

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ENTERING INTO AN) RESOLUTION NO. 94-2010A
INTERGOVERNMENTAL AGREEMENT TO JOIN)
THE REGIONAL WATER SUPPLY PLANNING) Introduced by the
STUDY) Planning Committee

WHEREAS, The Metro FY 1994-95 Water Resources work plan, adopted by the Metro Council by Resolution No. 93-1873A on December 23, 1993, identifies specific work program activities addressing growth management and water supply planning; this includes a work element requiring coordination with the Regional Water Supply Planning Study whereby Metro provides to the study growth management data and RLIS maps; and

WHEREAS, The Metro Council adopted Resolution No. 94-1962A on May 26, 1994, which provides for coordination of technical assistance between Metro and the Regional Water Supply Planning Study; specifically allowing for the data transfer of Region 2040 Project population numbers for the water demand modeling component of the Regional Water Supply Planning Study; and

WHEREAS, The Portland metropolitan region's water suppliers participating in the Regional Water Supply Planning Study have agreed that Metro's Region 2040 data provided by Resolution No. 94-1962A can serve as in-kind contribution to formally signing the Intergovernmental Agreement for the Regional Water Supply Planning Study; and

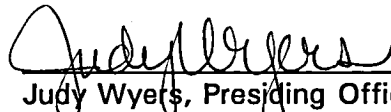
WHEREAS, The Regional Water Supply Planning Study's Executive Committee unanimously decided on June 1, 1994, to recommend that Metro be allowed to join the Regional Water Supply Planning Study; and

WHEREAS, The Participant's Committee of the Regional Water Supply Planning Study voted on June 30, 1994, to allow Metro to join the Study based on its in-kind contribution of Region 2040 data; now, therefore,

BE IT RESOLVED,

1. That the Metro Council recognizes the need for close coordination and partnership between Metro's Planning Department growth management and water resource planning efforts with the Regional Water Supply Planning Study.
2. That the Metro Council agrees that Metro should sign the Intergovernmental Agreement and formally join the Regional Water Supply Planning Study based on Metro's in-kind contribution of Region 2040 project data as described in Council Resolution No. 94-1962A.
3. That the Metro Council agrees that by joining this Intergovernmental Agreement it is a full voting participant under the conditions of the Intergovernmental Agreement.
4. That the Metro Council appoints Metro's Planning Director, Andy Cotugno, as the Metro representative on the Regional Water Supply Planning Study's Participants Committee.

ADOPTED by the Metro Council this 28th day of July 1993.



Judy Wyers, Presiding Officer

TABLE OF CONTENTS

A.	ROLE OF THE CITY OF PORTLAND	3
B.	ROLE OF THE STEERING COMMITTEE	4
C.	ROLE OF PARTICIPANTS COMMITTEE	7
D.	FINANCIAL OBLIGATIONS	8
E.	AMENDMENTS TO THE PHASE II PROJECT	12
F.	REGIONAL WATER PLANNING ACCOUNT	14
G.	BUY-IN OPTION	14
H.	TERMINATION	16
I.	SHARED LIABILITY	16
J.	OWNERSHIP OF PHASE II STUDY PRODUCTS	17
K.	OREGON LAW AND FORUM	17
L.	DISPUTE RESOLUTION	18
M.	NOTICE	18
N.	INTEGRATION	19
O.	EFFECTIVENESS OF AGREEMENT	19
P.	COUNTERPARTS	19
Q.	NOTICE	20

AGREEMENT

THIS INTERGOVERNMENTAL AGREEMENT (hereinafter "Agreement") is entered into by and among the following municipalities and districts, herein called "Participants:"

City of Beaverton; Canby Utilities Board, an independent governmental subdivision of the City of Canby; Clackamas Water District; City of Gladstone; Clairmont Water District; Damascus Water District; City of Fairview; City of Gresham; City of Hillsboro Utilities Commission; City of Forest Grove; City of Lake Oswego; Metro; City of Milwaukie; Mt. Scott Water District; Oak Lodge Water District; City of Portland; Raleigh Water District; Rockwood Water; City of Sandy; City of Sherwood; South Fork Water Board, City of Oregon City/City of West Linn; Tigard Water District; City of Troutdale; City of Tualatin; Tualatin Valley Water District; West Slope Water District; City of Wilsonville; City of Wood Village.

WHEREAS, future regional water supply is an issue of great interest to the Participants; and

WHEREAS, the City of Portland, in partnership with the Regional Providers' Advisory Group (RPAG), completed a Phase I study of regional water supply needs consisting of three planning studies: the Water System Demand Study, the Water Source Options Study and the City of Portland Conservation Study; and

WHEREAS, these Phase I studies predicted potential significant shortfalls in water supply region wide, and in all source subareas, by 2050 and demonstrated the need for additional, detailed study in a Phase II Project; and

WHEREAS, since the release of the Phase I studies members of RPAG have: 1) developed and participated in public outreach/public involvement programs, 2) developed a draft scope of work for formulation of a regional water supply plan (Phase

of work for formulation of a regional water supply plan (Phase II); and 3) developed a process for adoption of an intergovernmental agreement to fund and manage the Phase II Project; and

WHEREAS, a Phase II Project description has been developed and approved by the Participants; and

WHEREAS, the purpose of the Phase II Project is to develop an integrated resource plan and phased implementation strategies for meeting the region's future water supply needs from the time of plan completion to the year 2050; and

WHEREAS, the Phase II Project objectives are to provide specific guidance to the region's water providers and decision makers regarding the implementation of: 1) demand management/conservation programs; 2) regional system modifications for greater efficiency; 3) actions needed to develop specific new supply sources (e.g., environmental impact statements, water rights, permits, design); 4) appropriate institutional arrangements for providing water service throughout the Region; and

WHEREAS, a request for consultant qualifications was issued, consultant proposals were reviewed by an RPAG consultant selection committee and the firm of Barakat and Chamberlin, which put together a team of experts and consulting firms, was chosen as the prime consultant for the Phase II Project; and

WHEREAS, the RPAG agreed that a Steering Committee of the Participants would be responsible for overall Phase II Project direction; and

WHEREAS, the RPAG agree that it would be most efficient to have one of the Participants administer the Barakat and Chamberlin consultant contract (hereinafter the "contract") and manage the day-to-day aspects of the Phase II Project, and that this Participant shall be the City of Portland due to its greater staffing resources.

NOW, THEREFORE, the Participants agree to the following terms:

A. ROLE OF THE CITY OF PORTLAND

Portland shall:

1. Enter into a contract with Barakat and Chamberlin to conduct the work described in the attached scope of work.

2. Be responsible, through a designated project manager, for day-to-day administration of the Phase II Project contract, subject to review by the Steering Committee and the Participants as described elsewhere in this Agreement. In particular Portland will be available to the consultant to ensure that the consultant understands the obligations of the contract. Portland shall also monitor the scheduling and quality of the consultant's work.

3. Make progress payments to the consultant for work accomplished as provided in the contract with the consultant.

4. Review the consultant's work for compliance with the contract with the City.

5. Review and provide to the Steering Committee oral or written project progress reports as directed by the Steering Committee. Such reports shall include a discussion of work accomplished to date, significant discussions with the consultant, any modifications to the scope of the Project, and any other issues warranting Steering Committee review and discussion.

6. Manage the financial aspects of this Agreement including collection of Participant contributions.

7. Authorize its designated project manager to make such amendments to the contract scope of work as are approved by the Steering Committee or Participants Committee, pursuant to the provisions of Section E of this Agreement.

8. Be authorized to approve minor changes to the Project scope of work which will better accomplish Project purposes and objectives and will not result in substantial changes to the scope of work or any increase in consultant compensation under the contract. Examples of such changes might include substitutions of non-key consultant team personnel, product format and minor revising to the Project task order or methodology.

9. Advise the consultant in case of any Participant default.

10. Permit no assignment of rights under the consultant contract without approval of the Participants Committee.

11. Include within its contract with the consultant a provision prohibiting any Participant's employee from having any financial interest in the proceeds of the contract and prohibiting any Participant's employee who served upon the RPAG consultant selection committee from taking employment with the consultant or any of its subcontractors during the term of the contract.

