

NOTICE OF PUBLIC MEETING

CITY OF ALBANY

CITY COUNCIL

Council Chambers

333 Broadalbin Street SW

Wednesday, May 11, 2016

7:15 p.m.

AGENDA

OUR MISSION IS

*"Providing quality public services
for a better Albany community."*

OUR VISION IS

*"A vital and diversified community
that promotes a high quality of life,
great neighborhoods, balanced
economic growth, and quality public
services."*

Rules of Conduct for Public Meetings

1. No person shall be disorderly, abusive, or disruptive of the orderly conduct of the meeting.
2. Persons shall not testify without first receiving recognition from the presiding officer and stating their full name and residence address.
3. No person shall present irrelevant, immaterial, or repetitious testimony or evidence.
4. There shall be no audience demonstrations such as applause, cheering, display of signs, or other conduct disruptive of the meeting.

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE TO THE FLAG

3. ROLL CALL

4. PROCLAMATION

a. National Public Works Week. [Page 2]

Action: _____

5. SCHEDULED BUSINESS

a. Communication

1) Accepting Keith Underdahl's resignation from the Parks & Recreation Commission. [Page 3]

Action: _____

b. Business from the Public

c. Adoption of Consent Calendar

1) Approval of Minutes

a) March 7, 2016, Work Session minutes. [Pages 4-7]

2) Annual liquor license renewals. [Page 8]

Action: _____

d. Report

1) Approval of Albany-Millersburg Water Intergovernmental Agreements. [Pages 9-22]

Action: _____

6. BUSINESS FROM THE COUNCIL

7. NEXT MEETING DATE: Work Session: May 23, 2016

Regular Session: May 25, 2016

8. ADJOURNMENT

City of Albany Web site: www.cityofalbany.net

The location of the meeting/hearing is accessible to the disabled. If you have a disability that requires accommodation, advanced notice is requested by notifying the City Manager's Office at 541-917-7508, 541-704-2307, or 541-917-7519.

PROCLAMATION

NATIONAL PUBLIC WORKS WEEK

May 15 to May 21, 2016

Public Works Always There

WHEREAS, the public works programs and services provided to our community are an integral part of our citizens' everyday lives; and

WHEREAS, the support of an understanding and informed citizenry is vital to the efficient operation of public works systems and programs such as drinking water source, treatment, and distribution; wastewater collection and treatment; storm water management; street maintenance; traffic management; environmental and water quality services; engineering services; public transit; and airport; and

WHEREAS, the health, safety, economic vitality, and livability of this community greatly depends on these services, programs, and facilities; and

WHEREAS, citizens are encouraged to gain an understanding of the valuable work performed by the qualified and dedicated Public Works Department staff.

WHEREAS, 2016 marks the 56th annual National Public Works Week sponsored by the American Public Works Association.

NOW, THEREFORE, I, Sharon Konopa, Mayor of the City of Albany, do hereby proclaim the week of May 15 to May 21, 2016, as

National Public Works Week

in the City of Albany, and I call upon all citizens and civic organizations to acquaint themselves with the issues involved in providing our public works and to recognize the contributions which public works employees make every day to our health, safety, economic vitality, and quality of life.



IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City of Albany to be affixed this 11th day of May 2016.

Sharon Konopa, Mayor

Hyde, Laura

From: Konopa, Sharon
Sent: Thursday, May 5, 2016 8:01 AM
To: keith@theunderdahls.com
Cc: Hodney, Ed; Russ Allen; Hyde, Laura
Subject: Re: Parks & Rec Commission Letter of Resignation

Hello Keith.....we are grateful for your wonderful service and it is with sadness to accept your resignation. I do hope when time permits you will serve again? I wish the best for you and congratulations on your business growth. I fully understand the time constraints.
Best wishes.....Sharon

Sent from my BlackBerry 10 smartphone on the Verizon Wireless 4G LTE network.

From: keith@theunderdahls.com
Sent: Thursday, May 5, 2016 7:29 AM
To: Konopa, Sharon
Cc: Hodney, Ed; Russ Allen
Subject: Parks & Rec Commission Letter of Resignation

Dear Mayor Konopa,

I have proudly served on the Albany Parks and Recreation Commission for the last five years. As a commission member I have worked to serve as a voice for Albany park users, in particular those focused on activities that promote health and wellness for children. Unfortunately, over the last year my job has changed so that I now travel out of state about 50% of the time. Due to my business travel I have been forced to miss many commission meetings, and my ability to engage with park and recreation users is diminished. So it is with deep regret that I must resign my position on the Parks and Recreation Commission to make way for someone who can fully devote himself or herself to the task.

I have been honored to serve the citizens of Albany on this important commission. As a member I have gained a new appreciation for the dedication and hard work shown by the entire Albany Parks and Recreation staff. Their tireless zeal to make Albany a great place to live and visit are a model for public employees everywhere. I am grateful for the opportunity to serve on this commission.

Sincerely,

Keith Underdahl
1055 19th Ave SE
Albany, Oregon 97322
541-974-7247

DISCLAIMER: This e-mail may be a public record of the City of Albany and may be subject to the State of Oregon Retention Schedule and may be subject to public disclosure under the Oregon Public Records Law. This e-mail, including

CITY OF ALBANY
CITY COUNCIL WORK SESSION
Council Chambers
Monday, March 7, 2016
4:00 p.m.

MINUTES

CALL TO ORDER

Councilor Floyd Collins called the meeting to order at 4:00 p.m.

ROLL CALL

Councilors present: Councilors Rich Kellum, Ray Kopczynski, Floyd Collins, Dick Olsen, Bill Coburn, and Bessie Johnson.

Councilors absent: Mayor Sharon Konopa (excused).

BUSINESS FROM THE PUBLIC

None.

STORMWATER UTILITY DISCUSSION

Public Works Engineering and Community Development Director Jeff Blaine explained that the goal of this meeting is for Council to provide direction and general guidance related to rate structure for the utility. Blaine reviewed the handout titled "Public Outreach and Project Milestones" (see agenda file). The handout shows a proposed implementation schedule and project milestones across the top portion of the page, and the public outreach strategy across the bottom portion. Blaine said that it makes sense to start by identifying when the program needs to be online, and then work backward to determine when each item needs to be accomplished. Staff is suggesting a target implementation date of March 2017. Staff has been told by the Department of Environmental Quality (DEQ) that the City should expect to apply for a permit in October 2016, and can expect to have a permit issued by March 2017.

Blaine explained that the DEQ permit is going to require significant changes for the City and those are going to have significant costs. The City already has regulatory requirements we must comply with that require funding in addition to the most basic of maintenance activities that are not currently being done, such as cleaning and inspections of stormwater pipe and funding replacement of infrastructure. Blaine hopes to finalize this process with the current Council, given the significant amount of time that has been spent on this topic over the last year. He added that as Council and staff get into the financial components, they may find that it's best to phase in stormwater charges; March 2017 is not necessarily the point at which the City has a fully implemented stormwater program, but rather the point at which we begin to phase in the program. When you look at the timeline that results from the March 2017 target date, Council will need to have major decisions made by the fall of 2016, including: adopting Albany Municipal Code (AMC) language; creating the framework for the utility; and preliminary rate structure decisions should be made by June 2016, which will facilitate some targeted public outreach over the summer so that Council can review that input and make final rate structure decisions in the fall. Final funding decisions will need to be made by December 2016.

