Agenda

To: City Commission

Agenda #: 8b.

From: Public Works Director John Lewis

File Type: Contract

SUBJECT:

Intergovernmental Agreement (IGA) between the City of Oregon City (City) and Clackamas River Water (CRW) for adoption of the Remuneration Methodology that was developed as a component of the OC - CRW Joint Engineering Study

RECOMMENDED ACTION (Motion):

Authorize the City Manager to execute the Intergovernmental Agreement (IGA) between the City of Oregon City and Clackamas River Water (CRW) for adoption of the Remuneration Methodology that was developed as a component of the OC - CRW Joint Engineering Study.

BACKGROUND:

On May 22, 2014, the City, CRW, Sunrise Water Authority, Clackamas Regional Water Supply Commission, and South Fork Water Board (SFWB) entered into a Settlement Agreement (Agreement). In May 2016, the Agreement was amended to change the expiration date of the agreement to May 22, 2018. One of the Agreement terms requires the City and CRW to engage in discussions regarding the adjustment of service area boundaries, including withdrawal of territory and annexation of certain lands, to better reflect the appropriate entity to serve certain areas based on which entity is most able to serve future developable lands. In Section II.C of the Agreement, a methodology is required to determine the value of CRW assets for which CRW will be compensated upon withdrawal of CRW service area.

A Joint Engineering Study (Study) was conducted to analyze the service area boundaries, withdrawal areas, and the remuneration methodology for CRW assets. This agenda item formally adopts the remuneration component of this Study for both parties.