

## RESOLUTION NO. 15-16

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### **A RESOLUTION CALLING ON THE TRI-CITY SERVICE DISTRICT AND CLACKAMAS COUNTY TO CHANGE THE GOVERNANCE OF THE TRI-CITY SERVICE DISTRICT**

#### **OREGON CITY MAKES THE FOLLOWING FINDINGS:**

**WHEREAS**, the Tri-City Service District (TCSD) was created in 1980 by a vote of the residents of the cities of Gladstone, Oregon City, and West Linn (the “three cities”) to provide sewage treatment services to the residents of the three cities; and

**WHEREAS**, TCSD was created to provide sewage treatment to the residents of the three cities because each of the cities had an aging sewage treatment plant and consolidating sewage treatment for the three adjacent cities was a means of addressing an urgent need; and

**WHEREAS**, TCSD was created as a “county service district” under ORS Chapter 451 without any provision for the three cities to have governance authority of TCSD; and

**WHEREAS**, the governing body of TCSD has been the Clackamas County Board of Commissioners; and

**WHEREAS**, none of the governing board members of TCSD or the County reside within the District or are directly affected by the rates and decisions they impose on others; and

**WHEREAS**, the Clackamas County Board of Commissioners also serves as the governing body of other county service districts within Clackamas County, including Clackamas County Service District #1 (“CCSD#1”); and

**WHEREAS**, the Clackamas County Board of Commissioners also governs the operations of its own county departments, including Water Environment Services (“WES”); and

**WHEREAS**, there are a number of intergovernmental agreements between and among TCSD, CCSD#1 and the County regarding the sharing of sewage treatment facilities and providing personnel and other services to the service districts; and

**WHEREAS**, the Clackamas County Board of Commissioners has made decisions on all sides of each of those agreements between and among the county and the service districts; and

**WHEREAS**, these positions and others have placed the Clackamas County Board of Commissioners in an incurable conflict of interest position in independently and effectively representing TCSD, CCSD#1 and WES; and

**WHEREAS**, Clackamas County, through WES, has operated, overseen and maintained the TCSD sewage treatment plant, has mishandled multiple issues, examples of which include violating state procurement laws, disregarding public meeting laws, firing of a whistleblower, excessive severance packages and other similar actions; and

**WHEREAS**, the issues identified above, including the lack of representation from within TCSD, conflict of interest, and the mismanagement of TCSD by WES, has caused the City of Oregon City to lose faith in the ability of the Clackamas County Board of Commissioners to effectively govern TCSD; and

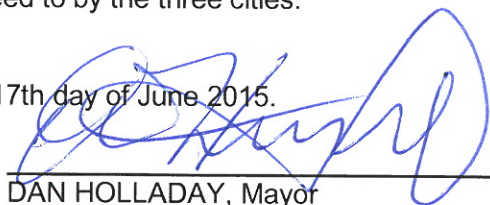
**WHEREAS**, there are other options under Oregon law, including intergovernmental agreements, to allow the three cities and residents of the district to participate in the governance of TCSD.

**NOW, THEREFORE, OREGON CITY RESOLVES:**

That the governance structure of the Tri-City Service District should be changed to allow either the elected officials from the three cities or representative stakeholders from within the District appointed by the three cities of the TCSD to establish an alternative governance structure for the Tri-City Service District; and

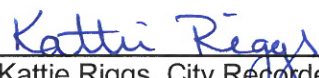
That the Clackamas County Board of Commissioners should expeditiously arrange for the transfer of governance to a form of governance agreed to by the three cities.

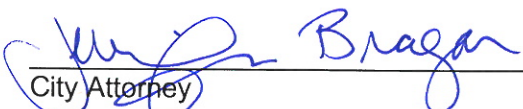
Adopted, signed and approved this 17th day of June 2015.

  
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DAN HOLLADAY, Mayor

Attested to this 17<sup>th</sup> day of June 2015,

Approved as to legal sufficiency:

  
\_\_\_\_\_  
Kattie Riggs, City Recorder

  
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City Attorney

GSB:7058831.3