



RESOLUTION NO. 25-029

A RESOLUTION OF THE CITY OF STAYTON APPROVING THE STAYTON-SUBLIMITY JOINT SEWER SYSTEMS OPERATIONS AGREEMENT AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT

WHEREAS, the City of Stayton and the City of Sublimity entered into a new Intergovernmental Agreement dated August 19, 2024, governing the provision of wastewater treatment services from Stayton to Sublimity (the "2024 Wastewater Treatment Services IGA"); and

WHEREAS, Section 3.7 of the 2024 Wastewater Treatment Services IGA requires the parties to enter into a separate Joint Sewer Systems Operations Agreement to address infiltration and inflow, coordination on new development, reduction of harmful contaminants, and the administration of system development charges; and

WHEREAS, representatives of both cities have worked cooperatively to draft the proposed Joint Sewer Systems Operations Agreement consistent with the intent and requirements of the 2024 Wastewater Treatment Services IGA; and

WHEREAS, the Stayton City Council has reviewed the proposed agreement and determined it to be in the best interest of the City of Stayton;

NOW THEREFORE, THE CITY OF STAYTON RESOLVES:

SECTION 1. Approval. The Stayton City Council hereby approves the *Stayton-Sublimity Joint Sewer Systems Operations Agreement*, a copy of which is attached hereto as Exhibit A and incorporated by reference.

SECTION 2. Authorization. The City Manager is authorized to execute the agreement and take any necessary administrative actions to implement its provisions.

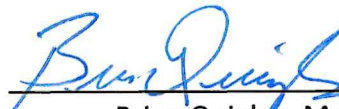
This Resolution shall become effective immediately upon its adoption by the Stayton City Council.

ADOPTED BY THE STAYTON CITY COUNCIL THIS 6TH DAY OF OCTOBER 2025.

CITY OF STAYTON

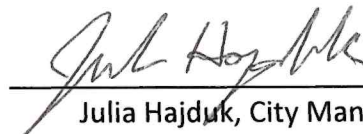
Signed: 10-6, 2025

BY:


Brian Quigley, Mayor

Signed: 10-7, 2025

ATTEST:


Julia Hajduk, City Manager

**INTERGOVERNMENTAL AGREEMENT
BY AND BETWEEN THE CITY OF STAYTON, OREGON
AND THE CITY OF SUBLIMITY, OREGON
IN RE: STAYTON-SUBLIMITY JOINT SEWER SYSTEMS OPERATIONS AGREEMENT**

This Intergovernmental Agreement, made and entered into this 6th day of October 2025, pursuant to ORS 190.010, the Intergovernmental Cooperation Act, by and between the City of Stayton, a municipal corporation, hereinafter referred to as "Stayton," and the City of Sublimity, a municipal corporation, hereinafter referred to as "Sublimity."

WHEREAS, Stayton operates a Wastewater Treatment Plant (as defined herein) meeting the requirements of the State of Oregon Department of Environmental Quality (DEQ); and

WHEREAS, Stayton has a written agreement with the DEQ through a National Pollutant Discharge Elimination Permit (NPDES) #101601 (the "NPDES Permit"); and

WHEREAS, Sublimity does not have an NPDES permit; and

WHEREAS, Stayton and Sublimity desire to meet all current and future Federal and State regulations (i.e., Willamette River Total Maximum Daily Load (TMDL) requirements, Capacity, Management, Operation and Maintenance (CMOM) regulations, etc.); and

WHEREAS, there exists between Stayton and Sublimity an Intergovernmental Agreement, the most recent version dated August 19, 2024, which allows Sublimity to connect to Stayton's sewerage system for sewage treatment, conveyance, pumping, and disposal and provides for Sublimity to share in the financial responsibility for the facilities it uses (the 2024 Wastewater Treatment IGA); and

