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## AGENDA COVER MEMO

AGENDA DATE: July 9, 2008  
Memorandum Date: June 23, 2008

TO: LANE COUNTY BOARD OF COMMISSIONERS

DEPARTMENT: OFFICE OF LEGAL COUNSEL AND COUNTY  
ADMINISTRATION

PRESENTED BY: H. Andrew Clark, Assistant County Counsel 

AGENDA ITEM TITLE: Order/\_\_\_\_\_/In the Matter of Suspending Changes to the Metropolitan Wastewater Service District Boundary and Delegating Authority to the County Administrator to Execute an Amended Intergovernmental Agreement with the City of Springfield

### I. MOTION

Move adoption of an order suspending changes to the Metropolitan Wastewater Service District boundary and authorizing the County Administrator to execute an amended intergovernmental agreement with the City of Springfield to approve boundary changes for Willamalane Park and Recreation District.

### II. AGENDA ITEM SUMMARY

The future of the Metropolitan Wastewater Service District ("MWSD") was discussed at a district board meeting on May 28, 2008. Among the issues addressed was the concept of suspending further changes to the MWSD boundary (i.e. "freezing" the boundary effective as of a particular date) because such changes are not currently necessary and costly to citizens wishing to annex into the City of Eugene, where concurrent city and district annexation procedures are unavailable (unlike Springfield annexations). This agenda item is intended as a follow-up to the discussion with the MWSD board and to propose freezing the MWSD boundary until such time as MWSD is dissolved or a new purpose for the district is identified. If the Board decides to freeze the MWSD boundary, it should consider approval of an amendment to the intergovernmental agreement with the City of Springfield to continue to have the City process and approve or deny boundary changes that affect the Willamalane Park and Recreation District, but discontinue changes to the MWSD boundary.

### III. BACKGROUND/IMPLICATIONS OF ACTION

**A. Board Action and Other History** A more detailed historical background of MWSD was provided to the Board in the Agenda Cover Memo dated May 28, 2008. As discussed previously, MWSD was formed to provide a funding vehicle for the regional wastewater treatment facility. The general obligation bonds issued by MWSD were paid off in September, 2002. Accordingly, the purpose behind the formation of MWSD has been fulfilled. Because of this, the MWSD Board and this Board have considered the future alternatives for MWSD, including (1) dissolution, (2) discontinuation of further changes to the current boundary of MWSD with the intent of future dissolution or change of district purposes, or (3) continuation of MWSD in its current form with regular adjustments to its

boundary to reflect changes made to the boundaries of the Cities of Eugene and Springfield.

As the Board is aware, the 2007 legislature adopted legislation (2007 Oregon Laws Chapter 239) that eliminated the Lane County Boundary Commission and made the Lane County Board of Commissioners responsible for all boundary changes for districts in Lane County. Further, all city boundary changes are now handled by the affected city. Lane County and the City of Springfield executed an intergovernmental agreement effective on May 21, 2008, to authorize the City of Springfield to process boundary changes to the Willamalane Park and Recreation District and to the MWSD at the same time as it processes city boundary changes. The intent of the IGA is to avoid an unnecessary duplication of costs to citizens who wish to annex into the City and who would also, therefore, be required to annex into Willamalane Park and Recreation District and MWSD. A similar agreement was proposed to the City of Eugene with respect to MWSD, but it was not executed due to inconsistencies between Eugene's annexation procedures, which do not require a hearing in some instances, and those required for district annexations, where hearings are mandatory.

**B. Policy Issues** The primary issue for the Board is whether to continue to maintain the MWSD boundary coterminous with the boundaries of the Cities of Eugene and Springfield or to suspend future boundary changes.

**C. Board Goals** While the Board's Strategic Plan focuses more on improvements with the Lane County organization, underlying the Plan is the concept of prudent allocation of resources and providing for efficiency in government for Lane County citizens. This proposal furthers those goals.

**D. Financial and/or Resource Considerations** Currently, citizens wishing to annex to the City of Eugene would also be required to annex to MWSD through a County separate process. The County application fee is between \$2,080 to \$8,820, depending on the acreage. Obviously, freezing the MWSD boundary would eliminate the need for this process and the associated application fee, as well as other costs associated with MWSD annexation beyond County application fees. Citizens wishing to annex to the City of Springfield are also required to annex to MWSD and the Willamalane Park and Recreation District. However, because Springfield processes district annexations on behalf of the County under the current IGA, County application costs are avoided. The IGA does permit the City to charge fees for processing the districts' boundary changes, recognizing that there may be some increased costs.

