City of Sherwood Oregon

Home of the Tualatin River National Wildlife Refuge

CITY COUNCIL MEETING PACKET

FOR

Tuesday, August 4, 2026

Sherwood City Hall
22560 SW Pine Street
Sherwood, Oregon

7:00 pm City Council Regular Meeting

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

City of Sherwood Oregon
Home of the Tualatin River National Wildlife Refuge

AGENDA

SHERWOOD CITY COUNCIL
August 4, 2026

7:00 pm City Council Regular Session

URA Board of Directors Meeting
(Following the 7:00 pm City Council Meeting)

Sherwood City Hall
22560 SW Pine Street
Sherwood, OR 97140

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

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 July 21, 2026, City Council Meeting Minutes** (Sylvia Murphy, City Recorder)
   B. **Resolution 2026-052, Reappointing Jane Parisi-Mosher to the Sherwood Cultural Arts Commission** (Chanda Hall, Arts Center Manager)
   C. **Resolution 2026-053, Reappointing Lester Nishimura to the Sherwood Cultural Arts Commission** (Chanda Hall, Arts Center Manager)
   D. **Resolution 2026-054, Reappointing Elizabeth Flores to the Sherwood Cultural Arts Commission** (Chanda Hall, Arts Center Manager)

6. **CITIZEN COMMENTS**
7. **PUBLIC HEARING**

   A. **Ordinance 2026-004, Amending Sherwood Municipal Code, Chapter 1.01 Public Contracting Rules** *(Second Reading)* (Ryan Adams, City Attorney)
   B. **Ordinance 2026-005, Amending Chapter 3.30 of the Sherwood Municipal Code to Increase the City Transient Lodging Tax** *(First Reading)* (David Bodway, Finance Director)
   C. **Ordinance 2026-006, Amending Chapter 2.08.095 of the Sherwood Municipal Code - Youth Advisory Board** *(First Reading)* (Kristen Switzer, Assistant City Manager)
   D. **Ordinance 2026-007, Establishing a Commercial Public Safety Fee and Adding Section 3.50 to the Sherwood Municipal Code** *(First Reading)* (David Bodway, Finance Director)

8. **CITY MANAGER REPORT**
9. **COUNCIL ANNOUNCEMENTS**
10. **ADJOURN TO URA BOARD OF DIRECTORS MEETING**

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.

City of Sherwood Oregon
Home of the Tualatin River National Wildlife Refuge

SHERWOOD CITY COUNCIL MEETING MINUTES
22560 SW Pine St., Sherwood, Or
July 21, 2026

WORK SESSION

1. **CALL TO ORDER:** Mayor Rosener called the meeting to order at 5:34 pm.

2. **COUNCIL PRESENT:** Mayor Tim Rosener, Council President Kim Young, Councilors Doug Scott, Taylor Giles, Renee Brouse, and Dan Standke. Councilor Keith Mays arrived at 6:10 pm.

3. **STAFF PRESENT:** City Manager Craig Sheldon, Assistant City Manager Kristen Switzer, IT Director Brad Crawford, City Attorney Ryan Adams, Paralegal Josh Cook, Police Captain Nathan Powell, Public Works Director Rich Sattler, Community Development Director Eric Rutledge, Deputy City Recorder Colleen Resch, and City Recorder Sylvia Murphy.

   OTHERS PRESENT: Washington County Sheriff's Office Commander Tim Tannenbaum and Under Sheriff John Cook. First Forty Feet Consultants Jason Graf and Ramin Rezvani.

4. **TOPICS:**

   Washington County Sheriff's Office Annual Update

   Commander Tim Tannenbaum and Under Sheriff John Cook with the Washington County Sheriff's Office provided an annual update presentation and handout (see record, Exhibit A). Under Sheriff Cook said the presentation would cover the scope of services provided countywide, interagency partnerships, specialty teams, technology initiatives, and the state of the jail. He stated the Sheriff's Office served 614,000 residents of Washington County in some capacity, acted as primary responders for unincorporated areas and served as a regional backbone for municipal partners including the Sherwood Police Department. He commented on the collaborative relationship with Chief Hanlon and the Sherwood Police Department, noting that Washington County remains one of the safest major urban counties in Oregon. Commander Tannenbaum outlined the County's interagency special teams, which were designed to provide resources beyond the capacity of any single agency. He said they included the Major Crimes Team, Crash Analysis Reconstruction Team (CART), Crisis Negotiation Team, Canine Unit, Marine Patrol, Search and Rescue, SWAT/Tactical Negotiations Team, and Mobile Field Force. He noted that these teams train year-round and were deployable throughout Washington County. He stated that emphasis was placed on resolving incidents as peacefully as possible, especially in mental health crisis situations. Under Sheriff Cook discussed the technology initiatives, particularly the Drones as First Responder (DFR) program. Under Sheriff Cook noted that in the current pilot program, drones arrived on scene before deputies approximately 40 percent of the time, which allowed responding units to adjust their approach in real time, improving safety for both the public and first responders. Mayor Rosener asked about opportunities to share costs regionally on technology platforms, particularly around staffing operations centers. Under Sheriff Cook agreed and said conversations were already underway with neighboring jurisdictions. Discussion followed regarding Automated License Plate Reader (LPR) technology. Commander Tannenbaum explained that LPR systems capture vehicle images, read license plates via AI, and feed data to a cloud-based system. Councilor Giles raised concerns about data retention, privacy, the potential for misuse, and the risks of data sharing beyond local agencies. Commander Tannenbaum noted that Oregon had enacted legislation on LPR use which required purging data after 30 days and access be logged. Under Sheriff Cook acknowledged that responsible policy, accountability mechanisms, and data ownership were central to appropriate use of the technology. Commander Tannenbaum described the Mental Health Response Team (MHRT) as one of the most critical county resources, pairing a deputy with a master's-level clinician to respond to mental health crises in real time. He said eight teams currently operate countywide, including a South County team serving the Sherwood area. He stated crisis response coverage exists 24 hours a day. He commented on the Mobile Field Force, which was designed to respond to large-scale public gatherings and instances of civil unrest. He said the team's primary mission was to protect constitutional rights while maintaining public safety. Mayor Rosener acknowledged that the Portland Police Bureau had become a national leader in managing protest situations, with Washington County actively learning from their operational experience. Under Sheriff Cook reported on the county jail and noted that staffing levels were the best they had been in years and that the facility was now nearly fully open and accepting all charges. He said the jail had reached maximum capacity and a jail expansion study was underway. He said preliminary analysis suggested doubling the current facility's size. He thanked the Council for its community support of the Public Safety Local Option Levy, which had provided funding for positions, mental health response teams, and interagency resources across Washington County.

Mayor Rosener thanked the Sheriff’s Office for the update and partnership, noting that the level of regional cooperation in Washington County was uncommon and highly valued. He addressed the next item on the agenda.

Old Town Site D Feasibility Study

Community Development Director Eric Rutledge introduced Jason Graf and Ramin Rezvani with First Forty Feet and provided a presentation (see record, Exhibit B). He said the Council had directed staff to prioritize Site D, the pad site on Pine Street adjacent to Cannery Square and the Sherwood Arts Center, along with Site A at the corner of 3rd and Pine. Mr. Graf presented the study framework and said the team's objective over the next five to six months was to develop a building program, assess market viability, and analyze the financing and return on investment for the site. He outlined the evaluation criteria and three potential programmatic concepts for the site. He described Site D as a pivotal anchor at the eastern end of Pine Street, directly across from Cannery Square and adjacent to the Arts Center. He said the goal was to activate the site in a way that generates revenue to help support the Arts Center, create a vibrant public node, and complement the broader Old Town ecosystem. Mayor Rosener noted the importance of viewing the area holistically, including existing events such as the Robin Hood Festival and the Tree Lighting Ceremony, and expressed a desire to increase event capacity and attract gatherings such as regional conferences. Mayor Rosener emphasized a long-term goal of helping the Arts Center approach financial self-sufficiency to reduce its dependence on the general fund. Mr. Rezvani presented three broad programmatic directions; a food hall/market concept, an arts-focused retail/maker market concept, and a mezzanine/studio space layer. He commented on the potential small food hall concept with five to six vendors offering complementary offerings such as a bakery, wine tasting, ice cream, and coffee. He said this concept was noted for its ability to activate the space throughout the day, provide multiple income streams, and reduce the financial risk of any single tenant vacancy. Council members raised concerns about potential overlap with existing downtown restaurants and discussed the value of focusing on grab-and-go or ambulatory food rather than sit-down dining to avoid competition. Mr. Rezvani commented on the arts-focused retail concept with a flexible retail space oriented around arts, craft, and small producers, potentially including a bookstore, florist, or artisan vendors. Councilor Giles described a co-op model featuring small 10x10 stalls that could serve as an incubator for emerging businesses, allowing vendors to test concepts before committing to a standalone location. Discussion followed regarding an interest in this direction. Mr. Rezvani commented on the mezzanine/studio space concept which included an optional partial second story or mezzanine above either of the above concepts, potentially used as rentable artist studios, classroom space, or a flexible innovation hub. Council members responded positively to this idea, particularly to images showing an open, light-filled loft aesthetic. The Council suggested that the mezzanine could be built as a shell initially and finished out overtime as demand warrants. Discussion followed on the importance of designing for year-round use given Oregon's climate. The ideas included roll-up garage doors on the street-facing side, overhead heaters, and a covered walkway connecting the new building to the entrance of the Arts Center to extend the effective season and funnel foot traffic. Mayor Rosener suggested that taking the building to the property line and potentially incorporating a few adjacent parking spaces could expand the building's footprint if needed for a concept to succeed. Councilor Brouse raised the possibility of relocating the existing Arts Center restaurant tenant into the new building, which would free the current retail space for expansion of Arts Center programming and provide a more prominent street-facing presence for food and beverage activity. Mr. Rutledge acknowledged this as a viable direction worth exploring. He stated that the next phase would involve developing the physical floor plan, assembling the alternative programs within it, assessing market comparables, achievable rents, and return on investment for each programmatic scenario. He said grant funding opportunities would also be explored. He said a second check-in with Council was planned before the study was finalized.

Mayor Rosener adjourned the work session at 6:58 pm.

