



Home of the Tualatin River National Wildlife Refuge

CITY COUNCIL MEETING PACKET

FOR

Tuesday, June 2, 2026

**Sherwood City Hall
22560 SW Pine Street
Sherwood, Oregon**

5:30 pm City Council Work Session

7:00 pm City Council Regular Meeting

**This meeting will be live streamed at
<https://www.youtube.com/user/CityofSherwood>**



5:30 PM CITY COUNCIL WORK SESSION

- 1. Roundtable with Sherwood Police Advisory Board**
(Ty Hanlon, Police Chief)
- 2. Housing In Sherwood**
(Eric Rutledge, Community Development Director)

7:00 PM CITY COUNCIL REGULAR SESSION

- 1. CALL TO ORDER**
- 2. PLEDGE OF ALLEGIANCE**
- 3. ROLL CALL**
- 4. APPROVAL OF AGENDA**
- 5. CONSENT AGENDA**
 - A. Approval of May 19, 2026, City Council Meeting Minutes** (Sylvia Murphy, City Recorder)
 - B. Resolution 2026-027, Certifying the Provision of Certain Municipal Services in Order to Qualify the City to Receive State Revenues** (David Bodway, Finance Director)
 - C. Resolution 2026-028, Revising the Existing set of City Financial Policies**
(David Bodway, Finance Director)
 - D. Resolution 2026-029, Authorizing the City Manager to execute a construction contract for the 2025-27 Slurry Seal Program** (Rich Sattler, Public Works Director)
 - E. Resolution 2026-030, Authorizing the City Manager to apply for a grant through Oregon Park and Recreation Department Local Government Grant Program**
(Rich Sattler, Public Works Director)
 - F. Resolution 2026-031, Authorizing the City Manager to sign IGA's with City of Hillsboro for Interconnection and the Acquisition of Fiber Optic Capacity** (Brad Crawford, IT Director)
- 6. CITIZEN COMMENTS**
- 7. PRESENTATIONS**
 - A. Recognition of 2026 Robin Hood Festival Maid Marian Court Members** (Mayor Tim Rosener)
- 8. PUBLIC HEARING**

AGENDA

**SHERWOOD CITY COUNCIL
June 2, 2026**

5:30 pm City Council Work Session

7:00 pm City Council Regular Session

**Sherwood City Hall
22560 SW Pine Street
Sherwood, OR 97140**

This meeting will be live streamed at
<https://www.youtube.com/user/CityofSherwood>

A. Resolution 2026-032, Adjusting Solid Waste and Recycling Collection Rates
(Rich Sattler, Public Works Director)

9. CITY MANAGER REPORT

10. COUNCIL ANNOUNCEMENTS

11. ADJOURN

How to Provide Citizen Comments and Public Hearing Testimony: Citizen comments and public hearing testimony may be provided in person, in writing, or by telephone. Written comments must be submitted at least 24 hours in advance of the scheduled meeting start time by e-mail to Cityrecorder@Sherwoodoregon.gov and must clearly state either (1) that it is intended as a general Citizen Comment for this meeting or (2) if it is intended as testimony for a public hearing, the specific public hearing topic for which it is intended. To provide comment by phone during the live meeting, please e-mail or call the City Recorder at Cityrecorder@Sherwoodoregon.gov or 503-625-4246 at least 24 hours in advance of the meeting start time in order to receive the phone dial-in instructions. Per Council Rules Ch. 2 Section (V)(D)(5), Citizen Comments, "Speakers shall identify themselves by their names and by their city of residence." Anonymous comments will not be accepted into the meeting record.

How to Find out What's on the Council Schedule: City Council meeting materials and agenda are posted to the City web page at www.sherwoodoregon.gov, generally by the Thursday prior to a Council meeting. When possible, Council agendas are also posted at the Sherwood Library/City Hall and the Sherwood Post Office.

To Schedule a Presentation to the Council: If you would like to schedule a presentation to the City Council, please submit your name, phone number, the subject of your presentation and the date you wish to appear to the City Recorder, 503-625-4246 or Cityrecorder@Sherwoodoregon.gov

ADA Accommodations: If you require an ADA accommodation for this public meeting, please contact the City Recorder's Office at (503) 625-4246 or Cityrecorder@Sherwoodoregon.gov at least 48 hours in advance of the scheduled meeting time. Assisted Listening Devices are available on site.



SHERWOOD CITY COUNCIL MEETING MINUTES
22560 SW Pine St., Sherwood, Or
May 19, 2026

WORK SESSION

1. **CALL TO ORDER:** Mayor Rosener called the meeting to order at 5:32 pm.
2. **COUNCIL PRESENT:** Mayor Tim Rosener, Council President Kim Young, Councilors Taylor Giles, Renee Brouse, Dan Standke, and Doug Scott. Councilor Keith Mays arrived at 5:50 pm.
3. **STAFF PRESENT:** City Manager Craig Sheldon, Assistant City Manager Kristen Switzer, Systems Analyst Mark Swanson, City Attorney Ryan Adams, Community Development Director Eric Rutledge, Economic Development Manager Erik Adair, Human Resources Director Lydia McEvoy, Deputy City Recorder Colleen Resch, and City Recorder Sylvia Murphy.

OTHERS PRESENT: TVF&R Deputy Chief of Strategic Services Patrick Fale, Public Affairs Manager Stefan Myers, and Deputy Chief of Administration Laura Hitt.

4. TOPICS:

TVF&R Annual Update

Public Affairs Manager Stefan Myers introduced himself and Deputy Chief of Strategic Services Patrick Fale and Deputy Chief of Administration Laura Hitt. Ms. Hitt provided a presentation on the State of the District (see record, Exhibit A). She stated the topics would include an incident snapshot, wildfire season, EMS landscape, bond and capital projects, and the Struggle Well program. She referred to the Sherwood incident response report for 2025 and said the total incident responses were 1,803 compared to 1,930 in 2024. Mr. Fale commented on preparing for wildland season and said TVF&R actively prepares with drills and education. Councilor Standke referred to the expansion into Sherwood West and asked how that changed our wildfire risk profile. Mr. Fale said development must maintain buffer zones between the built-up and flashy fuels to reduce the risk. Councilor Brouse asked for the definition of built-up. Mr. Fale said built-up refers to using non-combustible materials, hardy plank siding, and architectural composite roofing. He said buffer zones refer to grass, curbs, and sidewalks. Mayor Rosener noted that in the past the State had preempted local control on enforcing built-up standards and asked if TVF&R lobbied in terms of safety and materials. Mr. Fale said TVF&R is the only exempt fire department in the State, and they adopted their own local code and that code could be different from the State fire code. He noted TVF&R does not have as much leverage in building code. Ms. Hitt discussed the evolving EMS landscape and said they were working on a few programs to respond to the needs of the community, such as the advanced practice community paramedic program which was a single person on a unit that was trained to a higher critical care. She noted they started a care facility outreach program to work with staff on training to handle low acuity type of incidents. She discussed the bond and capital projects and provided renderings for newly constructed stations and some of

the objectives they consider during the design process. She said Sherwood's Station 33 was slated for a major remodel and said they had also been working with city staff on a potential relocation. Mayor Rosener thanked TVF&R for their partnership with the possible relocation which would open downtown to extend Columbia Street. Mr. Fale said TVF&R was aware of the Sherwood West expansion and said they were planning to build a station near Roy Rogers Road and Beef Bend Road to help respond to the expansion. Mr. Fale discussed a new proactive behavioral health program called Struggle Well and said the program had been very impactful.

Mayor Rosener adjourned the work session at 6:02 pm and convened a Solid Waste Community Enhancement Program (CEP) Meeting. See CEP meeting records.

REGULAR SESSION

1. **CALL TO ORDER:** Mayor Rosener called the meeting to order at 7:22 pm.
2. **COUNCIL PRESENT:** Mayor Tim Rosener, Council President Kim Young, Councilors Keith Mays, Taylor Giles, Renee Brouse, Doug Scott, and Dan Standke.
3. **STAFF PRESENT:** City Manager Craig Sheldon, Assistant City Manager Kristen Switzer, City Attorney Ryan Adams, Systems Analyst Mark Swanson, Police Chief Ty Hanlon, Public Works Director Rich Sattler, Community Development Director Eric Rutledge, Planning Manager Sean Conrad, Youth Services Librarian Jaime Thoreson, and City Recorder Sylvia Murphy.

4. APPROVAL OF AGENDA:

Mayor Rosener addressed approval of the agenda and asked for a motion.

MOTION: FROM COUNCILOR BROUSE TO APPROVE THE AGENDA. SECONDED BY COUNCIL PRESIDENT YOUNG. MOTION PASSED 7:0, ALL PRESENT MEMBERS VOTED IN FAVOR.

Mayor Rosener addressed the next item on the agenda.

5. CONSENT AGENDA:

- A. Approval of May 5, 2026, City Council Meeting Minutes
- B. Resolution 2026-025, Authorizing the City Manager to sign a four-and-one-half-year Intergovernmental Agreement with Metro for the Solid Waste Community Enhancement Program
- C. Resolution 2026-026, Granting an easement at 16470 and 16480 Gleneagle Drive

MOTION: FROM COUNCILOR BROUSE TO ADOPT THE CONSENT AGENDA. SECONDED BY COUNCIL PRESIDENT YOUNG. MOTION PASSED 7:0, ALL PRESENT MEMBERS VOTED IN FAVOR.

Mayor Rosener addressed the next item on the agenda.

6. CITIZEN COMMENTS:

Sean Begley approached the Council and commented regarding connecting the Middlebrook neighborhood with the rest of Sherwood via walking and riding paths. He said Middlebrook had approximately 1,000 residents and this was a safety issue. He said Brookman Road was not safe for walking and biking.

Emily Sharp came forward on the same topic and said she purchased her home in Middlebrook under the assumption that there would be connective trails into the rest of Sherwood. She said as a mother of children there was a safety concern.

Mayor Rosener stated he agreed with the need for connectivity and would consider discussing options. Councilor Giles suggested bringing concerns to the Traffic Safety Board and the Parks and Recreation Board. Councilor Mays said the railroad was an obstacle in that area. City Manager Sheldon said staff would come back to Council with some options. Councilor Standke said he had met with the residents of Middlebrook and staff to consider connectivity options and there would be more information to follow.

7. PRESENTATION:

A. Recognition of Sherwood Public Library Teen Volunteers

Youth Services Librarian Jamie Thoreson introduced Duncan Losli and Lina Bolen and spoke of their volunteer services and tenure as Sherwood youth volunteers. Mayor Rosener presented certificates and congratulated them on their outstanding volunteer service with the Teen Volunteer Club.

Mayor Rosener addressed the next agenda item, and the City Recorder read the public hearing statement.

8. PUBLIC HEARING:

A. Resolution 2026-018, Adopting the Old Town Strategic Action Plan

Planning Manager Sean Conrad provided a presentation (see record, Exhibit B). He said the purpose of the Old Town Strategic Action Plan was to promote the ongoing revitalization of “Old Town” as the traditional heart of the community. He stated the Strategic Action Plan should reflect the interests of Old Town businesses, the community’s vision, and that of decision makers to be the road map with actionable steps focused on a 5-year timeframe. He stated the three elements of the plan included business health and growth, sense of arrival, and infill and development. He said the plan emphasized redevelopment along Pine Street and Columbia Street. He said the plan provided a long-term vision for the redevelopment of Old Town and gave both the public and developers a snapshot of what that could look like. He stated the Planning Commission held a public hearing on March 24 and made several recommendations for the Council to consider. He said at the April 7th City Council Public Hearing the Council considered the Planning Commission’s recommended changes and directed staff to make changes to the plan. He stated the changes included removing the rezoning recommendation of the Public Works/Field House parcel, removing the text of the Field House site presenting an opportunity to establish a retail node with a larger formal retail, adding a requirement for parking evaluation of City owned properties before sale, lease, or redevelopment, adding language recognizing the potential need to expand Cannery Square to provide additional event capacity as the city grows, and clarify that the 75% storefront transparency standard applied to the ground floor storefront zone only, with separate upper-story window standards recommended for upper floors. He stated all the changes have been made to the plan.

With no questions from the Council, Mayor Rosener opened the public hearing. With no public testimony received, Mayor Rosener closed the public hearing.

Mayor Rosener asked for Council discussion or questions. Discussion followed and the consensus of the Council was support for the plan.

With no questions from the Council, Mayor Rosener asked for a motion.

MOTION: FROM COUNCIL PRESIDENT YOUNG TO APPROVE RESOLUTION 2026-018, ADOPTING THE OLD TOWN STRATEGIC ACTION PLAN. SECONDED BY COUNCILOR BROUSE. MOTION PASSED 7:0, ALL PRESENT MEMBERS VOTED IN FAVOR.

Mayor Rosener addressed the next agenda item.

B. Resolution 2026-024, Authorizing the City Manager to Execute a Purchase and Sale Agreement for a 0.98-acre Property Located at 22468 SW Pacific Highway

Community Development Director Eric Rutledge provided a presentation (see record, Exhibit C). He said the purpose of the resolution was to authorize the City Manager to execute a Purchase and Sale Agreement (PSA) for a 0.98-acre property located at 22468 SW Pacific Highway. He said the property was zoned Office Commercial (OC) and undeveloped. He said to sell the property the city must hold a public hearing per ORS 221.725. He said the buyer was a residential developer and owns the two parcels to the south totaling approximately 6 acres. He referred to a parcel to the north which the developer could also acquire which would allow this potential development to connect to the road. He said this was a key location for high density residential (HDR) or commercial mixed use along Pacific Highway. He referred to the PSA and said the \$415,000 sale price was based on Broker Opinion Value and required the development of affordable housing on the property, or on a consolidated property under the buyer's control. He said the buyer is required to make a good faith effort to change the zone on the property from OC to HDR. He stated the amount and type of affordable housing depends on whether the zone change occurs. He said the buyer was required to start construction on the project by July 1, 2031, and obtain certificate of occupancy by July 1, 2033. He noted if the buyer fails to comply with the terms of the sale, the city could declare default.

With no questions from the Council, Mayor Rosener opened the public hearing. With no public testimony received, Mayor Rosener closed the public hearing.

Mayor Rosener asked for Council discussion or questions.

Councilor Scott said he supported the resolution and said more diverse housing was needed in Sherwood.

Council President Young said she supported the resolution and appreciated that the buyer was willing to pursue affordable housing and had experience in that realm.

Councilor Giles said he supported affordable housing and a variety of housing.

Councilor Brouse agreed with the other Councilors and thanked staff for their efforts. Mayor Rosener agreed and asked for a motion.

MOTION: FROM COUNCIL PRESIDENT YOUNG TO APPROVE RESOLUTION 2026-024, AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE AND SALE AGREEMENT FOR A 0.98-ACRE PROPERTY LOCATED AT 22468 SW PACIFIC HIGHWAY. SECONDED BY COUNCILOR BROUSE. MOTION PASSED 7:0, ALL PRESENT MEMBERS VOTED IN FAVOR.