**E. Analysis** The County Tax Assessor, the Chief Elections Clerk, Land Management staff, legal counsel, and the County Budget Officer have discussed the concept of maintaining a record of the current MWSD boundary separate from the Eugene and Springfield city boundaries and considers it feasible. There will be some up-front costs in terms of staff time to create the appropriate records, but very little in the way of on-going maintenance resources. The boundary information (property data and maps) would then be available if needed later to pursue dissolution or a change to the purposes of MWSD. In the meantime, eliminating the need to maintain and update the MWSD boundary will result in savings to citizens wishing to annex to the City of Eugene, and savings to County and City of Springfield staff time that would otherwise be spent processing MWSD annexation applications. In the event that the decision is made to freeze the MWSD boundary, it would be appropriate to seek to amend the IGA with the City of Springfield to

eliminate the need to process changes to the MWSD boundary at the same time it processes changes to the city boundary.

MWSD has fulfilled its original purpose of serving as a funding vehicle for the regional wastewater treatment facility. If there is a present or near future need for the district, its boundary could be maintained coterminous with the Eugene and Springfield city boundaries or, perhaps, extended. The County staff mentioned above have not identified an immediate need for the district. At the MWSD budget hearing, an idea was raised to consider whether MWSD could be used to initiate and fund various demonstration projects involving capture and treatment of storm sewage, for example at the Lane County Fairgrounds property. Such activity is likely within MWSD's statutory authority under ORS chapter 451. Whether such a demonstration project is feasible is uncertain. It would likely involve significant coordination with the Metropolitan Wastewater Management Commission ("MWWMC") and the affected city (Eugene in the case of the Fairgrounds property). MWWMC has studied the problem of storm water infiltration and storm water sewage in the past (including specifically at the Fairgrounds property), but I do not think further analysis of the issue is in its current work plan. The same sort of funding options are available as were available when MWSD was created, including issuing general obligation bonds, and charging service and user charges. Approval of general obligation bonds would necessitate an election. It is unclear how service or user charges would be collected, and may require establishing new County services. Recognizing that the Board of County Commissioners is a separate entity from the MWSD Board, if this Board is interested in having MWSD pursue additional activities, it should probably refer the matter to the district Board for future action.

Disconnecting the MWSD boundary from the city boundaries going forward could conceivably increase the risk of confusion for voters in the election process and for taxpayers in the assessment process. However, the Tax Assessor and Chief Elections Clerk do not anticipate problems with maintaining an accurate district boundary in the event that it no longer remains coterminous with the Eugene and Springfield boundaries.

In summary, if the Board conceives of an ongoing role for MWSD in providing County services within the Eugene/Springfield metropolitan area, such as the disposal or treatment of sanitary or storm sewage, it may wish to continue to have the MWSD boundary reflect the Eugene and Springfield combined boundaries. If the Board does not envision a role for MWSD currently or in the near future, it may wish to freeze the MWSD boundary as of a specified date. If the Board decides to freeze the MWSD boundary, it should consider amending the IGA with the City of Springfield to delegate only the authority to process boundary changes involving Willamalane Park and Recreation District and not MWSD.

**F. Alternatives/Options** The Board could choose to continue to maintain the MWSD boundary coterminous with the Eugene and Springfield boundaries, until such time as it is more certain what the long term prospects for MWSD are. Alternatively, the Board can approve the Order suspending changes to the MWSD boundary and delegating to the City of Springfield the authority to process boundary changes for only the Willamalane Park and Recreation District.

**IV. TIMING/IMPLEMENTATION** If the Board approves the Order, the amended intergovernmental agreement will be processed for signature and staff will begin to document the current MWSD boundary in order to preserve it in the appropriate data and maps.

**V. RECOMMENDATION** I recommend the Board approve the order suspending changes to the MWSD boundary and authorizing the amendment to the intergovernmental agreement.