REGULAR SESSION

1. **CALL TO ORDER:** Mayor Rosener called the meeting to order at 7:10 pm.

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

3. **STAFF PRESENT:** City Manager Craig Sheldon, Assistant City Manager Kristen Switzer, IT Director Brad Crawford, City Attorney Ryan Adams, Police Captain Nathan Powell, Public Works Director Rich Sattler, Community Development Director Eric Rutledge, and City Recorder Sylvia Murphy.

4. **APPROVAL OF AGENDA:**

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

   MOTION: FROM COUNCIL PRESIDENT YOUNG TO APPROVE THE AGENDA. SECONDED BY COUNCILOR BROUSE. 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 June 16, 2026, City Council Meeting Minutes
   B. Approval of July 7, 2026, City Council Meeting Minutes

C. Resolution 2026-048, Authorizing the Mayor to execute an Intergovernmental Agreement with Washington County for participation in the Washington County Urban County Community Development Block Grant Program for program years 2027-2029

D. Resolution 2026-049, Authorizing the City Manager to execute an IGA with Washington County for the Natural Hazard Mitigation Plan Update

E. Resolution 2026-050, Authorizing City Manager to execute an agreement with Carollo Engineers, Inc. for Owner's Representative Services for the Water Treatment Plant Operations and Maintenance Contract

F. Resolution 2026-051, Authorizing an Intergovernmental Agreement with Washington County for the Washington County Digital Forensics Laboratory

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

Mayor Rosener addressed the next item on the agenda.

6. CITIZEN COMMENTS:

Madison Duppenthaler, Sherwood resident, came forward regarding pedestrian access and trail connectivity for residents of the new homes near Brookman Road. She described the development of 224 completed homes, with 51 more under construction, housing over 1,000 residents and approximately half of whom were minors. She emphasized that Brookman Road, the neighborhood's only egress, was an unimproved county farm road with blind hills, sharp turns, no lighting, and no shoulders, rendering it unsafe for pedestrians, cyclists, and stroller-pushing parents. She noted that internal neighborhood trails are approximately 80 percent complete, but a critical 110-yard gap remains between the neighborhood trail system and the existing Cedar Creek trails near Redfern Drive. She called on the City to fund this final connection immediately and asked for a concrete date for construction to begin.

Chelsea Burris, Sherwood resident, approached the Council and provided additional context, noting that conversations about neighborhood safety began as soon as the first homes were completed. She referenced an accident at the intersection of Robin Hood Court in the summer of 2024 as an example of the road's documented dangers. She called on the Council to direct staff to immediately allocate emergency capital improvement funds to bridge the 110-yard gap, establish a critical path timeline, and hold contractors accountable.

Viswanath Kashi, Sherwood resident, came forward and provided a risk and liability analysis. He said that by approving permits for 275 homes while leaving Brookman Road unimproved, the City had created what he termed a liability loop, approving large-scale residential growth while deferring the infrastructure necessary to safely support it. He urged the Council to freeze further segment approvals in the affected zone until the broader question of Brookman Road connectivity was resolved and the trail gap was closed.

Gary Stickler, Sherwood resident, approached the Council and provided a picture, and acknowledged that the Council cannot vote on the trail project that evening, but encouraged members to use their influence to keep the matter on the agenda of relevant planning committees. He described the 110-yard gap as appearing trivial on a map but representing the single barrier preventing neighborhood residents from accessing the broader Sherwood trail system.

Mayor Rosener acknowledged the seriousness of the Brookman Road issue while noting that, as a county road, the City had limited authority over it. He also noted that recent changes to state law had significantly constrained the City's ability to impose conditions on development approvals. City Manager Craig Sheldon confirmed that a feasibility study was initiated shortly after the neighborhood residents first appeared before the Council, and that the study was expected to be completed by mid-August, with results anticipated to come before the Parks Board in early September. He said the study examined three to four potential route options. Council President Young clarified that when this matter was previously raised in public comment, the Council unanimously directed the City Manager to treat it as a priority, and that work had been actively proceeding since that direction was given. Mayor Rosener also expressed interest in connecting with the speakers regarding state preemption of local land use control, noting he was actively engaged in early lobbying efforts in Salem on this issue.

Tracy Enright, Sherwood resident, came forward and thanked the city for placing tables and chairs outside the library. She described how these amenities had become a catalyst for community building through her monthly book group, enabling members to gather socially before meetings and share cultural experiences.

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

7. PUBLIC HEARING:

A. Ordinance 2026-004, Amending Sherwood Municipal Code, Chapter 1.01 Public Contracting Rules

City Attorney Ryan Adams recapped the staff report and provided a presentation (see record, Exhibit C). He explained that the City's procurement code was originally updated in 2023 and was being brought back now for two reasons. He said first, updates were needed to reflect recent Department of Justice (DOJ) requirements related to the Americans with Disabilities Act and website accessibility. He stated the proposed change placed the responsibility on contractors, rather than City staff, to ensure that documents they submitted were ADA compliant, including producing text readable PDFs and properly captioned videos. He noted that a DOJ ruling had required municipalities to make their websites ADA compliant within a defined timeframe, and that placing this obligation on vendors in City contracts would reduce staff burden and create clear contractual accountability. He said the second update was needed to align the City's procurement thresholds with changes made by the state legislature in 2023. He stated updated thresholds were as follows:

- Small procurements: Previously $10,000 and below; now $25,000 and below
- Intermediate procurements: Previously $150,000 and below; now $250,000 and below
- Large procurements: Anything above $250,000

He stated consistent with the 2023 update that raised the City Manager's expenditure authority to match the intermediate threshold of $150,000, this update would raise the City Manager's authority to $250,000 to match the new intermediate threshold. He said staff purchase authority, requiring City Manager to sign off on expenditures above $50,000, would remain unchanged.

Council President Young asked what the current requirement on vendors was to produce ADA compliant submissions. Mr. Adams acknowledged there was currently no such requirement in the City's code. He noted the updated language would be incorporated into the standard contracts.

Councilor Mays asked whether the contract documents presented to vendors, including potentially small contractors unfamiliar with ADA standards, would explain what compliance means. Mr. Adams confirmed this was the intent and he would update the standard contract templates upon ordinance approval to include clear direction.

Councilor Giles raised a concern about the $50,000 staff purchase authority threshold, asking where that number originated and whether it was a codified City rule or simply an internal management practice. Mr. Adams clarified that it was a locally established risk tolerance adopted during the 2023 code update, intended to ensure the City Manager maintains oversight of contracts above that amount. He noted that from a compliance perspective, his office reviews every contract to confirm the procurement code was followed, providing an additional layer of accountability. Councilor Standke raised a concern about transparency for expenditures that would now fall within the City Manager's expanded authority, specifically those between $150,000 and $250,000, and asked whether a reporting mechanism could be established so the Council remained informed of procurements in that range that would no longer come forward as agenda items. City Manager Sheldon responded that most such expenditures would be tied to the biennial budget already approved by the Council, and that items outside the budget would still trigger supplemental budget processes that come back to the Council. He noted a willingness to share relevant contract information during weekly meetings with the Council. Mr. Adams clarified that even within the City Manager's authority, all procurements must still follow the applicable procurement process and public notice requirements. Councilor Giles asked about the removal of the mandatory annual procurement training requirement. Mr. Adams explained that the update does not eliminate training but shifts the mandatory requirement to the City Manager's discretion, allowing flexibility in scheduling. He noted that the proposed ordinance included language clarifying the City Manager's authority with respect to items not covered by the procurement code, such as intergovernmental agreements, and stated that the Council could modify that authority by resolution, which was a faster mechanism than an ordinance amendment.

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

With no further Council discussion, Mayor Rosener said the second reading was scheduled for August 4, 2026.

Mayor Rosener addressed the next agenda item.

8. CITY MANAGER REPORT:

Mr. Sheldon reported that the road closure on Pine Street between Odge Gribble Lane and Willamette Street will remain in effect through July 31, from approximately 8:00 am to 4:30 pm. He said the annual slurry seal preventive maintenance program was scheduled to begin Wednesday, July 29, and run through Tuesday, August 4. He reported that rainfall may shift the schedule by a day or two, as the work cannot be performed in wet conditions. He explained that slurry sealing was a cost-effective preventive measure applied approximately every seven to ten years that extends road life and defers significantly more expensive reconstruction. He recognized the approximately 37 to 39 City staff members who worked at the Robin Hood Festival and noted the event and parade had grown considerably in size. He provided a brief update on the Brownfield cleanup project, indicating the City was nearing submission of a 60 percent design package to DEQ, and said that the Robin Hood Festival booth served as part of the grant-required public communication plan for that project.

9. COUNCIL ANNOUNCEMENTS:

Councilor Giles reported that the Planning Commission held a work session on the Transportation System Plan and was beginning preliminary work on the tree code. He commented on the success of the Robinhood Festival.

Councilor Brouse reported that seven candidates were interviewed for the Youth Advisory Board. She encouraged community members to support Cruisin' Sherwood, which was scheduled for August 8, noting that gate volunteers were still needed.

Councilor Mays reported that Washington County's 911 call center went live on its AI assisted non-emergency call line. He reported that the Cultural Arts Commission reviewed 60 art submissions and was now scoring 20 finalists for a wrap to be installed on the bathroom structure in Cannery Square Plaza.

Councilor Scott commented on the success of the Robinhood Festival and his participation in the parade.

Councilor Standke reported that the next Traffic Safety Board meeting was Thursday. He reported that the Library Advisory Board discussed the centralized collection MOU and indicated preliminary impressions suggested the arrangement would be favorable for Sherwood's local collection. He said the first hearing on the proposed renaming of the Sherwood Arts Center in honor of Linda Henderson was tentatively scheduled for September 1 and encouraged residents to submit written comments or attend in person.

Councilor Scott reported that Music on the Green had been well attended and encouraged the public to attend the upcoming Latin salsa performance.

Councilor President Young acknowledged being relatively less active over the prior five weeks due to family travel.

Mayor Rosener reminded residents that mobile speed cameras were currently deployed and would transition into school zones ahead of the upcoming school year. He encouraged residents to report traffic safety concerns through the City's website for review by the Traffic Safety Committee.