9. CITY MANAGER REPORT:

City Manager Sheldon reported that the water features would be open this weekend.

10. COUNCIL ANNOUNCEMENTS:

Mayor Rosener suggested keeping the announcements short due to the remainder of the agenda business.

Councilor Mays reported the Police Foundation gala was a success and thanked the foundation for their efforts.

Councilor Giles asked residents to go to sherwoodbigideas.com and provide feedback to him regarding logo ideas and indicated this was a personal initiative.

Council President Young reported that the Sherwood Police Foundation raised \$115,000 on Friday at the gala.

11. RECONVENED TO WORK SESSION:

Mayor Rosener adjourned the meeting at 8:10 pm and reconvened to a work session.

WORK SESSION

1. CALL TO ORDER: Mayor Rosener called the meeting to order at 8:15 pm.

2. COUNCIL PRESENT: Mayor Tim Rosener, Council President Kim Young, Councilors Keith Mays, Taylor Giles, Renee Brouse, Doug Scott, and Dan Standke.

3. STAFF PRESENT: City Manager Craig Sheldon, Assistant City Manager Kristen Switzer, Systems Analyst Mark Swanson, City Attorney Ryan Adams, Public Works Director Rich Sattler, Community Development Director Eric Rutledge, and City Recorder Sylvia Murphy.

OTHERS PRESENT: Washington County Senior Transportation Planner Julie Sosnovske.

4. TOPICS:

A. Edy and Elwert Road Alignment Study

Community Development Director Eric Rutledge introduced Washington County Senior Transportation Planner Julie Sosnovske and provided a presentation (see record, Exhibit D). He said the Elwert and Edy Road Realignment Feasibility Study had been underway for a few months and the purpose of the work session was to check in and ask for feedback. He stated there would be two work sessions on this topic. Ms. Sosnovske said the project started with the Sherwood West Concept Plan (SWCP) and the recommended

realignment of Elwert and Edy Road to reduce environmental impacts. She noted whether or not the road got aligned, it needed to be improved to serve urban traffic, pedestrians, and bicycles. She stated the County approved Major Street Transportation Improvement Program (MSTIP) 3F funding for the Edy Road complete street project and added funding for the realignment feasibility study. She noted this was a joint project between Sherwood and the County. She provided an overview of the project and said there were three potential alternative alignments which included the SWCP alignment, a traffic signal option, and a roundabout option. She said the outcome of the study would be planning level cost estimates. She discussed the project elements which included public and stakeholder engagement, data collection, alignment alternatives, and feasibility analysis. Mr. Rutledge discussed the schedule and said the City Council directed staff to move forward with the comprehensive planning for Sherwood West which he estimated to be a three-year process. He commented on the importance of the realignment feasibility study and said the findings would influence comprehensive planning. He noted the realignment feasibility study would be completed by the end of the year and then the design process would start and that would take approximately one year. Mr. Rutledge discussed the study outcomes which included evaluation of alternatives, planning level cost estimates, and informing the SWCP, Transportations Plan, and Edy Road MSTIP project. Ms. Sosnovske discussed project goals which included safety and livability, mobility and function, land use and environment, and feasibility. Mr. Rutledge asked the Council for feedback on the proposed goals. Councilor Mays said his priority was safety and livability. Councilor Giles said his priority was safety and livability. Mayor Rosener commented on the number of children in Sherwood and said pedestrian safety was his priority. Councilor Giles suggested potentially providing paths along Chicken Creek in the future. Councilor Scott said his priority was safety and livability, second was land use and environment, and the overarching consideration was feasibility. Councilor Standke suggested the feasibility study included a trail corridor overlaid on the map and suggested grade separated crossings. Mr. Rutledge presented the SWCP alignment on page 8 and Ms. Sosnovske discussed the alternatives being considered. Mr. Rutledge thanked the Council for their feedback and said there would be another work session in the future.

Mayor Rosener adjourned the work session at 8:45 pm and convened an Executive Session.

EXECUTIVE SESSION

- 1. **CALL TO ORDER:** Mayor Rosener called the Executive Session to order at 8:46 pm.
- 2. **COUNCIL PRESENT:** Mayor Tim Rosener, Council President Kim Young, Councilors Keith Mays, Taylor Giles, Renee Brouse, Doug Scott, and Dan Standke.
- 3. **STAFF PRESENT:** City Manager Craig Sheldon and Legal Counsel Dave Wendell.
- 4. **TOPICS:**
 - A. **ORS 192.660(2)(a) Employment of Public Officers**
- 5. **ADJOURN:** Mayor Rosener adjourned the executive session at 9:15 pm.

Attest:

Sylvia Murphy, MMC, City Recorder

Tim Rosener, Mayor

TO: Sherwood City Council

FROM: David Bodway, Finance Director

Through: Craig Sheldon, City Manager and Ryan Adams, City Attorney

SUBJECT: Resolution 2026-027, Certifying the Provision of Certain Municipal Services in Order to Qualify the City to Receive State Revenues

Issue:

Should the City certify to the State of Oregon that the City of Sherwood provides sufficient services to be eligible to receive state revenues?

Background:

The State of Oregon distributes a portion of Cigarette, Liquor taxes and Highway Apportionment Fees to eligible municipalities. One of the requirements of state law under ORS 221.760 is that our city provides four or more of the following municipal services to be eligible to receive these revenues:

- Police protection
- Fire protection
- Street construction, maintenance and lighting
- Sanitary sewers
- Storm sewers
- Planning, zoning and subdivision control
- One or more utility services

The City of Sherwood does meet this requirement, and this resolution provides the required certification to the State of Oregon.

Financial Impacts:

There is a portion of the allocation of this revenue that is based on population. In Sherwood's case, this amounts to \$336,676 in Fiscal Year (FY) 2026-27 General Fund revenue and \$1,716,338 in FY 2026-27 Street Fund revenue. The non-per capita based portion for FY 2026-27 amounts to \$365,000 in the General Fund.

Recommendation:

Staff respectfully recommends City Council adoption of Resolution 2026-027, Certifying the Provision of Certain Municipal Services in Order to Qualify the City to Receive State Revenues.



RESOLUTION 2026-027

CERTIFYING THE PROVISION OF CERTAIN MUNICIPAL SERVICES IN ORDER TO QUALIFY THE CITY TO RECEIVE STATE REVENUES

WHEREAS, Oregon Revised Statute (ORS) 221.760 provides for certain Oregon municipalities to receive state revenues from cigarette and liquor taxes and highway apportionment fees only if they meet specified eligibility requirements; and

WHEREAS, the City Council recognizes the desirability of assisting the state officer responsible for determining the eligibility of cities to receive such funds in accordance with ORS 221.760.

NOW, THEREFORE, THE CITY OF SHERWOOD RESOLVES AS FOLLOWS:

Section 1. It is hereby certified that the City of Sherwood provides the following municipal services:

- Police Protection
- Street Construction, Maintenance, and Lighting
- Sanitary Sewer
- Storm Sewers
- Planning, Zoning, and Subdivision Control
- Water Utility

Section 2: This Resolution shall be effective upon its approval and adoption.

Duly passed by the City Council this 2nd day of June, 2026.

Tim Rosener, Mayor

Attest:

Sylvia Murphy, MMC, City Recorder

TO: Sherwood City Council

FROM: David Bodway, Finance Director

Through: Craig Sheldon, City Manager and Ryan Adams, City Attorney

SUBJECT: Resolution 2026-028, Revising the existing set of City Financial Policies

Issue:

Shall the City Council approve Resolution 2026-028, revising the existing set of city financial policies?

Background:

The city transitioned to a biennial budget in FY2025-26. To align with the City's transition, the Capital Improvement Plan (CIP) will now be prepared and submitted on a biennial basis.

The move to a biennial budget created a conflict with existing language in the City's Financial Policies, specifically within Policy 4 – Expenditures, under "Specific Expenditures," which currently requires annual preparation and submission of the Capital Improvement Plan (CIP). This change updates Policy 4 to revise the CIP preparation and submittal requirement from an annual to a biennial basis, ensuring consistency with the City's biennial budget process.

The purpose of this resolution is to approve the proposed changes and incorporate them into the City's Financial Policies.

Financial Impacts:

There is no financial impact directly related to adopting this resolution and updating the Financial Policies.

Recommendation:

Staff respectfully recommends City Council adoption of Resolution 2026-028, revising the existing set of City Financial Policies.



RESOLUTION 2026-028

REVISING THE EXISTING SET OF CITY FINANCIAL POLICIES

WHEREAS, the Sherwood City Council values and promotes fiscal responsibility; and

WHEREAS, the Sherwood City Council recognizes the importance of financial policies in providing a framework for fiscal responsibility; and

WHEREAS, the City of Sherwood has transitioned to a biennial budget cycle beginning in Fiscal Year 2025-26; and

WHEREAS, to align with this transition, the Capital Improvement Plan (CIP) will be prepared and submitted on a biennial basis; and

WHEREAS, the policies have been proposed to be updated to ensure consistency with the biennial budget process; and

WHEREAS, the recommended revisions are attached to this Resolution as Exhibit A.

NOW, THEREFORE, THE CITY OF SHERWOOD RESOLVES AS FOLLOWS:

Section 1. The current City of Sherwood Financial Policies are amended as set forth in the attached Exhibit A.

Section 2. This Resolution shall be effective upon its approval and adoption.

Duly passed by the City Council this 2nd day of June, 2026.

Tim Rosener, Mayor

Attest:

Sylvia Murphy, MMC, City Recorder

Overview of Financial Policies

Purpose

In order to carry out the mission of the City of Sherwood and support the City's values, this set of financial policies has been created by the City of Sherwood.

The purpose of these financial policies is to guide in assessing the long-term financial and budget implications of current decisions and to provide a cohesive long-term approach to financial management of the City of Sherwood. These policies establish a means for guiding today's financial decisions in order to achieve the mission of the City of Sherwood in a manner that reflects the City's values.

Goal

The goal of these policies is to provide the financial stability needed to navigate through economic changes, adjust to changes in the service requirements of the community and respond to other changes as they affect the City's residents.

Responsibilities

1. **Stewardship:** The City of Sherwood is a steward of public funds. These funds are entrusted to the City through the payment of taxes, fees, and fund transfers from other governments. The City of Sherwood is responsible for using all funds efficiently and effectively and for the purposes for which they were intended.
2. **Asset Protection:** The assets of the City of Sherwood exist in a variety of forms. All these assets must be protected through an effective accounting and internal control System. The System must track assets and document the costs of acquisition, maintenance, and replacement.
3. **Legal Conformance:** The City of Sherwood is subject to federal, state, and local statutes and rules regarding purchasing, entering into debt, budgeting, accounting, and auditing: regulations that govern virtually all financial transactions. The City also voluntarily enters into contracts which include significant financial and operational covenants. The City of Sherwood is responsible for conforming to laws, rules, and covenants to which it is subject.
4. **Standards:** The Government Finance Officers Association (GFOA) and the Governmental Accounting Standards Board (GASB) set policies and guidelines for public sector accounting and financial reporting. The City of Sherwood is responsible for adhering to the requirements of these organizations and for seeking guidance from policies, standards and best practices set forth by these organizations.
5. **Authority:** The Sherwood City Council is the sole authority for deleting, modifying, or adding to these policies. Every two years, the Council shall engage the Budget Committee to review and update these policies.

Policy 1 - Funds

1. The City of Sherwood will maintain an orderly and logical fund structure that provides stakeholders with ready access to financial information.
2. The City of Sherwood will conform to Generally Accepted Accounting Principles (GAAP) and the Government Finance Officers Association's best practices for establishing and maintaining funds.
3. The City of Sherwood will establish and maintain those funds required by law and sound financial administration. Acknowledging that unnecessary funds result in inflexibility, complexity, and inefficient financial administration, only the minimum number of funds consistent with legal and operating requirements will be established.
4. The criteria for establishing a new fund are variable, but include triggers such as:
 - a. Inauguration of a new dedicated revenue stream and a concurrent service
 - b. The need for increased clarity of financial information
 - c. The establishment of a new enterprise
 - d. Covenants embodied in financing agreements and
 - e. Changes in state law or financial management/accounting standards
5. Only the Sherwood City Council has the authority to create or delete funds. The Council shall create or delete funds by resolution.

Policy 2 - Budgeting

1. The City of Sherwood budget process shall consist of activities that encompass the development, implementation, and evaluation of a plan for the provision of services and capital assets.
2. The purpose of the budget process is to help decision makers make informed choices about the provision of services and capital assets and to promote stakeholder participation in the process.
3. The City of Sherwood budget process shall:
 - a. Incorporate a long-term perspective (minimum five fiscal years)
 - b. Establish linkages to broad organizational goals
 - c. Focus budget decisions on results and outcomes
 - d. Involve and promote effective communication with stakeholders
4. All budgetary procedures will conform to existing state and local regulations. Oregon budget law requires each local government to prepare a balanced budget and Oregon Administrative Rules state:
 - a. The budget must be constructed in such a manner that the total resources in a fund equal the total of expenditures and requirements for that fund, and
 - b. The total of all resources of the municipality must equal the total of all expenditures and all requirements for the municipality.
5. A cost allocation plan will be developed and incorporated into the City of Sherwood budget. The cost allocation plan will be the basis for distribution of general government and internal service costs to other funds, divisions, and capital projects.
6. The Sherwood City Council shall adopt the budget at the fund, division, or program level (as appropriate to each fund) as a total dollar amount for all appropriations except contingency, unappropriated ending fund balance and reserves, which shall be stated separately.
7. Inter-fund Transfers shall be kept to a minimum. Inter-fund loans shall be documented in a resolution that cites the terms of the loan.
8. As part of the biennial budget process, the City of Sherwood will maintain a five-year revenue and expenditure forecast. This forecast will be created using an objective, analytical process incorporating applicable projections from the State of Oregon's latest Economic Forecast and conservative assumptions where State developed data is not available. Revenues will be estimated realistically and prudently using best practices as defined by the Government Finance Officers Association. Revenues shall be forecasted conservatively.

Policy 2 – Budgeting (Continued)

9. Oregon budget law provides a means to adjust the budget for emergency expenditures or unforeseen circumstances. All resolutions adjusting the budget will be prepared by the Finance department for City Council approval to ensure compliance with budget laws.
10. Prior to submittal to City Council, the Budget Officer will convene the Budget Committee to review supplemental budget resolutions. If time does not allow for this action, Budget Committee members shall be informed of the City Council's action on the resolution promptly.
11. A mid-year review process will be conducted by the City Manager and Finance Director in order to make any necessary adjustments to the Adopted budget.
12. In the City's effort to strive for excellence, the City of Sherwood will make every effort to obtain the Award for Distinguished Budget Presentation from the Government Finance Officers Association (GFOA).
13. Reports comparing actual to budgeted expenditures will be prepared quarterly by the Finance Department and distributed to the City Council, City Manager and Department Directors.

