



CLACKAMAS

**WATER
ENVIRONMENT
SERVICES**

GREGORY L. GEIST | DIRECTOR

Water Quality Protection
Surface Water Management
Wastewater Collection & Treatment

August 6, 2026

BCC Agenda Item: _____

Board of County Commissioners
Acting as the governing body of Water Environment Services
Clackamas County

Approval of an Amendment to an Intergovernmental Agreement with Partner Cities for renewal of a Regional Inflow and Infiltration Reduction Program. Amendment Value is \$X for 5 years. Total Agreement Value is \$X for 9 years. Funding is through WES Sanitary Sewer Construction Funds. No County General Funds are involved.

Previous Board Action/Review: Original IGA approved March 17, 2022. Amendment #1 approved March 05, 2026.

Performance Clackamas: 1. This project supports WES' strategic plan to upgrade WES' infrastructure to ensure the sustainable delivery of reliable, high-quality, and climate-resilient clean water services that support the growth and vitality of our communities, natural environment, and economy.
2. This project supports the County's Strategic Priorities of Strong Infrastructure, Vibrant Economy, and Safe, Secure and Livable Communities.

Counsel Review: Yes

Contact Person: Jeff Stallard

Procurement Review: No

Contact Phone: 503-742-4694

EXECUTIVE SUMMARY: WES provides sanitary sewer treatment to nearly 200,000 people in Clackamas County. There are over one thousand miles of underground pipes that convey sewage from homes and businesses to WES' regional wastewater treatment facilities in Oregon City and Milwaukie. WES operates approximately 40% of that system, and our partner cities of Gladstone, Johnson City, Milwaukie, Oregon City and West Linn ("Partner Cities") each are responsible for a portion of the system as retail wastewater providers.

WES' 2019 Sanitary Sewer Master Plan broadly reviewed the impacts of Inflow and Infiltration (I/I) at regional pump stations and treatment plants. The master plan identified I/I reduction targets in 19 priority basins throughout the regional system, not just that portion of the system directly managed by WES. The master plan concluded that the most cost-effective way to save ratepayers money is to improve the collection systems supported by the retail wastewater rate, with the savings reflected in cost avoidance in the wholesale wastewater treatment rate.

In an effort to implement the program recommended in the master plan and by the WES advisory committee, in 2022 the District and City partners established a pilot program to determine the long-term feasibility of providing funding to Partners in support of projects that will help achieve the collective goal of reducing regional I/I. The original IGA created a cost sharing mechanism to reflect the shared benefit of I/I reduction and authorized WES to make 33% funding contributions to support projects in partner cities' collection systems.

WES has administered the pilot program for a little over 4 years and has shown that cost-sharing incentivized work in the priority basins by both WES and the partner cities resulting in significant rehabilitation of sewer mains, manholes, and laterals to reduce infiltration, and storm system disconnection to reduce inflow.

Approval of Amendment #2 will authorize the program to continue for 5 years through June 30, 2031. The I/I

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program is included in WES's adopted 5-yr CIP with \$3.975M in FY 2026-27 for current projects, and \$2M each year through FY 2030-31 for future projects. The WES Board of Directors annually appropriates funding for the program during budget adoption.

RECOMMENDATION: Staff recommends that the Board of County Commissioners of Clackamas County, acting as the governing body of Water Environment Services, approve Amendment #2 for an Intergovernmental Agreement between Water Environment Services and Partner Cities for Regional Inflow and Infiltration Reduction will extend the Agreement's end date to June 30, 2031.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Greg Geist", with a stylized flourish extending to the right.

Greg Geist
Director, WES

Attachment: Amendment #2 for IGA between WES and Partner Cities for Regional Inflow and Infiltration Reduction

**AMENDMENT #2
TO THE INTERGOVERNMENTAL AGREEMENT BETWEEN
WATER ENVIRONMENT SERVICES AND PARTNER CITIES FOR
REGIONAL INFLOW AND INFILTRATION REDUCTION**

This Amendment #2 is entered into between **Water Environment Services** ("District") and the **City of Gladstone, City of Happy Valley, City of Johnson City, City of Milwaukie, City of Oregon City, and the City of West Linn** (collectively, the "Partners" or individually "Partner") and shall become part of the Contract documents entered into between the parties on March 17, 2022 ("Contract").

The Purpose of this Amendment #2 is to make the following changes to the Contract:

1. **Section 1 – Term.** By execution of this Amendment #2, the Parties hereby exercise the option to extend the term of the Contract for an additional 5 years. Accordingly, the expiration date of the Contract is hereby changed from **June 30, 2026** to **June 30, 2031**.

Except as expressly amended above, all other terms and conditions of the Contract shall remain in full force and effect.

By signature below, the parties agree to this Amendment #2, effective upon the date of the last signature below.

Water Environment Services

Chair

Date

City of Milwaukie

Authorized Signatory

Title

Date

City of Gladstone

Authorized Signatory

Title

Date

City of Oregon City

Authorized Signatory

Title

Date

City of Happy Valley

Authorized Signatory

Title

Date

City of West Linn

Authorized Signatory

Title

Date

City of Johnson City

Authorized Signatory

Title

Date