10. ADJOURN:

Mayor Rosener adjourned the meeting at 8:15 pm and convened an Executive Session

EXECUTIVE SESSION

1. **CALL TO ORDER:** Mayor Rosener called the Executive Session to order at 8:28 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, IT Director Brad Crawford, and Paralegal Josh Cook.

   OTHERS PRESENT: Consultant Ross Schultz.

4. TOPICS:

A. ORS 192.660(2)(f) Exempt Public Records

5. ADJOURN: Mayor Rosener adjourned the executive session at 9:15 pm.

Attest:

________________________________	________________________________
Sylvia Murphy, MMC, City Recorder	Tim Rosener, Mayor

City Council Meeting Date: August 4, 2026

Agenda Item: Consent Agenda

TO: Sherwood City Council

FROM: Chanda Hall, Arts Center Manager
Through: Craig Sheldon, City Manager and Kristen Switzer, Assistant City Manager

SUBJECT: **Resolution 2026-052, Reappointing Jane Parisi-Mosher to the Sherwood Cultural Arts Commission**

Issue:
Should the City Council reappoint Jane Parisi-Mosher to the Sherwood Cultural Arts Commission?

Background:
Jane Parisi-Mosher has been serving in Position 3 on the Cultural Arts Commission and has been an effective and involved Vice Chair of the Commission. She would like to continue her service on the commission, and we value her continued involvement. City Council Liaison to the Cultural Arts Commission Keith Mays and Cultural Arts Commission Chair Jen Casler unanimously recommend the reappointment of Jane Parisi-Mosher. The mayor has recommended this reappointment to the City Council. In accordance with City Council Rules of Procedure, all such appointments are subject to the approval of City Council by resolution.

Financial Impacts:
There are no financial impacts from this proposed action.

Recommendation:
Staff respectfully recommends City Council's adoption of Resolution 2026-052, reappointing Jane Parisi-Mosher to the Sherwood Cultural Arts Commission.

City of Sherwood Oregon

Home of the Tualatin River National Wildlife Refuge

RESOLUTION 2026-052

REAPPOINTING JANE PARISI-MOSHER TO THE SHERWOOD CULTURAL ARTS COMMISSION

WHEREAS, Jane Parisi-Mosher recently held Position 3 on the Cultural Arts Commission; and

WHEREAS, her term expired on June 30, 2026 and she is seeking reappointment; and

WHEREAS, the Mayor has recommended to City Council that Jane Parisi-Mosher be reappointed; and

WHEREAS, in accordance with Council Rules of Procedure, all such appointments are subject to the approval of the City Council by resolution.

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

Section 1. The Sherwood City Council hereby reappoints Jane Parisi-Mosher to Position 3 of the Sherwood Cultural Arts Commission for a term expiring at the end of June 2029.

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

Duly passed by the City Council this 4th day of August, 2026.

____
Tim Rosener, Mayor

Attest:

____
Sylvia Murphy, MMC, City Recorder

City Council Meeting Date: August 4, 2026

Agenda Item: Consent Agenda

TO: Sherwood City Council

FROM: Chanda Hall, Arts Center Manager
Through: Craig Sheldon, City Manager and Kristen Switzer, Assistant City Manager

SUBJECT: **Resolution 2026-053, Reappointing Lester Nishimura to the Sherwood Cultural Arts Commission**

Issue:
Should the City Council reappoint Lester Nishimura to the Sherwood Cultural Arts Commission?

Background:
Lester Nishimura has been serving in Position 1 on the Cultural Arts Commission and has contributed time and energy to all of Cultural Arts festivals and endeavors throughout his tenure. He would like to continue to serve and we value his continued involvement. City Council Liaison to the Sherwood Cultural Arts Commission Keith Mays and Cultural Arts Commission Chair Jen Casler unanimously recommend the reappointment of Lester Nishimura. The mayor has recommended this reappointment to the City Council. In accordance with City Council Rules of Procedure, all such appointments are subject to the approval of City Council by resolution.

Financial Impacts:
There are no financial impacts from this proposed action.

Recommendation:
Staff respectfully recommends City Council's adoption of Resolution 2026-053, reappointing Lester Nishimura to the Sherwood Cultural Arts Commission.

City of Sherwood Oregon
Home of the Tualatin River National Wildlife Refuge

RESOLUTION 2026-053

REAPPOINTING LESTER NISHIMURA TO THE SHERWOOD CULTURAL ARTS COMMISSION

WHEREAS, Lester Nishimura recently held Position 1 on the Cultural Arts Commission; and

WHEREAS, his term expired on June 30, 2026 and he is seeking reappointment; and

WHEREAS, the Mayor has recommended to City Council that Lester Nishimura be reappointed; and

WHEREAS, in accordance with Council Rules of Procedure, all such appointments are subject to the approval of the City Council by resolution.

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

Section 1. The Sherwood City Council hereby reappoints Lester Nishimura to Position 1 of the Sherwood Cultural Arts Commission for a term expiring at the end of June 2029.

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

Duly passed by the City Council this 4th day of August, 2026.

____
Tim Rosener, Mayor

Attest:

____
Sylvia Murphy, MMC, City Recorder

City Council Meeting Date: August 4, 2026

Agenda Item: Consent Agenda

TO: Sherwood City Council

FROM: Chanda Hall, Arts Center Manager
Through: Craig Sheldon, City Manager and Kristen Switzer, Assistant City Manager

SUBJECT: Resolution 2026-054, Reappointing Elizabeth Flores to the Sherwood Cultural Arts Commission

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Issue:
Should the City Council reappoint Elizabeth Flores to the Sherwood Cultural Arts Commission?

Background:
Elizabeth Flores has been serving in Position 5 on the Cultural Arts Commission and has been an active and consistent commissioner. She would like to continue to serve and we value her continued involvement. City Council Liaison to the Sherwood Cultural Arts Commission Keith Mays and Cultural Arts Commission Chair Jen Casler unanimously recommend the reappointment of Elizabeth Flores. The mayor has recommended this reappointment to the City Council. In accordance with City Council Rules of Procedure, all such appointments are subject to the approval of City Council by resolution.

Financial Impacts:
There are no financial impacts from this proposed action.

Recommendation:
Staff respectfully recommends City Council's adoption of Resolution 2026-054, reappointing Elizabeth Flores to the Sherwood Cultural Arts Commission.

DRAFT

Home of the Tualatin River National Wildlife Refuge

RESOLUTION 2026-054

REAPPOINTING ELIZABETH FLORES TO THE SHERWOOD CULTURAL ARTS COMMISSION

WHEREAS, Elizabeth Flores recently held Position 5 on the Cultural Arts Commission; and

WHEREAS, her term expired on June 30, 2026 and she is seeking reappointment; and

WHEREAS, the Mayor has recommended to the City Council that Elizabeth Flores be reappointed; and

WHEREAS, in accordance with Council Rules of Procedure, all such appointments are subject to the approval of the City Council by resolution.

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

Section 1. The Sherwood City Council hereby reappoints Elizabeth Flores to Position 5 of the Sherwood Cultural Arts Commission for a term expiring at the end of June 2029.

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

Duly passed by the City Council this 4th day of August, 2026.

____
Tim Rosener, Mayor

Attest:

____
Sylvia Murphy, MMC, City Recorder

Council Meeting Date: August 4, 2026

Agenda Item: Public Hearing *(Second Reading)*

TO: Sherwood City Council

FROM: Ryan Adams, City Attorney

SUBJECT: **Ordinance 2026-004, Amending Sherwood Municipal Code, Chapter 1.10 Public Contracting Rules**

ISSUE:
Should the City Council adopt an ordinance updating its procurement code (SMC 1.10)?

BACKGROUND:
Sherwood has its own procurement code in accordance with Oregon law. The code was last updated in May 2023. Because of changing purchase thresholds in Oregon law and regulatory requirements under the Americans with Disabilities Act, an update may be prudent in effort to enhance administrative efficiency and reduce liability.

If adopted, the amendments would raise small procurements to $25,000 (from $10,000) and intermediate procurements to $250,000 (from $150,000) in accordance with updated state statutes. The amendment would also authorize the City Manager to execute contracts in the small and intermediate procurement class without prior approval by City Council.

Recently, the federal government has updated certain Americans with Disabilities act requirements. The amendment to the code would add a section 1.10.101. This new section would shift ADA compliance requirements to contractors and help insulate the City from liability.

Finally, the amendment would remove an annual staff contract training requirement that is provided by the City Attorney. The training would remain in the code, but would be provided by the City Attorney at the request of the City Manager.

FINANCIAL IMPACTS:
There are no significant financial impacts of the adoption of this ordinance other than the cost of codification.

RECOMMENDATION:
Staff respectfully recommends City Council hold a public hearing and consider adoption of Ordinance 2026-004, Amending the Sherwood Municipal Code, Chapter 1.10 Public Contracting Rules. A second reading is presently scheduled for August 4, 2026.

City of Sherwood Oregon
Home of the Tualatin River National Wildlife Refuge

ORDINANCE 2026-004

AMENDING THE SHERWOOD MUNICIPAL CODE, CHAPTER 1.10 PUBLIC CONTRACTING RULES

WHEREAS, ORS 279A.065 allows cities to adopt their own procurement codes; and

WHEREAS, The City has formally adopted its own procurement code; and

WHEREAS, The procurement code is in need of an update in order to more closely align with the purchasing thresholds in state statute and to require any contractor doing business with the City to comply with the Americans with Disabilities Act, as amended.

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

Section 1. Sherwood Municipal Code Chapter 1.10, et. seq, is amended as set forth in the attached Exhibit A.

Section 2. Staff is directed to take all necessary and reasonable steps to promulgate the amendments in the attached Exhibit A.

Section 3. This Ordinance is and shall be effective 30 days after its adoption by the City Council.

Duly passed by the City Council on this 4th day of August, 2026.