Policy 3 - Revenue

1. City of Sherwood revenues are either unrestricted or dedicated. Unrestricted revenues can be used for any purpose. Dedicated revenues are restricted in the ways they can be used by federal or state regulations, contractual obligations, or by City Council action. The City of Sherwood will adhere to the restrictions applied to dedicated revenues.
2. The City of Sherwood will maintain a diversified revenue stream that is managed strategically to mitigate the impact of short-term fluctuations in any revenue source.
3. The City of Sherwood will identify sustainable revenue levels and, to the extent possible, current operations will be funded by current sustainable revenues.
4. One-time revenues will be used for one-time expenditures or as contributions to reserves and will not be used to pay for established services.
5. The City of Sherwood will not respond to long-term revenue shortfalls with deficit financing and borrowing to support established services. Expenses will be reduced and/or revenues will be increased to conform to the long-term revenue forecasts.
6. During the budget process, the Sherwood City Council will identify those programs which are to be supported in whole or in part by cost recovery and ensure that revenue collections reflect the cost of providing associated services by adjusting fees accordingly.
7. The City of Sherwood will charge fees for services where such an approach is permissible, and where a limited and specific group of beneficiaries who can pay such charges is identifiable.
8. New or expanded unrestricted revenue streams should first be applied to support existing programs. When existing programs are adequately funded, such revenue may be used as contributions to reserves or to fund new or expanded programs.

Policy 4 - Expenditures

Controls

1. By resolutions, the City Council will establish a purchasing policy that conforms to state statutory requirements for purchasing and contracting and invests the City Manager with purchasing and contracting authority.
2. By Budget and Supplemental Budget Resolutions, the City Council shall establish and limit expenditure appropriations by statutory categories. The City Manager shall be responsible for limiting expenditures to those appropriation levels.

Specific Expenditures

1. **Personal Services.** Pursuant to the City Charter, the City Manager or designee is responsible for the management of employee staffing and compensation. The City Manager or designee shall negotiate salaries and benefits for represented employee groups in conformance with the Oregon Public Employees Collective Bargaining Act and the Employee Relations Board decisions and arbitration decisions that emanate from the Act.
2. **Capital Improvement Impacts.** Whenever Capital Improvement expenditures will result in increases to future operating expenses or asset replacement contributions, estimates of those impacts shall be incorporated into the long-term financial plan.
3. **Capital Outlay.** By resolution, the City Council shall define the characteristics of a capital asset by specifying the minimum purchase price and minimum term of service. The City will provide for adequate maintenance of Capital Assets.
4. **Capital Improvement Plan.** The City Manager or designee will prepare a five-year Capital Improvement Plan (CIP) ~~annually~~ biennially and submit it to the City Council for approval via resolution.

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Policy 5 - Revenue Constraints and Fund Balance

Nature of Constraints

The City of Sherwood will maintain the following categories of revenue constraints in conformance with GASB 54. Fund Balances shall be accounted for on the basis of these categories.

1. **Non-spendable.** Assets that are not in a spendable form or are required to be maintained intact.
2. **Restricted.** Cash that can be spent only for specific purposes stipulated by third parties or by statutes. Only the constraining party can lift constraints on Restricted funds.
3. **Committed.** Cash that can be used only as directed by formal action of City Council. Council action may be in the form of a motion or resolution. Only the City Council can lift constraints on committed funds. Such a change must be made using the same action that established the constraint.
4. **Assigned.** Cash the City intends to use for specific purposes. The City Council delegates the authority to create this constraint to the City Manager. In addition, for all funds except the general fund, all cash not in one of the Non-spendable, Restricted, or Committed categories, or specifically assigned under this category will, by default, be assigned to this category.
5. **Unassigned.** General Fund cash that is not otherwise categorized fund balance is the residual classification for the general fund and includes all amounts not contained in the other classifications.

Other Considerations

1. **Stabilization.** The purpose of stabilization arrangements is to provide a revenue source to maintain service delivery during periods of diminished revenues. The City may choose to create stabilization arrangements either by creating new funds or dedicating revenues within existing funds. Stabilization arrangements will be created by the City Council and the authorizing legislation shall include the policies on funding and accessing the arrangement.
2. **Order of Use.** If multiple categories of fund balance are applicable to an expenditure, the City shall access funds in the following order: Restricted, Committed, Assigned, Unassigned.
3. **Purpose of Special Revenue Funds.** Special Revenue funds are general government funds created to track the use of dedicated revenues. The City legislation creating a special revenue fund will specify which specific revenues and other resources are authorized to be reported in the fund.
4. **Fund Balance.** Unrestricted fund balance is the sum of Committed, Assigned and Unassigned fund balance in any individual fund. In the General Fund, the City will maintain an Unrestricted fund balance of at least 20% of fund revenue.

Policy 6 - Continuing Disclosure

Continuing Disclosure In General

Issuers of municipal securities and entities working on their behalf disclose material information to the marketplace such as annual financial information and material event notices. In December 2008, the Securities and Exchange Commission directed the Municipal Securities Rulemaking Board to establish a continuing disclosure service of the MSRB's Electronic Municipal Market Access (EMMA) system effective July 1, 2009. The continuing disclosure service of EMMA collects continuing disclosure documents from the issuer community and makes them available to the public for free through EMMA.

In conformance with the "Continuing Disclosure Certificate" entered into by the City of Sherwood in bond issuances, the City shall comply with Rule 15c2-12 of the Securities Exchange Act of 1934 (Exchange Act). As noted above, these disclosures generally are divided between submissions made to update financial or operating information about the issuer and notices that disclose the occurrence of specific events that may have an impact on the bonds. These disclosures are described below.

City Responsibility

The Finance Director shall be responsible for adhering to the City's Continuing Disclosure Obligations.

Debt

The City will borrow only to finance capital assets. The City will not borrow for operating purposes.

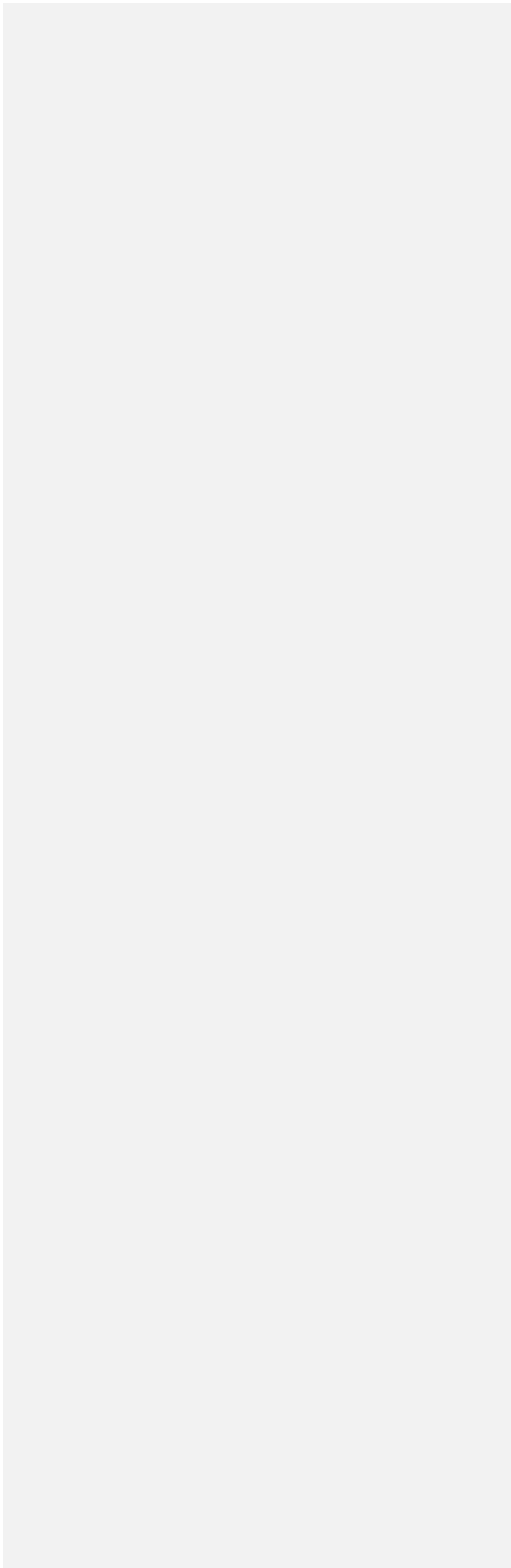
No bonds will mature more than 30 years from the date of issuance. No debt will be issued with a life exceeding the estimated useful life of the capital assets being financed. The City will limit bonded debt to 3% or less of total assessed value, as required by ORS 287.004. Repayment sources are identified for every debt prior to issuance.

Policy 6 - Continuing Disclosure (continued)

Rule 15c2-12 Disclosures

Rule 15c2-12 rule requires, for most new offerings of municipal securities, that the following types of information be provided to the MSRB's EMMA system:

1. Financial or operational information
 - a. Annual financial information concerning issuers or other obligated persons, or other financial information and operating data provided by issuers or other obligated persons
 - b. Audited financial statements for issuers or other obligated persons, if available
2. Event Notices
 - a. Principal and interest payment delinquencies
 - b. Non-payment related defaults, if material
 - c. Unscheduled draws on debt service reserves reflecting financial difficulties
 - d. Unscheduled draws on credit enhancements reflecting financial difficulties
 - e. Substitution of credit or liquidity providers, or their failure to perform
 - f. Adverse tax opinions, Internal Revenue Service (IRS) notices or material events affecting the tax status of the security
 - g. Modifications to rights of security holders, if material
 - h. Bond calls, if material
 - i. Tender offers
 - j. Defeasances, release, substitution, or sale of property securing repayment of the securities, if material
 - k. Rating changes
 - l. Bankruptcy, insolvency, receivership or similar event;
 - m. Merger, consolidation, or acquisition, if material; and appointment of a successor or additional trustee, or the change of name of a trustee, if material
 - n. Notices of failures to provide annual financial information on or before the date specified in the written agreement



TO: Sherwood City Council

FROM: Richard Sattler, Public Works Director

Through: Craig Sheldon, City Manager and Ryan Adams, City Attorney

SUBJECT: Resolution 2026-029, Authorizing the City Manager to execute a construction contract for the 2025-27 Slurry Seal Program

Issue: Should City Council authorize the City Manager to execute a construction contract with the lowest responsive bidder for the 2025-27 Slurry Seal Program?

Background: The City has a responsibility to maintain our public infrastructure and to perform preventative maintenance to prolong the quality of city streets.

The City solicited competitive bids from contractors and opened bids on May 19, 2026, to determine the lowest responsive bid. We received three bids. The lowest responsive bidder is VSS International, Inc. with a total bid of \$294,325. The required seven (7) day period has been completed.

The roads selected (attached) are prioritized in our Pavement Management System which was updated in May 2026. The system is updated every three (3) years. This work is scheduled to begin after June 17, 2026 and will be completed on or before August 28, 2026, prior to school starting in September.

Financial Impacts: The completion of the slurry seal program has a budgeted Base Contract Amount of \$294,325 with construction contingency of \$58,865 (20%). Funding for the project is included in the FY2025/27 adopted budget.

Recommendation: Staff respectfully recommends City Council adoption of Resolution 2026-029, authorizing the City Manager to execute a construction contract for the 2025-27 Slurry Seal Program.



2025-27 City of Sherwood Slurry Seal Exhibit A

Road Name:	From:	To:
SW CENTURY DR	SHERWOOD BLVD	TRUMPETER DR
SW CENTURY DR	BALER WAY (E. INT)	FERGUSON TER
SW FARMER WAY	WHETSTONE WAY (S. INT.)	WHETSTONE WAY (N. INT.)
SW FOREST AVE	NORTON AVE	MARTIN CT
SW FOREST AVE	TAYLOR CT	UPPER ROY ST
SW FOREST AVE	MARTIN CT	TAYLOR CT
SW GRAINERY PL	THRASHER WAY	CUL-DE-SAC
SW TAYLOR CT	CUL DE SAC N	FOREST AVE
SW TAYLOR CT	FOREST AVE	CUL DE SAC S
SW THRASHER WAY	GRAINERY PL	WHETSTONE WAY
SW THRASHER WAY	BALER WAY	GRAINERY PL
SW UPPER ROY ST	MAY CT	MANSFIELD ST
SW UPPER ROY ST	MANSFIELD ST	KATHY ST
SW UPPER ROY ST	KATHY ST	WILLIAM AVE
SW UPPER ROY ST	WILLIAM AVE	MURDOCK RD
SW WHETSTONE WAY	LANGER FARMS PKWY SW	THRASHER WAY
SW WILLAMETTE ST	NORTON AVE	HALL ST
SW WILLAMETTE ST	HIGHLAND DR	FOUNDRY AVE
SW CENTURY DR	BALER WAY (W. INT)	BALER WAY (E. INT)
SW CENTURY DR	TRUMPETER DR	BALER WAY (W. INT)
SW LINCOLN ST	WILLAMETTE ST	VISTA AVE
SW LINCOLN ST	VISTA AVE	DIVISION ST
SW MARTIN CT	CUL DE SAC N	FOREST AVE
SW MARTIN CT	FOREST AVE	CUL DE SAC S
SW UPPER ROY ST	WILLAMETTE ST	APRIL CT
SW UPPER ROY ST	APRIL CT	FOREST AVE
SW UPPER ROY ST	FOREST AVE	COCHRAN DR
SW UPPER ROY ST	COCHRAN DR	COCHRAN ST
SW UPPER ROY ST	COCHRAN ST	MAY CT
SW WHETSTONE WAY	FARMER WAY	BALER WAY
SW WHETSTONE WAY	THRASHER WAY	FARMER WAY
SW WILLAMETTE ST	ORCUTT PL	HIGHLAND DR
SW CENTURY DR	FERGUSON TER	LANGER FARMS PKWY
SW BALER WAY	SPRINGTOOTH LN	STETSON ST
SW BALER WAY	THRASHER WAY	SPRINGTOOTH LN
SW BALER WAY	SPRINGTOOTH LN	WHETSTONE WAY
SW BALER WAY	WHEAT PL	SPRINGTOOTH LN
SW BALER WAY	BARLEY PL	WHEAT PL
SW COCHRAN DR	JUNE CT	WILLAMETTE ST
SW COCHRAN DR	UPPER ROY ST	JUNE CT



