



RESOLUTION 2025-017

AUTHORIZING THE CITY MANAGER TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH CLEAN WATER SERVICES FOR THE CONSTRUCTION OF THE BROOKMAN TRUNK SEWER EXTENSION PROJECT

WHEREAS, the Brookman Trunk Sewer Extension project will extend sewer service to support continued growth and development in the Brookman area, the future Sherwood West master planning area and to provide gravity sewer service to the High School; and

WHEREAS, the Brookman Trunk Sewer Extension project is identified in the city's 5-year Capital Improvement Plan; and

WHEREAS, the IGA between the City and CWS allows the use of CWS Regional Funds for the design and construction of the Brookman Trunk Sewer Extension project; and

WHEREAS, the proposed IGA with CWS, attached as Exhibit 1 to this resolution, provides the financial support and terms to complete the needed project; and

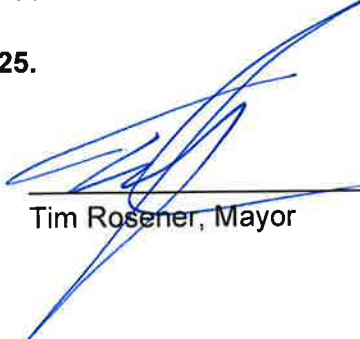
WHEREAS, the project is a benefit to the City.

NOW, THEREFORE, THE CITY OF SHERWOOD RESOLVES AS FOLLOWS:

Section 1. The City Council authorized the City Manager to execute an intergovernmental agreement with Clean Water Services in a form substantially similar to the attached Exhibit 1 and to take such other action as may be necessary to finalize and approve said agreement.

Section 2. This Resolution shall be effective upon its approval and adoption.

Duly passed by the City Council this 18th of March 2025.



Tim Rosener, Mayor

Attest:



Sylvia Murphy, MMC, City Recorder

EXHIBIT 1

**INTERGOVERNMENTAL AGREEMENT
BETWEEN CITY OF SHERWOOD AND
CLEAN WATER SERVICES FOR CONSTRUCTION OF THE BROOKMAN TRUNK
SEWER EXTENSION PROJECT NO. 6966**

This Agreement, dated _____, is between Clean Water Services (District) a county service district organized under ORS Chapter 451 and the City of Sherwood (City) an Oregon Municipality.

A. RECITALS

1. ORS 190.003 - 190.110 encourages intergovernmental cooperation and authorizes local governments to delegate to each other authority to perform their respective functions as necessary.
2. District is undertaking the Brookman Trunk Sewer Extension No. 6966 (Project) located in portions of the City to extend the sewer line.
3. The project benefits the City by expanding sewer access that is not currently available in parts of the city and the urban growth boundary that are within the City's Urban Planning Area (UPAA).
4. City has agreed to participate in the Project along with the District.

NOW, THEREFORE, the parties agree as follows:

A. PROJECT DESCRIPTION

The Project consists of extending the Brookman Sanitary Sewer Trunk approximately 9,800 linear feet and installing 34 maintenance holes and trenchless crossings of the Union Pacific Railroad and Highway 99W. The sewer depths run from about 3 feet to 40 feet deep. The sewer will be constructed within rights of way and easements following Cedar and Goose creeks. The Project location is shown on the map in Exhibit A. The Capital Improvement Prioritization Committee has endorsed this project.

B. DEFINITIONS

1. Capital Improvement Program Prioritization Committee – This Committee has been established by District and the partner cities of Beaverton, Cornelius, Forest Grove, Hillsboro, Tigard, Tualatin, and Sherwood.
2. Financial Partner – City will assume this role, primarily to fund a portion of the Project.