______________________ ______
Tim Rosener, Mayor Date

Attest:

____
Sylvia Murphy, MMC, City Recorder

	AYE	NAY
Giles	____	____
Scott	____	____
Mays	____	____
Standke	____	____
Brouse	____	____
Young	____	____
Rosener	____	____

Chapter 1.10 PUBLIC CONTRACTING RULES

1.10.010 Introduction

A. Purpose of Purchasing Policy. This code is adopted by the Sherwood city council as the governing body of the city to establish the rules and procedures for contracts entered into and purchases made by the City of Sherwood, Oregon. It is the policy of the city in adopting this code to utilize public contracting and purchasing practices and methods that maximize the efficient use of city resources and the purchasing power of city funds by:

1. Promoting impartial and open competition;
2. Using solicitation materials that are complete and contain a clear statement of contract specifications and requirements; and
3. Taking full advantage of evolving procurement methods that suit the purchasing needs of the city as they emerge within various industries.

B. Interpretation of Purchasing Policy. Except as specifically provided in this code, public contracts and purchases shall be awarded, administered and governed according to ORS chapters 279A, 279B and 279C (the "Public Contracting Code") and the attorney general's Model Public Contract Rules ("model rules"), as they now exist.

1. In furtherance of the purposes of the objective set forth above in subsection A, this code be interpreted to authorize the full use of all contracting and purchasing powers described in ORS chapters 279A, 279B and 279C.
2. The model rules adopted under ORS 279A.065 shall apply to the contracts and purchases of the city to the extent they do not conflict with this code and the rules and regulations adopted by the city.
3. In the event of a conflict between any provisions of this code and the model rules, the provisions of this code shall prevail.

C. Specific Provisions' Precedence over General Provisions. In the event of a conflict between the provisions of this code, the more specific provision shall take precedence over the more general provision.

D. Conflict with Federal Statutes and Regulations. Except as otherwise expressly provided in ORS chapters 279A, 279B and/or 279C, applicable federal statutes and regulations govern when federal funds are involved.

1.10.020 Definitions.

Unless a different definition is specifically provided herein, or context clearly requires otherwise, the following terms have the meanings set forth herein. Additionally, any term defined in the singular includes the meaning of the plural, and vice versa.

A. "Administering agency." The contracting agency that solicited and established the original contract in a cooperative procurement for goods, services, personal services, professional services or public improvements.

B. "Affected person/offeror." A person whose ability to participate in a procurement is adversely impaired by a city decision.

C. "Architectural, engineering and land surveying services." Professional services performed by an architect, engineer or land surveyor and includes architectural, engineering or land surveying services, separately or any combination thereof, as appropriate within the context of a section of this model.

D. "Award." The decision to enter into a contract or purchase order with a specific offeror.

E. "Bid." A response to an invitation to bid.

F. "Bidder." A person who submits a bid in response to an invitation to bid.

G. "Business with which a city employee is associated." Any business in which a city employee is a director, officer, owner or employee, or any corporation in which a city employee owns or has owned ten percent or more of any class of stock at any point in the preceding calendar year.

H. "City." The City of Sherwood, Oregon, a municipal corporation and a contracting and purchasing agency.

I. "City manager." The person appointed by the city council to the position of city manager, or, as the context or situation requires, the city manager's designee.

J. "Closing." The date and time announced in a solicitation document as the deadline for submitting bids or offers.

K. "Contract." See Public Contract.

L. "Contractor." The person who enters into a contract with the city.

M. "Contract price." As the context requires:

   1. The maximum payment that the city will make under a contract if the contractor fully performs under the contract, including bonuses, incentives and contingency amounts;

   2. The maximum not-to-exceed payment specified in the contract; or

   3. The unit prices set forth in the contract.

N. "Contracting agency." A public body authorized by law to conduct a procurement.

O. "Cooperative procurement." A procurement conducted by, or on behalf of, one or more contracting agencies.

P. "Days." Calendar days.

Q. "Department." Includes the following departments of the city:

   a. Community development;

   b. Community services;

   c. Finance;

   d. Office of the city attorney;

e. Public works;

f. Police.

R. "Department director." An employee of the city that is the senior employee of a department of the city and member of the senior leadership team, or any other city employee designated, in writing, by the city manager.

S. "Emergency." Involves circumstances that:

1. Could not have been reasonably foreseen;

2. Create a substantial risk of loss, damage or interruption of services or a substantial threat to property, public health, welfare or safety; and

3. Require prompt execution of a contract or amendment in order to remedy the condition.

T. "Findings." The justification for a conclusion. If the justification relates to a public improvement contract, findings may be based on information that includes, but is not limited to:

1. Operational, budget and financial data;

2. Public benefits;

3. Value engineering;

4. Specialized expertise;

5. Market conditions;

6. Technical complexity; and

7. Funding sources.

U. "Goods and/or services." Supplies, equipment, materials and services, other than personal services, and any personal property, including any tangible, intangible and intellectual property and rights and licenses in relation thereto. The term includes combinations of any of the items identified in the definition.

V. "Grant." An agreement under which:

1. The city receives moneys, property or other assistance, including but not limited to, federal assistance that is characterized as a grant by federal law or regulation, loans, loan guarantees, credit enhancements, gifts, bequests, commodities or other assets;

   a. The assistance received by the city is from a grantor for the purpose of supporting or stimulating a program or activity of the city; and

   b. No substantial involvement by the grantor is anticipated in the program or activity other than involvement associated with monitoring compliance with grant conditions; or

2. The city provides moneys, property or other assistance, including but not limited to, federal assistance that is characterized as a grant by federal law or regulation,

loans, loan guarantees, credit enhancements, gifts, bequests, commodities or other assets;

a. The assistance is given to the recipient for the purpose of supporting or stimulating a program or activity of the recipient; and

b. No substantial involvement by the city is anticipated in the program or activity other than involvement associated with monitoring compliance with grant conditions.

W. "Immediate family member." An employee's: spouse, and parents thereof; children, and spouses thereof; parents, and spouses thereof; siblings, and spouses thereof; grandparents and grandchildren, and spouses thereof; and domestic partner, and parents thereof.

X. "Offer." A bid, proposal, quote or other response to a solicitation document.

Y. "Offeror." A person who submits an offer.

Z. "Opening." The date, time and place announced in the solicitation document for the public opening of written sealed offers.

AA. "Original contract." The initial contract or price agreement solicited and awarded during a cooperative procurement by an administering agency.

BB. "Purchasing agency." An agency that procures goods or services, personal services, or public improvements from a contractor based on the original contract established by an administering agency in a cooperative procurement.

CC. "Person." An individual, corporation, business trust, estate, trust, partnership, limited liability company, association, joint venture, governmental agency, public body, public corporation or other legal or commercial entity, and any other person or entity with legal capacity to contract.

DD. "Personal services." Services, other than professional services, that require specialized skill, knowledge and resources in the application of technical or scientific expertise or in the exercise of professional, artistic or management discretion or judgment.

1. Qualifications and performance history, expertise and creativity, and the ability to exercise sound professional judgment are typically the primary considerations when selecting a personal services contractor, with price being secondary.

2. Personal services contracts include, but are not limited to, the following classes of contracts:

   a. Contracts for services performed in a professional capacity, including but not limited to, services of an accountant, attorney, auditor, court reporter, information technology consultant, physician or broadcaster;

   b. Contracts for professional or expert witnesses or consultants to provide services or testimony relating to existing or potential litigation or legal matters in which the city is or may become interested;

c. Contracts for services as an artist in the performing or fine arts, including any person identified as a photographer, film maker, actor, director, painter, weaver or sculptor;

d. Contracts for services that are specialized, creative or research-oriented; and/or

e. Contracts for services as a consultant.

EE. "Price agreement." A contract for the procurement of goods or services at a set price which has:

1. No guarantee of a minimum or maximum purchase; or

2. An initial order or minimum purchase combined with a continuing contractor obligation to provide goods or services with no guarantee of any minimum or maximum additional purchase.

FF. "Procurement." The act of purchasing, leasing, renting or otherwise acquiring goods or services, personal services or professional services. It includes each function and procedure undertaken or required to be undertaken to enter into a contract, administer a contract and obtain the performance of a contract for goods or services, personal services or professional services.

GG. "Professional services." Architectural, engineering, land surveying, photogrammetric, transportation planning or related services, or any combination of these services, provided by a consultant.

HH. "Proposal." A response to a request for proposals.

II. "Proposer." A person that submits a proposal in response to a request for proposals.

JJ. "Provider." As the context requires, a supplier of goods or services, personal services, or professional services.

KK. "Public contract." A sale or other disposal, or a purchase, lease, rental or other acquisition, by the city of personal property, goods or services, including personal services, professional services, public improvements, public works, minor alterations, or ordinary repair or maintenance necessary to preserve a public improvement. It does not include grants.

LL. "Public contracting." Procurement activities relating to obtaining, modifying or administering contracts or price agreements.

MM. "Public improvement." A project for construction, reconstruction or major renovation on real property, by or for the city. It does not include projects for which no funds of the city are directly or indirectly used, except for participation that is incidental or related primarily to project design or inspection; or emergency work, minor alteration, or ordinary repair or maintenance necessary to preserve a public improvement.

NN. "Public improvement contract." A contract for a public improvement. This does not include a contract for emergency work, minor alterations, or ordinary repair or maintenance necessary to maintain a public improvement.

OO. "Recycled product." All materials, goods and supplies, not less than fifty (50) percent of the total weight of which consists of secondary and post-consumer waste with not less than ten percent of its total weight consisting of post-consumer waste. It includes any product that could have been disposed of as solid waste, having completed its life cycle as a consumer item, but otherwise is refurbished for reuse without substantial alteration of the product's form.

PP. "Related services." Personal services, other than architectural, engineering and land survey services, that are related to the planning, design, engineering or oversight of public improvement projects or components thereof, including but not limited to:

1. Landscape architectural services;
2. Facilities planning services;
3. Energy planning services;
4. Space planning services;
5. Environmental impact studies;
6. Hazardous substances or hazardous waste or toxic substances testing services;
7. Wetland delineation studies;
8. Wetland mitigation services;
9. Native American studies;
10. Historical research services;
11. Endangered species studies;
12. Rare plant studies;
13. Biological services;
14. Archaeological services;
15. Cost estimating services;
16. Appraising services;
17. Material testing services;
18. Mechanical system balancing services;
19. Commissioning services;
20. Project management services;
21. Construction management services and owner's representatives service; and/or
22. Land use planning services.

QQ. "Request for proposals." A solicitation document used for soliciting proposals.