B. ROLE OF THE STEERING COMMITTEE

1. The Steering Committee shall initially be made up of two Participants from each of the following areas:

Multnomah County (One member of which must be from the City of Portland Water Bureau);

Washington County;

Clackamas County.

2. Members of the Steering Committee shall be selected by the members of the Participants Committee from each of the listed geographic areas.

3. The Participants Committee may add no more than one member to the Steering Committee to represent late-joining water purveyor Participants from outside the already represented county areas or late-joining non-purveyor entities who become Participants pursuant to Section G.

4. The purpose of the Steering Committee is to provide the Participants with a body to review the work of the consultant and to participate, with Portland, in managing the Project contract.

5. It shall be cause for removal from the Steering Committee if a member fails on more than four occasions in any six month period to send a representative to the Steering Committee meetings. Members of the Participants Committee from each of the applicable geographic areas may, by majority vote, remove a member of the Steering Committee for cause as described in this paragraph. A Participant may resign its membership on the Steering Committee upon thirty days notice to all Participants. Participants from the applicable geographic area shall replace any resigning or removed Steering Committee member by majority vote.

6. The Steering Committee shall:

a. Have six (6) members unless others are added later by the Participants Committee.

b. Elect a Chair and Secretary, who may hold those positions until contract termination or completion; provided that the Steering Committee may decide at any time to have the Chair or Secretary serve for shorter terms and elect successors to the Chair and/or Secretary as needed.

c. Meet at least once a month. Until a chair is selected, Portland's project manager shall schedule and convene the meetings. Thereafter, the chair is authorized, and any three members of the Steering Committee may require the Chair, to schedule and convene meetings.

d. Shall act by majority vote only. Each Steering Committee member shall have one vote.

e. Prepare, maintain and make available to Participants minutes of each of its meetings.

f. Take action only if there is a quorum of members present at the applicable meeting or, if necessary, present on a conference telephone call. Four (4) members shall constitute a quorum.

g. Be authorized, at any time, to direct that Portland's designated project manager report to the Steering Committee on any issue regarding project administration, direction and progress.

h. Review the regular progress reports of Portland's designated project manager and of the consultant and provide policy direction to Portland and the consultant on aspects of the Project the control over which is not vested by this Agreement in the City of Portland project manager or the Participants Committee.

i. Review written materials submitted to it by the consultant and, through a process agreed to by the Steering Committee, provide commentary and suggestions on such materials.

j. Approve or disapprove minor amendments to the Project scope of work and recommend approval or disapproval of major amendments to the Participants Committee.

k. Advise the Participants Committee if a member of the Steering Committee resigns or fails to send a representative to the Steering Committee meetings more than four times in any six month period.

l. Designate, for purposes of Sections A.8. and E.1. of this Agreement, the "key personnel" of the consultants. This designation shall be accomplished within 45 days of the

final execution of this Agreement or all personnel shall be considered non-key personnel for purposes of Sections A.8. and E.1. of this Agreement.

7. Any Participant may request, and shall be granted, the right to appear and address, orally or in writing, the Steering Committee at any regular or specially scheduled Steering Committee meeting. Written communications received after any Steering Committee meeting shall be considered no later than at the next regularly scheduled Steering Committee meeting.

C. ROLE OF PARTICIPANTS COMMITTEE

1. All Participants in good financial standing under this Agreement shall have one representative on the Participants Committee.

2. The Participants Committee shall:

a. Act only by majority vote of a quorum of the entire Committee except as provided in Section C.2.d. and C.2.e. herein. At least two thirds of all Participants must be present to constitute a quorum. Each Participant shall have one vote.

b. Review and approve or disapprove Major Amendments to the Phase II Project work as proposed by the Steering Committee and approve Special Amendments to this Agreement.

c. Prepare, maintain, and make available to Participants minutes of each of its meetings.

d. By majority vote of the Participants from the applicable geographic areas, replace members of the Steering Committee should vacancies occur or add Steering Committee members to represent late-joining Participants as provided in Section B.3.

e. By majority vote of members from the applicable geographic areas, remove Steering Committee members for

failure to attend meetings as described in Section B. Financial default will result in automatic removal. (See section D.4.)

f. Meet as necessary to carry out its responsibilities. The first meeting shall be held within 45 days of the final execution of this Agreement and shall be scheduled and convened by the Portland project manager. Upon the selection of a Chair at the first Committee meeting, the Chair shall be authorized, and any four members of the Committee may require the Chair, to schedule and convene a Committee meeting.

g. Elect a chair and secretary who may hold those positions until contract termination or completion; provided that the Participants Committee may decide at any time to have the Chair or Secretary serve for shorter terms and elect successors to the Chair or Secretary as needed.

h. Approve any assignment of rights under the consultant contract.

3. Each Participant shall cooperate with the consultant and the City project manager to advance the goals of the Project and shall send representatives to such meetings or study sessions as the consultant or project manager shall reasonably convene and shall provide such assistance and such available information and data as the consultant or project manager may reasonably request.

D. FINANCIAL OBLIGATIONS

1. Initial Participant Contribution

Each of the original Participants to this Agreement shall make a financial contribution to the Phase II Regional Water Supply Plan Project costs. Allocation of the costs shall be proportional to the Participant's share of the increase in peak-day demand (high forecast) as projected in the Phase I - Water System Demand Study (CH2M Hill, 1992). As a result of this calculation, total contributions (except for additional or

reduced contributions required or agreed in the case of default or major contract amendment or the addition of new Participants pursuant to Section G herein) shall be as follows:

Beaverton	\$ 61,971
Canby	\$ 48,167
Clackamas WD	\$ 72,541
Clairmont	\$ 139,797
Damascus	\$ 68,728
Fairview	\$ 13,882
Forest Grove	\$ 56,976
Gladstone	\$ 7,626
Gresham	\$ 116,003
Hillsboro	\$ 153,890
Lake Oswego	\$ 97,204
Milwaukie	\$ 7,939
Mt. Scott WD	\$ 71,069
Oak Lodge WD	\$ 12,332
Portland	\$ 528,055
Powell Valley WD	\$ 18,219
Raleigh WD	\$ 5,575
Rockwood Water	\$ 19,089
Sandy	\$ 20,850
Sherwood	\$ 38,467
South Fork Water BD	\$ 160,936
Tigard	\$ 52,872
Troutdale	\$ 39,649
Tualatin	\$ 76,064
Tualatin Valley WD	\$ 249,042
West Slope WD	\$ 7,626
Wilsonville	\$ 80,769
Wood Village	\$ 4,627
TOTAL	\$2,229,965

2. Payment Schedule

Each Participant shall pay its contribution to Portland in partial payments on or before dates and in the amounts presented below. Any Participant may accelerate its payments so as to pay

INTERGOVERNMENTAL AGREEMENT
REGIONAL WATER PLANNING
Page 10

more than is indicated for any scheduled payment, and reducing subsequent payments accordingly.

	1992/1993 Apr 1, 1993	1993/1994 Aug 1, 1993	1994/1995 Aug 1, 1994
Beaverton	\$ 8,676	\$ 44,619	\$ 8,676
Canby	6,743	34,680	6,743
Clackamas WD	10,156	52,229	10,156
Clairmont	19,572	100,654	19,572
Damascus	9,622	49,484	9,622
Fairview	1,943	9,995	1,944
Forest Grove	7,977	41,022	7,977
Gladstone	1,068	5,491	1,067
Gresham	16,240	83,522	16,241
Hillsboro	21,545	110,801	21,545
Lake Oswego	13,609	69,987	13,608
Milwaukie	1,111	5,716	1,112
Mt. Scott WD	9,950	51,170	9,950
Oak Lodge WD	1,726	8,879	1,727
Portland	73,928	380,200	73,927
Powell Valley WD	2,551	13,118	2,551
Raleigh WD	781	4,014	781
Rockwood Water	2,672	13,744	2,673
Sandy	2,919	15,012	2,919
Sherwood	5,385	27,696	5,385
South Fork WB	22,531	115,874	22,530
Tigard	7,402	38,068	7,402
Troutdale	5,551	28,547	5,551
Tualatin	10,649	54,766	10,649
Tualatin Valley WD	34,866	179,311	34,866
West Slope WD	1,068	5,491	1,067
Wilsonville	11,308	58,154	11,307
Wood Village	648	3,331	648
TOTAL	312,195	1,605,575	312,195

3. Payment Schedule - Amendments

Payment for authorized amendments shall be received by Portland within 45 days of approval by the Portland City Council of the contract amendment.