Blaine pointed out that there has already been a great deal of public outreach relating to stormwater and a lack of funding to support stormwater activities. He related this to the Erosion Prevention Sediment Control and Post-construction Stormwater Quality programs that the City developed recently. He said, when we conducted our public outreach activities for those programs, we explained that they were driven by regulatory requirements and a lack of funding to meet those requirements. We've also changed our Capital Improvement Program (CIP) and our budgeting process over the past several years to highlight stormwater needs and the need for a dedicated funding source for stormwater; and the Strategic Plan has identified this need as well.

Blaine gave examples of the type of public outreach staff has in mind including a series of write-ups in *City Bridges*, anticipating frequent coverage by the *Democrat Herald*, news releases, and utility bill stuffers. Staff also plans to develop and use a stormwater utility website to provide consistent and accurate information, and to provide it in a way that's user friendly. Staff also plans to hold targeted group meetings over the summer, which will provide an opportunity to outline preliminary plans and receive feedback from citizens prior to making formal decisions in the fall. Staff is requesting Council provide direction as to which groups they would like staff to meet with; staff would suggest the Chamber of Commerce, Greater Albany Public Schools (GAPS), Samaritan, or potentially the top ten impacted customers.

Councilor Ray Kopczynski suggested a town hall meeting that the general public could attend. Councilor Rich Kellum feels that a town hall meeting should definitely be prioritized over meeting with individual companies.

Utility Services Manager Mark Yeager gave a PowerPoint presentation (see agenda file) and reviewed slides 1 through 6. He noted that the items on slide 5 are not linear. He stated that the purpose of this meeting with Council is to discuss concepts, not specific funding amounts, and for Council to give direction to staff related to rate structure. Staff will continue to work on revenue requirements and will continue with public outreach activities.

Yeager reviewed the draft ordinance and explained that amendments need to be made to the existing AMC language to give the City the authority to create the stormwater utility as an entity; create a separate stormwater fund, much like the City has water and sewer funds; give the City the ability to segregate assets, allowing for the opportunity to be more transparent with the current costs for running stormwater programs; and will give Council the authority to impose a service charge for services. The ordinance is structured very similarly to the way it's structured for the water fund – there's no fee or charge until Council goes through the process to adopt a rate resolution, if they decide to implement one.

Collins asked if staff was able to identify the funding that will no longer be used from the sewer and street funds, and identify what projects they'll be able to accomplish as an offset. Blaine explained that they were able to quantify a dollar amount; and that can be related to additional work that could be done and/or rate increases that could be avoided, if alternate stormwater funding becomes available. The figures that Blaine had on hand were \$700,000 from the Sewer Fund and \$200,000 from the Street Fund, which don't include some of the capital expenses from pipe replacements and other activities that are part of street projects. Blaine stated that for the Street Fund, it would amount to \$200,000 more of capital projects that could be accomplished; and for the Sewer Fund, since the City is on a rate projection schedule, Council could choose how they want to implement the \$700,000 reduction in expenses. He sees it potentially accounting for a one-time waiver of a four to five percent rate increase.

Kellum suggested that when the times comes to initiate a rate for stormwater, Council could reduce the sewer rate by the amount of the initial stormwater rate, and identify it as a new allocation on the customer's billing; so it's not just a new tax, but redirecting those funds from sewer to stormwater.

Kellum asked what equipment we have available for sewer and water. Public Works Operations Director Chris Bailey explained that equipment is purchased from a specific fund and is largely used for projects within that fund; but of course, it is available for projects in other funds, when not in use. Kellum said he is concerned that a new utility means new equipment, new staff, and a new bureaucracy that has to be fed. He feels it is very important to show that the utility resources are closely associated and shared. Blaine explained that Council and staff would be looking at this next month, as far as staffing, equipment, and resource requirements.

Councilor Bill Coburn said the term "gap funding" comes to mind for him. What he's hearing is that there's roughly \$900,000 being spent on the stormwater system currently, and in his mind, it's a matter of comparing what funding is needed to what the City has been using from other funds, and then fill the gap. He likes Kellum's suggestion to reduce sewer charges proportionate to the stormwater fee and feels it's a good step toward making this more palatable to the public.

Discussion followed related to the order in which some of the text appears within the ordinance. Collins mentioned that given that the primary driver is the City's requirement to address state and federal regulations, he would move the statements relating to compliance to the top of the ordinance. Coburn agreed it would be sensible to have these items listed first.

Collins would like for Yeager, as part of the advisory group he is a member of, to push back on some of the requirements coming forward from the state. Yeager said there has been significant push back thus far, and staff members from multiple communities that serve on the advisory board will continue to do so.

Kellum asked if the requirements being proposed by DEQ are written in a manner that a layperson would be able to understand. Yeager responded that no, the requirements are not written in common terms; staff would need to repackage the information to present it to the public. Kellum would like to see this information made available, once DEQ settles on their requirements, in an effort to show the public what DEQ is asking for, what staff and Council are pushing back on, and what is eventually agreed upon. Yeager noted that there has been some discussion about that approach and agrees it is important for people to understand that staff isn't just rolling over and doing whatever DEQ says must be done.

Kopczynski asked about definition number 25 and whether it applies to bare land. Yeager clarified that it will be Council's decision as to whether or not they're going to impose a fee on undeveloped property; in fact staff is going to be recommending that they do not charge those properties, but that will be a Council policy decision.

Kopczynski also asked about Section 4, relating to the transfer of relevant stormwater utility assets, and who makes those decisions. Yeager explained that the Public Works Director would make those decisions. Presently, staff knows what stormwater assets are being held in the sewer fund, and they only intend to transfer those assets to the new stormwater fund.

Collins questioned the use of the term "benefit" in section 12.30.020 and feels it will be very important to refine that definition; there are "benefits" which derive from services that people don't plainly identify as benefits. Coburn agreed, noting that it's easy to identify who contributes to the stormwater system, but the question is how they quantify who the beneficiaries are. Yeager explained that if you think of water quality in general within the community, all the work that the City is going to be required to do benefits everyone in the community. Alternatively, even if you don't contribute to the stormwater system, there are ways that one would benefit, such as through use of the street system. Yeager added that if Council decides at some point that the language isn't appropriate, the term "benefit" could be modified.

Kellum questioned the definition of "hazardous materials" and feels the language is too broad; virtually anything could be considered a hazardous material under the definition listed. Yeager explained that the definition is existing code language, which staff is not proposing to modify at this time. The language is designed to protect the stormwater system so that if someone does in fact dump, either legally or illegally, into the system, staff has the opportunity to try and mitigate the situation. Collins asked staff to take a look at the definition and compare it to other communities. Coburn also agrees that it should be reviewed, considering Council is not likely to look at this language again for a while.

Staff will bring the modified ordinance to the March 23, 2016, City Council meeting.

Yeager reviewed PowerPoint presentation slides 7 through 10. Discussion followed related to what other communities are doing for a rate structure, the principles behind designing rates, and broad framework for how Council might begin to look at rate structure concepts. Yeager pointed out that when developing a rate structure, it is important to strike a balance between complexity and equity, and to avoid creating a rate structure that is so complex that it cannot be implemented; even though it may be more equitable, it's not administratively sustainable. In addition to meeting revenue requirements, there is also the expectation from the public that now that they're paying for a service, everything should be fixed. He added that on the revenue side, it's not only important to make sure that the City meets the revenue target, but that revenues are somewhat predictable; and to do this requires a rate structure with as few conditions as possible. Finding the balance between simplicity and equity will help to make sure it is easily explainable by staff and understandable for customers. Collins said he agrees that this is key.

Kellum would like for there to be an appeals process through which customers can request a review of their charges.