RR. "Request for qualifications." A written document issued by the city describing particular services to which potential contractors respond with a description of their experience and qualifications that results in a list of potential contractors who are qualified to perform those services, but which is not intended to create a contract between a potential contractor on the list and the city.

SS. "Revenue generating agreements." Contracts or agreements for services that generate revenue and that are typically awarded to the offeror proposing the most advantageous or highest monetary return.

TT. "Scope." The range and attributes of the goods or services described in a procurement document.

UU. "Signed or signature." Any mark, word or symbol attached to or logically associated with a document and executed or adopted by a person with the authority and intent to be bound.

VV. "Solicitation." As the context requires:

1. A request for the purpose of soliciting offers, including an invitation for bid, a request for proposal, a request for quotation, a request for qualifications, or other similar documents;
2. The process of notifying prospective offerors of a request for offers; and/or
3. The solicitation document.

WW. "Work." The furnishing of all materials, equipment, labor and incidentals necessary to successfully complete any individual item in a contract and successful completion of all duties and obligations imposed by the contract.

XX. "Written or in writing." Conventional paper documents, whether handwritten, typewritten or printed, in contrast to spoken words, including electronic transmissions or facsimile documents when required by applicable law or permitted by a solicitation document or contract.

1.10.030. Authority.

A. City Council as Local Contract Review Board. The city council is designated as the local contract review board of the city and has all the rights, powers and authority necessary to carry out the provisions of this code, the public contracting code, and/or the model rules.

B. Application of Attorney General's Model Rules of Procedure. Pursuant to ORS 279A.065(6), the city has elected to establish its own policy for public contracting and purchasing. Except as provided herein, the model rules do not apply to the city.

C. Inapplicability of Code. This code does not apply to the following:

1. Contracts or agreement to which the public contracting code does not apply;
2. Contracts, intergovernmental and interstate agreements entered into pursuant to ORS chapter 190;
3. Grants;
4. Acquisitions or disposals of real property or interests in real property;
5. Procurements from an Oregon Corrections Enterprise program;

6. Contracts, agreements or other documents entered into, issued or established in connection with:
   a. The incurring of debt, including any associated contracts, agreements or other documents, regardless of whether the obligations that the contracts, agreements or other documents establish are general, special or limited;
   b. The making of program loans and similar extensions or advance of funds, aid or assistance by the city to a public or private person for the purpose of carrying out, promoting or sustaining activities or programs authorized by law other than for the construction of public works or public improvements;
   c. The investment of funds by the city as authorized by law; or
   d. Banking, money management or other predominantly financial transactions that, by their character, cannot practically be established under the competitive contractor selection procedures, based upon the findings of the city manager.
7. Contracts for employee benefit plans;
8. Contracts with newspapers and other publications for the placement of advertisements or public notices;
9. Contracts for items where the price is regulated and available from a single source or limited number of sources;
10. Insurance contracts;
11. Revenue-generating agreements;
12. Federal agreements where applicable federal statutes and regulations govern when federal funds are involved and the federal statutes or regulations conflict with any provision of the Oregon Public Contracting Code or this Code, or require additional conditions in public contracts not authorized by the Oregon Public Contracting Code or this Code.

D. Authority of City Manager. Nothing in this section prevents the passage of a resolution increasing the purchasing authority of the city manager. In absence of such resolution, the city manager is authorized to:

1. Award contracts and amendments without specific authorization by the city council whenever the contract amount is two hundred fifty thousand ($250,000.00) or less, the proposed expenditure is included in the current fiscal year budget, and the proposed expenditure aligns with city council goals as may be amended from time to time.
2. Execute contracts and amendments with specific authorization by the city council whenever the contract or amendment amount is greater than two hundred fifty thousand ($250,000.00) and the proposed expenditure is included in the current fiscal year budget.
3. As the purchasing agent for the city, the city manager is authorized to:
   a. Advertise for bids or proposals without specific authorization from the city council, when the proposed purchase is included within the current fiscal year budget.

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b. Advertise for bids or proposals when the proposed purchase is not included within the current fiscal year budget after the city council approves the proposed budget transfer.

c. Purchase goods, services and/or property without specific authorization by the city council whenever the amount is two hundred fifty thousand ($250,000.00) or less and the proposed expenditures are included in the current fiscal year budget.

d. Purchase goods, services and/or property with specific authorization by the city council whenever the amount is greater than two hundred fifty thousand ($250,000.00) and the proposed expenditure is included in the current fiscal year budget.

e. Purchases of any goods or services in excess of seven thousand five hundred ($7,500.00) from city employees require authorization of the city manager.

f. Department directors are authorized to make expenditures of up to fifty thousand dollars ($50,000.00) without approval of the city manager so long as this code, and any other applicable law, is followed.

g. Departments shall communicate purchase requirements to the city manager and plan sufficiently in advance so that orders can be placed in economical quantities.

4. Delegate, in writing, the signature authority described in the above subsection 2 and the purchasing powers described in the above subsection 3. In the absence of a written delegation to the contrary, and in the absence of the city manager, the signature authority described in the above subsection 2 and the purchasing powers described in the above subsection 3 are delegated in order as follows:

a. Assistant city manager;

b. Public works director;

c. Finance director;

d. Community services director;

e. Police chief;

f. City attorney.

5. Adopt forms, procedures, computer software, and administrative rules for all city purchases regardless of the amount.

a. When adopting the forms, procedures, computer software, and/or administrative rules, the city manager shall establish practices and policies that:

i. Do not encourage favoritism or substantially diminish competition; and

ii. Allow the city to take advantage of the cost-saving benefits of alternative contracting methods and practices;

b. The city shall use these forms, procedures, computer software and administrative rules unless they conflict with the code.

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E. Favorable Terms. Contracts and purchases shall be negotiated on the most favorable terms in accordance with this code, other adopted ordinances, state and federal laws, policies and procedures.

F. Unauthorized Contracts or Purchases. Public contracts entered into or purchases made as authorized herein shall be voidable at the sole discretion of the city.

1. The city may take appropriate action in response to execution of contracts or purchases made contrary to this provision.

2. Such actions include, but are not limited to, providing educational guidance, imposing disciplinary measures, termination of employment, and/or holding individuals personally liable for such contracts or purchases.

G. Purchasing from City Employees or Employees' Immediate Family Prohibited. No contract shall be entered into with or purchase made from any city employee or employee's immediate family member, or any business with which the employee is associated, unless:

1. The contract or purchase is expressly authorized and approved by the city council; or

2. The need for the contract or purchase occurs during a state of emergency, and the city manager finds, in writing, that the acquisition from the employee, employee's immediate family member or business with which the employee is associated is the most expeditious means to eliminate the threat to public health, safety and welfare.

1.10.040. Preferences.

A. Discretionary Local Preference. If the solicitation is in writing, the city manager may provide a specified percentage preference of not more than ten percent for goods fabricated or processed entirely in Oregon or services performed entirely in Oregon.

1. When a preference is provided under this subsection, and more than one offeror qualifies for the preference, the city manager may give further preference to a qualifying offeror that resides in or is headquartered in Oregon.

2. The city manager may establish a preference percentage of ten percent or higher if the city manager makes a written determination that good cause exists to establish the higher percentage, explains the reasons, and provides evidence of good cause.

3. The preference described in this subsection cannot be applied to a contract for emergency work, minor alterations, and ordinary repairs or maintenance of public improvements.

B. Mandatory Tie Breaker Preference. If offers are identical in price, fitness, availability and the quality is identical, and the city desires to award the contract, the preferences provided in ORS 279A.120 shall be applied prior to the contract award.

C. Reciprocal Preference. Reciprocal preferences must be given when evaluating bids, if applicable under ORS 279A.120.

D. Preference for Recycled Materials and Supplies. Preferences for recycled goods shall be given when comparing goods, if applicable under ORS 279A.125. The city manager shall adopt standards to determine if goods are manufactured from recycled materials.

1.10.050. General provisions.

A. Public Notice. Unless otherwise specifically provided by this code, any notice required to be published by this code may be published using any method the city manager deems appropriate, including but not limited to, mailing notice to persons that have requested notice in writing, placing notice on the city's website, or publishing in statewide trade or local publications.

B. Procedure for Competitive Verbal Quotes and Proposals. Where allowed by this code, solicitations by competitive verbal quotes and proposals shall be based on a description of the quantity of goods or services to be provided, and may be solicited and received any reasonable method of communication if authorized by the city manager.

   1. A good faith effort shall be made to contact at least three potential providers.

   2. If three potential providers are not reasonably available, fewer will suffice, provided the reasons three potential providers are not reasonably available is documented, in writing, as part of the procurement file.

C. Procedure for Informal Written Solicitation. Where allowed by this code, informal written solicitations shall be made by a solicitation document sent to not less than three prospective providers.

   1. The solicitation document shall request competitive price quotes or competitive proposals, and include:

      a. The date, time and place that price quotes or proposals are due;

      b. A description or quantity of the good or service required;

      c. Any statement of period for which price quotes or proposals must remain firm, irrevocable, valid and binding on the offeror. If no time is stated in the solicitation document, the period shall be thirty (30) days;

      d. Any required contract terms or conditions; and

      e. Any required bid form or proposed format.

   2. Price quotes or proposals shall be received by the city manager at the date, time and place established in the solicitation document.

      a. The city manager, or their designee, shall keep a written record of the sources of the quotes or proposals.

      b. If three quotes or proposals are not reasonably available, fewer shall suffice, but the city manager, or their designee, shall make a written record of the effort made to obtain quotes or proposals as part of the procurement file.

D. Procurement Methods for Professional Services and Public Improvements. The city shall apply the public contracting code and the model rules when procuring professional services and public improvements and processing protests thereof.

E. Training. At the request of the City Manager, the office of the city attorney shall arrange and provide training on procurement law, policies, and best practices.

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F. Procurement Management. The city, and each department thereof, shall maintain a list of its active contracts, and shall include within such list, the amount of the contract, and the date of expiration thereof. A payment to any contractor that exceeds the lesser of fifteen (15) percent or fifty thousand dollars ($50,000.00) of the previously agreed upon contract amount, shall require the approval of the city manager and city attorney. Nothing in this section shall be construed to allow a contract of more than two hundred fifty thousand dollars ($250,000.00) to be executed without council approval.