4. Payment Delinquencies

a. If payment has not been received within 30 days of the date due the delinquent Participant shall be considered in default of this Agreement. Portland shall notify the Participant of this default in writing, with a copy to all the other Participants. A failure to provide payment within 30 days of receipt of the notice from Portland will automatically remove the defaulting party as a Participant and, if it held a seat on the Steering Committee, shall automatically remove that party from the Steering Committee. The defaulting party will then be in breach of this Agreement and liable to the other parties to this Agreement for recovery of the defaulted payment and the defaulting party's entire remaining contribution under the Agreement as identified in Section D.1, or other remaining contribution applicable at the time of default as the result of others' defaults or the joining of new Participants under Section G, along with attorneys fees and costs incurred in a successful action to recover the defaulted contribution.

b. Upon default of any Participant, each non-defaulting Participant's share of the remaining consultant compensation shall be automatically increased pro rata with that of all other non-defaulting Participants to the extent of the deficiency created by the default, using the formula:

$$\begin{array}{l} \text{Each Remaining Participant's} \\ \text{Share of Remaining Obligations} = \frac{\text{Remaining Participant's Old Share (\%)}}{1 - \text{defaulting Share (\%)}} \\ \text{(as \% of Total Obligations)} \end{array}$$

provided, that the sum of all such increases for an individual, non-defaulting Participant shall not exceed, without consent of the Participant, an accumulated maximum of 4% of the Participant's original share of total consultant compensation.

c. In the event that the total defaults exceed 4% of the remaining non-defaulting Participants' original share of the consultant's compensation for the Project and one or more Participants do not consent, within 60 days of the default, to an increase in their pro rata share sufficient to cure the deficiency, this agreement will terminate and the City of Portland shall be authorized to terminate its contract with the consultant.

5. The Participants Committee may also vote to accept any other financial contributions from any other source to pay for work under the contract. If such financial contributions are made, the Participants Committee may determine to credit the money immediately to the Project Account, with Participants' share reduced accordingly as if the contribution came from a Participant buying in to the Project pursuant to Section G, or to place the money in the Project Account to cover defaults or contingencies, subject to the refund provisions of Section F.3.

E. AMENDMENTS TO THE PHASE II PROJECT

1. Minor Amendments

a. The Steering Committee is authorized to approve Minor Amendments to the contract scope of work.

b. A Minor Amendment is an amendment to the contract scope of work which does not increase the total consultant compensation for the Project contract by an amount that would exceed the total, original contributions made pursuant to Section D.1. above. Examples of possible Minor Amendment topics include but are not limited to:

Expansion of, or follow up to, Project tasks as warranted based on new information or insight which will enhance the quality of the product but which can be done by reprioritizing other task(s); replacement or substitution of key consultant personnel assigned to the Project, including addition of any subcontractors.

2. Major Amendments

a. By majority vote the Steering Committee may recommend Major Amendments to the scope of work to the Participants Committee. By majority vote, the Participants Committee may approve Major Amendments to the scope of work.

b. A Major Amendment is an amendment to the contract scope of work which increases the total consultant compensation by an amount that would exceed the total, original contributions made pursuant to Section D.1. above. Examples of possible Major Amendments might be:

Large expansions to the scope of contracted tasks or new Project tasks which are deemed essential to completion of Phase II purposes and objectives.

3. Major Amendment Cost Allocation

Allocations of the cost of Major Amendments will be arranged by the Participants. Portland will not execute any contract amendment until full financing is committed. An amendment may be fully financed by one or more of the Participants.

4. Amendment Approval Process

Subject to Section E.3. above and the agreement of the consultant, Portland's project manager shall execute any amendment to the scope of work approved pursuant to this Section E.

5. Special Amendments

Should all Participants listed in Section D not sign this Agreement or other parties not listed wish to sign, the signing Participants, acting as the Participants Committee, may approve Special Amendments to this Agreement as required to accomplish its purposes, provided, that no Participant shall be required without its consent to provide a greater contribution than the contribution shown in Section D, including the four percent default contingency provided in Section D.4.b.

F. REGIONAL WATER PLANNING ACCOUNT

1. All payments made to Portland shall be accounted for in a separate account within the City of Portland Water Fund. Consultant compensation shall be paid from this Regional Water Planning Account and it shall be used for no other purpose.

2. This account shall accrue interest earnings in accordance with the City of Portland's investment guidelines. Portland shall retain the interest accrued on the account to cover Portland's costs in administering the Phase II project.

3. Any monies remaining in the Regional Water Planning Account at the completion of the Phase II project, and not necessary for project contract expenses, shall be returned to the Participants in shares proportional to each Participant's overall contribution, (taking into account defaults or addition of Participants), except in the case of any defaulting Participant, which shall receive no refund.

G. BUY-IN OPTION

1. Any public water purveyor or other governmental or public entity that was not an original Participant may request, at any time, to become a Participant in this Agreement. Such entity shall make its interest known to the Participants Committee which shall act to accept or reject the entity as a Participant. The contribution of a late-joining purveyor whose share of peak-day demand was calculated in the Phase I - Water

System Demand Study shall be calculated based upon the amount it would have been charged to become a Participant at the time of contract execution, plus a pro rata share of any other costs incurred by the other Participants since that time, plus any additional amount that the Participants determine should be charged to reflect additional costs or other factors arising from the new Participant's buy-in; provided that if there have been previous defaults or new Participants or contract amendments, the share will be increased or decreased as appropriate.

2. The Participant's Committee shall establish the share to be paid by any water purveyor or other entity not included in the Phase I Demand Study taking into account at least the following factors:

- a. Expected growth in population and/or water demand associated with the new Participant;
- b. Any increased cost of the Project as the result of the new Participant's joining;
- c. Original project contributions;
- d. Special needs or status of the new Participant.

3. The new Participant shall be required to make its share of all previous partial payments at the time it joins. If a new Participant joins the Project, all Participants' shares will be re-calculated for the whole project, taking into account the additional contribution of the new Participant and those recalculated shares will control future payment obligations of the Participants. At the end of the applicable fiscal year all existing Participants shall receive a refund reflecting contributions from any new Participants. The refunds shall be allocated pro rata based on the existing Participants' contributions to that point.

4. The Participants Committee may enroll any new Participant as a full voting Participant or non-voting Associate Participant, under such conditions as it may establish, as it

deems appropriate, given the new Participant's financial contribution and potential role in the overall Study Project.

5. The Participants Committee may, but need not, add up to one Steering Committee Member to represent late-joining water purveyors outside Clackamas, Washington, and Multnomah Counties or late-joining non-purveyor entities.

H. TERMINATION

1. This agreement shall terminate upon the final payment to the consultant, unless otherwise extended by the unanimous vote of the Participants.

2. If this Agreement is terminated prior to the completion of the consultant's work pursuant to Section D.4., the remaining non-defaulting Participants shall be responsible for payment of the consultant for all contract work completed and not paid for at the time the contract is terminated and for which there are insufficient funds in the Regional Water Planning Account. Each Participant shall be responsible for its pro rata share of the remaining contractual obligations, calculated as shown in Section D.4.

3. Payment shall be made to Portland within 30 days of receipt of Portland's final termination notice and billing. This obligation upon termination does not reduce or restrict the right of remaining Participants to seek payments from any defaulting Participant(s).

I. SHARED LIABILITY

All Participants agree to share any costs or damages (including reasonable attorney's fees) from third party actions (including any action by the contractor) against any Participant arising out of or in any way related to the contract or this Agreement, except for an action challenging the legal authority of a Participant to enter into this Agreement. Payment obligations shall be proportional to each participant's original contribution or such other proportion as is applicable if

Participants have defaulted or other entities have joined as Participants pursuant to Paragraph G. Participants agree to assist and cooperate in the defense of such an action. Settlement of any action that would impose an obligation to pay upon the Participants under this provision must be approved by a majority of the Participants Committee. A defaulting Participant shall be liable to the other Participants for its pro rata share of any liability covered by this Section.