2025-27 City of Sherwood Slurry Seal Exhibit A

SW JUNE CT	COCHRAN DR	CUL-DE-SAC
SW KEDA CT	TRUMPETER DR	CUL-DE-SAC
SW MAY CT	UPPER ROY ST	CUL-DE-SAC
SW NORTON AVE	FOREST AVE	WILLAMETTE ST
SW TRUMPETER DR	CENTURY DR	KEDA CT
SW WALLACE PL	STETSON ST	CUL-DE-SAC
SW WHEAT PL	BALER WAY	CUL-DE-SAC
SW WILLAMETTE ST	UPPER ROY ST	LOWER ROY ST
SW WILLAMETTE ST	HALL ST	UPPER ROY ST
SW APRIL CT	UPPER ROY ST	CUL-DE-SAC
SW BALER WAY	WHETSTONE WAY	BARLEY PL
SW BALER WAY	REDCLOVER LN	CENTURY DR
SW BALER WAY	CENTURY DR	REDCLOVER LN
SW BALER WAY	STETSON ST	REDCLOVER LN
SW BALER WAY	REDCLOVER LN	THRASHER WAY
SW BARLEY PL	BALER WAY	CUL-DE-SAC
SW BARNSDALE DR	EAST DEAD END	NORTON AVE
SW SPRINGTOOTH LN	BALER WAY (S. INT.)	BALER WAY (N. INT.)
SW COCHRAN ST	UPPER ROY ST	CUL-DE-SAC
SW NORTON AVE	BARNSDALE DR	FOREST AVE
SW REDCLOVER LN	BALER WAY (S. INT.)	BALER WAY (N. INT.)
SW STETSON ST	WALLACE PL	TRUMPETER DR
SW STETSON ST	BALER WAY	WALLACE PL
SW TRUMPETER DR	KEDA CT	STETSON ST
SW TRUMPETER DR	STETSON ST	DEAD END S
SW KATHY CT	KATHY ST SW	CUL DE SAC
SW KATHY ST	KATHY CT	WILLAMETTE ST
SW KATHY ST	UPPER ROY ST	KATHY CT



RESOLUTION 2026-029

AUTHORIZING THE CITY MANAGER TO EXECUTE A CONSTRUCTION CONTRACT FOR THE 2025-27 SLURRY SEAL PROGRAM

WHEREAS, the City has a responsibility to maintain the City’s infrastructure; and

WHEREAS, the City produced bid documents and solicited contractors using a competitive bidding process in accordance with ORS 279C, OAR 137-049; and

WHEREAS, the City opened bids on May 19, 2026, and issued the Notice of Intent to Award, and the mandatory seven (7) day protect period has been completed with no protests received; and

WHEREAS, the City has budgeted for construction cost of this project within the adopted FY2025/27 budget; and

WHEREAS, VSS International, Inc. has been identified by City staff as the lowest responsive bidder.

NOW, THEREFORE, THE CITY OF SHERWOOD RESOLVES AS FOLLOWS:

Section 1. The City Manager is hereby authorized to execute a construction contract with VSS International, Inc. in a Base Contract Amount of \$294,325 with construction contingency in the amount of \$58,865 (20% of the base contract amount) for the 2025/27 Slurry Seal program.

Section 2. This Resolution shall be in effect upon its approval and adoption.

Duly passed by the City Council this 2nd day of June, 2026.

Tim Rosener, Mayor

Attest:

Sylvia Murphy, MMC, City Recorder

TO: Sherwood City Council

FROM: Rich Sattler, Public Works Director
Through: Craig Sheldon, City Manager and Ryan Adams, City Attorney

SUBJECT: **Resolution 2026-030, Authorizing the City Manager to apply for a grant through the Oregon Park and Recreation Department Local Government Grant Program**

Issue: Shall City Council authorize the City Manager to apply for a Local Government Grant Program through Oregon Park and Recreation Department for Murdock Park?

Background: In 2021, the City adopted the Parks and Recreation Master Plan, which identified Murdock Park as a priority and high-impact project. Following Council direction, staff initiated development of the Murdock Park Master Plan through a competitive Request for Proposals (RFP) process. Lango Hansen Landscape Architects was selected as the consultant to lead the effort, and the Murdock Park Master Plan was approved by City Council on November 19, 2024 (Resolution No. 2024-074).

Lango Hansen was awarded a contract November 4, 2026 through Resolution No. 2025-078 to provide construction ready design documents for Murdock Park. The proposed work included stormwater management design including a new stormwater garden and required drainage; wetland improvements, redesign of the pedestrian bridge and pond overlook; design of a new irrigation system, planting plan, and strategies for a future playground design.

A well-received Open House was held March 30, 2026 to seek input on preferred playground design. An online survey was made available from March 30 to April 3, 2026 to seek input from the public which were not able to attend the Open House.

At the April 6th Sherwood Park and Recreation Advisory Board meeting, the design was shared with the Board on the various elements of the park to better refine the construction ready documents and specifications.

The total improvements to Murdock Park are estimated to be around \$3,000,000. A phased approach to the improvements is being proposed due to the estimated improvement costs. In the grant application we are proposing ADA improvements (trail grade), stormwater improvements, inclusive surfacing, play equipment (existing play tower to remain) and irrigation.

Financials: The Oregon Parks and Recreation Department requires a 40% match to the Grant. With the City applying for a \$1,000,000 grant, this would place the city's 40% match at \$400,000. The current 2025-2027 Budget does not reflect this cost in the budget; however staff will be taking a supplemental budget request should the city be awarded the grant.

Recommendation: Staff respectfully requests City Council adoption of Resolution 2026-030, authorizing the City Manager to apply for a Local Government Grant Program through Oregon Park and Recreation Department for Murdock Park.



RESOLUTION 2026-030

AUTHORIZING THE CITY MANAGER TO APPLY FOR A GRANT THROUGH THE OREGON PARKS AND RECREATION DEPARTMENT LOCAL GOVERNMENT GRANT PROGRAM

WHEREAS, the Oregon Parks and Recreation Department is accepting applications for the Local Government Grant Program; and

WHEREAS, City staff desires to participate in this grant program to the greatest extent possible as a means of providing needed park and recreation acquisitions, improvements and enhancements; and

WHEREAS, City staff have identified improvements at Murdock Park as a high priority need within the City; and

WHEREAS, a phased approach to the improvements is being proposed due to the estimated improvement costs. In the grant application ADA improvements (trail grade), stormwater improvements, inclusive surfacing, play equipment (existing play tower to remain) and irrigation are being proposed; and

WHEREAS, the City has local matching funds to fulfill its share of obligation related to this grant application should the grant funds be awarded; and

WHEREAS, the City will provide adequate funding for on-going operations and maintenance of Murdock Park should the grant funds be awarded.

NOW, THEREFORE, THE CITY OF SHERWOOD RESOLVES AS FOLLOWS:

Section 1. The Sherwood City Council demonstrates its support for the submittal of a grant application to the Oregon Park and Recreation Department for improvements at Murdock Park.

Section 2. This Resolution shall be effective upon its approval and adoption.

Duly passed by the City Council this 2nd day of June, 2026.

Tim Rosener, Mayor

Attest:

Sylvia Murphy, MMC, City Recorder

TO: Sherwood City Council

FROM: Brad Crawford, IT Director
Through: Craig Sheldon, City Manager and Ryan Adams, City Attorney

SUBJECT: **Resolution 2026-031, Authorizing the City Manager to sign IGA's with City of Hillsboro for Interconnection and the Acquisition of Fiber Optic Capacity**

Issue:

Shall the City Council authorize the City Manager to sign two IGA's with the City of Hillsboro for interconnection and the acquisition of fiber optic capacity?

Background:

The City of Sherwood has completed construction of fiber infrastructure extending to Scholls Ferry Road, where it now connects with the fiber network established by the City of Hillsboro. With these networks linked, Sherwood has a dedicated fiber path into Hillsboro and to one of our Sherwood Broadband Data centers. This connection also enables service to Groner Elementary and provides a secondary fiber connection to the Educational Services District for the Sherwood School District, enhancing network reliability and access for educational facilities.

Staff is requesting the approval of two IGA's as a part of this resolution. The two IGA's are nearly identical with one being an authorization to interconnect at a City of Hillsboro vault which has no cost associated. The second IGA grants access to fiber on the City of Hillsboro network and does have a cost associated with it.

Financial Impacts:

There is no financial cost associated with the fiber connection to Groner Elementary which is detailed in the IGA shown in Exhibit A. However, the city will pay \$3,000 annually for each fiber pair acquired on the Hillsboro network and detailed in the IGA shown in Exhibit B. This cost is considered reasonable and is consistent with the rate Sherwood charges other government entities that utilize our Sherwood Broadband network.

Recommendation:

Staff respectfully recommends City Council adoption of Resolution 2026-031, Authorizing the City Manager to sign IGA's with the City of Hillsboro for Interconnection and Acquisition of Fiber Optic Capacity.



RESOLUTION 2026-031

AUTHORIZING THE CITY MANAGER TO SIGN IGA’S WITH CITY OF HILLSBORO FOR INTERCONNECTION AND THE ACQUISITION OF FIBER OPTIC CAPACITY

WHEREAS, the City of Sherwood has constructed fiber optic connectivity from Sherwood to rural Washington County, where the City of Hillsboro has its own fiber connectivity; and

WHEREAS, the City of Sherwood wishes to interconnect these fibers bringing enhanced connectivity to the Sherwood Broadband Network; and

WHEREAS, interconnecting will bring resilient connectivity to the regional Educational Services District, which will benefit Sherwood School District; and

WHEREAS, the cost of these fibers is consistent with the charges Sherwood charges other entities requesting services from Sherwood Broadband.

NOW, THEREFORE, THE CITY OF SHERWOOD RESOLVES AS FOLLOWS:

Section 1. The City Manager is hereby authorized to sign, execute, and administer the IGA’s with City of Hillsboro attached in a form substantially similar to that in Exhibit A and Exhibit B, and any other documents related to these IGA’s.

Section 2. This Resolution shall be effective upon its approval and adoption.

Duly passed by the City Council this 2nd day of June, 2026.

Tim Rosener, Mayor

Attest:

Sylvia Murphy, MMC, City Recorder

INTERGOVERNMENTAL AGREEMENT ON
SHARING DATA NETWORK RESOURCES
BETWEEN THE CITY OF SHERWOOD AND CITY OF HILLSBORO

This Intergovernmental Agreement Regarding Sharing Data Network Resources (this "Agreement") is entered into by and between the City of Sherwood, a municipal corporation of the State of Oregon ("Sherwood"), City of Hillsboro, a municipal corporation of the State of Oregon ("Hillsboro") (collectively, the "Parties"), pursuant to ORS 190.003 to 190.110, which allows units of government to enter into agreements for the performance of any or all functions and activities which such units have authority to perform.

RECITALS

WHEREAS, Sherwood and Hillsboro have found many areas of mutual benefit in sharing data resources and infrastructure; and

WHEREAS, intergovernmental cooperation between Sherwood and Hillsboro in data transport and the provision of access to fiber resources benefit the citizens and taxpayers of Sherwood and Hillsboro; and

WHEREAS, the Parties desire to formalize this practice of cooperation through an Intergovernmental Agreement;

NOW, THEREFORE, Sherwood and Hillsboro agree as follows:

AGREEMENT

ARTICLE 1
Ownership and Use Rights.

1.1. Sherwood Use Rights. Hillsboro hereby grants Sherwood exclusive and unrestricted use of the following infrastructure and services. The infrastructure and services outlined below are detailed where possible on a map shown in exhibit A.

Access to the Hillsboro physical infrastructure at the locations shown in exhibit A and exhibit B to install a single 2" conduit, and single fiber optic cable, and an appropriately sized splice enclosure on the existing Hillsboro fiber optic cable to facilitate connectivity which will be defined and governed by future agreements as needed.

1.2. Hillsboro Use Rights. Sherwood hereby grants Hillsboro exclusive and unrestricted use of the following infrastructure and services. Use of any services will be governed by Sherwood's standard broadband services agreements. The infrastructure and services outlined below are detailed where possible on a map shown in exhibit A.

None.

- 1.3. Control of Network. Sherwood and Hillsboro shall each have full and complete control and responsibility for determining any network and service configuration or designs, routing configurations, regrooming, rearrangement or consolidation of channels or circuits and all related functions with regard to the use of their respective fiber strands. Sherwood and Hillsboro shall not control the others' fiber strands nor be responsible for any of the above for the other party. For purposes of this section and determining control of the fiber strands, the fiber strands a party has use of under this Agreement shall be considered to be that Party's fiber strands.
- 1.4. No Electronics. The Parties acknowledge and agree that they are responsible for their own optronics or electronics or optical or electrical equipment or other facilities. Neither Party is responsible for performing any work other than as specified in this Agreement.
- 1.5. Costs. Costs related to the installation of the cross-connect will be paid by Sherwood.

ARTICLE 2
Consideration

- 2.1 The items described in Section 1 above will be provided at no cash cost. Neither party can charge any fees to the other in connection with the items provided under Section 1 of this Agreement. This includes, but is not limited to, franchise fees, utility fees, usage fees, right of way fees, or other fees that can be levied by one government entity onto another.

ARTICLE 3
Term, Amendment, Assignment, and Severability

- 3.1 The term of this Agreement (the "Term") shall be for ten (10) years beginning upon the final date of signatures by both parties.
- 3.2 Termination (prior to the expiration of the Term) or amendment of this Agreement, or parts thereof, requires the written consent of both Parties, except that Article 1 may be amended by written consent of Sherwood's City Manager and Hillsboro's City Manager.
- 3.3 If any part of the Agreement is invalidated by court of competent jurisdiction, all remaining parts of the Agreement shall be severed from the invalid parts and shall remain in full force and effect.

ARTICLE 4
Maintenance and Work on the Fiber and Infrastructure

- 4.1 Sherwood will be responsible for maintenance of the fiber and infrastructure that is either owned or leased by Sherwood. If the fiber or infrastructure is damaged, or it requires relocation or replacement, Sherwood will be responsible for those costs, unless the two parties, Hillsboro and Sherwood, can mutually arrange a different funding agreement.
- 4.2 Hillsboro will be responsible for maintenance of the fiber and infrastructure either owned or leased by Hillsboro. If the fiber or infrastructure is damaged, or it requires relocation or

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replacement, Hillsboro will be responsible for those costs, unless the two parties, Hillsboro and Sherwood, can mutually arrange a different funding agreement.

- 4.3 Maintenance, repairs or relocation will be done in a timely fashion in accordance with industry standards and outlined in Exhibit B and Exhibit C.
- 4.4 For purposes of this Section, the cable and infrastructure a party has use of under this Agreement shall be considered to be leased by that party.