Yeager reviewed PowerPoint presentation slides 11 through 14. Discussion followed related to the concept of an equivalent residential unit (ERU) as it applies to rate framework. Staff will recommend possibly creating a tiered system within the residential category (small, medium, and large lots) for which they would use geographic information system (GIS) data currently available to determine the average square footage of impervious surface for residences, and group those based on lot size. Yeager added that a tiered system within the residential category would be a huge step toward equity and that it is very uncommon to find this sort of set up with other communities.

Councilor Dick Olsen asked what would be considered in measuring the impervious area. Yeager explained that staff is looking at a few different options, which could potentially include sidewalks and other ancillary buildings that are on the property, but they are leaning toward using the building footprint and anything attached to the building, plus the driveway. This would be used to determine the average impervious area for residential lots, and to ultimately set the rate for an ERU. Measuring individual lots would be reserved for non-residential properties.

Councilor Bessie Johnson said she was under the impression that the rate structure would be much simpler, which she would favor.

Olsen asked if staff has an idea of the cost per month to customers. Yeager said he is unable to make any rate determinations until Council decides on target revenue; and staff is in the process now of looking at revenue requirements. Yeager plans to present revenue requirements to Council at a work session in April and noted that Council may even decide that what's required is not affordable. Olsen feels that the rate structure shouldn't be too complicated if they're talking about a \$5.00 per month charge, for example.

Yeager explained that most communities use the ERU concept and most have a single, fixed-rate charge – not a base charge plus usage – and very few properties are exempted generally from paying the bill. He added that for residential rates, most communities do not have tiered rates – they don't distinguish between small, medium, or large lots – and most do not have a credit program for residential properties. Non-residential and multi-family lots are typically based on ERUs and may offer a credit program.

Yeager reviewed PowerPoint presentation slides 15 through 17. He explained that stormwater charges are generally assessed based on impervious area, regardless of the tax structure of the company that owns the property; so public-owned property (e.g. government buildings or schools), as well as churches or other non-profit facilities, are charged, as they contribute to and benefit from the system. Direct discharge properties, i.e. properties with creeks that flow through them, are also charged, as they are conveying stormwater and are part of the stormwater system.

Going back to rate structure, Kellum questioned why the rate would not be based solely on square footage of impervious surface, since the ERU is derived from that anyway. He feels that is the only way to be completely equitable is to measure the impervious area and multiply it out accordingly. Yeager explained that this comes back to creating a rate structure that is administratively feasible; and it is not realistic to individually measure over 17,500 properties and come up with an individual rate for each one. Staff will recommend that undeveloped properties not be charged. Streets and highways are generally exempt from charges as they benefit the entire community.

Coburn mentioned that an appropriate source of funding for stormwater may be a gas tax, considering that runoff from streets and highways contributes much of the pollution to stormwater. Collins said this comes back to revenue requirements and determining whether it is strictly rate revenues that support stormwater programs, or a combination of funding sources. Coburn added that another item of discussion should be stormwater SDCs and how to pay for infrastructure as the city grows.

Collins raised a question about whether the City would be responsible for the rural parcels that discharge to county ditches and other stormwater systems. Yeager explained that Linn and Benton Counties do not get permits from DEQ, only the City does; so it would be a cooperative effort between the Counties and City, should an issue arise.

City Manager Wes Hare feels that part of the issue is that the people who will be affected by these new requirements are not necessarily paying attention to this process. He stated that Council needs to keep in the back of their minds, as they move toward implementing this program, whether they want to have some sort of public outreach program. Kopczynski reiterated his hopes to host a town hall event.

COUNCILOR COMMENTS

Kellum plans to attend the Transient Lodging Tax (TLT) Ad Hoc Advisory Committee meeting on Wednesday, March 9, 2016, for a few minutes to greet the committee members and thank them for their volunteering their time to the committee.

CITY MANAGER REPORT

None.

ADJOURNMENT

There being no other business, the meeting was adjourned at 5:53 p.m.

Respectfully submitted,

Reviewed by,

Holly Roten
Administrative Assistant I

Wes Hare
City Manager



TO: Albany City Council
VIA: Stewart Taylor, Finance Director
FROM: Kandice Easdale, Parks & Recreation Clerk II *KE*
DATE: May 5, 2016, for the May 11, 2016, City Council Meeting
SUBJECT: Annual Liquor License Renewals
RELATES TO STRATEGIC PLAN THEME: ● A Safe City

Action Requested:

Council approval of these annual liquor license renewals.

Discussion:

Following is a list of businesses that have submitted applications for liquor license renewal. These businesses have paid their fees.

Depot Restaurant	Depot Restaurant Inc	822 S Lyon St.
Chaser's Bar & Grill	Chaser's Bar & Grill LLC	435 2 nd SE
La Aguila Mexican Store	Rodolfa Grande	1776 Geary St. SE #1

Budget Impact:

Revenue of \$105.

ke



TO: Albany City Council

VIA: Wes Hare, City Manager

FROM: Chris Bailey, Public Works Operations Director *CB*
Jeff Blaine, P.E., Public Works Engineering and Community Development Director *JB*

DATE: April 29, 2016, for the May 11, 2016, City Council Meeting

SUBJECT: Albany-Millersburg Water Intergovernmental Agreements

Action Requested:

Staff recommends Council adopt the attached Albany and Millersburg intergovernmental agreements for water distribution system maintenance services and for jointly-owned water facility services.

Discussion:

The attached intergovernmental agreements (IGAs) update and clarify services and governance of the jointly-owned water facilities and the distribution system owned by Millersburg. The previous agreements executed in 2002 and 2005 were developed when the water facilities were still under construction and respective covenants were not clearly defined. The attached IGAs represent the final draft prepared by Albany and Millersburg staff and approved by the Albany-Millersburg Joint Water/Wastewater Management Committee at their meeting on April 19, 2016. Staff will report tonight on the outcome of the City of Millersburg Council decision at their meeting on May 10, 2016.

The Albany-Millersburg IGA for water distribution system maintenance defines and clarifies the maintenance services for Millersburg's public water distribution system. Millersburg will employ the operator designated as the "Direct Responsible Charge" (DRC) to make decisions regarding the daily operational activities of the Millersburg water distribution system. Millersburg will contract with Albany for specific maintenance functions to be routinely performed for Millersburg on the water distribution system they own.

The Albany-Millersburg IGA for jointly-owned water facilities defines the operation, maintenance, and cost sharing of the raw water intake, pump station and pressure main, the Albany-Millersburg Water Treatment Plant, the finished water reservoir, and the finished water pipeline up to but not including the Millersburg water meter. Albany employs the operator designated as the "Direct Responsible Charge" (DRC) to supervise and make decisions regarding the daily operational activities of the jointly-owned facilities. Water supply in the event of an emergency or water supply shortage, water facility capacity management and expansion, and water rights utilization are also defined in this agreement.

Budget Impact:

There is no budget impact.

CB:kw
Attachments

**ALBANY AND MILLERSBURG INTERGOVERNMENTAL AGREEMENT
WATER DISTRIBUTION SYSTEM MAINTENANCE SERVICES**

THIS AGREEMENT is made and entered into this ____ day of _____ 2016 by and between the City of Albany, a municipal corporation of the State of Oregon (Albany) and the City of Millersburg, a municipal corporation of the State of Oregon (Millersburg). The respective Council or designated representative of each City is referred to as “party” or “parties” in this Agreement. This Agreement defines the provisions for the City of Albany to provide maintenance services for the City of Millersburg’s public water distribution system.