J. OWNERSHIP OF PHASE II STUDY PRODUCTS

Portland's contract with the consultant shall provide that all work the consultant performs under its contract shall be considered work made for hire, and shall be the property of the non-defaulting Participants. The non-defaulting Participants shall own any and all data, documents, plans, software, specifications, working papers, and any other materials the consultant produces in connection with its contract with the City. Upon request, consultant shall transfer any common law or statutory copyrights to the non-defaulting Participants at no charge. The agreement shall further provide that at any time upon request and, in any case, no later than upon completion or termination of its contract with the City, the consultant shall deliver to the City, on behalf of the non-defaulting Participants, these materials.

K. OREGON LAW AND FORUM

1. This Agreement shall be construed according to the law of the State of Oregon.

2. Any litigation between the Participants under this Agreement or arising out of work performed under this Agreement shall occur, if in the state courts, in the Multnomah County Court having jurisdiction thereof, and if in the federal courts, in the United States District Court for the District of Oregon.

L. DISPUTE RESOLUTION

1. All disputes that Participants cannot resolve arising out of this Agreement shall, in the first instance, be mediated.

2. Any Participant wishing to dispute application or interpretation of this Agreement shall immediately notify the Steering Committee, in writing, of the Participant's position.

3. Any issue which has not been resolved within 30 days of notification shall be submitted to mediation.

4. The function of the mediator shall be to assist the disputing Participant(s) in finding a mutually acceptable resolution.

5. The mediator shall be selected by a vote of the Steering Committee members within 45 days of a notice of dispute.

6. If, within 20 days of selection of the mediator, mediation fails to provide a satisfactory resolution the Participants will be free to seek all other legal forms of redress.

7. All Participants shall continue to perform fully during the mediation. If a question concerning financial obligations is an issue under dispute, and if a refund is due as a result of the mediation, the successful disputing Participant shall receive a refund. The disputing Participants or, in the case of a monetary dispute, any Participant who would gain or lose as a result of the outcome of the dispute, shall pay the fees and costs charged by the mediator. All disputing Participants, however, shall be responsible for their own costs for participation in the mediation, including attorneys fees.

M. NOTICE

Any notice provided for under this Agreement shall be sufficient if in writing and delivered personally to the designated Participant or deposited in the United States Mail,

postage prepaid; certified mail, return receipt requested, addressed to such person as the appropriate Participant has designated. Each Participant shall provide the other Participants with the name and address of the employee or office which should receive written notifications under this Agreement.

N. INTEGRATION

This Agreement contains the entire agreement between the Participants and supersedes any prior written or oral discussions or agreements.

O. EFFECTIVENESS OF AGREEMENT

This agreement shall become effective only upon its execution by all Participants named in the Preamble and listed in Section D, unless fewer than all the Participants, acting as the Participants Committee, approves a Special Amendment pursuant to Section E. 5.

P. COUNTERPARTS

This Agreement maybe signed in counterparts. Each Participant shall send one copy of this Agreement signed by its authorized signatory to Lorna Stickel, Project Manager, City of Portland Bureau of Water Works, 1220 SW Fifth Avenue, 6th Floor, Portland, OR 97204. Such copy shall also list the name and address of the person to whom all notices under this Agreement are to be sent on behalf of the signing Participant.

///

///

///

///

///

Q. NOTICE

All Notices under this Agreement to the _____
_____ shall be sent to:

Signed this _____ day of _____, 1994.

By: _____

Date: _____

By: _____

Date: _____

SUMMARY INFORMATION FOR
PHASE 2
REGIONAL WATER SUPPLY PLAN
PROGRESS FROM MAY 1993 TO JUNE 1994

Prepared by the Portland Water Bureau
for the Regional Water Provider Participants
in Phase 2

June 28, 1994

Public Involvement -- Accomplishments

- Stakeholder Interviews
- Public Roundtables
- Public Opinion Survey
- Contingent Valuation Survey
- Newsletters/Clip & Mail Form
- "In My Opinion" Piece and other various articles in The Oregonian
- Various briefings and meetings with interested agencies, organizations, and citizens

To date, we have contacted nearly 3,000 citizens and stakeholders directly to let them know about the regional water supply planning effort and/or find out their views on long-range water supply issues. We have received direct feedback from nearly 2,000 citizens.

Some Input Highlights

- Stakeholder Interviews - Stakeholders and community leaders throughout the region provided the following insights:
 - The Phase 2 project is appropriate and well-timed.
 - Cost and environmental impacts of potential new supply options for new supply are the most important considerations for review during Phase 2.
 - Opportunities for cost savings should be sought.
 - Participants must work closely with environmental organizations and state and federal agencies to assure timely resolution of serious environmental issues.
 - Water supply savings through conservation should be the starting point for examining future options. The public will strongly support conservation in reducing the need for new supplies and meeting environmental objectives.
 - In examining new water supply sources, start with the best raw water quality.
 - There tended to be preferences for the "local" option.

- Consolidation of provider agencies can promote economies of scale and help convince the public that water is being managed cost-effectively.
 - The public is viewed as not very interested in long-term water supply issues and needs to be informed about the issues and the study.
- **Public Opinion Survey** - A significant portion of residents throughout the region are unaware of their drinking water source (42%).
 - Citizens concur that the quality of the raw water source is important.
 - Nine-out-of-ten residents are willing to accept a different water source in the future. Resident claim to be less willing to change providers.
 - Conservation received the strongest rating and 85% of residents surveyed report that they felt they were conserving water. No new source option under consideration received strong endorsement or flat rejection. The sources rated in this order; ASR, Bull Run, Clackamas, Trask (Barney), Columbia and Willamette. Residents responded relatively favorably to the ASR concept (similar in rating to Bull Run).
 - Various environmental impacts were of concern depending on the source being considered, however, over half of all those surveyed either felt there was no impact or did not know if there was for all the sources considered.
 - The top three reasons residents give for supporting a new water supply option are concerns about water shortages, maintenance/improvement of water quality, and lower costs. The top three reasons given for opposing any new water supply option are costs, water quality and environmental impacts. Concern levels varied depending on the source and the issue.
 - **Contingent Valuation Survey** - Citizens throughout the region stated a high willingness-to-pay for system reliability (or avoidance of shortage and curtailment). Region wide, willingness-to-pay varied from a low of \$10.18/month to avoid a 10% shortage once every 30 years, to a high of \$18.08/month to avoid a 40% shortage every five years. Residents of Clackamas County indicated a slightly lower WTP than Multnomah and Washington County residents. (Error band = +/- \$1.12)

Citizens also did not rank water shortage concerns very high in importance relative to a host of other social, economic and environmental concerns.

Demand Management & Conservation -- Accomplishments

- Extensive Data Acquisition/Database Development
- Refinement of Demand Forecasting Model
- Identification of a "Universe of Options" (over 100 for indoor and out-door uses, and residential, commercial and industrial customer classes)
- Qualitative Screening of Options
- Development of Conservation Technology Profiles.
- Economic Screening of Options
- Development of Program Concepts (underway)

Some Key Points

- Conservation technology profiles developed for this project represent an unprecedented compilation of information on state-of-the-art measures, water savings, delivery potential and costs.
- An "inclusive approach" is being applied in identifying and screening the measures. Conservation was given a benefit-cost ratio "premium" during the economic screening since many benefits are difficult to quantify (e.g., avoided environmental impacts).
- Program concepts will employ some or all of the following general approaches: education/awareness – technical assistance – financial incentives, direct installation, regulation. Program selection criteria will include: magnitude of savings – persistence of savings – timing and seasonality of savings – cost of savings – public acceptability, organizational feasibility. Different programs will be designed to illustrate different levels of intensity e.g., educational/informational in nature; market driven; accelerated with more reliance on regulation.
- The analysis is being conducted in consultation with the Willamette-Columbia Water Conservation Coalition and is being shared with the Environmental Task Force.
- Analysis of tiered conservation pricing options will be performed in conjunction with evaluation of program concepts.
- Naturally occurring conservation (implementation of existing legislation requiring installation of efficient water use plumbing fixtures) is estimated to result in significantly less water use - 12% - peak season, 18% - average annual (for Gresham) without additional utility intervention. (Note: These are preliminary forecasts which will be revised based on new population estimates.)