ARTICLE 5
Underlying Rights

- 5.1 Underlying Rights. Each party has obtained certain rights of way and building access rights for construction and operation of their respective Sherwood Network and Hillsboro Network (the "Underlying Rights") as depicted in Exhibit A-1. This Agreement is subject to the terms and limitations of the Underlying Rights, and subject to the terms under which the right of way and other property interests are owned or held by the grantor of the Underlying Rights, including, but not limited to, covenants, conditions, restrictions, easements, reversionary interests, bonds, mortgages and indentures, and other matters, whether or not of record, and to the rights of tenants and licensees in possession. Nothing herein shall be construed as to be a representation, warranty or covenant of either party's right, title or interest with respect to the right of ways or the Underlying Rights, all of which are disclaimed, except that Sherwood represents to Hillsboro that the use of Sherwood's leased space in the Pittock is sublicensable to Hillsboro under the terms of the Sherwood's lease agreement.
- 5.2 Hillsboro Obligations. Hillsboro agrees to use the fiber and infrastructure for which it has acquired usage rights under this Agreement only in a manner consistent with the Underlying Rights and all applicable laws and agrees that its rights shall in all respects be subject to the terms and conditions of the Underlying Rights. Hillsboro agrees not to cause or allow to be caused any default under the Underlying Rights.
- 5.3 Sherwood's Obligations. The Sherwood agrees to use the fiber and infrastructure for which it has acquired usage rights under this Agreement only in a manner consistent with the Underlying Rights and all applicable laws and agrees that its rights shall in all respects be subject to the terms and conditions of the Underlying Rights. The Sherwood agrees not to cause or allow to be caused any default under the Underlying Rights.

ARTICLE 6
Use of the Fibers

Hillsboro and Sherwood each shall not use the fiber and infrastructure for which they have acquired usage rights under this Agreement, in a way that interferes in any way with or adversely affects the use of the fibers or infrastructure of any other person using the Sherwood Network or the Hillsboro Network. The Parties acknowledge that the Sherwood Network and the Hillsboro Network may include other participants, including Sherwood or Hillsboro and other owners and users of telecommunication systems.

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ARTICLE 7
Notices

All notices and other communications required or permitted under this Agreement shall be in writing and shall be given by United States first class mail, postage prepaid, registered or certified, return receipt requested, or by hand delivery (including by means of a professional messenger service or overnight mail) addressed as follows:

All notices shall be given to Sherwood at:

City of Sherwood
22560 SW Pine Street
Sherwood, Oregon 97140
Attention: Brad Crawford

All notices shall be given to Hillsboro at:

City of Hillsboro
Information Services Department
150 E Main St
Hillsboro, OR 97123

In addition, The Parties may provide notice of the availability or interruption of the services or a planned maintenance, by electronic delivery at all of the following Internet addresses:

Electronic Notice address for Hillsboro: greg.mont@hillsboro-oregon.gov

Electronic Notice address for Sherwood: crawfordb@sherwoodoregon.gov

In the case of an emergency, either Party may notify the other Party either through the Internet addresses set forth above, or at the following telephone numbers:

Telephone Number for Hillsboro: 503-693-4400

Telephone Number for Sherwood: (503) 625-4270

Any such notice or other communication shall be deemed to be effective when actually received or refused. Either Party may by similar notice given change the address to which future notices or other communications shall be sent.

ARTICLE 8
Indemnification

To the extent permitted by the Oregon Tort Claims Act, each party shall defend, indemnify, and hold harmless the other party and its elected officials, officers, agents, volunteers, and employees against any and all liability, settlements, loss, damage, costs, and expenses arising from or in connection with any action, suit, demand, or claim resulting or allegedly resulting from the indemnifying party's and/or the indemnifying party's elected officials', officers', agents',
Sherwood – Hillsboro Cross Connect Agreement 2026

volunteers', and employees' acts, omissions, activities, or services in the course of performing this Agreement. A Party's activities are deemed to include those of its subcontractors. This section will survive the termination or revocation of this Agreement, regardless of cause.

ARTICLE 9
General Provisions

- 9.1. Oregon Law and Forum This Agreement, and all rights, obligations, and disputes arising out of it will be governed by and construed in accordance with the laws of the State of Oregon without giving effect to the conflict of law provisions thereof. Any claim between HILLSBORO and Sherwood that arises from or relates to this Agreement shall be brought and conducted solely and exclusively within the Circuit Court for the State of Oregon; provided, however, if a claim must be brought in a federal forum, then it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. In no event shall this section be construed as a waiver by either Party of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the Eleventh Amendment to the Constitution of the United States or otherwise, from any claim or from the jurisdiction of any court. Sherwood, by execution of this Agreement, hereby consents to the in-personam jurisdiction of the courts referenced in this section.
- 9.2. Compliance with Applicable Law Both Parties shall comply with all applicable local, state and federal ordinances, statutes, laws and regulations. All provisions of law required to be part of this Agreement, whether listed or otherwise, are hereby integrated and adopted herein. Failure to comply with such obligations is a material breach of this Agreement.
- 9.3. Non-Exclusive Rights and Remedies Except as otherwise expressly provided herein, the rights and remedies expressly afforded under the provisions of this Agreement shall not be deemed exclusive and shall be in addition to and cumulative with any and all rights and remedies otherwise available at law or in equity. The exercise by either Party of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other remedies for the same default or breach, or for any other default or breach, by the other Party.
- 9.4. Access to Records The Parties shall retain, maintain, and keep accessible all records relevant to this Agreement ("Records") for a minimum of six (6) years, following Agreement termination or full performance or any longer period as may be required by applicable law, or until the conclusion of an audit, controversy or litigation arising out of or related to this Agreement, whichever is later. The Parties shall maintain all financial records in accordance with generally accepted accounting principles. All other Records shall be maintained to the extent necessary to clearly reflect actions taken. During this record retention period each Party shall permit the other Parties' authorized representatives' access to the Records at reasonable times and places for purposes of examining and copying.

- 9.5. Debt Limitation This Agreement is expressly subject to the debt limitation of Oregon counties set forth in Article XI, Section 10, of the Oregon Constitution, and is contingent upon funds being appropriated therefore. Any provisions herein which would conflict with law are deemed inoperative to that extent.
- 9.6. Severability If any provision of this Agreement is found to be unconstitutional, illegal or unenforceable, this Agreement nevertheless shall remain in full force and effect and the offending provision shall be stricken. The Court or other authorized body finding such provision unconstitutional, illegal or unenforceable shall construe this Agreement without such provision to give effect to the maximum extent possible the intentions of the Parties.
- 9.7. Integration, Amendment and Waiver Except as otherwise set forth herein, this Agreement constitutes the entire agreement between the Parties regarding its subject matter. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement. No waiver, consent, modification or change of terms of this Agreement shall bind either Party unless in writing and signed by both Parties and all necessary approvals have been obtained. Such waiver, consent, modification or change, if made, shall be effective only in the specific instance and for the specific purpose given. The failure of either Party to enforce any provision of this Agreement shall not constitute a waiver by such Party of that or any other provision.
- 9.8. Interpretation The titles of the sections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.
- 9.9. Independent Contractor Each of the Parties hereto shall be deemed an independent contractor for purposes of this Agreement. No representative, agent, employee or contractor of one Party shall be deemed to be a representative, agent, employee or contractor of the other Party for any purpose, except to the extent specifically provided herein. Nothing herein is intended, nor shall it be construed, to create between the Parties any relationship of principal and agent, partnership, joint venture or any similar relationship, and each Party hereby specifically disclaims any such relationship.
- 9.10. No Third-Party Beneficiary Sherwood and Hillsboro are the only parties to this Agreement and are the only parties entitled to enforce its terms. Nothing in this Agreement gives, is intended to give, or shall be construed to give or provide any benefit or right, whether directly, indirectly or otherwise, to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this Agreement.
- 9.11. Assignment Neither Party shall assign or transfer any of its interest in this Agreement, by operation of law or otherwise, without obtaining prior written approval from the other Party, which shall be granted or denied in that Party's sole and absolute discretion. One Party's consent to any assignment shall not relieve the other Party of any of its duties or obligations under this Agreement.

Commented [GM1]: Conflicts with 3.3. I think this is preferable.

9.12. Counterparts This Contract may be executed in several counterparts (electronic or otherwise), each of which shall be an original, all of which shall constitute the same instrument.

9.13. Survival The provisions of Sections 5, 7, and 9.17 shall survive the termination of this Agreement.

Commented [GM2]: What is section 10?

9.14. Necessary Acts. Each Party shall execute and deliver to the others all such further instruments and documents as may be reasonably necessary to carry out this Agreement.

9.15. Successors in Interest The provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto, and their respective authorized successors and assigns.

9.16. Force Majeure Neither Sherwood nor Hillsboro shall be held responsible for delay or default caused by events outside of Sherwood's or Hillsboro reasonable control including, but not limited to, fire, terrorism, riot, acts of God, or war.

9.17. Confidentiality The Parties and their employees or agents may, in the course of this Agreement, be exposed to or acquire material identified as confidential information. Such information shall be deemed confidential information of the Party identifying it as such ("Confidential Information"). The Parties agree to hold Confidential Information in strict confidence, using at least the same degree of care that each Party uses in maintaining the confidentiality of its own confidential information, and not to copy, reproduce, sell, assign, license, market, transfer or otherwise dispose of, give, or disclose Confidential Information to third parties or use Confidential Information for any purpose unless specifically authorized in writing under this Agreement.

9.18. Dispute Resolution Should any dispute arise between the parties, it is agreed that such dispute will be submitted to a mediator prior to any litigation and the parties hereby expressly agree that no claim or dispute arising under the terms of this Agreement shall be resolved other than first through mediation and only in the event said mediation efforts fail, through litigation. The parties shall exercise good faith efforts to select a mediator who shall be compensated equally by both parties. Mediation will be conducted in Portland, Oregon, unless both parties agree in writing otherwise. Both parties agree to exercise good faith efforts to resolve disputes covered by this section through this mediation process. If a party requests mediation and the other party fails to respond within ten (10) calendar days, or if the parties fail to agree on a mediator within ten (10) calendar days, a mediator shall be appointed by the presiding judge of the Hillsboro Circuit Court upon the request of either party. The parties shall have any rights at law or in equity with respect to any dispute not covered by this Section.

IN WITNESS HEREOF, the Parties hereto agree to the foregoing:

<p>CITY OF SHERWOOD</p> <p>_____</p> <p>By: _____ As Its: _____ Date: _____</p> <p>ATTEST:</p> <p>By: _____ City Recorder</p>	<p>Hillsboro</p> <p>_____</p> <p>By: _____ As Its: _____ Date: _____</p> <p>ATTEST:</p> <p>By: _____ City Recorder</p>
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EXHIBIT A
Hillsboro Infrastructure – Groner



EXHIBIT B
Hillsboro Infrastructure (WASHCO HANDHOLE) – Edgeconnex



EXHIBIT C

SPLICING, TESTING AND ACCEPTANCE STANDARDS

1. All splices will be performed with an industry-accepted fusion splicing machine. Bi-directional power meter and OTDR test results will be documented by Lessor and delivered to Lessee in a mutually agreed electronic format.
2. The following tests will be performed to validate the various system components:
 - The bi-directional average loss per span as measured with a power meter test set shall not exceed the following amount:
$$(A * L) + (0.1 * N) + (0.5 * C) = \text{Acceptable Span Loss}$$
 - A = Maximum attenuation per km, 0.25 dB/km at 1550 nm or 0.35 dB/km at 1310 nm
 - L = Optical length of cable measured in kilometers (from OTDR trace)
 - N = Number of splices in a span
 - C = Number of mated connector pairs
 - Maximum Individual Splice Loss: The maximum individual bi-directional average splice loss as measured with an OTDR shall not exceed 0.25 dB.
 - Maximum Individual Connector Loss: The maximum individual bi-directional average connector loss as measured with an OTDR shall not exceed 1.0 dB per mated pair.
 - Reflectance: Tested with OTDR. The maximum reflection per event shall not exceed -46 dB.
3. In the event that a cable sheath making up part of the Lessor Fiber contains a non-dielectric cable, it shall be properly protected from foreign voltage and grounded with an industry-accepted system.
4. The fibers shall be terminated to the fiber termination panel with SC-UPC or FC-UPC connectors, unless another type of connector is specified by Lessee.

EXHIBIT D

OPERATIONS AND MAINTENANCE SPECIFICATIONS – FIBER

During any time after the Acceptance Date for any Segment, each Lessor shall be the “Service Provider” and provide Scheduled Maintenance and Unscheduled Maintenance for the Lessor Fibers. The Lessee shall be referred to herein as the “Service Recipient.”

1. Maintenance.

(a) Scheduled Maintenance. Routine maintenance and repair of the Lessor Fibers described in this Section (“Scheduled Maintenance”) means maintenance on a network facility that is related to service delivery, either directly (e.g. maintenance of transmission equipment, fiber, fiber cable) or indirectly (e.g. maintenance of power, environmental systems), other than maintenance that is performed in response to a threat of service interruption. Scheduled Maintenance may result in interruption in Service Recipient’s use of the Lessor Fibers. Scheduled Maintenance shall begin on the Acceptance Date, and shall be performed by or under the direction of Service Provider, at Service Provider’s reasonable discretion or at Service Recipient’s request. Scheduled Maintenance shall include the following activities:

- (1) Patrol of Lessor Fibers route on a regular basis,;
- (2) Maintenance of a “Call-Before-You-Dig” program and all required and related cable locates;
- (3) Maintenance of cable markers along the Lessor Fibers right-of-way with the number of the local contact organization for Lessor’s “Call-Before-You-Dig” program, where permitted by the right of way owner;
- (4) Assignment of fiber maintenance technicians to the metropolitan area where the Lessor Fibers are located; and
- (5) When Scheduled Maintenance is expected to result in an interruption of service, the Service Provider shall conduct Scheduled Maintenance during the non-peak hours of 12:00 a.m. (midnight) to 6:00 a.m. seven (7) days a week. Service Provider will notify Service Recipient in writing or by electronic mail of Scheduled Maintenance that will result in an interruption of service at least ten (10) days in advance.

(b) Unscheduled Maintenance. “Unscheduled Maintenance” shall consist of all maintenance and repair of the Lessor Fibers that is not included in Scheduled Maintenance, and shall also be performed by or under the direction of Service Provider. Unscheduled Maintenance shall commence on the Acceptance Date, as provided in the Agreement. Unscheduled Maintenance shall consist of:

- (1) “Emergency Unscheduled Maintenance” in response to an alarm identification by Service Provider’s Operations Center, notification by Service Recipient or notification

by any third party of any failure, interruption or impairment in the operation of the Lessor Fibers, or any event imminently likely to cause the failure, interruption or impairment in the operation of the Lessor Fibers.

- (2) "Non-Emergency Unscheduled Maintenance" in response to any potential service affecting situation to prevent any failure, interruption or impairment in the operation of the Lessor Fibers.
- (3) All other maintenance and repair of the Lessor Fibers that is not included in Scheduled Maintenance, including the acquisition, installation, inspection, testing and splicing of fibers. Service Recipient shall immediately report the need for Unscheduled Maintenance to Service Provider in accordance with procedures promulgated by Service Provider from time to time. Service Provider will log the time of Service Recipient's report, verify the problem and dispatch personnel immediately to take corrective action.

Upon Service Provider learning of any Unscheduled Maintenance event, Service Provider will notify Service Recipient every two (2) hours of the status of such event until the matter giving rise to the Unscheduled Maintenance is resolved.