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G. Retroactive Approval. Retroactive approval of a contract means the award or execution of a contract where work was commenced without final award or execution. The city manager may make a retroactive approval of a contract only if the responsible employee submits a copy of the proposed contract to the city manager, along with a written request for contract retroactive approval, that contains:

1. An explanation of the reason work was commenced before the contract was finally awarded or executed;
2. A description of steps being taken to prevent similar occurrences in the future;
3. Evidence that, but for the failure to finally award or execute the contract, the employee complied with all other steps required to properly select a contractor and negotiate the contract; and
4. A proposed form of contract.

(Ord. No. 2023-004, § 1, 5-16-2023)

1.10.060. Source selection methods for goods or services, other than personal or professional services.

A. Small Procurements. Contracts for or purchases of goods or services with a contract price of twenty five thousand dollars ($25,000.00) or less are small procurements.

1. Purchases less than twenty five thousand dollars ($25,000.00). The city manager may use any procurement method the city manager deems practical or convenient, including direct negotiation or award, for small procurements of goods or services with a contract price of less than twenty five thousand dollars ($25,000.00).
2. Negotiations. The city manager may negotiate with an offeror to clarify competitive verbal quotes or proposals or informal written proposals, or to make modifications that will make the quote or proposal acceptable or more advantageous to the city.
3. Award. If a contract is awarded, the award shall be made to the offeror whose verbal quote or proposal the city manager determines will best serve the interests of the city, taking into account price as well as any other relevant considerations, including but not limited to, experience, expertise, product functionality, suitability for a particular purpose, delivery, and contractor responsibility.
4. Amendments. Small procurement contracts may be amended if the cumulative amendments do not increase the total contract price to more than twenty-five (25) percent of the original contract price.

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5. Public Notice. No public notice of small procurements is required.

B. Intermediate Procurements. Contracts for goods or services with a contract price greater than twenty five thousand dollars ($25,000.00) and less than or equal to two hundred fifty thousand dollars ($250,000.00) are intermediate procurements.

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1. Intermediate procurements shall be by informal written solicitation.
2. Negotiations. The city manager may negotiate with an offeror to clarify an informal written solicitation, or to make modifications that will make the quote, proposal or solicitation acceptable or more advantageous to the city.
3. Award. If a contract is awarded, the award shall be made to the offeror whose competitive verbal quote or proposal or informal written solicitation the city manager determines will best serve the interests of the city, taking into account price or any other relevant considerations, including but not limited to, experience, expertise, product functionality, suitability for a particular purpose, delivery and contractor responsibility.
4. Amendments. Intermediate procurement contracts may be amended if the cumulative amendments do not increase the total contract price by more than twenty-five (25) percent of the original contract price.

C. Large Procurements. Contracts for goods or services with a contract price greater than two hundred fifty thousand dollars ($250,000.00) are large procurements.

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1. The city manager may use competitive sealed bidding as set forth in ORS 279B.055, or competitive sealed proposals as set forth in ORS 279B.060.
2. When using either competitive sealed bidding or competitive sealed proposals, the city manager shall follow the applicable procedures set out in the model rules.
3. The city shall apply the applicable procedure set out in the model rules for processing protests of large procurements.

(Ord. No. 2023-004, § 1, 5-16-2023)

1.10.070. Personal services contracts.

A. Classification of Services as Personal Services. In addition to the classes of personal services contracts identified in the definition of personal services contracts, the city manager may classify additional specific types of services as personal services. In determining whether a service is a personal service, the city manager shall consider:

1. Whether the work requires specialized skills, knowledge and resources in the application of technical or scientific expertise, or the exercise of professional, artistic or management discretion or judgment;
2. Whether the city intends to rely on the contractor's specialized skills, knowledge and expertise to accomplish the work; and
3. Whether selecting a contractor primarily on the basis of qualifications, rather than price, would most likely meet the city's needs and result in obtaining satisfactory contract performance and optimal value.

4. A service shall not be classified as personal services for the purposes of this code if:
   a. The work has traditionally been performed by contractors selected primarily on the basis of price; or
   b. The services do not require specialized skills, knowledge and resources in the application of highly technical or scientific expertise, or the exercise of professional, artistic or management discretion or judgment.

B. Requests for Qualifications. At the city manager's discretion, a request for qualifications may be used to determine whether competition exists to perform the needed personal services or to establish a non-binding list of qualified contractors for individual negotiation, informal written solicitations or requests for proposals.
   1. A request for qualifications shall describe the particular type of personal services that will be sought, the qualifications the contractor must have to be considered, and the evaluation factors and their relative importance.
   2. A request for qualifications may require information including, but not limited to:
      a. The contractor's particular capability to perform the required personal services;
      b. The number of experienced personnel available to perform the required personal services;
      c. The specific qualifications and experience of personnel;
      d. A list of similar personal services the contractor has completed;
      e. References concerning past performance; and
      f. Any other information necessary to evaluate the contractor's qualifications.
   3. A voluntary or mandatory qualifications pre-submission meeting may be held for all interested contractors to discuss the proposed personal services. The request for qualifications shall include the date, time and location of the meeting.
   4. Unless the responses to a request for qualifications establish that competition does not exist, the request for qualifications is canceled, or all responses to the request for qualifications are rejected, and all respondents who meet the qualifications set forth in the request for qualifications shall receive notice of any required personal services and have an opportunity to submit a proposal in response to request for proposals.

C. Direct Negotiations. Personal services may be procured through direct negotiations if:
   1. The contract price does not exceed seventy-five thousand dollars ($75,000.00) and the work is within a budgetary appropriation or approved by the city council; or
   2. The confidential personal services, including special counsel, or professional or expert witnesses or consultants, are necessary to assist with pending or threatened litigation or other legal matters in which the city may have an interest; or
   3. The nature of the personal service is not project-driven but requires an ongoing, long-term relationship of knowledge and trust.
   4. Amendments. Personal services contracts procured by direct negotiation pursuant to this section may be amended, provided the amendment is within the scope of the

original contract and the cumulative amount of the amendments does not increase the total contract price by more than twenty-five (25) percent over the original contract price; or the amendment is necessary to complete the work being performed and it would be unreasonable or impracticable to seek another provider within the time frames needed to complete the work.

5. Public Notice. No public notice of personal services contracts procured by direct negotiations is required.

D. Informal Written Solicitations. An informal written solicitation process may be used for personal services when the contract price is less than two hundred fifty thousand dollars ($250,000.00).

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1. An informal written solicitation shall solicit proposals from at least three qualified providers. If the city manager determines three qualified providers are not reasonably available, fewer shall suffice if the reasons three providers are not reasonably available are documented in the procurement file.

2. The solicitation document shall include:

   a. The date, time and place that proposals are due;

   b. A description of personal services sought, or the project to be undertaken;

   c. Any statement of the time period for which proposals must remain firm, irrevocable, valid and binding on the offeror. If no time is stated in the solicitation document, the period shall be thirty (30) days;

   d. Any required contract terms or conditions; and

   e. Any required bid form or proposal format.

3. Selection and ranking of proposals may be based on the following criteria:

   a. Particular capability to perform the personal services required;

   b. Experienced staff available to perform the personal services required, including the proposer's recent, current and projected workloads;

   c. Performance history;

   d. Approach and philosophy used in providing personal services;

   e. Fees or costs;

   f. Geographic proximity to the project or the area where the services are to be performed; and

   g. Such other factors deemed appropriate, including a desire to ensure an equitable distribution of work among highly qualified contractors.

4. The city manager shall maintain written documentation of the solicitation, including solicitation attempts, responses, and provider names and addresses in the procurement file.

5. Amendments. Personal services contracts procured by informal written solicitations pursuant to this section may be amended, provided the amendment is within the scope

of the original contract and the cumulative amount of the amendments does not increase the total contract price by more than twenty-five (25) percent over the original contract price; or the amendment is necessary to complete the work being performed and it would be unreasonable or impracticable to seek another provider within the time frames needed to complete the work.

6. Public Notice. No public notice of personal services contracts procured by informal written solicitations pursuant to this section is required.

7. The selection procedures described in this section may be waived by the contracting agency where 1) an emergency exists that could not have been reasonably foreseen and requires such prompt execution of a contract to remedy the situation that there is not sufficient time to permit utilization of the selection procedures, 2) selection is from a list of providers with similar qualifications in which selection is determined based upon a regularly scheduled pre-qualification process, not to exceed three years, or 3) a change in contractor to do follow-up work would clearly result in increased costs or increased time.

E. Requests for Proposals. A request for proposals shall be used to procure personal services when the contract price is two hundred fifty thousand dollars ($250,000.00) or more or the complexity of the project requires the use of a formal competitive process to determine whether a particular proposal is most advantageous to the city.

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1. Request for Proposal. The request for proposal shall include:

   a. Notice of any pre-offer conference, including:

      i. The time, date and location;

      ii. Whether attendance at the pre-offer conference is mandatory or voluntary; and

      iii. A provision that statements made by representatives of the city at the pre-offer conference are not binding unless confirmed by written addendum.

   b. The form and instructions for submission of proposals, including the location where proposals must be submitted, the date and time by which proposals must be received and any other special information, e.g., whether proposals may be submitted by electronic means;

   c. The name and title of the person designated for the receipt of proposals and the person designated as the contact person for the procurement, if different;

   d. A date, time and place that pre-qualification applications, if any, must be filed and the classes of work, if any, for which proposers must be pre-qualified;

   e. A statement that the city may cancel the procurement or reject any or all proposals;

   f. The date, time and place of opening;

   g. The office where the request for proposals may be reviewed;

   h. A description of the personal services to be procured;

   i. The evaluation criteria;

j. The anticipated schedule, deadlines, evaluation process and protest process;

k. The form and amount of any proposal security deemed reasonable and prudent by the city manager to protect the city's interests;

l. A description of the manner in which proposals will be evaluated, including the relative importance of price and other evaluation factors used to rate the proposals;

m. If more than one tier of competitive evaluation will be used, a description of the process under which the proposals will be evaluated in the subsequent tiers;

n. If contracts will be awarded to more than one personal services contractor, an identification of the manner in which the city will determine the number of contracts to be awarded, or that the manner will be left to the city's discretion at time of award;

o. If contracts will be awarded to more than one personal services contractor, the criteria to be used to choose from the multiple contracts when acquiring personal services shall be identified;

p. All required contract terms and conditions, including the statutorily required provisions in ORS 279B.220, 279B.230 and 279B.235; and

q. Any terms and conditions authorized for negotiation.