- The demand forecasts were initially revised based on additional information gained from the various water providers, adding weather variables, and "Base Case II" population forecasts provided by Metro. The water demand forecast is going to be revised again based on new population figures obtained from Metro which reflects more recent growth management concepts as a part of the Metro 2040 process.

Source Options/Transmission -- Accomplishments

- Completion of reports on:
 - Existing water supply and transmission infrastructure in the region.
 - Facility siting for:
 - Bull Run Dam 3
 - Run-of-river intakes and treatment facilities on the Clackamas, Willamette and Columbia Rivers
 - Aquifer storage and recovery facilities (2 reports)
 - Water quality and Treatment
 - Water Rights
 - Water Availability (in progress - anticipated July, 1994)
 - Environmental Analysis (in progress - anticipated July, 1994)
 - Geotechnical core drilling in the Bull Run Watershed (drilling complete)

Some Key Points

- The siting analyses has led to the concept of the "*representative site*" defined as: "...those potential intake, pipeline, water treatment plant, or other supply-source-related facility location that merits detailed analysis because they offer the highest likelihood for pursuing permitting and potential development, based on preliminary analysis of technical, land use, water quality, environmental, cost and other relevant factors."

Representative sites include:

- Bull Run Dam 3 - Log Creek site; treatment Plant - Lusted Hill;
- ASR - Columbia River Basalt (CRB) aquifer at Cooper-Bull Mtn.; Troutdale Gravel Aquifer, Troutdale Sand Aquifer, and/or CRB at Powell Valley;
- Clackamas River - intake/consolidated treatment plant - co-located on property adjacent to existing Clackamas Water District facility;
- Willamette River - intake/treatment plant - co-located upstream of I-5 bridge at Wilsonville on existing industrial (sand & gravel) site;
- Columbia River - intake/treatment plant - located north of Troutdale downstream from the mouth of the Sandy River on an existing sand and gravel site;

Note: Siting on existing industrial sites may afford opportunities for environmental enhancement. The Trask/Barney project will likely be assumed as a given addition to supply based on the permitting process already underway.

- Phase 2 provider participants hold extensive undeveloped water rights on the Clackamas and Willamette Rivers, along with Portland's statutory right to waters of the Bull Run Watershed. Hydrologic reliability and access to storage are being evaluated.

- The Environmental Analysis follows a methodology which was reviewed by an Environmental Task Force of regulatory agencies and interest group representatives. Through evaluation of existing information and field work, the consultant team is evaluating each new water supply source (except Barney) for potential impacts in 11 areas: cultural resources – fish – geotechnical hazards – hazardous waste – land use – recreation – scenic resources – T & E species – water quality -- wetlands – wildlife. Key cumulative impacts will be addressed as well.

Field work has included visits to each of the representative sites with an interdisciplinary team of environmental specialists, "stream walks" in the Bull Run canyon, boat trips, and helicopter fly-overs. The Environmental Analysis will be submitted to the project Steering Committee and Environmental Task Force in mid-July.

- Comparative costs of the sources will be developed.
- The development and evaluation of transmission alternatives awaits new demand forecasts. This element of the project will be assisted by use of the resource integration model.
- Uncertainties include:
 - whether a third dam in the Bull Run would result in filtration requirements;
 - effect of the Clinton Plan (and Bull Run Legislation?) on "permit-ability" of a third dam;
 - existing or future water quality problems in the Columbia (e.g., radionuclides) and Willamette (metals, organics, deformed fish) rivers;
 - access to Corps storage on the Willamette River (expound on activities including reauthorization feasibility study, M&I pricing, PGE claim, Willamette Reservation)
 - T&E species and other environmental issues, along with changing regulations (create uncertainty for all of the options);
- Water quality parameters were assessed for each source including organics, radionuclides, metals, bacteria/micro-organisms, turbidity and SS. The relative ambient water quality of the sources was rated as follows: Bull Run water was found to be excellent, Clackamas - good, and Willamette and Columbia – fair.

- A conservative approach has been applied in developing recommended treatment technologies. Methods such as ozonation and granular activated carbon (GAC) are recommended to ensure high levels of finished water quality and to provide barriers against known or potentially problematic contaminants. The Bull Run source has been characterized both with and without treatment for the purposes of formulating resource scenarios as a part of the integration element.
- A mid-point review is scheduled for early Sept. The Steering Committee, project mgmt. staff, and the consultant team will review all of the project findings to date and assess where we go from here. Results will be used to guide and streamline development of conceptual designs for new source intakes, treatment facilities and major transmission facilities.

Integration Element

Accomplishments - IRP Model

- The Resource Integration Model is under development. The computerized model will depict the existing water systems in the region along with operational rules and constraints. It will also depict the water sources, transmission configurations, conservation levels, and a series of demand nodes. The model will allow the creation and assessment of scenarios or "water supply futures" given different assumptions about demand, supply, and other issues (e.g., instream flow objectives). It will also address system reliability explicitly.

Some Key Points -IRP Model

- The model will not be a "black box" that spits out the answer to our questions. We will have to build scenarios of interest to us and ask the model to show the implications.
- The model is being designed to provide a visual interface to facilitate understanding and participation on the parts of interested parties and decision makers.
- This model is something that the water providers of the region will be able to use long after the Phase 2 project is complete.

Accomplishments - Policy Objectives

- Phase 2 participants and project consultants are in the process of developing policy objectives for use in the project. In this context, "policy objectives" should reflect the range of policy-type statements that are applicable to public water supply service in the region.

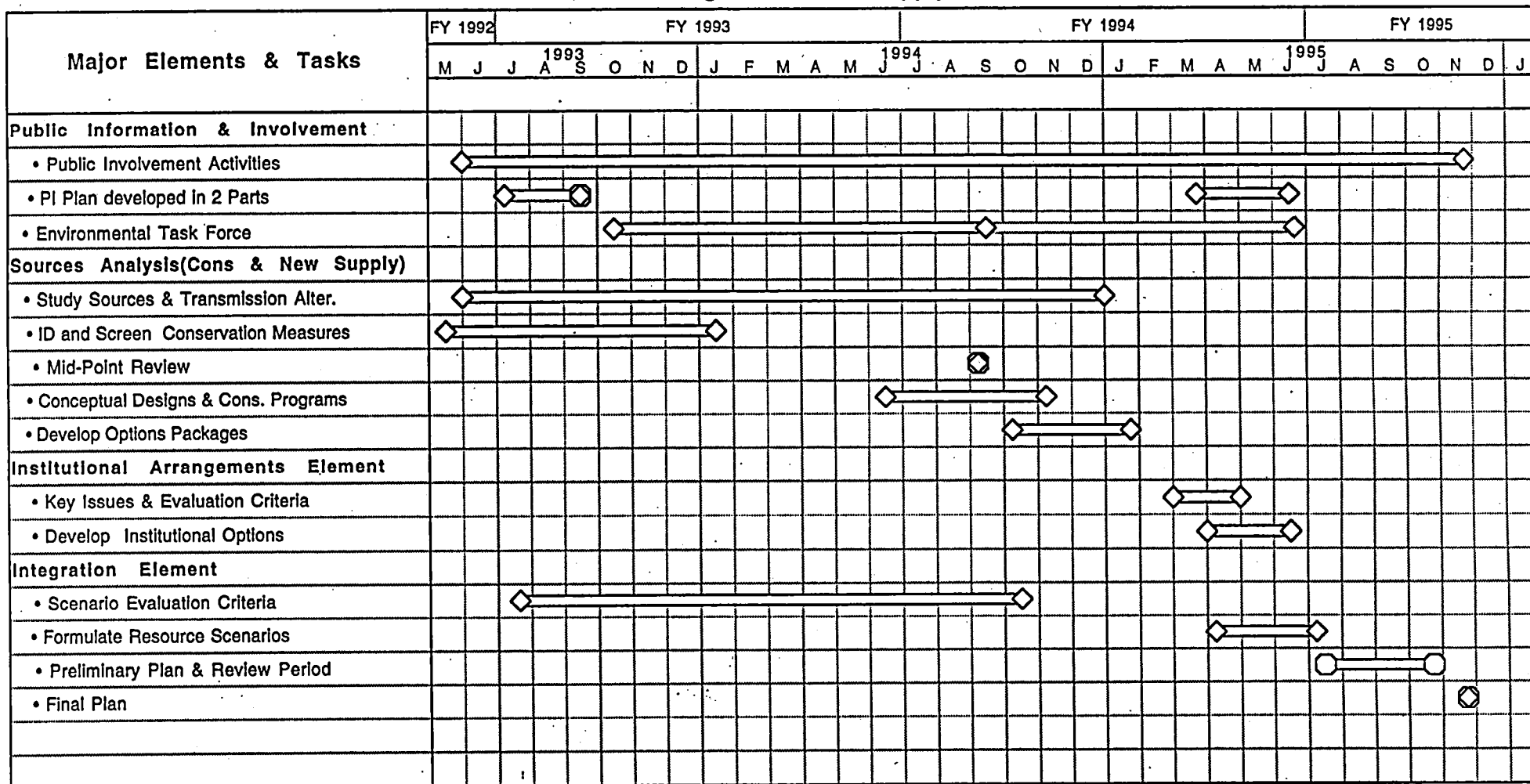
This range is necessarily broad, given the diversity of stakeholders involved. Some objectives appear complementary while others appear to conflict.