WITNESSETH:

WHEREAS, Albany and Millersburg jointly own the Albany-Millersburg (A-M) Water Treatment Plant, the raw water intake, and finished water reservoir that are operated and maintained as defined in the A-M Intergovernmental Agreement for Jointly-Owned Water Facilities executed on _____ 2016; and

WHEREAS, potable water is delivered to Millersburg’s public distribution system by way of a 12-inch water meter near the intersection of Century Drive NE and Berry Drive NE, which Albany owns, installed, and maintains and in an emergency, through an emergency intertie located at 3246 Salem Avenue NE; and

WHEREAS, Albany is designated as the “Direct Responsible Charge” (DRC), in conformance with OAR 333-061-0225, for all facilities up to the point of delivery to the Millersburg public water distribution system as defined in the A-M Intergovernmental Agreement for Jointly Owned Water Facilities executed on _____ 2016; and

WHEREAS, Millersburg owns their own water distribution system; and

WHEREAS, Millersburg’s water distribution system is considered a public water system further defined as a purchasing water system in Oregon Administrative Rules (OARs) 333-061-0020 (153) & (154); and

WHEREAS, as a purchasing water system, Millersburg is required to implement OAR Chapter 333 Division 061 governing Public Water Systems to assure safe drinking water within their public water system; and

WHEREAS, Millersburg employs the operator designated as the DRC, in conformance with OAR 333-061-0025, to make decisions regarding the daily operational activities of the Millersburg water distribution system that directly impact the quality or quantity of drinking water; and

WHEREAS, Millersburg desires to contract with Albany for specific maintenance functions to be routinely performed for Millersburg on the water distribution system they own.

NOW, THEREFORE, BE IT RESOLVED that the previous agreement titled “Water Distribution System Maintenance Services Agreement” executed on October 24, 2005, between Albany and Millersburg is hereby repealed; and

BE IT FURTHER RESOLVED by Albany and Millersburg that the parties agree to cooperate in the operation, maintenance, and costs for Albany to provide maintenance services for Millersburg’s public water distribution system as follows:

COVENANTS OF ALBANY

A. Albany will perform the following basic water system operations and maintenance services subject to the CHARGES AND RATES section:

1. Water Quality Testing: Albany will perform Oregon Health Authority (OHA) required monthly coliform bacteria testing, quarterly testing for disinfection by-products (until reduction is granted by OHA), lead-copper testing every 6 months (until reduction is granted by OHA), asbestos every 9 years (if present in the distribution system), and free chlorine residual twice a week (unless Millersburg provides this service) and any other future water quality testing required by OHA. Samples will be collected according to standard testing procedures by Albany staff, or contractors, as may be determined by the City of Albany. Samples will be submitted to the laboratory under contract with the City of Albany. Water quality results will be reported directly to OHA by Albany’s contract laboratory.

2. System Maintenance – flushing, hydrants, and valves: All fire hydrants will be inspected and lubricated annually, the water distribution system will be flushed every three (3) years, and all valves will be exercised once every three (3) years. The frequency of system maintenance may change as mutually agreed by the Millersburg DRC and Albany Water Operations Supervisor or Water Superintendent.
 3. Annual Large Meter Testing: Three-inch and larger meters will be tested and repaired as needed annually or as mutually agreed.
 4. Cross Connection Control Program (Backflow Prevention): The established backflow program will be maintained to meet all requirements of the OHA Drinking Water Program. The program will:
 - a. Send out test notices, record test data, and provide field follow-up for customer relations and enforcement as needed,
 - b. Coordinate and facilitate testing of all devices using a certified tester, and
 - c. Annually submit a cross-connection report to OHA and Millersburg.
 5. System Locates (One-call System): Respond to requests for water line location markings based upon Albany GIS mapping of the Millersburg system and in compliance with OAR 952-001. Albany's ability to provide this service is dependent on timely receipt from Millersburg of accurate "as built" drawings of Millersburg facilities.
 6. Emergency Response: Respond to emergency calls from Millersburg or their customers for water system damage within two (2) hours of notification. During widespread emergencies, such as catastrophic earthquake, Albany will prioritize system needs across both systems and respond accordingly. "Damage" shall include but not be limited to damaged fire hydrants, mains, and water services up to the customer meter (not beyond) within the Millersburg water distribution system.
 7. Meter/Service Installation: As requested by Millersburg, installation of new customer meters and connection to the water main, including "bored" street crossings and abandonment of service lines will be performed consistent with installations used in the City of Albany system. Albany will supply all materials.
 8. Repair/Replacement: Repair or replacement of non-functioning fire hydrants, non-functioning water meters, or minor repairs to mains, services (up to the and including the meter), and valves as soon as possible but not to exceed 15 days following notification and authorization by Millersburg. Albany will supply all materials.
 9. Future System Improvements: Albany will perform activities necessary to support maintenance of existing and future Millersburg water distribution system improvements including:
 - a. Prior to Construction. During design, Albany Public Works Operations will review all proposed construction plans provided by Millersburg and will suggest modifications as necessary to minimize maintenance costs and response times and/or to optimize system performance.
 - b. Upon Completion of Project. Albany Public Works Operations will receive approved as-built record drawings and update Albany's computerized Geographic Information System (GIS) and the computerized maintenance management system (CMMS) used to perform maintenance and future repairs or locates.
- B. Albany will provide the following additional water system operations and maintenance services, included as part of general administration and overhead:
1. Data entry and maintenance of geographic locations of water system components including valves, distribution mains, transmission mains, water services up to and including the meter, and other components maintained within Albany's computerized Geographic Information System (GIS) and computerized maintenance management system (CMMS) systems using the best information available. Albany will provide data to Millersburg upon request.
 2. Preparing required annual Drinking Water Quality (Consumer Confidence) Report (CCR) documentation to meet legal requirements, production of results for the public, posting the CCR on the City of Albany's website (www.cityofalbany.net) and completing the CCR distribution form for Millersburg.

C. Albany SHALL NOT perform the following services for Millersburg water distribution system:

1. Plan, design, manage, construct, or perform construction inspection on any new distribution or transmission mains and appurtenances in Millersburg.
2. Ensure future system improvements meet public water system drinking water quality standards and other applicable regulatory requirements.
3. Guarantee the quantity, quality, or pressure available to any service connection, nor a determination of the impacts of new water project construction upon customers in Millersburg.
4. Maintain any reservoir or water pump station that may be constructed in Millersburg.
5. Ensure water quality samples submitted to the laboratory under contract with the City of Albany were reported to OHA on time.
6. Utility billing services including customer billing, cut in or turn off, collections, or any customer service related to billing.
7. Perform any other services or responsibilities not expressly delineated in this agreement.

COVENANTS OF MILLERSBURG

A. Millersburg will perform the following:

1. Millersburg shall employ the operator designated as the "Direct Responsible Charge" (DRC) in conformance with OAR 333-061-0225, to make decisions regarding the daily operational activities of the Millersburg water distribution system that directly impact the quality or quantity of drinking water.
 - a. Millersburg shall provide the name, telephone number, and address for their DRC to be on record with the Albany Public Works Operations office located at 310 Waverly Drive NE, Albany, OR 97321.
 - b. Millersburg will ensure that the DRC is available on call 24 hours every day by Albany staff and able to respond on-site to the water system upon request to make operational decisions for Millersburg (OAR 333-061-0230).
 - c. Millersburg will ensure that the DRC will take corrective action when the results of analyses or measurements indicate maximum contaminant levels have been exceeded (OAR 333-061-0230).
2. Millersburg will process requests for new connections to existing lines and collect any fees associated with the installation. Upon approval by Millersburg, installation orders will be forwarded to Albany by e-mail, fax, mail or other means for scheduling of installation.
3. Millersburg will provide Albany with as-built record drawings for system improvements and backflow device locations to facilitate maintenance and responding to the One-Call system for the Millersburg water distribution system. Millersburg agrees to hold Albany harmless from any claims or damages, including costs of defense in the event that Millersburg facilities are not located as shown on the "as built" drawings or in the event that the drawings are not provided to Albany in a timely manner.
4. Millersburg will post a link to the Consumer Confidence Report on their website, print the web link on their utility bills, and provide printed copies of the CCR at the Millersburg city hall.
5. Millersburg will ensure that OHA received laboratory results and will pay for all water quality testing and laboratory expenses.
6. Millersburg will send plans to Albany Public Works Operations to review and provide suggestions on all proposed water system improvements and expansions.
7. Millersburg will generally follow Albany Standard Construction Specifications for material types and standard parts. If Millersburg authorizes use of materials or parts not identified in Albany's Standard Construction Specifications, Millersburg accepts that this may result in delays in responding to work requests or emergencies and may increase costs.