2. Public Notice. The city manager shall provide public notice of a request for proposals for personal services.

   a. Public notice shall be given not less than twenty-one (21) days prior to closing for the request for proposals, unless the city manager determines that a shorter interval is in the public's interest, or a shorter interval will not substantially affect competition.

   b. The city manager shall document the specific reasons for the shorter public notice period in the procurement file.

   3. Amendments. Personal services contracts procured by requests for proposals pursuant to this section may be amended, provided the amendment is within the scope of the original contract and the cumulative amount of the amendments does not increase the total contract price by more than twenty-five (25) percent over the original contract price; or the amendment is necessary to complete the work being performed and it would be unreasonable or impracticable to seek another provider within the time frames needed to complete the work.

1.10.080. Alternative source selection methods for goods or services and personal services.

A. Sole-Source Procurements. A contract may be awarded as a sole-source procurement without competition pursuant to this section.

1. Determination of Sole Source. Before a sole-source contract may be awarded, the city manager shall make written findings that the goods or services, personal services or professional services are available from only one source, based on one or more of the following criteria:

a. The efficient use of existing goods or services, personal services or professional services requires the acquisition of compatible goods or services, personal services or professional services that are available from only one source;

b. The goods or services, personal services or professional services are available from only one source and required for the exchange of software or data with other public or private agencies;

c. The goods or services, personal services or professional services are available from only one source, and are needed for use in a pilot or an experimental project; or

d. Other facts or circumstances exist that support the conclusion that the goods or services, personal services or professional services are available from only one source.

2. Negotiations. To the extent reasonably practical, contract terms advantageous to the city shall be negotiated with the sole source provider.

3. Notice. The city manager, or designee, shall post notice of any determination that the sole source selection method will be used on the city's website not less than five days prior to the date a sole source contract will be awarded. The notice shall describe the goods or services, personal services or professional services to be procured, identify the prospective contractor and include the date and time when, and place where, protests of the use of a sole source selection method must be filed.

B. Special Procurements. In its capacity as contract review board for the city, the city council, upon its own initiative or upon request of the city manager, may create special selection, evaluation and award procedures for, or may exempt from competition, the award of a specific contract or class of contracts as provided in this section.

1. Basis for Approval. The approval of a special solicitation method or exemption from competition must be based upon a record before the city council that contains the following:

a. The nature of the contract or class of contracts for which the special solicitation or exemption is requested;

b. The estimated contract price or cost of the project, if relevant;

c. Findings to support the substantial cost savings, enhancement in quality or performance, or other public benefit anticipated by the proposed selection method or exemption from competitive solicitation;

d. Findings to support the reason that approval of the request would be unlikely to encourage favoritism or diminish competition for the public contract or class of public contracts, or would otherwise substantially promote the public interest in a manner that could not practicably be realized by complying with the solicitation requirements that would otherwise be applicable under these regulations;

e. A description of the proposed alternative contracting methods to be employed; and

f. The estimated date by which it would be necessary to let the contract(s).

2. In making a determination regarding a special selection method, the city council may consider the type, cost, amount of the contract or class of contracts, number of persons available to make offers, and such other factors as it may deem appropriate.

3. Hearing. The city shall approve the special solicitation or exemption after a public hearing before the city council.

   a. At the public hearing, the city shall offer an opportunity for any interested party to appear and present comment.

   b. The city council shall consider the findings and may approve the exemption as proposed or as modified by the city council after providing an opportunity for public comment.

C. Contracts. Subject to award at the city manager's discretion, the following classes of contracts may be awarded in any manner that the city manager deems appropriate to the city's needs, including by direct appointment or purchase. Except where otherwise provided, the city manager shall make a record of the method of award.

1. Amendments. Contract amendments shall not be considered to be separate contracts if made in accordance with the Code.

2. Architectural. Procurement of architectural, engineering, photogrammetric mapping, transportation planning, and land surveying services, and/or related services less than or equal to fifty thousand dollars ($50,000.00) subject to approval by the community development director, and up to two hundred fifty thousand dollars ($250,000.00) subject to approval of the city manager.

3. Copyrighted Materials; Library Materials. Contracts for the acquisition of materials entitled to copyright, including but not limited to, works of art and design, literature and music, or materials even if not entitled to copyright, purchased for use as library lending materials.

4. Equipment Repair. Contracts for equipment repair or overhauling, provided the service or parts required are unknown and the cost cannot be determined without extensive preliminary dismantling or testing.

5. Government-Regulated Items. Contracts for the purchase of items for which prices or selection of suppliers are regulated by a governmental authority. Price regulated items and/or under established price agreements, gasoline, diesel fuel, heating oil, lubricants and asphalt, investment contracts, insurance contracts, office copier purchases, sole source contracts, and oil or hazardous material removal.

6. Non-Owned Property. Contracts or arrangements for the sale or other disposal of abandoned property or other personal property not owned by the city.

7. Software and Computer Equipment. Contracts for the purchase of computer equipment and software, which may be by requests for quotations, the solicitation of which may be by advertisement or oral requests for offers.

8. Specialty Goods for Resale. Contracts for the purchase of specialty goods by the city for resale to consumers.

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9. Sponsorship Agreements. Sponsorship agreements, under which the city receives a gift or donation in exchange for recognition of the donor.
10. Structures. Contracts for the disposal of structures or signs located on city- owned property.
11. Renewals. Contracts that are being renewed in accordance with their terms, or within six months thereof, are not considered to be newly issued contracts and are not subject to competitive procurement procedures.
12. Temporary Extensions or Renewals. Contracts for a single period of one year or less, for the temporary extension or renewal of an expiring and non-renewable, or recently expired, contract, other than a contract for public improvements.
13. Temporary Use of City-Owned Property. The city may negotiate and enter into a license, permit or other contract for the temporary use of city-owned property without using a competitive selection process if:
    a. The contract results from an unsolicited proposal to the city based on the unique attributes of the property or the unique needs of the proposer;
    b. The proposed use of the property is consistent with the city's use of the property and the public interest; and
    c. The city reserves the right to terminate the contract without penalty, in the event that the city determines that the contract is no longer consistent with the city's present or planned use of the property or the public interest.
14. Used Property. The city manager may contract for the purchase of used property by negotiation if such property is suitable for the city's needs and can be purchased for a lower cost than substantially similar new property.
    a. For this purpose, the cost of used property shall be based upon the life-cycle cost of the property over the period for which the property will be used by the city.
    b. The city manager shall record the findings that support the purchase.
15. Utilities. Contracts for the purchase of steam, power, heat, water, telecommunications services, and other utilities.
16. Conference/Meeting Room Contracts. Contracts entered into for meeting room rental, hotel rooms, food and beverage, and incidental costs related to conferences and city-sponsored workshops and trainings.

D. Emergency Procurements. When the city manager determines that immediate execution of a contract within the city manager's authority is necessary to prevent substantial damage or injury to persons or property, the city manager may execute the contract without competitive selection and award or city council approval, but, where time permits, competitive quotes should be sought from at least three providers.

1. When the city manager enters into an emergency contract, the city manager shall, as soon as possible in light of the emergency circumstances, document the nature of the emergency, the method used for selection of the particular contractor, and the reason why the selection method was deemed in the best interest of the city and the public.

2. The city manager shall also notify the city council of the facts and circumstances surrounding the emergency execution of the contract.

E. Cooperative Procurement Contracts. Cooperative procurements may be made without competitive solicitation as provided in the public contracting code.

1.10.090. Surplus property.

A. General Methods. Surplus property may be disposed of by any of the following methods upon a determination by the city manager that the method of disposal is in the best interest of the city. Factors that may be considered by the city manager include costs of sale, administrative costs, and public benefits to the city.

1. Governments. Without competition, by transfer or sale to another government department or public agency.
2. Auction. By publicly advertised auction to the highest bidder.
3. Bids. By publicly advertised invitation to bid.
4. Liquidation Sale. By liquidation sale using a commercially recognized third-party liquidator selected in accordance with this code for the award of personal services contracts.
5. Fixed Price Sale. The city manager may establish a selling price based upon an independent appraisal or published schedule of values generally accepted by the insurance industry, schedule and advertise a sale date, and sell to the first buyer meeting the sales terms.
6. Trade-In. By trade-in, in conjunction with acquisition of other price-based items under a competitive solicitation. The solicitation shall require the offer to state the total value assigned to the surplus property to be traded.
7. Donation. By donation to any organization operating within or providing a service to residents of the state of Oregon, which is recognized by the Internal Revenue Service as an organization described in section 501(c)(3) of the Internal Revenue Code of 1986, as amended.

B. Disposal of Property with Minimal Value. Surplus property which has a value of less than five hundred dollars ($500.00), or for which the costs of sale are likely to exceed sale proceeds, may be disposed of by any means determined to be cost-effective, including by disposal as waste. The employee making the disposal shall make a record of the value of the item and the manner of disposal.

C. Personal-Use Items. An item (or indivisible set) of specialized and personal use with a current value of less than five hundred dollars ($500.00) may be sold to the employee or retired or terminated employee for whose use it was purchased. These items may be sold for fair market value without bid and by a process deemed most efficient by the city manager.

D. Restriction on Sale to City Employees. Unless subject to an open and public bid process, City employees shall not compete, as members of the public, for the purchase of publicly sold surplus property.

E. Conveyance to Purchaser. Upon the consummation of a sale of surplus personal property, the city shall make, execute and deliver a bill of sale or similar instrument signed on behalf of the city, conveying the property in question to the purchaser and delivering possession, or the right to take possession, of the property to the purchaser. All property sold pursuant to this section shall be sold as-is without any warranty, either express or implied, of any kind, including but not limited to warranties of title or fitness for any purpose.