The policy objectives will be used in designing meaningful water resource scenarios and will form the basis for criteria with which to evaluate the scenarios.

Key Points - Policy Objectives

- The draft was reviewed and reflects many of the comments received from the Water Services Leadership Group, the Water Resources Advisory Committee, and the Water Quality Advisory Committee.
- The draft is currently being circulated to local decision makers and stakeholder groups.
- It is, at times, a fine line between a policy objective and a solution (this is an issue which was pointed out by the Portland Water Quality Advisory Committee which noted that the operational flexibility objective regarding being able to mix sources could be read as solution oriented towards regional transmission system which could negate the importance of higher raw water quality sources). The intent is to identify the range of objectives that are held throughout the region and then use them to help identify different ways of meeting future water needs. This will be done in such a way as to portray alternatives which represent the tradeoffs inherent between the various mixes of sources and conservation programs.

PHASE 2 - Portland Regional Water Supply Plan 1993-1995



Wednesday, June 29, 1994

STAFF REPORT

CONSIDERATION OF RESOLUTION NO. 94-2010 FOR THE PURPOSE OF ENTERING INTO AN INTERGOVERNMENTAL AGREEMENT TO JOIN THE REGIONAL WATER SUPPLY PLANNING STUDY

Date: July 8, 1994

Presented By: Rosemary Furfey

FACTUAL BACKGROUND AND ANALYSIS

The Metro Charter mandates that Metro adopt elements of the Regional Framework Plan (RFP) that address regional water supply and storage, particularly as they relate to growth management. In order to prepare for eventual adoption of these elements, Metro staff and Councilors have been working with the Regional Water Supply Planning Study's (RWSPS) participants, staff and consultants to coordinate the Region 2040 project and the RWSPS. Metro staff are members of the RWSPS's Environmental Task Group and Councilor Jon Kvistad and Executive Officer Rena Cusma are on Commissioner Lindberg's Regional Water Leadership Group.

In addition, in order to facilitate accurate water demand modeling for the RWSPS, the Metro Council adopted Resolution No. 94-1962A on May 26, 1994, to coordinate technical assistance and data transfer between Metro and the RWSPS. Staff are now completing this data transfer.

On June 1, 1994, Metro's Planning Director, Andy Cotugno, made a presentation to the RWSPS's Executive Committee formally requesting that Metro join the RWSPS and provide in-kind services as its contribution to the study. After committee discussion, there was unanimous agreement that Metro should join the study.

At the monthly Participant's Committee meeting on June 28, 1994, the Executive Committee recommended that Metro be allowed to join the study. After discussion, the Participant's Committee voted to invite Metro to join the Study and sign the Intergovernmental Agreement (IGA) based on Metro's in-kind contribution. Metro staff estimate that its in-kind contribution is approximately \$10,000 including staff time, computer analysis and production of maps.

The Metro in-kind contribution is part of the Planning Department's on-going Region 2040 work and does not represent any change in the current Planning Department's Region 2040 budget.

In May 1993, 27 of the region's water providers signed an IGA to fund and manage the Regional Water Supply Planning Study. This two and one-half year planning study will lead toward adoption of a regional water supply plan (RWSPS). This plan is intended to direct how to meet the region's future water supply needs to the year 2050. The plan work elements include analysis of demand management and conservation measures, supply development, transmission and systems efficiency, and institutional relationships. The plan will include specific phased implementation strategies for the short-, medium- and long-term. Public involvement is also a key element in this planning process.

The 1992 Metro Charter directs Metro to include water supply and storage in its RFP, therefore, the Region 2040 project staff are working in close cooperation with the RWSPS staff and consultants to ensure coordination and consistency in the use of population numbers. The region's water providers have also provided valuable technical assistance and data for the water resources component of the Region 2040 growth concepts.

Accompanying this Staff Report is a letter from the Executive Officer (Attachment A) defining the in-kind services to be provided as part of this IGA (Attachment B) and identifying who Metro's representatives will be on the Participant's Committee.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends adoption of Resolution No. 94-2010.

RF/erb
e:\pdf\res&ord\94-2010
07/11/94

ATTACHMENT A

July 11, 1994

Mr. Tim Erwert, Chair
Steering Committee
Regional Water Supply Plan Project
1120 S.W. 5th Avenue, #601
Portland, OR 97204-1926

Dear Mr. Erwert:

Re: *Regional Water Supply Plan Intergovernmental Agreement*

I am pleased to sign the enclosed Phase II Intergovernmental Agreement (IGA) between Metro and the Regional Water Supply Planning Study (RWSPS) participants. The Metro Council has endorsed this partnership when it voted to pass Resolution No. 94-2010 on _____, 1994, which authorizes Metro to join the Study.

I believe that by signing this IGA Metro will have an opportunity to more fully participate in the Regional Water Supply Planning Study. This is important because Metro will eventually adopt elements of the Regional Framework Plan to address regional water supply and storage. By joining this study, we lay the ground work for cooperation and partnership between the Regional Water Supply Planning Study, the Region 2040 Project and future development of the Regional Framework Plan.

In signing this IGA, Metro recognizes that it is not a water provider as are the rest of the participants in this study and that it cannot provide a cash contribution to this study. By signing this IGA, it is agreed that Metro will provide an in-kind contribution totally approximately \$10,000 in staff time and computer analysis. The computer analysis will provide Region 2040 population data for the Study's water demand modeling work.

In addition, I appoint Metro's Planning Director, Andy Cotugno, as the Metro representative on the Participant's Committee. Senior Planner Rosemary Furfey, from our Growth Management Section, will be his alternate.

In conclusion, Metro anticipates a productive partnership as it joins the Regional Water Supply Planning Study. I know that this partnership will provide important coordination between Metro's growth management activities and the provision of safe and adequate drinking water for the region.

Sincerely,

Rena Cusma
Executive Officer

RC/RF/erb
s:\pdf\rfwat.lga

Enclosure

ATTACHMENT B

INTERGOVERNMENTAL AGREEMENT

TO FUND PHASE TWO,

REGIONAL WATER SUPPLY PLAN

PARTICIPANTS:

City of Beaverton
Canby Utilities Board, an independent
governmental subdivision of the City of Canby
Clackamas Water District
City of Gladstone
Clairmont Water District
Damascus Water District
City of Fairview
City of Gresham
City of Hillsboro Utilities Commission
City of Forest Grove
City of Lake Oswego
Metro
City of Milwaukie
Mt. Scott Water District
Oak Lodge Water District
City of Portland
Raleigh Water District
Rockwood Water
City of Sandy
City of Sherwood
South Fork Water Board, City of Oregon City/City of West Linn
Tigard Water District
City of Troutdale
City of Tualatin
Tualatin Valley Water District
West Slope Water District
City of Wilsonville
City of Wood Village

PLANNING COMMITTEE REPORT

CONSIDERATION OF RESOLUTION NO. 94-2010A FOR THE PURPOSE OF ENTERING INTO AN INTERGOVERNMENTAL AGREEMENT TO JOIN THE REGIONAL WATER SUPPLY PLANNING STUDY

Date: July 25, 1994

Presented By: Councilor McLain

Committee Recommendation: At the July 21, 1994 meeting, the Planning Committee voted unanimously to recommend Council adoption of Resolution No. 94-2010A. Voting in favor: Councilors Kvistad, Gardner, Devlin, Gates, McLain, Monroe, Moore, and Washington.