B. Millersburg SHALL NOT perform or contract to perform any of the distribution system maintenance items performed by Albany as listed in this agreement unless mutually agreed to in writing by both parties.

AUTHORIZATIONS BY MILLERSBURG

A. Millersburg authorizes Albany to receive calls for repairs or emergency reporting from Millersburg customers, and to dispatch crews as appropriate to resolve such situations.

SERVICE MODIFICATIONS IN NON-EMERGENCY AND EMERGENCY SITUATIONS

A. The services identified in this agreement performed or authorized by Albany or Millersburg may be modified at any time by mutual written consent of the parties.

1. In a non-emergency situation, modification shall be enacted upon written agreement between the chief officer, or authorized delegate, of Millersburg and the Albany Public Works Operations Director, or authorized delegate.
2. In an emergency, verbal authorization for services not included in the schedules may be given by the representatives of Millersburg and Albany Public Works in charge at the time of the request. Such authorization will be temporary for the duration of the emergency.

CHARGES AND RATES

A. The charges and rates for Albany to perform water system operations and maintenance services in COVENANTS OF ALBANY section 'A' are subject to the current charges and rates in effect at the time services are performed.

1. Charges for work performed will be based on an itemized time and materials costs basis.

- Labor will be billed at an hourly rate, which includes the costs for direct labor and overhead for the hours required to perform the work.
- Overhead costs rolled into a single average labor rate for all workers includes administrative expenses for telephone, mailing, printing, uniforms, and small tool use. Staff time for data updating (including GIS and CMMS), management reporting, phone calls, and producing and posting reports (including CCR) are not directly charged, but are assumed to be covered with overhead.
- Materials will be billed at cost.
- Equipment will be billed using FEMA's Schedule of Equipment Rates.

2. The cost of special mutually beneficial projects (such as an orthophotography update) will be shared between Albany and Millersburg as negotiated on a case-by-case basis.

B. Millersburg will be billed quarterly by Albany for the provision of basic and additional services. Payments are due within 30 business days of receipt. Late payments shall bear interest at nine (9) percent per annum.

OTHER TERMS AND CONDITIONS

A. **Albany Obligations Subject to Appropriation and Emergency.** All Albany obligations are subject to the availability of funds, adequate for the work, being available and designated for such purpose by the Albany City Council. The Public Works Department agrees to recommend necessary funding, but the City Council reserves final discretion for the allocation of available resources. In the event of conditions deemed to constitute an emergency by the City of Albany, Albany's obligations hereunder may be suspended or reduced so long as Millersburg is generally provided service equivalent to that provided to Albany in-city residents.

B. **Hold Harmless.** While Albany will use its best efforts to maintain the Millersburg facilities to the extent called for in this agreement, Albany does not have sufficient knowledge of the Millersburg system to guarantee an outcome. As a consequence, Millersburg agrees to hold harmless and indemnify Albany, its officers, agents and employees from any and all claims, demands, and damages of any kind, whether occurring to the property of Millersburg or to third parties as a result of the maintenance activities identified in this agreement. This obligation shall extend to all claims, damages, and demands as well as costs of defense.

C. **Term and Termination.** This agreement begins upon execution and will be in force for a 10-year period unless amended or terminated as provided herein. At the end of the 10-year period, this agreement automatically extends for succeeding five-year terms subject to the terms herein.

1. Amendment. This Agreement may be amended if each party concurs to the proposed amendment in writing, signed by authorized representatives of each party.
 2. Termination. Any party may elect to terminate its participation in this agreement by giving written notice of its desire to terminate to the other party and stating a date for termination, which shall not be less than two years from the date of notice.
- D. **Notices.** Any notice herein required or permitted to be given shall be given in writing, shall be effective when actually received, and may be given by hand delivery or by United States mail, first class postage prepaid, addressed to the parties as follows:

If to Albany: City Manager
 City of Albany
 P.O. Box 490
 Albany, OR 97321

If to Millersburg: City Administrator
 City of Millersburg
 4222 NE Old Salem Road
 Albany, OR 97321

IN WITNESS WHEREOF the parties have caused this document to be executed pursuant to the authority of the respective City Councils, by the Mayor of the City of Albany and the Mayor of the City of Millersburg.

CITY OF MILLERSBURG:

CITY OF ALBANY:

DATED this ____ day of _____ 2016.

DATED this ____ day of _____ 2016.

 Clayton Wood, Mayor

 Sharon Konopa, Mayor

ATTEST:

ATTEST:

 Barbara Castillo, City Administrator/Recorder

 Mary Dibble, City Clerk

APPROVED AS TO FORM:

APPROVED AS TO FORM:

 Forrest Reid, Millersburg City Attorney

 James Delapoer, Albany City Attorney

**ALBANY AND MILLERSBURG INTERGOVERNMENTAL AGREEMENT
FOR JOINTLY-OWNED WATER FACILITIES**

THIS AGREEMENT is made and entered into this ____ day of _____ 2016 by and between the City of Albany, a municipal corporation of the State of Oregon (Albany) and the City of Millersburg, a municipal corporation of the State of Oregon (Millersburg). The respective Council or designated representative of each City is referred to as “party” or “parties” in this Agreement. This Agreement defines the operation, maintenance, and cost sharing of the jointly-owned Water Facilities.

WITNESSETH:

WHEREAS, Albany and Millersburg jointly-own water facilities, including the raw water intake, pump station and pressure main, the Albany-Millersburg Water Treatment Plant (A-M Plant), the finished water reservoir, and the finished water pipeline up to but not including the Millersburg water meter. These jointly-owned water facilities are shown in Exhibit A and collectively referred to in this document as the A-M Water Facilities; and

WHEREAS, Albany employs the operator designated as the “Direct Responsible Charge” (DRC), in conformance with OAR 333-061-0225, to supervise the A-M Water Facilities up to the point of delivery to the Millersburg public water system; and

WHEREAS, Millersburg’s public water system begins downstream of a 12-inch water meter near the intersection of Century Drive NE and Berry Drive NE that Albany owns, installed, and maintains; and

WHEREAS, Albany and Millersburg’s combined water rights and permits equal their projected combined maximum day demands at build-out and the communities’ net water requirement at build-out from the A-M Water Facilities is 26 million gallons per day (mgd); and

WHEREAS, in an emergency or during water curtailment, when the A-M Water Facilities are not fully functional, the Vine Street Water Treatment Plant (Vine WTP) can deliver potable water to Millersburg’s public distribution system through the emergency intertie located at 3246 Salem Avenue NE and shown in Exhibit B.

