

**AGENDA ITEM**

**10.a.**

**CURRENT INTERIM  
AGREEMENT**

**BETWEEN**

**CITY OF GLADSTONE**

**AND**

**OAK LODGE SANITARY  
DISTRICT**



Gladstone

INTERIM AGREEMENT COPY

THIS AGREEMENT made and entered into this 14th day of September, 1971, by and between the CITY OF GLADSTONE, a municipal corporation, hereinafter referred to as "City", OAK LODGE SANITARY DISTRICT, hereinafter referred to as "District No. 1" and OAK LODGE SANITARY DISTRICT NO. 2, hereinafter referred to as "District No. 2", both being municipal corporations and sanitary districts organized and existing by virtue of the laws of the State of Oregon, said parties being located within the County of Clackamas and State of Oregon.

WITNESSETH:

WHEREAS, a controversy has arisen among the parties hereto regarding the rights and obligations of City with respect to the sewage collection system of District No. 2 and the sewage treatment plant and collection system of District No. 1, and

WHEREAS, the parties hereto have reached an agreement to settle the controversy now existing, and

WHEREAS, it is the desire of the parties hereto to enter into an interim agreement setting forth the basic terms of their agreement to settle the existing controversy;

NOW, THEREFORE, in consideration of the mutual covenants of the parties hereto, it is agreed as follows:

1. Until such time as City installs a metering system to measure the volume of sewage passing from City into the collection system of District No. 2, City shall pay to District No. 2 or its assigns a monthly service charge of \$2.00 per month per unit; but should District Nos. 1 and 2 find at any time during the life of this agreement that they will need to increase said monthly service charge to meet current expenses, charge to City shall be increased a like amount. Such payment shall be made monthly.

2. Upon installation of a metering system, as contemplated by paragraph number 1 above, City shall pay to District No. 2 or its assigns a fixed sum per one million gallons of sewage

passing into the collection system of District No. 2, such sum shall be determined to be the actual cost of processing, treating and transporting such sewage by District No. 1, plus City's proportionate share of the remaining costs of the original treatment plant, Trunk "A", and pumping station No. 2.

3. District No. 2 shall be considered to be the owner of and therefore have control of that portion of its collection system located within areas annexed to City subsequent to June 23, 1964; therefore, permits for connections in this area shall be issued pursuant to the Ordinances of Districts Nos. 1 and 2, and inspections and charges shall be made pursuant to Ordinances of Districts Nos. 1 and 2.

4. District No. 2 shall transfer to City ownership of sewers in that portion of its collection system located within areas annexed by City subsequent to June 23, 1964, and hereafter annexed by City at the request of City, with the exception of those main trunk sewers which also serve Oak Lodge 2. The ownership of these lines herein excepted shall remain with District No. 2. At such time as ownership is transferred to City, City shall:

- (a) issue all permits for hook-up to said lines;
- (b) send copies of said permits to District No. 1;
- (c) conduct all inspections incident to said hook-ups;
- (d) pay to District No. 1 a sum equal to District No. 2's existing hook-up fee at time of connection; and
- (e) maintain said lines.

5. All lines connected to the collection system of District No. 2 shall conform to its Sewer Code.

6. City hereby agrees not to add any extension to the sewer line system which shall extend beyond the boundaries of the area under the jurisdiction of District No. 2 as it was

originally established without first securing the approval of District No. 1 and District No. 2.

7. The suit for declaratory judgment now pending in the Circuit Court of the State of Oregon for the County of Clackamas being case number 71752 shall be dismissed and each party shall bear its own costs and the Petition heretofore filed by City with the Board of County Commissioners shall be withdrawn.

IN WITNESS WHEREOF, The Parties hereto have placed their hands and seals this 14<sup>th</sup> day of September, 1971

CITY OF GLADSTONE

By

Robert H. McGinnis  
Acting Mayor

By

Bernice Thelma  
Recorder

OAK LODGE SANITARY DISTRICT NO. 1

By

Louis F. Cook  
President

By

Jeanette E. Norman  
Secretary

OAK LODGE SANITARY DISTRICT NO. 2

By

Victor J. Wolf  
President

By

Earl H. Rastor  
Secretary