2. Network Operations Center.

Service Provider shall operate and maintain a Network Operations Center ("NOC") with the ability to respond to outages twenty-four (24) hours a day, seven (7) days a week. Service provider shall exercise reasonable efforts to have its first maintenance employee at the site requiring Emergency Unscheduled Maintenance activity within two (2) hours after the time Service Provider becomes aware of an event requiring Emergency Unscheduled Maintenance, unless delayed by circumstances beyond the reasonable control of Service Provider. Service Provider shall maintain a telephone number to contact personnel at the NOC. Service Provider's NOC personnel shall dispatch maintenance employees as required.

Service Provider shall maintain sufficient capability to teleconference with Service Recipient during an Emergency Unscheduled Maintenance in order to provide regular communications during the repair process.

3. Cooperation and Coordination.

- (a) Service Recipient shall utilize an operations escalation list, as updated from time to time, to report and seek immediate initial redress of exceptions noted in the performance of Service Provider in meeting maintenance service objectives. Service Provider shall provide Service Recipient a copy of the operations escalation list within seven (7) days after the execution of this Agreement, and prior to the Acceptance Date, and shall also promptly provide Service Recipient with new lists as they are updated over time.

- (b) Service Recipient will, as necessary, arrange for temporary access for Service Provider to all sites associated with the Lessor Fibers, subject to applicable

Sherwood – Hillsboro Cross Connect Agreement 2026

contractual, underlying real property and other third-party limitations and restrictions. When required this access will be provided on a twenty-four (24) hour a day, seven (7) day per week basis.

- (c) In performing its services hereunder, Service Provider shall take workmanlike care to prevent impairment to the signal continuity and performance of the Lessor Fibers. The precautions to be taken by Service Provider shall include notifications to Service Recipient. In addition, Service Provider shall reasonably cooperate with Service Recipient in sharing information and analyzing the disturbances regarding the cable and/or fibers. In the event that any Scheduled or Unscheduled Maintenance hereunder requires a traffic roll or reconfiguration involving cable, fiber, electronic equipment, or regeneration or other facilities of the Service Recipient, then Service Recipient shall, at Service Provider's reasonable request, make such personnel of Service Recipient available as may be necessary in order to accomplish such maintenance, which personnel shall coordinate and cooperate with Service Provider in performing such maintenance as required of Service Provider hereunder.
- i. Service Recipient shall respond promptly to any notice received by Service Provider for Scheduled Maintenance or Unscheduled Maintenance, and have personnel available at terminal locations for testing optical parameters, both at the time of a scheduled fiber cut and at the time of any temporary or permanent repair.
 - ii. If Service Recipient's optical transmitter requires removal of light prior to splicing, Service Recipient shall be responsible for this removal.
 - iii. In the event of a partial fiber cut, Service Recipient shall make reasonable efforts to notify the Lessor NOC of any failure to their service within fifteen (15) minutes of alarms.
 - iv. Service Recipient shall supply personnel to roll traffic, as necessary or required, to good spare fibers.
 - v. Lessor will not be liable for, and Service Recipient hereby waives, any and all claims arising from damaged equipment in the event that Service Recipient fails to respond as required to a notice of Scheduled Maintenance or Unscheduled Maintenance, or in the event Service Recipient's optical equipment is not turned off or removed prior to splicing activities.
 - vi. If, because Service Recipient has failed to respond to a notice as required in this Exhibit, it becomes necessary for Service Provider to return to the location of a splice, Service Recipient agrees to pay all Costs incurred by Service Provider, in addition to the charges prescribed in this Agreement for Scheduled and Unscheduled Maintenance.

(d) Service Recipient and Service Provider shall each provide the other with a current list of internal circuit/fiber ID nomenclature used by such Party to refer to fibers provided over its system so that service notifications may be easily understood by the other Party's personnel.

4. Facilities.

(a) Service Provider shall maintain the Lessor Fibers in a manner that will permit Service Recipient to use the Lessor Fibers in accordance with the terms and conditions of the Agreement.

(b) Except to the extent otherwise expressly provided in the Agreement, Service Recipient will be solely responsible for providing and paying for any and all maintenance of all electronic, optronic and other equipment, materials and facilities used by Service Recipient in connection with the operation and use of the Lessor Fibers, none of which is included in the maintenance services to be provided hereunder.

5. Cable/Fibers.

(a) When correcting or repairing fiber discontinuity or damage, including but not limited to events of Emergency Unscheduled Maintenance, Service Provider shall use reasonable efforts to repair traffic-affecting discontinuity within four (4) hours after the Service Provider maintenance employee's arrival at the problem site. In order to accomplish such objective, it is acknowledged that the repairs so effected may be temporary in nature. In such event, within twenty-four (24) hours after completion of any such Emergency Unscheduled Maintenance, Service Provider shall commence its planning for permanent repair, and thereafter promptly shall notify Service Recipient of such plans, and shall implement such permanent repair within a reasonable time thereafter. Restoration of open fibers or fiber strands not immediately required for service shall be completed on a mutually agreed-upon schedule. If the fiber is required for immediate service, the repair shall be scheduled for the next available Planned System Maintenance.

(b) In performing repairs, Service Provider shall comply with the Fiber Splicing Specifications as set forth in Exhibit C. Service Provider shall provide to Service Recipient any modifications to these specifications as may be necessary or appropriate in any particular instance for Service Recipient's approval, which approval shall not be unreasonably withheld.

6. Restoration.

(a) When restoring a cut cable in the Lessor Fibers, the Parties agree to work together to restore all traffic as quickly as possible. Service Provider, promptly upon arriving on the site of the cut, shall determine the course of action to be taken to restore the fibers and shall begin restoration efforts. Service Provider shall splice fibers tube by tube or ribbon by ribbon, rotating between tubes or ribbons operated by each owner or grantee

of a lease or an IRU in the Lessor's system (each an "Interest Holder"), including Service Recipient, in accordance with the following described priority and rotation method: lit fibers in all buffer tubes or ribbons shall have priority over any dark fibers in order to allow transmission systems to come back on line; and Service Provider will continue such restoration efforts until all lit fibers in all buffer tubes and ribbons are spliced and all traffic restored. In general, priority among Interest Holders affected by a cut shall be determined on a rotating restoration-by-restoration basis, to provide fair and equitable restoration priority to all Interest Holders, subject only to such restoration priority to which Service Provider is contractually obligated prior to the date of the Agreement.

- (b) The goal of emergency restoration splicing shall be to restore service as quickly as possible. This may require the use of some type of mechanical splice to complete the temporary restoration.

7. Subcontracting.

Service Provider may subcontract any of the maintenance services hereunder; provided that Service Provider shall require the subcontractor(s) to perform in accordance with the requirements and procedures set forth herein. The use of any such subcontractor shall not relieve Service Provider of any of its obligations hereunder.

8. Fees and Costs.

- (a) Scheduled Maintenance Fees. The fee for Scheduled Maintenance is waived for the full Term of the Agreement. Unscheduled Maintenance Fees. For Unscheduled Maintenance, all the Costs thereof shall be borne by the party doing the Unscheduled Maintenance. "Costs" shall have the meaning set forth in the Agreement.

INTERGOVERNMENTAL AGREEMENT ON
SHARING DATA NETWORK RESOURCES
BETWEEN THE CITY OF SHERWOOD AND CITY OF HILLSBORO

This Intergovernmental Agreement Regarding Sharing Data Network Resources (this "Agreement") is entered into by and between the City of Sherwood, a municipal corporation of the State of Oregon ("Sherwood"), City of Hillsboro, a municipal corporation of the State of Oregon ("Hillsboro") (collectively, the "Parties"), pursuant to ORS 190.003 to 190.110, which allows units of government to enter into agreements for the performance of any or all functions and activities which such units have authority to perform.

RECITALS

WHEREAS, Sherwood and Hillsboro have found many areas of mutual benefit in sharing data resources and infrastructure; and

WHEREAS, intergovernmental cooperation between Sherwood and Hillsboro in data transport and the provision of access to fiber resources benefit the citizens and taxpayers of Sherwood and Hillsboro; and

WHEREAS, the Parties desire to formalize this practice of cooperation through an Intergovernmental Agreement;

NOW, THEREFORE, Sherwood and Hillsboro agree as follows:

AGREEMENT

ARTICLE 1
Ownership and Use Rights.

1.1. Sherwood Use Rights. Hillsboro hereby grants Sherwood exclusive and unrestricted use of the following infrastructure and services. The infrastructure and services outlined below are detailed where possible on a map shown in exhibit A.

The equivalence of 4 fiber optic strands between the endpoints shown in exhibit A. The exact path will be determined by Hillsboro but will generally connect from the Hillsboro handhole near Groner Elementary School to the Hillsboro handhole near Edgeconnex data center.

Sherwood will be responsible for all connectivity between Hillsboro handholes and cable and the Sherwood network.

1.2. Hillsboro Use Rights. Sherwood hereby grants Hillsboro exclusive and unrestricted use of the following infrastructure and services. Use of any services will be governed by Sherwood's standard broadband services agreements. The infrastructure and services outlined below are detailed where possible on a map shown in exhibit A.

- 1.3. Control of Network. Sherwood and Hillsboro shall each have full and complete control and responsibility for determining any network and service configuration or designs, routing configurations, regrooming, rearrangement or consolidation of channels or circuits and all related functions with regard to the use of their respective fiber strands. Sherwood and Hillsboro shall not control the others' fiber strands nor be responsible for any of the above for the other party.
- 1.4. No Electronics. The Parties acknowledge and agree that they are responsible for their own optronics or electronics or optical or electrical equipment or other facilities. Neither Party is responsible for performing any work other than as specified in this Agreement.
- 1.5. Costs. Costs related to the implementation of this agreement will be paid by the Party in control of the portion of the network (as defined in 1.3) where the costs are incurred.

Commented [GM1]: I don't think this is correct. We're providing contiguous connections from the two points but we're responsible for the plant from point A to B. This sort of sounds like you're responsible for your strands from point A to B.

ARTICLE 2 Consideration

- 2.1 Sherwood agrees to pay Hillsboro a onetime fee of \$8000.00 within thirty (30) days of full execution of this Agreement and an annual fee of \$6000 within thirty (30) days of annual renewal of this Agreement. This fee can be adjusted annually by a maximum of 3%. Neither party can charge fees to the other in connection with the items provided under Section 1 of this Agreement except as specified in this section. This includes, but is not limited to, franchise fees, utility fees, usage fees, right of way fees, or other fees that can be levied by one government entity onto another.

ARTICLE 3 Term, Amendment, Assignment, and Severability

- 3.1 The term of this Agreement (the "Term") shall be for ten (10) years beginning upon the final date of signatures by both parties.
- 3.2 Termination (prior to the expiration of the Term) may occur by either Party at any time and for any reason, and requires written notice at least 12 months in advance of the desired termination date. Amendment of this Agreement, or parts thereof, requires the written consent of both Parties.
- 3.3 If any part of the Agreement is invalidated by court of competent jurisdiction, all remaining parts of the Agreement shall be severed from the invalid parts and shall remain in full force and effect.

ARTICLE 4 Maintenance and Work on the Fiber and Infrastructure

- 4.1 Sherwood will be responsible for maintenance of the fiber and infrastructure that is either owned or leased by Sherwood. If the fiber or infrastructure is damaged, or it requires relocation

or replacement, Sherwood will be responsible for those costs, unless the two parties, Hillsboro and Sherwood, can mutually arrange a different funding agreement.

- 4.2 Hillsboro will be responsible for maintenance of the fiber and infrastructure either owned or leased by Hillsboro. If the fiber or infrastructure is damaged, or it requires relocation or replacement, Hillsboro will be responsible for those costs, unless the two parties, Hillsboro and Sherwood, can mutually arrange a different funding agreement.
- 4.3 Maintenance, repairs or relocation will be done in a timely fashion in accordance with industry standards and outlined in Exhibit B and Exhibit C.
- 4.4 For purposes of this Section, the cable and infrastructure a party has use of under this Agreement shall be considered to be leased by that party.

ARTICLE 5
Underlying Rights

- 5.1 Underlying Rights. Each party has obtained certain rights of way and building access rights for construction and operation of their respective Sherwood Network and Hillsboro Network (the "Underlying Rights") as depicted in Exhibit 1. This Agreement is subject to the terms and limitations of the Underlying Rights, and subject to the terms under which the right of way and other property interests are owned or held by the grantor of the Underlying Rights, including, but not limited to, covenants, conditions, restrictions, easements, reversionary interests, bonds, mortgages and indentures, and other matters, whether or not of record, and to the rights of tenants and licensees in possession. Nothing herein shall be construed as to be a representation, warranty or covenant of either party's right, title or interest with respect to the right of ways or the Underlying Rights, all of which are disclaimed, except that Sherwood represents to Hillsboro that the use of Sherwood's leased space in the Pittcock is sublicensable to Hillsboro under the terms of the Sherwood's lease agreement.
- 5.2 Hillsboro Obligations. Hillsboro agrees to use the fiber and infrastructure for which it has acquired usage rights under this Agreement only in a manner consistent with the Underlying Rights and all applicable laws and agrees that its rights shall in all respects be subject to the terms and conditions of the Underlying Rights. Hillsboro agrees not to cause or allow to be caused any default under the Underlying Rights.
- 5.3 Sherwood's Obligations. The Sherwood agrees to use the fiber and infrastructure for which it has acquired usage rights under this Agreement only in a manner consistent with the Underlying Rights and all applicable laws and agrees that its rights shall in all respects be subject to the terms and conditions of the Underlying Rights. The Sherwood agrees not to cause or allow to be caused any default under the Underlying Rights.

ARTICLE 6
Use of the Fibers

Hillsboro and Sherwood each shall not use the fiber and infrastructure for which they have acquired usage rights under this Agreement, in a way that interferes in any way with or adversely

affects the use of the fibers or infrastructure of any other person using the Sherwood Network or the Hillsboro Network. The Parties acknowledge that the Sherwood Network and the Hillsboro Network may include other participants, including Sherwood or Hillsboro and other owners and users of telecommunication systems.

ARTICLE 7
Notices

All notices and other communications required or permitted under this Agreement shall be in writing and shall be given by United States first class mail, postage prepaid, registered or certified, return receipt requested, or by hand delivery (including by means of a professional messenger service or overnight mail) addressed as follows:

All notices shall be given to Sherwood at:

City of Sherwood
Information Technology Department
22560 SW Pine Street
Sherwood, Oregon 97140
Attention: Brad Crawford

All notices shall be given to Hillsboro at:

City of Hillsboro
Information Services Department
150 E Main St
Hillsboro, OR 97123

In addition, The Parties may provide notice of the availability or interruption of the services or a planned maintenance, by electronic delivery at all of the following Internet addresses:

Electronic Notice address for Hillsboro: greg.mont@hillsboro-oregon.gov

Electronic Notice address for Sherwood: crawfordb@sherwoodoregon.gov

In the case of an emergency, either Party may notify the other Party either through the Internet addresses set forth above, or at the following telephone numbers:

Telephone Number for Hillsboro: 503-693-4400

Telephone Number for Sherwood: (503) 625-4270

Any such notice or other communication shall be deemed to be effective when actually received or refused. Either Party may by similar notice given change the address to which future notices or other communications shall be sent.