WHEREAS, Section 3.7 of the 2024 Wastewater Treatment IGA states the parties agree to create a joint sewer systems operations agreement (Operations Agreement). The Operations Agreement will contain obligations between the parties on at least but not limited to the following elements:

- *Element One:* Infiltration and inflow.
- *Element Two:* Timely communication between the parties on future development within each City that increases flow to the Wastewater Treatment Plant.
- *Element Three:* Reducing the introduction of contaminants that harm or impede the effective operation of the Wastewater Treatment Plant.
- *Element Four:* The cities agree that both cities will charge separate systems development charge components for wastewater treatment and wastewater collection; and

WHEREAS, this agreement is intended to serve as the operations agreement and both agreements are intended to work together and consistently; and

WHEREAS, it is in the best interests of the parties to cooperate to the fullest extent possible in the planning, financing, construction, operation, and maintenance of the Wastewater Treatment Plant and that portion of Stayton's sewer collection system that transports sewerage from Sublimity to the Stayton Wastewater Treatment Plant; and

NOW, THEREFORE, IN CONSIDERATION of the covenants and agreements hereinafter set forth to be kept and performed by the parties hereto, and intending to be legally bound, it is mutually agreed as follows:

Article 1

Definitions

- 1.1 "Agreement" means this joint sewer Operations Agreement between Stayton and Sublimity.
- 1.2 "Equivalent Dwelling Unit (EDU)". A unit of measurement of sewer usage that is assumed to be equivalent to the usage of an average dwelling unit.
- 1.3 "Infiltration and Inflow" means Stayton provides sanitary sewer treatment service to the citizens and businesses of both parties. There are many miles of underground pipes that convey sewage from homes and businesses in both jurisdictions to the Stayton Wastewater Treatment Plant. Some of those pipes allow clean groundwater to enter the system during the winter, through a process called "infiltration." In other cases, there are accidental or illicit connections such as downspouts or street drains that allow rainwater to enter the sanitary sewer system, through a process called "inflow." Together, this additional water is called infiltration and inflow, or by its' industry shorthand "I/I."
- 1.4 "NPDES permit" has the meaning set forth in the second Recital above.
- 1.5 "Point of Delivery" means the location of the interface between that section of the Stayton Collection System and the Sublimity Collection System; and which point is more specifically identified as that point located south of Highway 22, in sanitary sewer manhole 409-10, located in Golf Lane, as shown on the Stayton GIS map.
- 1.6 "Sewer Committee". Stayton and Sublimity established a Joint Sewer Committee. The rights and duties of the Joint Sewer Committee are articulated in Article 4 of the 2024 Wastewater Treatment IGA.
- 1.7 "Stayton Collection System" means all the sewer lines and sewerage lift stations designed, constructed, acquired, and otherwise brought into operation by Stayton, connecting to Stayton's Wastewater Treatment Plant for the purpose of collection and conveyance of Stayton and Sublimity sewage to Stayton's Wastewater Treatment Plant, together with all easements, properties or rights of way containing said system. Stayton Collection System includes the Mill Creek sewer line which conveys sewage from the Point of Delivery to the Wastewater Treatment Plant. The Stayton Collection System includes the Point of Delivery.
- 1.8 "Sublimity Collection System" means all the sewer lines and sewerage lift stations designed, constructed, acquired, and brought into operation by Sublimity connecting Sublimity to Stayton's Wastewater Treatment Plant for the purpose of collection and conveyance of Sublimity sewage to Stayton's Wastewater Treatment Plant, together with all easements, properties, or rights of way containing said system. The Sublimity Collection System terminates at the Point of Delivery.
- 1.9 "Wastewater Treatment Plant" means the integrated sewage treatment and effluent disposal facility to accommodate sewage treatment service for both Stayton and Sublimity, including without limitation, the structures, equipment, the laboratory building and all associated equipment, and the effluent and sludge disposal.

Article 2 Term

2.1 **Original Term.** The Agreement term commences on 10/1/25 and extends until June 30, 2033, unless otherwise terminated or amended as provided herein ("Original Term").