NOW, THEREFORE, BE IT RESOLVED that the “Intergovernmental Agreement” to operate and maintain the A-M Water Facilities that was executed on July 25, 2002, between Albany and Millersburg is hereby repealed; and

BE IT FURTHER RESOLVED by Albany and Millersburg that the parties agree to cooperate in the operation, maintenance, and cost sharing of the production and delivery of potable water to both communities as follows:

1. **Current Rights and Buildout Demands.** Albany and Millersburg’s combined water rights and water use permits are equal to their projected combined maximum day demand at build-out as shown in Table 1.

TABLE 1: WATER RIGHTS AND DEMANDS

	cfs	mgd
Albany 1878 Water Right	21	
Albany 1979 Water Use Permit	29	
Millersburg 1989 Water Use Permit	22	
TOTAL	72	46
Albany MDD at Build-out		40
Millersburg MDD at Build-out		6
TOTAL	72	46

2. **Treatment Plant Capacities.** The A-M Plant and Vine WTP are assumed to meet Albany and Millersburg's combined maximum day demand at build-out as shown in Table 2:

TABLE 2: TREATMENT PLANT CAPACITIES (mgd)

	Current	Build-out
Vine Street Water Treatment Plant	16	20
A-M Water Treatment Plant	12	26
TOTAL	28	46

3. **A-M Water Facility Current Capacity and Ownership.** The current capacity and ownership share of the jointly owned A-M Water Facilities are shown in Table 3:

TABLE 3: CURRENT CAPACITY AND OWNERSHIP SHARE OF A-M WATER FACILITIES

Facility	Units	Current Capacity	Ownership Share	
			Albany	Millersburg
Raw Water Intake & Pipeline	mgd	26	20	6
Raw Water Pump Station	mgd	12	10	2
Raw Water Pressure Main	mgd	26	20	6
Water Treatment Plant	mgd	12	10	2
Reservoir	mg	5.7	2.85	2.85
Finished Water Pipeline	mgd	26	20	6

4. **Water Rights Utilization.**

- (a) Existing water rights and water use permits shall remain in the name of the party that obtained them.
 - (b) During times when there are no restrictions on surface water withdrawals at the affected diversion points, the parties agree that all existing water rights and water use permits shall be used to the benefit of both parties, without regard to ownership or current individual demands.
 - (c) During times when there are partial restrictions on surface water withdrawals and some junior rights become unavailable, then the available surface water rights shall be applied for use of both communities to the extent allowed by the restriction.
 - (d) During times when restrictions on surface water withdrawals are so severe even the most senior rights are affected, then allowed surface water withdrawals shall be applied first for use of the party that owns the surface water rights.
 - (i) Albany will utilize their 1878 water right at the A-M raw water intake to provide water during times of drought conditions for both communities, to the extent allowed by the Oregon Water Resources Department. Millersburg is entitled to access the portion of Albany's 1878 water right used at the A-M raw water intake, subject to the same user restrictions as apply to Albany.
 - (e) Both parties agree to utilize their water use permits to allow for full certification of the individual Albany and Millersburg water use permits considering senior rights first.
 - (f) The parties agree to coordinate water conservation and management plans and projected demands developed for their respective water supply systems.
 - (g) If additional water rights are required or desired in the future to meet projected long-term needs or provide reserves for present and future users, the additional water rights shall be sought jointly to the extent possible.
5. **Water Supply during Emergency.** In the event of an emergency that causes the A-M Water Facilities to not be operable for an extended period of time, Albany will supply Millersburg with treated water from the Vine WTP through the emergency intertie at 3246 Salem Avenue NE. The amount of water provided from

the Vine WTP is subject to the same user restrictions as applied to Albany in the event that the Vine WTP does not have sufficient capacity to meet the demands of both parties at the time of the emergency. The cost of water provided during an emergency is subject to the rates in Section 7 Budgets, Rates, and Expenditures.

6. **Water Supply during Curtailment.** In the event of a severe or critical water supply shortage in one or both communities, and at one or both of the Water Plants, water curtailment measures will be activated as required to respond to a specific event. Millersburg agrees that its Curtailment Plans shall be at least as restrictive as that adopted by Albany. Depending on the circumstances, curtailment measures may apply to both communities, one community, or smaller, more localized portions of the water system. The parties agree to implement Water Curtailment Plans and measures for their respective water supply systems in the event of a severe or critical water supply shortage.
7. **A-M Water Facility Capacity Management and Expansion.** The build-out capacity and ownership share of the jointly owned A-M Water Facilities are listed in Table 4. Both parties agree to manage the available capacity and provide additional capacity in an efficient and cost-effective manner. The facilities should be expanded before the parties are projected to use all existing capacity. In determining the appropriate time to begin expansion of the system, the time required for environmental reviews, designs, permits, and construction should be considered.

TABLE 4: BUILD-OUT CAPACITY AND OWNERSHIP SHARE OF A-M WATER FACILITIES

Facility	Units	Build-Out Capacity	Ownership Share	
			Albany	Millersburg
Raw Water Intake & Pipeline	mgd	26	20	6
Raw Water Pump Station	mgd	26	20	6
Raw Water Pressure Main	mgd	26	20	6
Water Treatment Plant	mgd	26	20	6
Reservoir	mg	11.4	5.8	5.6
Finished Water Pipeline	mgd	26	20	6

8. **A-M Water Facility Governance.** The Albany-Millersburg Joint Water/Wastewater Management Committee (herein after called Management Committee) was established in 2002 to oversee the A-M Water Facilities covered by this Agreement.
 - (a) Each party shall appoint (and fill any subsequent vacancies) three persons to the Management Committee who shall serve at the pleasure of their respective elected Councils. Either party may appoint alternate members who may temporarily replace an absent member.
 - (b) The Management Committee shall hold meetings annually or as needed.
 - (c) Four members shall constitute a quorum for the transaction of business. An affirmative vote of four members of the Management Committee, with at least two (2) from each party, shall be necessary to decide any matter.
 - (d) The Management Committee shall elect from its membership a Chairperson and a Vice-Chairperson. Such election or reaffirmation shall occur annually and the Chairperson and Vice-Chairperson shall not be from the same party.
9. **A-M Water Facilities Operating Entity.** The parties agree that Albany shall supervise all A-M Water Facilities up to the point of delivery to the Millersburg public water distribution system. As the Operating Entity, Albany will:
 - (a) Employ the operator designated as the "Direct Responsible Charge" (DRC) for the A-M Water Facilities.
 - (b) Perform the day-to-day operations and maintenance services for all A-M Water Facilities.

- (c) Provide general administration, accounting, budgeting, records management, reporting, and such other duties as required for operations.
- (d) Manage capital projects and approve contracts and change orders.
- (e) Have the authority to take reasonable and prudent action to protect the water system assets, prevent or minimize liability to the parties, comply with permits, and otherwise act in good faith for the benefit of both parties.
- (f) Take up such actions reasonably necessary during an emergency.

10. Budgets, Rates, and Expenditures. Each party shall budget and appropriate its proportionate share of the costs to operate and maintain the A-M Water Facilities and emergency water facilities.