ARTICLE 8
Indemnification

To the extent permitted by the Oregon Tort Claims Act, each party shall defend, indemnify, and hold harmless the other party and its elected officials, officers, agents, volunteers, and employees against any and all liability, settlements, loss, damage, costs, and expenses arising from or in connection with any action, suit, demand, or claim resulting or allegedly resulting from the indemnifying party's and/or the indemnifying party's elected officials', officers', agents', volunteers', and employees' acts, omissions, activities, or services in the course of performing this Agreement. A Party's activities are deemed to include those of its subcontractors. This section will survive the termination or revocation of this Agreement, regardless of cause.

ARTICLE 9
General Provisions

- 9.1. Oregon Law and Forum This Agreement, and all rights, obligations, and disputes arising out of it will be governed by and construed in accordance with the laws of the State of Oregon without giving effect to the conflict of law provisions thereof. Any claim between HILLSBORO and Sherwood that arises from or relates to this Agreement shall be brought and conducted solely and exclusively within the Circuit Court for the State of Oregon; provided, however, if a claim must be brought in a federal forum, then it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. In no event shall this section be construed as a waiver by either Party of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the Eleventh Amendment to the Constitution of the United States or otherwise, from any claim or from the jurisdiction of any court. Sherwood, by execution of this Agreement, hereby consents to the in-personam jurisdiction of the courts referenced in this section.
- 9.2. Compliance with Applicable Law Both Parties shall comply with all applicable local, state and federal ordinances, statutes, laws and regulations. All provisions of law required to be part of this Agreement, whether listed or otherwise, are hereby integrated and adopted herein. Failure to comply with such obligations is a material breach of this Agreement.
- 9.3. Non-Exclusive Rights and Remedies Except as otherwise expressly provided herein, the rights and remedies expressly afforded under the provisions of this Agreement shall not be deemed exclusive and shall be in addition to and cumulative with any and all rights and remedies otherwise available at law or in equity. The exercise by either Party of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other remedies for the same default or breach, or for any other default or breach, by the other Party.
- 9.4. Access to Records The Parties shall retain, maintain, and keep accessible all records relevant to this Agreement ("Records") for a minimum of six (6) years, following Agreement termination or full performance or any longer period as may be required by applicable law, or until the conclusion of an audit, controversy or litigation arising out of or related to this Agreement, whichever is later. The Parties shall maintain all financial records in accordance with generally accepted accounting principles. All other Records shall be maintained to the extent necessary to clearly reflect actions taken. During this record retention period each

Party shall permit the other Parties' authorized representatives' access to the Records at reasonable times and places for purposes of examining and copying.

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- 9.8. Interpretation The titles of the sections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.
- 9.9. Independent Contractor Each of the Parties hereto shall be deemed an independent contractor for purposes of this Agreement. No representative, agent, employee or contractor of one Party shall be deemed to be a representative, agent, employee or contractor of the other Party for any purpose, except to the extent specifically provided herein. Nothing herein is intended, nor shall it be construed, to create between the Parties any relationship of principal and agent, partnership, joint venture or any similar relationship, and each Party hereby specifically disclaims any such relationship.
- 9.10. No Third-Party Beneficiary Sherwood and Hillsboro are the only parties to this Agreement and are the only parties entitled to enforce its terms. Nothing in this Agreement gives, is intended to give, or shall be construed to give or provide any benefit or right, whether directly, indirectly or otherwise, to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this Agreement.
- 9.11. Assignment Neither Party shall assign or transfer any of its interest in this Agreement, by operation of law or otherwise, without obtaining prior written approval from the other Party,

which shall be granted or denied in that Party's sole and absolute discretion. One Party's consent to any assignment shall not relieve the other Party of any of its duties or obligations under this Agreement.

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Commented [GM3]: What is section 10?

9.14. Necessary Acts. Each Party shall execute and deliver to the others all such further instruments and documents as may be reasonably necessary to carry out this Agreement.

9.15. Successors in Interest The provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto, and their respective authorized successors and assigns.

9.16. Force Majeure Neither Sherwood nor Hillsboro shall be held responsible for delay or default caused by events outside of Sherwood's or Hillsboro reasonable control including, but not limited to, fire, terrorism, riot, acts of God, or war.

9.17. Confidentiality The Parties and their employees or agents may, in the course of this Agreement, be exposed to or acquire material identified as confidential information. Such information shall be deemed confidential information of the Party identifying it as such ("Confidential Information"). The Parties agree to hold Confidential Information in strict confidence, using at least the same degree of care that each Party uses in maintaining the confidentiality of its own confidential information, and not to copy, reproduce, sell, assign, license, market, transfer or otherwise dispose of, give, or disclose Confidential Information to third parties or use Confidential Information for any purpose unless specifically authorized in writing under this Agreement.

9.18. Dispute Resolution Should any dispute arise between the parties, it is agreed that such dispute will be submitted to a mediator prior to any litigation and the parties hereby expressly agree that no claim or dispute arising under the terms of this Agreement shall be resolved other than first through mediation and only in the event said mediation efforts fail, through litigation. The parties shall exercise good faith efforts to select a mediator who shall be compensated equally by both parties. Mediation will be conducted in Portland, Oregon, unless both parties agree in writing otherwise. Both parties agree to exercise good faith efforts to resolve disputes covered by this section through this mediation process. If a party requests mediation and the other party fails to respond within ten (10) calendar days, or if the parties fail to agree on a mediator within ten (10) calendar days, a mediator shall be appointed

by the presiding judge of the Hillsboro Circuit Court upon the request of either party. The parties shall have any rights at law or in equity with respect to any dispute not covered by this Section.

IN WITNESS HEREOF, the Parties hereto agree to the foregoing:

CITY OF SHERWOOD	Hillsboro
By: _____ As Its: _____ Date: _____	By: _____ As Its: _____ Date: _____
ATTEST:	ATTEST:
By: _____ City Recorder	By: _____ City Recorder

EXHIBIT A
Hillsboro Infrastructure

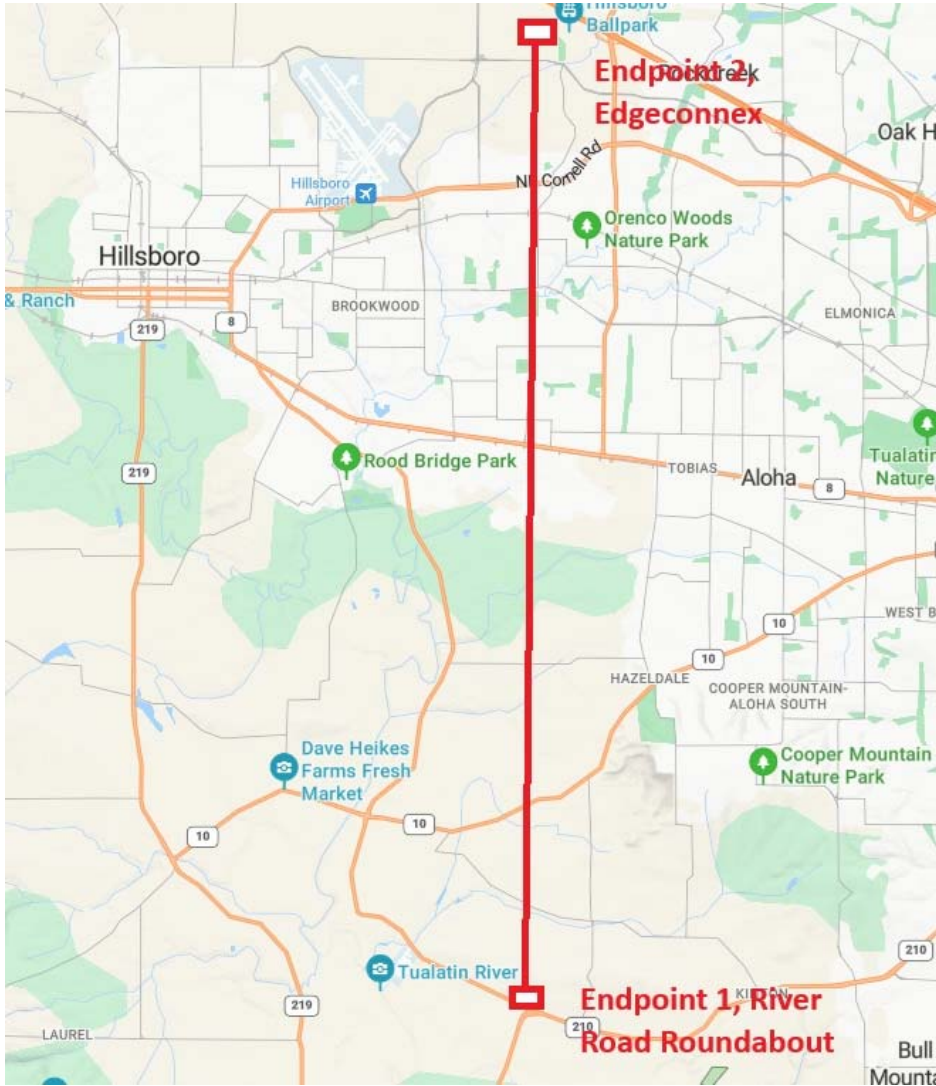


EXHIBIT B

SPLICING, TESTING AND ACCEPTANCE STANDARDS

1. All splices will be performed with an industry-accepted fusion splicing machine. Bi-directional power meter and OTDR test results will be documented by Lessor and delivered to Lessee in a mutually agreed electronic format.
2. The following tests will be performed to validate the various system components:
 - The bi-directional average loss per span as measured with a power meter test set shall not exceed the following amount:
$$(A * L) + (0.2 * N) + (0.5 * C) = \text{Acceptable Span Loss}$$
 - A = Maximum attenuation per km, 0.25 dB/km at 1550 nm or 0.35 dB/km at 1310 nm
 - L = Optical length of cable measured in kilometers (from OTDR trace)
 - N = Number of splices in a span
 - C = Number of mated connector pairs
 - Maximum Individual Splice Loss: The maximum individual bi-directional average splice loss as measured with an OTDR shall not exceed 0.25 dB.
 - Maximum Individual Connector Loss: The maximum individual bi-directional average connector loss as measured with an OTDR shall not exceed 1.0 dB per mated pair.
 - Reflectance: Tested with OTDR. The maximum reflection per event shall not exceed -46 dB.
3. In the event that a cable sheath making up part of the Lessor Fiber contains a non-dielectric cable, it shall be properly protected from foreign voltage and grounded with an industry-accepted system.
4. The fibers shall be terminated to the fiber termination panel with SC-UPC or FC-UPC connectors, unless another type of connector is specified by Lessee.

EXHIBIT C

OPERATIONS AND MAINTENANCE SPECIFICATIONS – FIBER

During any time after the Acceptance Date for any Segment, each Lessor shall be the “Service Provider” and provide Scheduled Maintenance and Unscheduled Maintenance for the Lessor Fibers. The Lessee shall be referred to herein as the “Service Recipient.”

1. Maintenance.

(a) Scheduled Maintenance. Routine maintenance and repair of the Lessor Fibers described in this Section (“Scheduled Maintenance”) means maintenance on a network facility that is related to service delivery, either directly (e.g. maintenance of transmission equipment, fiber, fiber cable) or indirectly (e.g. maintenance of power, environmental systems), other than maintenance that is performed in response to a threat of service interruption. Scheduled Maintenance may result in interruption in Service Recipient’s use of the Lessor Fibers. Scheduled Maintenance shall begin on the Acceptance Date and shall be performed by or under the direction of Service Provider, at Service Provider’s reasonable discretion or at Service Recipient’s request. Scheduled Maintenance shall include the following activities:

- (1) Maintenance of a “Call-Before-You-Dig” program and all required and related cable locates;
- (2) Assignment of fiber maintenance technicians to the metropolitan area where the Lessor Fibers are located; and
- (3) When Scheduled Maintenance is expected to result in an interruption of service, the Service Provider shall conduct Scheduled Maintenance during the non-peak hours of 12:00 a.m. (midnight) to 6:00 a.m. seven (7) days a week. Service Provider will notify Service Recipient in writing or by electronic mail of Scheduled Maintenance that will result in an interruption of service at least ten (10) days in advance.

(b) Unscheduled Maintenance. “Unscheduled Maintenance” shall consist of all maintenance and repair of the Lessor Fibers that is not included in Scheduled Maintenance and shall also be performed by or under the direction of Service Provider. Unscheduled Maintenance shall commence on the Acceptance Date, as provided in the Agreement. Unscheduled Maintenance shall consist of:

- (1) “Emergency Unscheduled Maintenance” in response to an alarm identification by Service Provider’s Operations Center, notification by Service Recipient or notification by any third party of any failure, interruption or impairment in the operation of the Lessor Fibers, or any event imminently likely to cause the failure, interruption or impairment in the operation of the Lessor Fibers.

- (2) "Non-Emergency Unscheduled Maintenance" in response to any potential service affecting situation to prevent any failure, interruption or impairment in the operation of the Lessor Fibers.
- (3) All other maintenance and repair of the Lessor Fibers that is not included in Scheduled Maintenance, including the acquisition, installation, inspection, testing and splicing of fibers. Service Recipient shall immediately report the need for Unscheduled Maintenance to Service Provider in accordance with procedures promulgated by Service Provider from time to time. Service Provider will log the time-of-Service Recipient's report, verify the problem and dispatch personnel immediately to take corrective action.

Upon Service Provider learning of any Unscheduled Maintenance event, Service Provider will notify Service Recipient every two (2) hours of the status of such event until the matter giving rise to the Unscheduled Maintenance is resolved.

2. Cooperation and Coordination.

- (a) Service Recipient shall utilize an operations escalation list, as updated from time to time, to report and seek immediate initial redress of exceptions noted in the performance of Service Provider in meeting maintenance service objectives. Service Provider shall provide Service Recipient a copy of the operations escalation list within seven (7) days after the execution of this Agreement, and prior to the Acceptance Date, and shall also promptly provide Service Recipient with new lists as they are updated over time.
- (b) Service Recipient will, as necessary, arrange for temporary access for Service Provider to all sites associated with the Lessor Fibers, subject to applicable contractual, underlying real property and other third-party limitations and restrictions. When required this access will be provided on a twenty-four (24) hour a day, seven (7) day per week basis.
- (c) In performing its services hereunder, Service Provider shall take workmanlike care to prevent impairment to the signal continuity and performance of the Lessor Fibers. The precautions to be taken by Service Provider shall include notifications to Service Recipient. In addition, Service Provider shall reasonably cooperate with Service Recipient in sharing information and analyzing the disturbances regarding the cable and/or fibers. In the event that any Scheduled or Unscheduled Maintenance hereunder requires a traffic roll or reconfiguration involving cable, fiber, electronic equipment, or regeneration or other facilities of the Service Recipient, then Service Recipient shall, at Service Provider's reasonable request, make such personnel of Service Recipient available as may be necessary in order to accomplish such maintenance, which personnel shall coordinate and cooperate with Service Provider in performing such maintenance as required of Service Provider hereunder.