**VII. ATTACHMENTS**

Board Order  
Exhibit A - Amended Intergovernmental Agreement

ORDER NO. ) IN THE MATTER OF SUSPENDING CHANGES TO  
) THE METROPOLITAN WASTEWATER SERVICE  
) DISTRICT BOUNDARY AND DELEGATING  
) AUTHORITY TO THE COUNTY ADMINISTRATOR  
) TO EXECUTE AN AMENDED  
) INTERGOVERNMENTAL AGREEMENT WITH THE  
) CITY OF SPRINGFIELD

ORDERED that Lane County continues its delegation of authority made by Board Order No. 08-4-2-2, dated April 2, 2008, to the City of Springfield to process on Lane County's behalf those district boundary changes that affect Willamalane Park and Recreation District, pursuant

to an amended intergovernmental agreement in substantially similar form to that attached hereto as Exhibit A, and it is further

ORDERED that the County Administrator is delegated authority to execute such an amended intergovernmental agreement.

DATED this \_\_\_\_\_ day of July, 2008.

\_\_\_\_\_  
Chair, Lane County Board of  
Commissioners

6/26/08  
[Signature]  
LEGAL COUNSEL

## INTERGOVERNMENTAL AGREEMENT

THIS AGREEMENT is entered into by and between LANE COUNTY, a political subdivision of the State of Oregon, ("COUNTY"), and the CITY OF SPRINGFIELD, a municipal corporation ("CITY").

### RECITALS

WHEREAS, ORS 190.010 and the Lane County Home Rule Charter provide that units of local governments may enter into agreements for the performance of any or all functions and activities that a party to the agreements, its officers or agents, have authority to perform, and

WHEREAS, effective January 1, 2008, by virtue of 2007 Oregon Laws Chapter 239 (SB 417), the Lane County Boundary Commission will no longer accept new applications for boundary changes; thereafter, cities will process all boundary changes with respect to their boundaries and the County will process all other boundary change matters, including changes to special district boundaries, and

WHEREAS, the CITY boundary is generally coterminous with the boundary of the Willamalane Park and Recreation District ("DISTRICT") and it has been the long-standing desire of both the City and the DISTRICT that they remain so, and

WHEREAS, unless the property is already within the boundary of the District, any change to the CITY boundary necessitates a change to the DISTRICT boundary, which has, in the past, been handled simultaneously by the Boundary Commission, and

WHEREAS, a difference in timing of such a boundary change can result in problems for voters in the election process and for taxpayers in the assessment process, and

WHEREAS, it is in the best interests of citizens and less costly to have the changes to the CITY boundary and the DISTRICT boundary happen simultaneously, and

WHEREAS, because of the longstanding partnership of the CITY and the COUNTY with respect to park issues, it is in their common interest for park services to be addressed as efficiently as possible.

### NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. On behalf of the COUNTY, the CITY shall process a change to the DISTRICT boundary (unless already within the DISTRICT) simultaneously with any change to the CITY boundary, following all statutory and legal processes.
2. The CITY shall be authorized to include fees for processing the DISTRICT boundary changes in any fees it sets for a change to the CITY boundaries.
3. The COUNTY shall refer any citizens who seek a change to the DISTRICT boundary to the CITY.
4. The applicable provisions of the Lane Manual setting forth standard provisions for public contracts (LM 21.130) are incorporated by this reference as if fully set forth.
5. Each of the parties agrees to defend, indemnify and hold the other harmless from and against all claims, suits, actions, losses, damages, liabilities, costs and expenses, resulting from or arising out of any negligent performance or failure to perform on the part of the

indemnifying party, its officers, employees or agents. The parties' indemnity and hold harmless obligations are subject to the limitations of the Oregon Tort Claims Act and any applicable limitations of the Oregon Constitution.

6. This agreement shall be effective upon execution and shall continue in force unless terminated earlier as set out below.

7. This agreement may be terminated by either party provided written notice is given to the other party at least thirty (30) days prior to the termination date.

8. No amendment to this agreement shall be effective unless made in writing and signed by both parties.

CITY OF SPRINGFIELD

LANE COUNTY

By: \_\_\_\_\_  
Gino Grimaldi

By: \_\_\_\_\_  
Jeff Spartz

Title: City Manager

Title: County Administrator

Date: \_\_\_\_\_

Date: \_\_\_\_\_