3. Managing Partner –District will assume this role, primarily to administer the Project.

C. DISTRICT OBLIGATIONS

1. District will manage the design and implementation of Project including but not limited to the following tasks:
 - a. Prepare and administer all design and construction contracts and bid documents, advertise for bids, and select a construction contractor for the Project.
 - b. Provide any required notice and communicate with the neighborhood and property owners within the Project limits. Respond to public calls arising from work being completed under this Agreement.
 - c. Construct the Project and provide construction inspection and management services for the Project.
 - d. Make all required payments to the construction contractor.
2. District will acquire all easements required for the Project.
3. District will pay all Project costs up front to be later reimbursed by City for City's portion of costs as described in Exhibit B.
4. District will follow principles of UPAA.
5. District will provide all regional funding allocated to project.
6. District will service and maintain all portions of Project in unincorporated areas of Project unless agreed upon differently in accordance with the operating IGA between the City and District.
7. District will take the lead in coordinating public involvement related to the Project in partnership with City.
8. District will assign Doug Gresham as District's project manager.

D. CITY OBLIGATIONS

1. City will make payments to District in the manner identified in Exhibit B.
2. City will provide all easements necessary at no monetary cost to complete the Project on City owned land within the Project.
3. City will partner with District in Project development, review and approval of the Project including but not limited to the following tasks:

- a. Review the plans and specifications for the Project and provide Managing Partner with written comments or approval within 10 days of receiving them.
 - b. Have the right to approve the final acceptance of the Project after construction.
4. City will partner in public involvement with District.
5. City will service and assume maintenance of portions of Project transferred by District to City.
6. City will assign Jason Waters as City's project manager.

G. GENERAL TERMS

1. Laws and Regulations. City and District agree to abide by all applicable laws and regulations.
2. Term of this Agreement. This Agreement is effective from the date the last party signs it and shall remain in effect until the Project is complete and the parties' obligations have been fully performed or this Agreement is terminated as provided herein.
3. Amendment of Agreement. City and District may amend this Agreement from time to time, by mutual written agreement.
 - a. Proposed changes of scope during the Project implementation must be reviewed and endorsed by the Capital Improvement Program Prioritization Committee. Changes necessitated by conditions discovered during design or construction, but consistent with the original scope of the Project, may be approved by the Managing Partner without further approval.
 - b. The project is currently scheduled to commence in 2025. If the schedule is changed, the parties may desire to review and amend this Agreement.
4. Termination. This Agreement may be terminated immediately by mutual written agreement of the parties.
5. Integration. This document constitutes the entire agreement between the parties on the subject matter hereof and supersedes all prior or contemporaneous written or oral understandings, representations, or communications of every kind on the subject. No course of dealing between the parties and no usage of trade shall be relevant to supplement any term used in this Agreement. Acceptance or acquiescence in a course of performance rendered under this Agreement shall not be relevant to determine the meaning of this Agreement and no waiver by a party of any right under this Agreement shall prejudice the waiving parties of the right in the future.
6. Third Party Beneficiaries. District and City are the only parties to this Agreement and are the only parties entitled to enforce its terms. Nothing in this Agreement gives, or is intended to give, or shall be construed to give or provide any benefit or right, whether

directly, indirectly or otherwise, to third person unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this Agreement.

7. Force Majeure. Neither party shall be held responsible for delay or default caused by fire, riots Acts of God, war, or any other cause beyond either party's reasonable control. Each party shall make all reasonable efforts to remove or eliminate such a cause of delay or default and shall, upon cessation of the cause, diligently pursue performances of its obligations under this Agreement.
8. Indemnification. Within the limits of the Oregon Tort Claims Act, codified at ORS 30.260 through 30.300, each of the parties shall indemnify and defend the other and their officers, employees, agents, and representatives from and against all claims, demands, penalties, and causes of action of any kind or character relating to or arising from this Agreement (including the cost of defense thereof, including attorney fees) in favor of any person on account of personal injury, death, damage to property, or violation of law, which arises out of, or results from, the negligent or other legally culpable acts or omissions of the indemnitor, its employees, agents, contractors or representatives.
9. Attorney Fees. If any dispute arises concerning the interpretation or enforcement of this Agreement or any issues related to the U.S. Bankruptcy Code (whether or not such issues relate to the terms of this Agreement), the prevailing party in any such dispute shall be entitled to recover all of its attorney fees, paralegal fees, costs, disbursements and other expenses from the non-prevailing party, including without limitation those arising before and at any trial, arbitration, bankruptcy, or other proceeding and in any appeal.
10. Resolution of Disputes. If any dispute out of this Agreement cannot be resolved by the project managers from each party, the City Manager and District's Chief Executive Officer will attempt to resolve the issue. If the City Manager and District's Chief Executive Officer are not able to resolve the dispute, the parties will submit the matter to mediation, each party paying its own costs and sharing equally in common costs. In the event the dispute is not resolved in mediation, the parties will submit the matter to arbitration. The decision of the arbitrator shall be final, binding and conclusive upon the parties and subject to appeal only as otherwise provided in Oregon law.
11. Interpretation of Agreement.
 - a. This Agreement shall not be construed for or against any party by reason of the authorship or alleged authorship of any provision.
 - b. The paragraph headings contained in this Agreement are for ease of reference only and shall not be used in construing or interpreting this Agreement.
12. Severability/Survival. If any of the provisions contained in this Agreement are held illegal, invalid, or unenforceable, the enforceability of the remaining provisions shall not be impaired. All provisions concerning the limitation of liability, indemnity, and conflicts of interest shall survive the termination of this Agreement for any cause.