Committee Issues/Discussion: Rosemary Furfey, Senior Regional Planner, presented the staff report. Under the Metro Charter, Metro is required address an element for regional water supply and storage as part of the Regional Framework Plan. With that in mind, staff has been working closely with the regions' water suppliers as they proceed with a two year Regional Water Supply Planning Study. This work has provided technical assistance to the Region 2040 Project. Last May, the Study chose to use Metro's numbers as the most reliable figures available for modeling for the study.

Since then, Metro has formally proposed to become a member of the study group. The study's executive committee has approved the request. The participants of the study also have voted to allow Metro membership in the study. This means joining the intergovernmental agreement (IGA) that was previously signed by 27 individual water providers. With the IGA, each water supplier also furnished joint funding for the study. Since Metro is not a water supplier, we have been offered membership by furnishing "in-kind" resources. This includes approximately \$10,000 of staff time, computer analysis and production of maps.

Councilor Moore asked whether Metro was being extended "voting" membership or just liaison membership. Ms. Furfey explained that "voting" membership was what is being offered. However, this is not clear in the resolution. Councilor Moore suggested the language be clarified to indicate "voting" status. There was general agreement from the committee.

Councilor McLain explained that this IGA is significant in that it shows an improved acceptance of Metro by these water suppliers that was not evident even several months ago. There has been a change of heart about Metro's role.

Councilor McFarland, who was sitting in with the committee, asked how the Metro

Planning Director was nominated to be Metro's representative on the participant's committee. Ms. Furfey explained that this was generally agreed upon when Mr. Cotugno made the presentation before the executive committee; it was a staff decision made by Mr. Cotugno. The appointment was then formalized by a letter from the Metro Executive Officer (attachment A in the resolution). She clarified that all representatives are at a similar profession staff level as Mr. Cotugno. Councilor McFarland continued to question the appropriateness of such a "self-appointment". She suggested that the Council or Planning Committee should have made the appointment.

Councilor McLain suggested that such work is highly technical statistical support so Mr. Cotugno's appointment to the "participants" group is appropriate. There is also a "leadership" group of which elected officials are members. Councilor Kvistad serves in this capacity.

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ENTERING INTO AN) RESOLUTION NO. 94-2010A
INTERGOVERNMENTAL AGREEMENT TO JOIN)
THE REGIONAL WATER SUPPLY PLANNING) Introduced by the
STUDY) Planning Committee

WHEREAS, The Metro FY 1994-95 Water Resources work plan, adopted by the Metro Council by Resolution No. 93-1873A on December 23, 1993, identifies specific work program activities addressing growth management and water supply planning; this includes a work element requiring coordination with the Regional Water Supply Planning Study whereby Metro provides to the study growth management data and RLIS maps; and

WHEREAS, The Metro Council adopted Resolution No. 94-1962A on May 26, 1994, which provides for coordination of technical assistance between Metro and the Regional Water Supply Planning Study; specifically allowing for the data transfer of Region 2040 Project population numbers for the water demand modeling component of the Regional Water Supply Planning Study; and

WHEREAS, The Portland metropolitan region's water suppliers participating in the Regional Water Supply Planning Study have agreed that Metro's Region 2040 data provided by Resolution No. 94-1962A can serve as in-kind contribution to formally signing the Intergovernmental Agreement for the Regional Water Supply Planning Study; and

WHEREAS, The Regional Water Supply Planning Study's Executive Committee unanimously decided on June 1, 1994, to recommend that Metro be allowed to join the Regional Water Supply Planning Study; and

WHEREAS, The Participant's Committee of the Regional Water Supply Planning Study voted on June 30, 1994, to allow Metro to join the Study based on its in-kind contribution of Region 2040 data; now, therefore,

BE IT RESOLVED,

1. That the Metro Council recognizes the need for close coordination and partnership between Metro's Planning Department growth management and water resource planning efforts with the Regional Water Supply Planning Study.

2. That the Metro Council agrees that Metro should sign the Intergovernmental Agreement and formally join the Regional Water Supply Planning Study based on Metro's in-kind contribution of Region 2040 project data as described in Council Resolution No. 94-1962A.

3. That the Metro Council agrees that by joining this Intergovernmental Agreement it is a full voting participant under the conditions of the Intergovernmental Agreement.

4. That the Metro Council appoints Metro's Planning Director, Andy Cotugno, as the Metro representative on the Regional Water Supply Planning Study's Participants Committee.

ADOPTED by the Metro Council this _____ day of _____ 1993.

Judy Wyers, Presiding Officer



METRO COUNCIL
July 28, 1994
Agenda Item No. 6.1

METRO

Date: July 27, 1994
To: Metro Council
From: *LSH*
Larry Shaw, Senior Assistant Counsel
Regarding: BOND MEASURE AMENDMENTS - EXHIBIT 'B'

Introduction

After careful review of several policy issues in Exhibit "B," the Measure statement, the Regional Facilities Committee approved the Greenspaces Bond referral resolution. In subsequent preparation of voter's pamphlet strategy, the Committee and the General Counsel determined that additional explanation of Master Plan contents in the Measure is an appropriate aid to the voter's pamphlet.

Measure v. Ballot title

The ballot title is the short, impartial statement strictly limited in words and readability in state law. Metro's new 1993 elections ordinance now requires that a measure statement be adopted with the ballot title. As "the measure," this statement, unrestricted by state law, may be eligible for inclusion in the voter's pamphlet in addition to the ballot title and explanatory statement.

Measure Statement Amendments

No words were changed on the policy decisions approved by the Regional Facilities Committee. There are four paragraph or partial paragraph additions that further explain the Master Plan, the connection of greenspaces planning to growth management, water quality objectives, regional trails and wildlife corridors. The last amendment "operating expenses" is a technical change recommended by bond counsel.

Metro Council
Bond Measure Amendments
July 27, 1994
Page 2

Conclusion

The Regional Facilities Committee and General Counsel recommend substitution of this amended, Exhibit "B" for the version in your packet.

cc: Dan Cooper (with Exhibit B)
Charlie Ciecko (with Exhibit B)

KLA
1792

Exhibit B
GREENSPACES ACQUISITION BOND MEASURE

The basis for this land acquisition program is the 1992 Metropolitan Greenspaces Master Plan. The Master Plan details the vision, goals and organizational framework of a regional system of natural areas, open space, trails and greenways for wildlife and people. The primary objective of the Master Plan is protection of natural resource areas in the public interest. The analysis is based on watersheds or stream basins to encourage review of the ecosystem in each part of the region. The Master Plan includes 1989 inventories and maps of 109,000 acres of then existing natural areas in and near the Metro boundaries. In 1989, approximately 9,200 acres were in public ownership. Nearly half of the publicly owned acreage is located in Forest Park.

Metro estimates that the Portland-Vancouver metropolitan area will grow by more than 1.1 million people by the year 2040. More homes and businesses will be built to serve this anticipated growth. As communities continue to develop, the land supply available for open space and parks will be smaller and generally more expensive to purchase. If the region is to have parks and open space areas in the future, planning and funding priorities are needed now to reflect the importance of greenspaces. The protection, acquisition and active stewardship of greenspaces must become just as important as planning transportation, water, sewer and other basic infrastructure.

One goal of the Master Plan is to improve water quality. Water quality in the region is degraded as natural areas are lost. Retaining forested areas on slopes minimizes erosion that pollutes streams. Wetlands and floodplains hold runoff allowing plants and micro-organisms to biologically filter pollutants. Natural areas with riparian corridors will be purchased and preserved. Restoring native vegetation along these waterways will improve water quality.