2.2 **Renewals Terms.** At the end of the Original Term or any Renewal Term, the Agreement shall automatically renew for a successive one-year term (each, a "Renewal Term"). The Original Term and each Renewal Term shall collectively be referred to as the "Term."

2.3 **Notice of Termination.** The Original Term, or any Renewal Term, will not renew if either party gives notice of intent to terminate at least 360 days prior to the end of the Original Term or a Renewal Term.

Article 3 Infiltration and Inflow

3.1 The parties recognize that both the Stayton Collection System and the Sublimity Collection System are significantly impacted by high levels of I/I; each party has an independent obligation to reduce I/I. The parties recognize that I/I is detrimental to Stayton's ability to maintain capacity within the Wastewater Treatment Plant for future growth. Without reducing I/I, Sublimity recognizes that Stayton will be unable to supply the capacity within the Wastewater Treatment Plant to support the planned growth within each community. The parties will agree on a long-term program to measure I/I within each collection system and implement measures that will demonstrably reduce I/I within each collection system. Measures for reduction of I/I will include, but not be limited to, capital infrastructure improvements by each party to its respective collection system and user enforcement measures.

3.2 **I/I Abatement Work Plan.** Throughout the term of this Agreement, both Cities will participate in I/I abatement work programs administered by each City's Public Works Department. Each City will be responsible for the funding of their respective I/I abatement work program. Annual reviews of each City's I/I abatement work program will be done by the Sewer Committee that has been established in the 2024 Wastewater Treatment IGA. For the first year of this Agreement the following I/I abatement performance standards will be:

Performance Measure or Standard	Stayton	Sublimity
Annual program budget	\$500,000	\$100,000
Investigations – CCTV video	20% of total wastewater collection system per year	20% of total wastewater collection system per year
Investigations – smoke testing	15% of the total wastewater collection system per year	15% of the total wastewater collection system per year
Investigations – dye testing	Case by case basis	Case by Case basis
Identify solutions	Meaningful and substantial compliance with Chapter 7 of the 2021 Stayton Wastewater Facilities Planning Study; Adopted on	1. Grout cracks and breaks wherever possible. 2. Add a liner to a pipe (cured-in-place pipe lining, CIPP), 3. Pipe burst pipe.

	February 3, 2021; City Ordinance 1047	4. Dig up and replace pipe 5. Replace sewer services up to the property line with clean outs at the right of way for options 2-4 above.
I/I abatement through design and construction	Meaningful and substantial progress toward completion of I/I abatement projects identified in Table 7-8 of the 2021 Stayton Wastewater Facilities Planning Study	Design of replacement sewer piping will only occur if options 2-5 are identified as the appropriate solution. Sublimity will provide Stayton with the design drawings showing the proposed repair work. Any input from Stayton will be taken into consideration prior to advertising for bids. Sublimity will notify Stayton upon award of any I/I construction contract projects.
Monitoring	Meaningful and substantial progress toward implementation of Section 7.10 "Recommended Operational and Administrative Practices" of the 2021 Stayton Wastewater Facilities Planning Study.	Collect CCTV footage for all finished projects and verify that a basin's sewage collection system has been restored to good condition. Provide copies of all CCTV footage to Stayton when requested. Monitor flow at key locations and compare it to records from before completing an I/I project.

Article 4 Development That Increases Wastewater Flows

4.1 The parties acknowledge that Stayton bears a considerable responsibility under the 2024 Wastewater Treatment Agreement to sustain the Wastewater Treatment Plant for future expansion within each community, while ensuring compliance with the NPDES permit. The parties intend to equitably share the capacity of the Wastewater Treatment Plant and recognize that unregulated growth within either community could impose a burden on Stayton's maintenance and operational duties. It is understood that future developments within each community impacting the Wastewater Treatment Plant include both new connections to either collection system or alterations to existing properties resulting in increased flow. The parties will concur on a program for prompt communication regarding new development proposals and the fair distribution of Wastewater Treatment Plant capacity concerning future growth within each community.