- i. Service Recipient shall respond promptly to any notice received by Service Provider for Scheduled Maintenance or Unscheduled Maintenance, and have personnel available at terminal locations for testing optical parameters, both at the time of a scheduled fiber cut and at the time of any temporary or permanent repair.
- ii. If Service Recipient's optical transmitter requires removal of light prior to splicing, Service Recipient shall be responsible for this removal.
- iii. In the event of a partial fiber cut, Service Recipient shall make reasonable efforts to notify the Lessor NOC of any failure to their service within fifteen (15) minutes of alarms.
- iv. Service Recipient shall supply personnel to roll traffic, as necessary or required, to good spare fibers.
- v. Lessor will not be liable for, and Service Recipient hereby waives, any and all claims arising from damaged equipment in the event that Service Recipient fails to respond as required to a notice of Scheduled Maintenance or Unscheduled Maintenance, or in the event Service Recipient's optical equipment is not turned off or removed prior to splicing activities.
- vi. If, because Service Recipient has failed to respond to a notice as required in this Exhibit, it becomes necessary for Service Provider to return to the location of a splice, Service Recipient agrees to pay all Costs incurred by Service Provider, in addition to the charges prescribed in this Agreement for Scheduled and Unscheduled Maintenance.

(d) Service Recipient and Service Provider shall each provide the other with a current list of internal circuit/fiber ID nomenclature used by such Party to refer to fibers provided over its system so that service notifications may be easily understood by the other Party's personnel.

3. Facilities.

- (a) Service Provider shall maintain the Lessor Fibers in a manner that will permit Service Recipient to use the Lessor Fibers in accordance with the terms and conditions of the Agreement.
- (b) Except to the extent otherwise expressly provided in the Agreement, Service Recipient will be solely responsible for providing and paying for any and all maintenance of all electronic, optronic and other equipment, materials and facilities used by Service Recipient in connection with the operation and use of the Lessor Fibers, none of which is included in the maintenance services to be provided hereunder.

4. Cable/Fibers.

- (a) When correcting or repairing fiber discontinuity or damage, including but not limited to events of Emergency Unscheduled Maintenance, Service Provider shall use reasonable efforts to repair traffic-affecting discontinuity within four (4) hours after the Service Provider maintenance employee's arrival at the problem site. In order to accomplish such objective, it is acknowledged that the repairs so effected may be temporary in nature. In such event, within twenty-four (24) hours after completion of any such Emergency Unscheduled Maintenance, Service Provider shall commence its planning for permanent repair, and thereafter promptly shall notify Service Recipient of such plans and shall implement such permanent repair within a reasonable time thereafter. Restoration of open fibers or fiber strands not immediately required for service shall be completed on a mutually agreed-upon schedule. If the fiber is required for immediate service, the repair shall be scheduled for the next available Planned System Maintenance.
- (b) In performing repairs, Service Provider shall comply with the Fiber Splicing Specifications as set forth in Exhibit C. Service Provider shall provide to Service Recipient any modifications to these specifications as may be necessary or appropriate in any particular instance for Service Recipient's approval, which approval shall not be unreasonably withheld.

5. Restoration.

- (a) When restoring a cut cable in the Lessor Fibers, the Parties agree to work together to restore all traffic as quickly as possible. Service Provider, promptly upon arriving on the site of the cut, shall determine the course of action to be taken to restore the fibers and shall begin restoration efforts. Service Provider shall splice fibers tube by tube or ribbon by ribbon, rotating between tubes or ribbons operated by each owner or grantee of a lease or an IRU in the Lessor's system (each an "Interest Holder"), including Service Recipient, in accordance with the following described priority and rotation method: lit fibers in all buffer tubes or ribbons shall have priority over any dark fibers in order to allow transmission systems to come back on line; and Service Provider will continue such restoration efforts until all lit fibers in all buffer tubes and ribbons are spliced and all traffic restored. In general, priority among Interest Holders affected by a cut shall be determined on a rotating restoration-by-restoration basis, to provide fair and equitable restoration priority to all Interest Holders, subject only to such restoration priority to which Service Provider is contractually obligated prior to the date of the Agreement.
- (b) The goal of emergency restoration splicing shall be to restore service as quickly as possible. This may require the use of some type of mechanical splice to complete the temporary restoration.

6. Subcontracting.

Service Provider may subcontract any of the maintenance services hereunder; provided that Service Provider shall require the subcontractor(s) to perform in accordance with the

requirements and procedures set forth herein. The use of any such subcontractor shall not relieve Service Provider of any of its obligations hereunder.

TO: Sherwood City Council
FROM: Rich Sattler, Public Works Director
Through: Craig Sheldon, City Manager and Ryan Adams, City Attorney
SUBJECT: Resolution 2026-032, Adjusting Solid Waste and Recycling Collection Rates

Issue: Shall City Council adjust the solid waste and recycling collection rates?

Background: Solid waste and recycling collection services in Sherwood are provided by Pride Disposal, a private company pursuant to a franchise issued under Sherwood Municipal Code (SMC) Chapter 8.20. As set forth in SMC 8.20.80, the City Council sets the rates the franchise holder charges for those services. The current solid waste and recycling collection rates have been in effect since January 1, 2026. SMC 8.20.080 outlines the related factors and processes to be followed by City Council to adjust solid waste and recycling collection rates.

With updated 2025 financial information from Pride disposal, the City contracted with Bell and Associates to conduct a Rate Review and issue a report, which was completed in May 2026. The City has determined through the analysis of financial information from Pride Disposal that its reported rate of return for 2025 was 9.01%. Because the 2025 reported results were 9.01%, Section 8.20.080 E.4.a states the following:

If the rate of return for the franchisee is between eight (8) and twelve (12) percent, the proposed rate adjustment will be effective in the immediately following January 1st and will be indexed to the US Department of Labor, Bureau of Labor Statistics CPI-U Over-the-Year Percent Change Annual Average for Portland-Salem (the "Index). If the rate of return is greater than nine percent but less than eleven (11) percent, then the proposed rate adjustment will be equal to the Index.

The Over-the-Year Percent Change Annual Average was 2.67%; therefore, collection rates will be increased by 2.67% effective January 1, 2027.

Financial Impacts: With the proposed rate increase, there will be a minimal financial impact on the City budget as a result of this resolution's approval.

Recommendation: Staff respectfully recommends that the City Council continue the public hearing until June 16, 2026.



RESOLUTION 2026-032

ADJUSTING SOLID WASTE AND RECYCLING COLLECTION RATES

WHEREAS, the current solid waste and recycling rates have been in effect since January 1, 2026; and

WHEREAS, the Sherwood City Council sets rates for all solid waste collection services as set forth in Sherwood Municipal Code (SMC) 8.20.080; and

WHEREAS, SMC 8.20.60 provides for compensation to be paid by solid waste franchisees for the use of City streets in the form of solid waste franchise fees; and

WHEREAS, Pride Disposal, a franchisee for solid waste services in Sherwood, has submitted their 2025 annual report per SMC 8.20.080(F)(1); and

WHEREAS, the City has determined through an analysis of financial information from Pride Disposal that its reported rate of return for 2025 was 9.01%; and

WHEREAS, the City Manager has reviewed the Rate Review Report compiled by Bell & Associates and concurs with the recommendation to adjust solid waste and recycling collection rates in accordance with Section 8.20.080 E.4.a which states:

If the rate of return for the franchisee is between eight and twelve (12) percent, the proposed rate adjustment will be effective on the immediately following January 1 and will be indexed to the US Department of Labor, Bureau of Labor Statistics CPI-U Over-the-Year Percent Change Annual Average for All items in West urban, all urban consumers, not seasonally adjusted Index, Series ID CUUR400SA0. If the rate of return is greater than nine percent but less than eleven (11) percent, then the proposed rate adjustment will be equal to the Index; and

WHEREAS, the City has determined that the new solid waste and recycling collection rates should take effect on January 1, 2027.

NOW, THEREFORE, THE CITY OF SHERWOOD RESOLVES AS FOLLOWS:

Section 1. The Sherwood City Council hereby approves the proposed schedule of solid waste and recycling collection rates as contained in the attached Exhibit A.

Section 2. The adjusted solid waste and recycling collection rates will take effect on January 1, 2027.

Section 3. This Resolution shall be effective upon its approval and adoption.

Duly passed by the City Council this 16th day of June, 2026.

Tim Rosener, Mayor

Attest:

Sylvia Murphy, MMC, City Recorder

City of Sherwood
 Rates Effective January 1, 2027

Roll Cart Collection Rates	1/1/2027	Service Fees	1/1/2027
One 20 gallon cart	35.08	Walk-in Fee	5.80
One 35 gallon cart	38.92	SNP	25.00
One 60 gallon cart	50.90	NSF	25.00
One 90 gallon cart	63.34	Go Back Fee	19.15
On-Cal Service	22.80	Special Services (per hr.)	112.00
Extra Can / 32 gal bag	8.62	Recycling Contamination Fee	30.00
Extra Bag (small)	4.68		
Yard Debris Only	9.09	-	
Second Yard Debris Cart	9.09	Extras - per collected yard	17.45
Yard Debris Extra	2.93	Extra with Clean Up *	30.00
Recycling Only	8.66	* Requires driver to pick up waste /recycling	

Commercial Food Waste

One 60 gallon cart	48.10
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Drop Box Rates

Service / Box Volume	1/1/2027	
10 Cubic Yards per Haul	166.00	Haul charge listed + actual disposal fee
20 Cubic Yards per Haul	166.00	Haul charge listed + actual disposal fee
30 Cubic Yards per Haul	166.00	Haul charge listed + actual disposal fee
40 Cubic Yards per Haul	166.00	Haul charge listed + actual disposal fee
Compactor per Haul	210.00	Haul charge listed + actual disposal fee
Delivery / Relocation (per box)	85.00	Per movement
Box Not Ready Trip Fee	28.00	Per occurrence

Open Top Box Rental

	1/1/2027
10 and 20 Cubic Yards	12.00
30 Cubic Yards	14.00
40 Cubic Yards	14.00
Box with a lid	
10 and 20 Cubic Yards	17.00
30 Cubic Yards	19.00
Mileage Charge ¹	4.20

1. Mileage Charges are assessed on the disposal leg of the haul mileage is greater than 5 miles from pick-up to the disposal site

Medical Waste Collection Rates

Service Component	1/1/2027 Rate	Note
On-site Pick-up Charge	50.00	
<u>Disposal</u>		
Disposal Cost per 17 or < Gal. Unit	19.92	
Disposal Cost per 23 Gal. Unit	26.90	
Disposal Cost per 23 Gal. Unit Pathological	113.96	
Disposal Cost per 23 Gal. Unit Pathological (10 or more)	108.83	
Disposal Cost per 31 Gal. Unit	36.29	
Disposal Cost per 31 Gal. Unit (10 or more per stop)	24.18	Unit rate when 10 or more units are collected
Disposal Cost per 43 Gal. Unit	50.31	
Disposal Cost per 43 Gal. Unit (10 or more per stop)	33.52	Unit rate when 10 or more units are collected
Pharmaceutical Waste per 5 gal	53.18	
Chemotherapy Waste Disposal	77.00	
Cardboard Bio Boxes (per 23/30 gallon per box)	8.73	

* The medical collection rate is the sum of the onsite pick-up fee plus the disposal cost per unit of waste. Customers typically have multiple containers, so the onsite pick-up cost is spread over containers.

City of Sherwood
Proposed Commercial Collection Rates
 Effective January 1, 2027

Container(s):	One	Two	Three	Four	Five	EOW
1 yard	150.94	285.09	414.92	544.81	674.9	
each additional	106.65	207.33	307.85	408.38	509.02	
1.5 yard	198.65	371.75	544.81	717.83	890.96	
each additional	150.31	294.03	437.70	581.36	725.1	
2 yard	242.32	458.51	674.69	890.87	1107.07	141.33
each additional	193.99	380.78	567.61	754.44	941.22	100.36
3 yard	329.48	631.97	934.38	1,236.76	1539.33	186.30
each additional	281.14	554.21	827.26	1,100.36	1373.46	141.54
4 yard	416.69	805.52	1,194.13	1,582.75	1971.61	227.52
each additional	369.03	727.76	1,087.02	1,446.30	1805.76	182.79
5 yard	503.86	978.82	1,453.80	1,928.77	2403.72	
each additional	455.55	901.09	1,346.67	1,792.30	2237.87	
6 yard	590.72	1,152.00	1,713.18	2,274.36	2835.65	309.83
each additional	542.39	1,074.24	1,606.05	2,137.92	2669.79	265.02
8 yard	766.25	1,499.96	2,233.72	2,967.41	3701.13	392.15
each additional	717.93	1,422.21	2,126.60	2,830.96	3535.25	348.03

Compacted Rates

1 yard compacted	334.41	631.08	917.98	1,204.82	1,491.95
2 yard compacted	534.79	1,010.77	1,486.68	1,962.60	2,437.71
3 yard compacted	725.62	1,390.57	2,055.18	2,719.88	3,383.70
4 yard compacted	916.50	1,770.45	2,623.82	3,477.20	4,329.71

Proposed Commercial Collection Rates

Heavy Container	One	Two	Three	Four	Five
1 yard	183.17	351.50	516.16		
each additional	n/a	n/a	n/a	n/a	n/a
1.5 yard	258.09	483.07	743.62	968.95	1,192.91
each additional	247.42	477.04	707.67	920.62	1,132.29
2 yard	342.11	666.73	976.65	1,272.31	1,565.02
each additional	326.10	626.84	910.65	1,184.07	1,455.29
3 yard	477.87	928.66	1,357.26	1,765.15	2,186.88
each additional	459.91	898.63	1,321.26	1,741.14	2,156.82
4 yard	613.27	1,191.73	1,767.14	2,314.65	2,846.75
each additional	597.21	1,175.73	1,743.13	2,298.46	2,824.86
5. yard	742.98	1,463.15	2,170.85	2,863.39	3,522.81
each additional	732.60	1,433.13	2,125.80	2,807.68	3,472.88
6 yard	862.32	1,697.98	2,521.90	3,325.49	4,121.67
each additional	850.10	1,674.04	2,485.83	3,266.24	4,045.79
8 yard	1,107.32	2,179.38	3,230.99	4,267.06	5,280.33
each additional	1,090.81	2,147.37	3,183.51	4,203.36	5,200.36

Other	Monthly Fee	On-Call Pick Up Charge:
Recycle+	\$2.62 Flat Fee	\$9.70 Each Pick Up