The Master Plan identifies regional trails and regional wildlife corridors. The trails provide means of human-powered access to commerce, recreation and natural areas. This includes links between parks, local trails and local communities and access to regionally significant parklands and natural areas. Wildlife corridors protect habitat for maintaining biological diversity. Linked habitat is important for species that reside in and pass through the region along regular migratory routes.

From the Master Plan inventory a number of existing large acre sites throughout the region were designated as regionally significant open space protection areas. These areas would be used to provide and protect open space and for passive recreational activities, including but not limited to, picnicking, hiking, bicycling, camping, bird watching, and boating. In 1992, these sites were estimated to be 9,962 acres, based on the 1989 studies. Over 3,000 acres were located in each county within Metro's boundaries. The 1992 measure proposed issuing \$200 million in bonds for acquisitions from 57 of these areas and the region-wide trail network identified in the Metro Plan.

This referral to the voters of \$138.8 million in general obligation bonds is based on advisory groups recommendations. It proposes acquisitions from 14 of the regionally significant areas (approximately 6,165 acres) plus regional trail segments from the Master Plan. The inventory in these target areas has been reviewed in 1994. They will be the first priority for acquisitions from the bond proceeds. Other regionally significant open spaces and regional

trails identified in the Master Plan may be acquired if target areas become degraded, cost prohibitive or otherwise infeasible as determined by the Metro Council after a public hearing. New target areas shall be selected to retain a regional balance of sites acquired. In addition, some new opportunities may arise to acquire natural resource areas not in the Master Plan if funding permits. These will not be approved unless the Master Plan is first amended by the Metro Council after a public hearing on the amendment.

There are various means intended to be used to secure rights to natural resource land. This will include outright purchase of title to the land with the assistance of outside professional realtors. However, other methods insure preservation of the character of the land as open space and may allow its use by the public. Purchase through a nonprofit land preservation organization may enable the program to secure land at below market rates due to the favorable tax benefits that accrue to sellers. Easements, rather than full title to the land, can be donated or sold by a landowner. Donations, bequests and grants will be sought to enable the program to protect and acquire more natural resource land.

In addition to the regional areas and trails, up to \$25 million of bond proceeds will be used to buy and make capital improvements on lands for local open spaces and trails. These purchases and improvements will be made by cities, counties and park districts which provide parks services. The local governments shall be permitted to pay administrative costs associated with land acquisition and capital improvements from this local share of bond proceeds or from their own resources. Intergovernmental agreements between Metro and the park providers will be used to assure that the funds are expended for greenspaces related activities. Interests in land acquired from this local share would be for regionally or locally significant natural areas, open space, trails and greenways, including accessible waterways, that function for both wildlife and people. Capital improvements would be for restoration or enhancement of natural areas, trail construction, access facilities, public use facilities and environmental education facilities. Ownership of lands will be consistent with the Greenspaces Master Plan. Provision must be made for lands acquired with the local share to be maintained for its intended recreational, natural area or trail activities.

It is important to identify local projects to be funded and their estimated costs in time to inform the voters prior to the vote on this ballot measure. Therefore, a list of local projects with estimated costs matching each provider's pro rata share must be delivered to Metro. The deadline to submit eligible local share proposals from this bond funded program is no later than November 1, 1994. If eligible projects are not timely submitted, both the \$25 million amount for local share funding and the \$138.8 total amount of bonds issued may be reduced to that extent.

Capital improvements of lands acquired with bond proceeds are intended to be a secondary purpose of this entire program. However, for individual purchases or some local projects, greenspaces related capital improvements, may be a primary element. Allowable improvements include, but are not limited to, restoration or enhancement of natural areas, trail construction, nature centers, interpretative displays, facilities for disabled people, access roads and facilities, parking, boat ramps, trail heads, rest rooms, picnic tables, shelters, viewing facilities, water systems, camp sites, fishing piers, signs, fences, and security lighting.

Regionally significant lands acquired by Metro would be "land banked" with the property interest owned by Metro. The Metro Regional Parks and Greenspaces Department may operate and maintain these lands or other cooperative arrangements may be made consistent with the Greenspaces Master Plan. Initially, most of these lands will be held with limited maintenance and development. If the acquisition bond measure is approved by the voters, Metro excise taxes have been committed for this low level of maintenance. No bond funds can be legally used for any ~~operations operating and maintenance expenses~~. Some improvements could be done with bond funds and new grants to start public use. At the same time, user fees and other revenue must be developed to offset increased costs from increased public use. The July, 1992 Metropolitan Greenspaces Program Financial Study identified the following alternatives for such revenue: greenspaces parking permit, day use or camping fees, concessions, volunteer services. Other revenue sources may be investigated depending on the type of improvement.

Other allowable expenditures for this program include acquisition administrative expenses, bond issuance costs and reimbursable bond preparation expenses relating to the design planning and feasibility of the acquisition program. Administrative expenses include, but are not limited to, assistance from professional realtors, real estate appraisals, title companies and environmental evaluation firms.

The preference is to issue bonds which mature in 20 years. However, to maintain the flexibility to respond to the market existing at time bonds are issued, the maturity period may be up to 30 years.

The following are the 14 regionally significant natural areas and five trail segments targeted for acquisition:

	<u>Acres</u>
Willamette River Greenway	1,103
Willamette Narrows	
Canemah Bluffs	
Cathedral Park to railroad bridge	
Oaks Bottom to OMSI	
West side of Multnomah Channel	
East Buttes/Boring Lava Domes	545
Newell Creek Canyon	370
Sandy River Gorge	808
Cooper Mountain	428
Buffer and expansion of Forest Park	380
Jackson Bottom and McKay Creek/ Dairy Creek addition	333
Tonquin Geological area	277
Tualatin River Greenway, access points	266
Clear Creek Canyon	342
Gales Creek	775
Columbia Shoreline	95
Fairview Creek/Lake	143
Rock Creek	<u>300</u>
	6,165

Peninsula Crossing Trail (Improvements only)
Fanno Creek Greenway
Sauvie Island to Beaverton/Hillsboro Trail
Clackamas River Greenway (north bank)
Beaver Creek Canyon Greenway (Troutdale)
1170

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ENTERING INTO AN) RESOLUTION NO. 94-2010
INTERGOVERNMENTAL AGREEMENT TO JOIN)
THE REGIONAL WATER SUPPLY PLANNING) Introduced by the
STUDY) Planning Committee

WHEREAS, The Metro FY 1994-95 Water Resources work plan, adopted by the Metro Council by Resolution No. 93-1873A on December 23, 1993, identifies specific work program activities addressing growth management and water supply planning; this includes a work element requiring coordination with the Regional Water Supply Planning Study whereby Metro provides to the study growth management data and RLIS maps; and

WHEREAS, The Metro Council adopted Resolution No. 94-1962A on May 26, 1994, which provides for coordination of technical assistance between Metro and the Regional Water Supply Planning Study; specifically allowing for the data transfer of Region 2040 Project population numbers for the water demand modeling component of the Regional Water Supply Planning Study; and

WHEREAS, The Portland metropolitan region's water suppliers participating in the Regional Water Supply Planning Study have agreed that Metro's Region 2040 data provided by Resolution No. 94-1962A can serve as in-kind contribution to formally signing the Intergovernmental Agreement for the Regional Water Supply Planning Study; and

WHEREAS, The Regional Water Supply Planning Study's Executive Committee unanimously decided on June 1, 1994, to recommend that Metro be allowed to join the Regional Water Supply Planning Study; and

WHEREAS, The Participant's Committee of the Regional Water Supply Planning Study voted on June 30, 1994, to allow Metro to join the Study based on its in-kind contribution of Region 2040 data; now, therefore,

BE IT RESOLVED,

1. That the Metro Council recognizes the need for close coordination and partnership between Metro's Planning Department growth management and water resource planning efforts with the Regional Water Supply Planning Study.

2. That the Metro Council agrees that Metro should sign the Intergovernmental Agreement and formally join the Regional Water Supply Planning Study based on Metro's in-kind contribution of Region 2040 project data as described in Council Resolution No. 94-1962A.

3. That the Metro Council appoints Metro's Planning Director, Andy Cotugno, as the Metro representative on the Regional Water Supply Planning Study's Participants Committee.

ADOPTED by the Metro Council this _____ day of _____ 1993.

Judy Wyers, Presiding Officer