4.2 Under the term of this Agreement, Sublimity will provide Stayton Planning and Public Works departments with timely written notice of land use applications as part of the request for comments phase of land use actions.

4.3 Sublimity will provide notice to the Stayton Public Works department of any commercial or industrial change of use application or new building permit. Stayton may request additional or clarifying information to determine the potential impact to the Wastewater Treatment Plant capacity.

4.4 Stayton will regularly track and monitor wastewater flows to the headworks of the Wastewater Treatment Plant and treatment capacity at the Wastewater Treatment Plant. All measured wastewater flow and capacity data will be shared between Stayton and Sublimity.

4.5 The 2021 Stayton Wastewater Facilities Planning Study projects a future flow of 184 EDUs for Sublimity by 2040. For planning purposes, Sublimity agrees this is the maximum growth limit unless an

updated wastewater facilities plan supersedes this estimate. If during the term of this Agreement Sublimity's measured wastewater flows approach this maximum growth limit of 184 EDUs, both parties agree to commission a wastewater facilities plan update to ensure adequate rates, fees, and capacity is available to serve both parties' wastewater treatment requirements before approving more development and connections to the Sublimity Collection System.

Article 5

Reducing the Introduction of Contaminants to the Sewer System

5.1 The parties acknowledge that certain contaminants can negatively affect the Wastewater Treatment Plant's operation, potentially causing failure and NPDES permit violations. Contaminants include unacceptable levels of temperature, pH, BOD, and TSS in wastewater flows. Sublimity agrees that such contaminants harm Stayton's ability to operate the Wastewater Treatment Plant. The parties will establish a program to measure and address these contaminants, including ordinances against illegal dumping, monitoring systems, and enforcement mechanisms.

5.2 Each party has adopted regulations to prohibit the introduction of contaminants into their respective collection system and agrees to coordinate subsequent amendments to ensure consistency in regulations of mutual interest and concern. Under the terms of this Agreement both parties agree to enforce their respective regulations concerning the prohibition of introducing contaminant substances into the wastewater collection systems. This does not limit or inhibit either City from promulgating additional rules or regulations to enhance the prohibition of introducing contaminants into the wastewater collection systems in the future. The current relevant regulations for each City are as follows.

	Stayton	Sublimity
Ordinance Regulations	Municipal Code Sections: 13.24.760 DISPOSAL OF WASTES RESTRICTED 13.24.810 DAMAGING OF SYSTEM PROHIBITED 13.24.930 SURFACE WATERS AND ROOF RUNOFF 13.24.940 UNPOLLUTED WATERS 13.24.950 PROHIBITED DISCHARGES 13.24.960 RESTRICTED 13.24.980 PRETREATMENT OR FLOW-EQUALIZING FACILITIES GENERALLY 13.24.990 GREASE, OIL, AND SAND INTERCEPTORS 13.24.1000 REVIEW AND ACCEPTANCE REQUIRED WHEN 13.24.1010 REPORT REQUIRED	Ordinance 748 Sections: SECTION 22 – DISCHARGE OF SEWAGE PROHIBITED. SECTION 23 – SERVICES REQUIRED. SECTION 24 – DRAINAGE NOT PERMITTED. SECTION 24 – UNLAWFUL DEPOSITS. SECTION 25 – NO CONNECTIONS WITHOUT PERMIT.
Penalty/Enforcement	13.24.1200 VIOLATION: LIABILITY 13.24.1210 VIOLATION: NOTICE 13.24.1220 VIOLATION: PENALTY	SECTION 28 – SEVERABILITY. SECTION 29 – PENALTIES.

5.3 Both parties agree that developing and maintaining a positive relationship with the public being served is vital. To that end, throughout the term of this Agreement, both parties will develop and enhance their respective public education and outreach programs relative to the prohibition on introducing contaminants into the Stayton Collection System and the Sublimity Collection System. Both parties will work cooperatively to enhance the following existing and proposed public education and outreach commitments.