13. Approval Required. This Agreement and all amendments, modifications, or waivers of any portion thereof shall not be effective until approved by District's Chief Executive Officer or the Chief Executive Officer's designee and when required by applicable District rules or District's Board of Directors.
14. Choice of Law/Venue. This Agreement and all rights, obligations, and disputes arising out of the Agreement shall be governed by Oregon law. All disputes and litigation arising out of this Agreement shall be decided by the state courts in Oregon. Venue for all disputes and litigation shall be in Washington County, Oregon.
15. Signatures. This Agreement may be executed in several counterparts, each of which will be an original, all of which will constitute one and the same instrument. An electronic signature will be considered an original. The individuals signing this Agreement certify that they are authorized to execute this Agreement on behalf of District and City, respectively.

CLEAN WATER SERVICES

CITY OF SHERWOOD, OREGON

By: _____
Chief Executive Officer or Designee

By: _____
City Manager or Designee

Date: _____

Date: _____

APPROVED AS TO FORM

APPROVED AS TO FORM

District Counsel

City Counsel

Exhibit A Project Location Map



EXHIBIT B FINANCIAL OBLIGATIONS OF PARTIES

I. DISTRICT FINANCIAL OBLIGATIONS:

- a. District will pay for all Project costs up front.
- b. District will share the financial costs in the manner described in Section III of this Exhibit B. District is responsible for all Regional SDC costs.

II. CITY FINANCIAL OBLIGATIONS:

- a. City will share the financial costs in the manner described in Section III of this Exhibit B. City is responsible for all Local Cost.

III. PROJECT COST DETAIL:

Upon completion of the project and reconciliation of the total cost of each segment, the cost of each segment will be distributed between the parties as described in the following table. Each party agrees to participate in reconciliation.

Cost Share by Segment

Segment #	Regional SDC (Oversize)	Regional SDC (Extraordinary)	Local Cost 12-inch equivalent (Outside current city limits)	Local Cost 12-inch equivalent (Inside current city limits)
Segment #1 → (1,230 LF – 21")	6%			94%
Segment #2 → (2,471 LF – 21")		100%		
Segment #3 → (2,829 LF - 18" & 21")	12%	40%	48%	
Segment #4 → (983 LF - 18")	18%			82%
Segment #5 → (392 LF – 18")	2%	90%	8%	
Segment #6 → (1895 LF – 12")		52%	48%	

IV. CITY REIMBURSEMENT SCHEDULE

City will reimburse District pursuant to the Schedule described below:

- 1) City will pay the calculated amount of its local share for segments 1 and 4 upon substantial project completion.
- 2) City will collect and transfer to District all local System Development Charges (SDC's) charged in the area subject to a local SDC for this project monthly as connections are made.
- 3) Interest shall accrue and compound annually on all unpaid city financial obligations at the Oregon Bond Interest Rate in effect on the date of substantial project completion.

EXHIBIT B
FINANCIAL OBLIGATIONS OF PARTIES

- 4) Notwithstanding any other provision in this Agreement, City will pay a lump sum to District of any outstanding financial obligations owed pursuant to this agreement plus interest, no later than 20 years after the commencement of this Agreement.