- (b) **Total Fiscal Year A-M Water Facility Budget:** Albany will prepare and deliver to Millersburg a line item budget for A-M Water Facilities personnel, materials and services, and capital project expenditures in the spring of each year. If needed, a meeting shall be called to discuss budget details.
- (c) **Millersburg-Only Summary Budget:** To support Millersburg with their budgeting process, Albany will also prepare and deliver to Millersburg a summary exhibit of Millersburg's share of costs for the fiscal year. This summary will estimate operating costs based on Millersburg's average share of metered water use in the previous year and estimate capital costs based on Millersburg's ownership share of the budgeted expenses.
- (d) **Capital Maintenance Costs:** There are anticipated and unanticipated capital maintenance costs. Costs for anticipated capital maintenance are budgeted and costs are shared according to the ownership share of the facility being improved. As soon as unanticipated capital maintenance items are identified, the need, total cost, and cost share will be provided to Millersburg and, depending on the magnitude, may require a meeting of the Management Committee to discuss.
- (e) **Cost of Emergency Water:** The cost of emergency water includes the cost of readiness to provide service and the actual cost of providing emergency water.
 - (i) The additional cost incurred by Albany to provide a redundant water source at the Vine WTP and to maintain the emergency intertie valve at 3246 Salem Avenue NE ready to be opened during an emergency shall be reimbursed by Millersburg on a quarterly basis. This cost shall be the cost of maintaining the intertie on a time and material basis.
 - (ii) The cost of providing water to Millersburg through the emergency intertie shall be reimbursed by Millersburg on a quarterly basis when an emergency occurs within that quarter. The current rates at the time of the emergency will be applied to water use based on Millersburg's historic water use during the same time period. A surcharge of 10 percent (10%) will be applied to compensate for additional water system operational costs to boost production at the Vine WTP and to balance flows and pressures within the transmission and distribution pipe delivery system.
- (f) **Quarterly Billing:** Albany shall prepare a quarterly invoice for Millersburg that includes Millersburg's share of the cost to produce water at the A-M Plant and pay for capital expenditures. Payments are due within 30 business days of receipt. Late payments shall bear interest at nine (9) percent per annum.
 - (i) **Cost of Water:** Millersburg is charged for their prorated share of producing water at the A-M Plant. The cost per gallon of treated water is determined using the total water produced at the A-M Plant and the total production cost for the quarter. This unit cost is multiplied by the amount of potable water delivered to Millersburg's public distribution system from the A-M Plant by way of a 12-inch water meter near the intersection of Century Drive NE and Berry Drive NE during that quarter.

- (ii) **Capital Costs:** Millersburg is charged for their share of major A-M Plant expenditures based on their ownership share of the facility being improved. The actual ownership share for each facility is applied to the actual capital expenditure for the quarter.

11. Other Terms and Conditions. The following terms and conditions apply to this agreement:

- (a) **Term and Termination.** This agreement begins upon execution and will be in force for a 10-year period unless amended or terminated as provided herein. At the end of the 10-year period, this agreement automatically extends for succeeding 5-year terms subject to the terms herein.
 - (i) **Amendment.** This Agreement may be amended if each party concurs to the proposed amendment in writing, signed by authorized representatives of each party.
 - (ii) **Termination for Breach.** Failure to make a payment when due or other material breach of this Agreement shall allow the nondefaulting party the opportunity to terminate the agreement. In the event of an election to terminate, the nondefaulting party shall give notice and a 30-day period for the defaulting party to cure. If cure cannot be accomplished within 30 days but is diligently begun, the nondefaulting party may grant additional cure time.
 - (iii) **Separation of Assets.** Upon termination, the parties will develop a plan of separation to sell or buy the interests in the assets that include a reasonable schedule to obtain suitable alternate facilities. In the absence of such a plan, the parties shall use Dispute Resolution.
- (b) **Withdrawal and Termination of Membership Sale of Assets.** Any party may elect to terminate its participation in this agreement by giving written notice of its desire to terminate to the other party and stating a date for termination that shall not be less than two years from the date of notice. The nonterminating party shall have the option to purchase the terminating interest, and the parties shall meet for the purpose of establishing the price. The price will be established within 90 days following receipt of notice of termination. If the price cannot be agreed upon, the matter shall be submitted to Dispute Resolution as outlined in this agreement.
- (c) **Water Quality:** Albany agrees to provide potable water to Millersburg that meets water quality standards. In the event of a temporary non-compliance, Albany will comply with all regulatory direction to restore its system to compliance. Albany makes no representations concerning the suitability of Albany's potable water for the Millersburg system or any customer thereof.
- (d) **Indemnification:** Millersburg agrees to indemnify and hold Albany harmless from any governmental or third party claims resulting in any manner from the provision of water from the A-M or Vine WTPs to Millersburg customers consistent with the terms of this agreement. This indemnification clause does not preclude Millersburg from pursuing breach of contract claims against Albany concerning the provision of Albany water to Millersburg.
- (e) **Dispute Resolution.** If a dispute arises between the parties regarding breach of this Agreement or interpretation of any term of this Agreement, or in the event of a three-to-three voting impasse of the Management Committee, the parties shall first attempt to resolve the dispute by negotiation, followed by mediation. If mediation is unsuccessful, the dispute shall be resolved through binding arbitration that shall take place in Linn County, and the prevailing party shall be entitled to such reasonable attorney's fees and costs as may be awarded by the arbitrator. In the absence of an agreement between the parties, either party may apply to the presiding judge of the Linn County Circuit Court for the appointment of suitable mediator(s) or arbitrator(s), and the persons so appointed shall establish the rules of procedure.
- (f) **City Council Approval Required.** No committee or entity created by this Agreement may obligate either city to expend any city funds or take any actions, other than expressly provided herein, without the approval of the respective City Council.

(g) **Severability.** In case any one or more of the provisions contained in this Agreement shall be invalid, illegal, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

(h) **Notices.** Any notice herein required or permitted to be given shall be given in writing, shall be effective when actually received, and may be given by hand delivery or by United States mail, first class postage prepaid, addressed to the parties as follows:

If to Albany: City Manager
 City of Albany
 P.O. Box 490
 Albany, OR 97321

If to Millersburg: City Administrator
 City of Millersburg
 4222 NE Old Salem Road
 Albany, OR 97321

IN WITNESS WHEREOF the parties have caused this document to be executed pursuant to the authority of the respective City Councils, by the Mayor of Albany, and the Mayor of Millersburg.

CITY OF MILLERSBURG:

CITY OF ALBANY:

DATED this ____ day of _____ 2016.

DATED this ____ day of _____ 2016.

Clayton Wood, Mayor

Sharon Konopa, Mayor

ATTEST:

ATTEST:

Barbara Castillo, City Administrator/Recorder

Mary Dibble, City Clerk

APPROVED AS TO FORM:

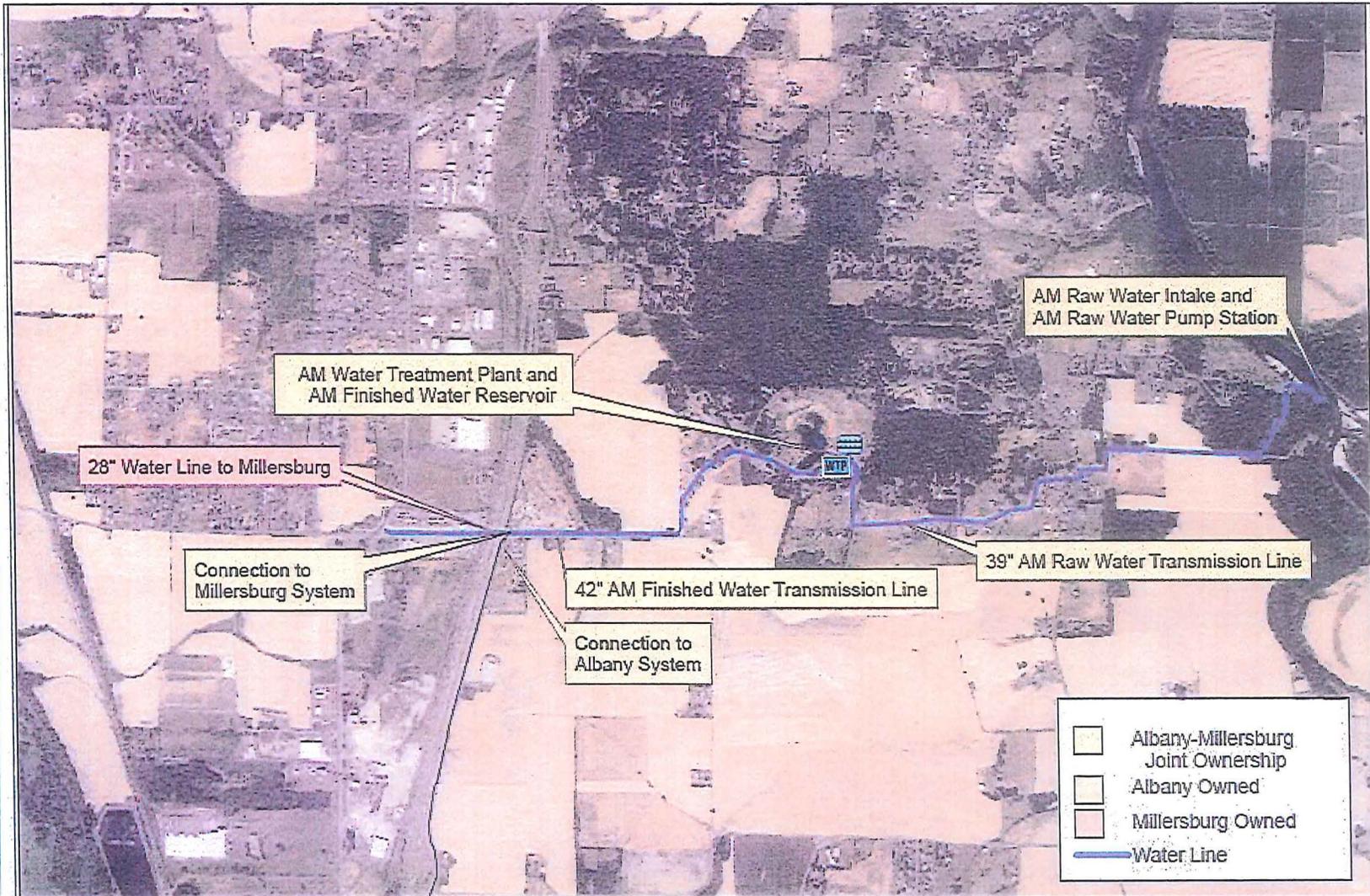
APPROVED AS TO FORM:

Forrest Reid, Millersburg City Attorney

James Delapoer, Albany City Attorney

EXHIBIT A

Albany-Millersburg Jointly Owned Water Facilities



Albany-Millersburg JGA-Water System Facilities


The City of Albany and the City of Millersburg have entered into a Jointly Owned Water System. This system is designed to provide a reliable and efficient water supply to both communities. The system includes a water treatment plant, a reservoir, and a transmission line. The system is owned and operated by the Albany-Millersburg Jointly Owned Water Facilities. For more information, please contact the City of Albany or the City of Millersburg.

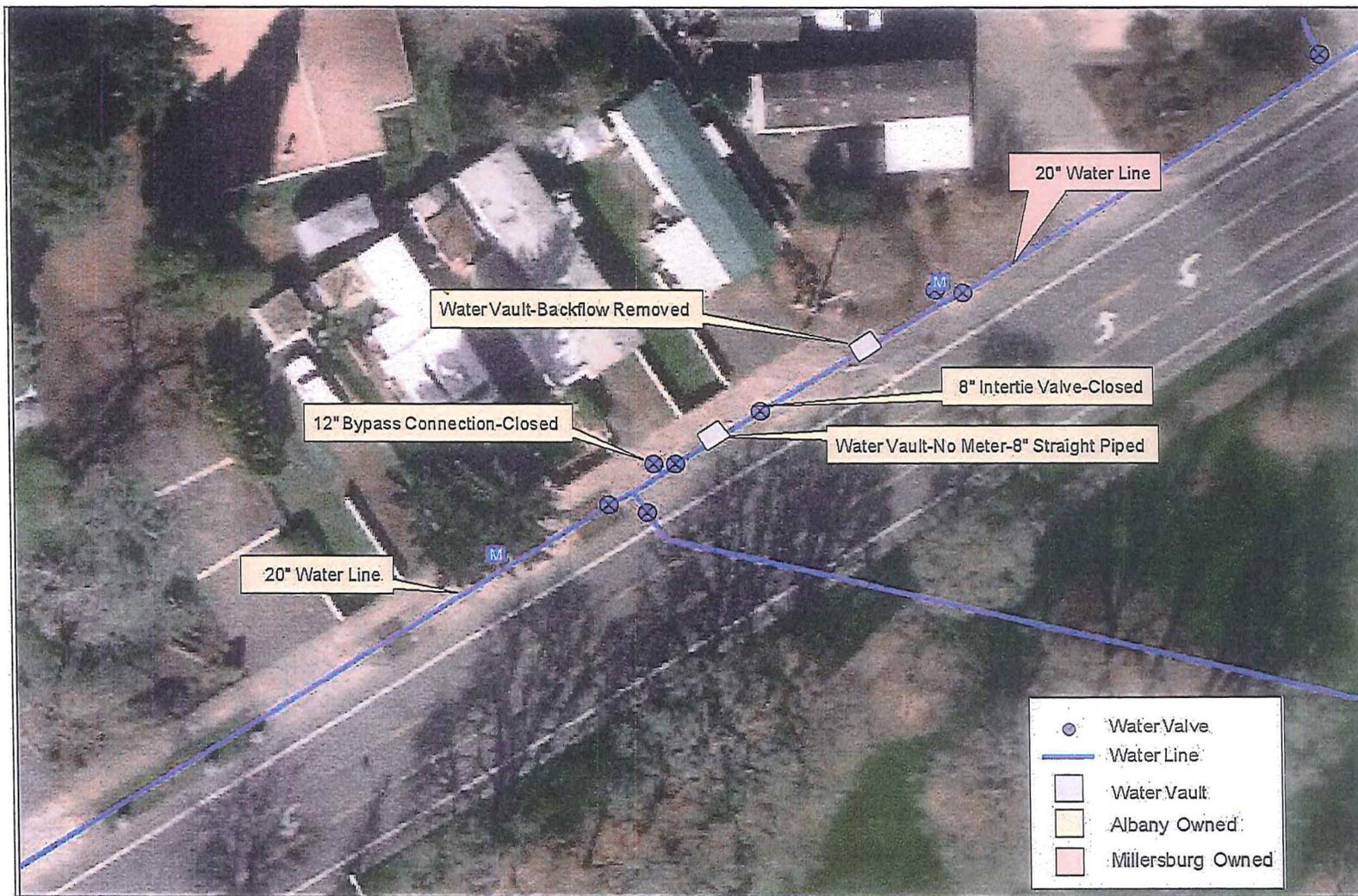


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 City of Albany - 310 Waverly Dr NE, Albany, Oregon 97321, (541) 917-7800

Date: 01/26/2016

EXHIBIT B

Albany-Millersburg Emergency Intertie Facilities



Albany-Millersburg IGA-8" Emergency Intertie

The City of Albany, Infrastructure records, drawings, and other documents have been prepared under a license agreement with the City of Albany, Oregon. The information provided is for informational purposes only and is not intended to be used for any other purpose. The City of Albany, Oregon, is not responsible for any errors or omissions in this information. The user assumes all liability for any use of this information. The City of Albany, Oregon, is not responsible for any use of this information.

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 City of Albany - 310 Waverly Dr NE, Albany, Oregon 97321 (541) 917-7600

Date: 02/05/2016