	Stayton	Sublimity
Education commitment	Existing City puts information in the monthly newsletter periodically. Information on the City website on FOG and from frequently asked questions. Proposed: • Modify the City website to have information on proper disposal and use of the wastewater system more easily seen. • City of Stayton will prepare and provide a brochure for use by both cities regarding contamination and issues with illegal dumping. • Share brochure and educational materials no less than two times per year via utility bills. • Conduct business outreach by the Code Enforcement Officer to make sure commercial businesses, especially users that have a high volume of solids or potential contaminants know the rules and issues caused by not following the rules.	Existing City puts information in the monthly newsletter periodically. Proposed: • Modify the City website to have information on proper disposal and use of the wastewater system more easily seen. • City of Stayton will prepare and provide a brochure for use by both cities regarding contamination and issues with illegal dumping. • Share brochure and educational materials no less than two times per year via utility bills. • Conduct business outreach by the PW Director to make sure commercial businesses, especially users that have a high volume of solids or potential contaminants know the rules and issues caused by not following the rules.

Article 6

Wastewater System Development Charges (SDCs)

6.1 The parties agree that both cities will charge separate SDC components for wastewater treatment and wastewater collection.

6.2 A wastewater treatment SDC component methodology and rate will be created by Stayton on or before July 1, 2025, in accordance with ORS 223.297 - 223.314 and Stayton Municipal Code Chapter 13.12. Stayton is solely responsible for the creation of the wastewater treatment SDC methodology and rate calculations.

6.3 On or before August 30, 2025 the Stayton-developed wastewater treatment SDC will be implemented by each city and will be imposed on all new development within both cities. The wastewater treatment component SDC collected in Sublimity will be remitted in whole to Stayton to be spent on

wastewater treatment capacity expanding projects. Future wastewater treatment SDC methodology and/or rate adjustments will be made at the sole discretion of Stayton.

6.4 The wastewater collection component SDC charged and collected by each city will be retained by the city charging the wastewater collection component SDC. Sublimity's remittance to Stayton of a wastewater treatment SDC component is separate from Sublimity's obligations for payment of monthly user charges as defined in the 2024 Wastewater Treatment IGA. Each City is responsible for the creation of its respective wastewater collection component SDC methodology and rates.

Article 7

GENERAL CONDITIONS

7.1 In the event that questions of interpretation or enforcement of this Agreement arise, the issues will be referred to the Sewer Committee for review. The Sewer Committee may either:

7.1.1 Resolve the issue and notify both cities of the action that has been taken subject to review by the respective City Councils; or

7.1.2 Recommend action(s) to the respective City Councils to resolve the issue.

7.2 In the event that irreconcilable disputes over the interpretation or enforcement of this Agreement do occur, Stayton and Sublimity each agree to the following dispute resolution process:

7.2.1 The Sewer Committee or City Council shall provide written notice of the disputed issue or complaint which shall be filed with the respective City Councils. Within thirty (30) days of receipt of the written notice, the cities of Stayton and Sublimity shall each appoint one or more representatives to mediate the issues. The representatives shall meet, propose a resolution, and submit the recommended resolution to each respective City Council within ninety (90) days of their appointment. Each City Council will then accept or reject the mediated resolution within thirty (30) days; failure to accept a recommended resolution will be treated as a rejection if no action is taken within the thirty (30) day deadline.

7.2.2 In the event the dispute involves Article 6 Rate Reviews and Adjustments, and is not resolved by mediation, or the parties are unable to jointly appoint representatives in accordance with section 7.2.1, the aggrieved party may submit the dispute to binding arbitration. Upon request for arbitration, the city requesting arbitration shall submit to the other city a list of the names of five (5) independent arbitrators. The other city may select any one of the five (5). If the cities cannot decide on an arbitrator with qualifications that relate to the dispute at hand within fifteen (15) days, then either city may apply to the presiding judge of the Marion County Circuit Court to appoint the required arbitrator.

The arbitrator shall proceed according to Oregon's Uniform Arbitration Act governing arbitration and any rules specifically adopted by the cities. If the cities do not agree upon rules for the arbitration, the arbitrator shall establish rules and advise each respective city. The award of the arbitrator shall have the effect provided in Oregon law. The arbitration shall take place in Marion County. Costs of the arbitrator will be split equally, and each city will be responsible for their own costs and attorney fees.

7.2.3 Any litigation arising under or as a result of this Agreement shall be tried before the court without a jury. The parties agree to be responsible for payment of their respective professional and expert fees, including attorneys' fees in both mediation and litigation and any appeals therefrom.

7.3 If any part, paragraph, section, or provision of the Agreement is determined to be invalid by any court of competent jurisdiction, such adjudication shall not affect the validity of any remaining section, part, or provision of this Agreement.

7.4 This Agreement shall be duly executed on behalf of each city. It shall be deemed effective upon the date of execution by the last authorized representative.

7.5 The terms and conditions of this Agreement shall be reviewed by the Sewer Committee every three years that this Agreement remains in effect and recommendations for any amendments shall be submitted to the respective City Council of each city.

7.6 Upon the written request of either city, the city councils of both Stayton and Sublimity shall meet in joint work session to consider amendments. Amendments may only be approved during a regularly scheduled meeting of the City Council in each respective city.

7.7 This Agreement may only be amended by a written agreement approved by the City Council of each respective city and executed by the authorized representative of each city.

7.8 A waiver by a party of any breach by the other shall not be deemed to be a waiver of any subsequent breach.

7.9 This Agreement contains the entire agreement between the parties on the subject of wastewater operations as provided in Section 3.7 of the 2024 Wastewater Treatment IGA and supersedes all prior written or oral discussions or agreements regarding the same subject.

7.10 This Agreement may be executed in several counterparts, each of which shall be an original and each of which shall constitute but one and the same instrument. A signed copy of this Agreement transmitted by facsimile, email, or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of this Agreement for all purposes. Each city agrees that this Agreement may be electronically signed, and that any electronic signature appearing on this Agreement is the same as a handwritten signature for the purposes of validity, enforceability, and admissibility.

7.11 To the extent permitted by the Oregon Constitution, and within the limits of the Oregon Tort Claims Act, each city agrees to indemnify, defend, and hold harmless the other city and its officers, employees, and agents from and against all damages, losses, and expenses, including but not limited to attorney fees and costs related to all claims, suits, and liabilities arising out of or resulting from the indemnifying city's actions or omissions in the performance of or failure to perform under this Agreement. For the sake of clarity, and without limiting the parties' broad mutual indemnification, Stayton specifically agrees to defend and indemnify Sublimity against all claims related in full or in part to Stayton's NPDES permit compliance.

In providing the services specified in this Agreement, both cities are public bodies and maintain their public body status as specified in ORS 30.260. Both cities understand and acknowledge that each retains all immunities and privileges granted by the Oregon Tort Claims Act and all other statutory rights granted as a result of their status as public bodies.

Approved by the Stayton City Council at a regularly scheduled Council meeting on the 6th day of October 2025.

Approved by the Sublimity City Council at a regularly scheduled Council meeting on the 8th day of September 2025.

IN WITNESS WHEREOF, Stayton has caused this Agreement to be executed by its Mayor and City Manager, and Sublimity has caused this Agreement to be executed by its Mayor and City Recorder.

CITY OF STAYTON

CITY OF SUBLIMITY

Bruce Quinn 10/10/2025
Mayor Date

[Signature] 9-8-25
Mayor Date

Jul Hays 10-7-25
City Manager Date

Myrna Harding 9-8-25
City Recorder Date