1.10.100. Protest and appeal procedures.

A. Appeal of Debarment or Prequalification Decision.

1. Right to Hearing. Any person who has been debarred from competing for the city's contracts or for whom prequalification has been denied, revoked or revised may appeal the city's decision to the city council as provided in this section.
2. Filing of Appeal. The person shall file a written notice of appeal with the city manager within five business days after the prospective contractor's receipt of notice of the determination of debarment or denial of prequalification.
3. Notification of City Council. Immediately upon receipt of such notice of appeal, the city manager shall notify the city council of the appeal.
4. Hearing. The procedure for appeal from a debarment or denial, revocation or revision of prequalification shall be as follows:
    a. Promptly upon receipt of notice of appeal, the city shall notify the appellant of the date, time and place of the hearing;
    b. The city council shall conduct the hearing and decide the appeal within thirty (30) days after receiving notice of the appeal from the city manager; and
    c. At the hearing, the city council shall reconsider, without regard to the underlying decision giving rise to the appeal, the notice of debarment, or the notice of denial, revocation or revision of prequalification, the standards of responsibility upon which the decision on prequalification was based, or the reasons listed for debarment, and any evidence provided by the parties.
5. Decision. The city council shall set forth in writing the reasons for the decision.
6. Costs. The city council may allocate its costs for the hearing between the appellant and the city.
    a. The allocation shall be based upon facts found by the city council and stated in the city council's decision that, in the city council's opinion, warrant such allocation of costs.
    b. If the city council does not allocate costs, the costs shall be paid by the appellant if the decision is upheld, or by the city if the decision is overturned.
    c. Judicial Review. The decision of the city council may be reviewed only upon a petition in the circuit court of Washington County filed within fifteen (15) days after the date of the city council's decision. The appeal must be filed in accordance with all applicable state laws and trial court procedures.

B. Protests and Judicial Review of Special Procurements. An affected person may protest the request for approval of a special procurement as provided in this section.

1. Delivery; Late Protests. An affected person shall deliver a written protest to the city manager within seven days after the first date of public notice of a proposed special procurement, unless a different period is provided in the public notice.

   a. The written protest shall include a fee in an amount established in a schedule adopted by the city manager to cover the costs of processing the protest.

   b. A protest submitted after the timeframe established under this subsection is untimely and shall not be considered.

2. Content of Protest. The written protest shall include:

   a. Identification of the requested special procurement;

   b. A detailed statement of the legal and factual grounds for the protest;

   c. Evidence or documentation supporting the grounds on which the protest is based;

   d. A description of the resulting harm to the affected person; and

   e. The relief requested.

3. Additional Information. The city manager may allow any person to respond to the protest in any manner the city manager deems appropriate, by giving such persons written notice of the time and manner whereby any response shall be delivered.

4. City Response. The city manager, or their designee, shall issue a written disposition of the protest in a timely manner.

   a. If the city manager upholds the protest, in whole or in part, the city manager may, in the city manager's sole discretion, implement the protest in the approval of the special procurement, deny the request for approval of the special procurement, or revoke any approval of the special procurement.

   b. If the city manager upholds the protest, in whole or in part, the city shall refund the fee required to be delivered with the protest.

5. Judicial Review. An affected person may not seek judicial review of a denial of a request for a special procurement.

   a. Before seeking judicial review of the approval of a special procurement, an affected person shall exhaust all administrative remedies.

   b. Judicial review shall be in accordance with ORS 279B.400.

C. Protests and Judicial Review of Sole-Source Procurements. An affected person may protest the determination that goods or services or a class of goods or services are available from only one source as provided in this section.

1. Delivery; Late Protests. An affected person shall deliver a written protest to the city manager within seven days after the first date of public notice of a proposed sole source procurement is placed on the city's website, unless a different period is provided in the public notice.

a. The written protest shall include a fee in an amount established in a schedule adopted by the city manager to cover the costs of processing the protest.

b. A protest submitted after the timeframe established under this subsection is untimely and shall not be considered.

2. Content of Protest. The written protest shall include:

a. A detailed statement of the legal and factual grounds for the protest;

b. Evidence or documentation supporting the grounds on which the protest is based;

c. A description of the resulting harm to the affected person; and

d. The relief requested.

3. Additional Information. The city manager may allow any person to respond to the protest in any manner the city manager deems appropriate by giving such person written notice of the time and manner whereby any response shall be delivered.

4. City Manager Response. The city manager shall issue a written disposition of the protest in a timely manner.

a. If the city manager upholds the protest, in whole or in part, the proposed sole-source contract shall not be awarded.

b. If the city manager upholds the protest, in whole or in part, the city shall refund the fee required to be delivered with the protest.

5. Judicial Review. An affected person may not seek judicial review of an election not to make a sole-source procurement.

a. Before seeking judicial review of the approval of a sole-source procurement, an affected person shall exhaust all administrative remedies.

b. Judicial review shall be in accordance with ORS 279B.400.

D. Protests and Judicial Review of Personal Services Procurements. An affected person may protest the procurement of a personal services contract as provided in this section.

1. Delivery. Unless otherwise specified in the solicitation document, the protest shall be in writing and delivered to the city manager.

a. The written protest shall include a fee in an amount established in a schedule adopted by the city manager to cover the costs of processing the protest.

b. Protests of the procurement of a specific contract as a personal services contract shall be made prior to closing.

c. Protests to the award or an intent to award a personal services contract shall be made within seven days after issuance of the intent to award, or if no notice of intent to award is given, within forty-eight (48) hours after award.

d. Protests submitted after the timeframe established under this subsection are untimely and shall not be considered.

2. Contents of Protest. The written protest shall:

a. Specify all legal or factual grounds for the protest as follows:

   i. A person may protest the solicitation on the grounds that the contract is not a personal services contract or was otherwise in violation of this code or applicable law. The protest shall identify the specific provision of this code or applicable law that was violated.

   ii. A person may protest award or intent to award for the reason that:

   - All proposals ranked higher than the affected persons are nonresponsive;
   - The city failed to conduct the evaluation of proposals in accordance with the criteria or processes described in the solicitation document;
   - The city abused its discretion in rejecting the affected person's proposal as nonresponsive; or
   - The evaluation of proposals or the subsequent determination of award is otherwise in violation of this code or applicable law.

   iii. The protest shall identify the specific provision of this code or applicable law that was violated by the city's evaluation or award;

b. Include evidence or supporting documentation that supports the grounds on which the protest is based;

c. A description of the resulting harm to the affected person; and

d. The relief requested.

3. Additional Information. The city manager may allow any person to respond to the protest in any manner the city manager deems appropriate by giving such person written notice of the time and manner whereby any response shall be delivered.

4. City Manager Response. The city manager shall issue a written disposition of the protest in a timely manner.

   a. If the city manager upholds the protest, in whole or in part, the proposed personal services contract procurement shall be cancelled, or the contract shall not be awarded, as the case may be.

   b. If the city manager upholds the protest, in whole or in part, the city shall refund the fee required to be delivered with the protest.

   5. Judicial Review. Before seeking judicial review, an affected person shall exhaust all administrative remedies. Judicial review shall be in accordance with ORS 279B.420.

E. Protests of Cooperative Procurements. Protests of the cooperative procurement process, contents of a solicitation document, or award may be filed with the city only if the city is the administering agency and under the applicable procedure described herein.

1.10.101. Compliance with Americans with Disabilities Acts and applicable Oregon requirements.

1. Any Contractor doing business with the City shall be solely responsible for ensuring that all work, services, facilities, goods, deliverables, websites, web content, mobile applications, and digital products provided or developed under the contract fully comply with the Americans with Disabilities Act of 1990 (ADA), as amended (including Title II), all current and updated federal regulations and standards, and any applicable Oregon requirements.
2. This obligation specifically includes, without limitation:

    A. Compliance with the Web Content Accessibility Guidelines (or any successor standard adopted under applicable law) for all web content and mobile applications;

    B. The 2010 ADA Standards for Accessible Design for physical elements; and

    C. Ongoing maintenance, testing, and remediation as necessary to maintain accessibility.
3. The Contractor shall defend, indemnify, and hold harmless the City, its officers, employees, and agents from any claims, damages, liabilities, costs, or expenses (including reasonable attorney fees) arising from the Contractor's failure to comply with these requirements. The City's review, approval, acceptance, or use of any plans, specifications, websites, content, or work product does not relieve the Contractor of this responsibility or shift liability to the City.

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Deleted: (Ord. No. 2023-004, § 1, 5-16-2023)

City Council Meeting Date: August 4, 2026

Agenda Item: Public Hearing *(1st Reading)*

TO: Sherwood City Council

FROM: David Bodway, Finance Director
Through: Craig Sheldon, City Manager and Ryan Adams, City Attorney

SUBJECT: **Ordinance 2026-005, Amending Chapter 3.30 of the Sherwood Municipal Code to increase the City Transient Lodging Tax**

Issue:
Shall the City Council adopt Ordinance 2026-005, amending Chapter 3.30 of the Sherwood Municipal Code to increase the City Transient Lodging Tax?

Background
ORS 320 permits local jurisdictions to assess transient lodging taxes. The City of Sherwood adopted its local transient lodging tax (TLT) in 2019 through Ordinance No. 2019-002. The current local tax rate is three percent (3%) and applies to the rental of transient lodging within the city.

Visitors who stay in transient lodging benefit from a variety of City services and public investments, including transportation infrastructure, police services, parks, public art, and other municipal facilities. The proposed increase would allow a greater share of these costs to be supported by visitors rather than Sherwood residents and businesses.

The City's transient lodging tax rate has remained unchanged since its adoption in 2019. The proposed ordinance increases the rate in two phases to provide lodging providers, intermediaries, and visitors adequate notice and time to adjust to the new rates.

Under the ordinance, the local transient lodging tax would:

- Increase from three percent (3%) to five percent (5%) on October 1, 2026
- Increase from five percent (5%) to six percent (6%) twelve (12) months after on October 1, 2027

The proposed increase applies only to the City's local transient lodging tax. State and County transient lodging taxes and any other applicable taxes remain unchanged.

Sherwood receives TLT revenue from both the City's 3% local TLT and a portion of the Washington County TLT generated by lodging establishments within the city. The total annual revenue is approximately $160,000.

Proposed Amendment to Municipal Code

The proposed ordinance would amend Section 3.30 of the Sherwood Municipal Code, a redlined version of which is provided as Attachment A to this staff report. A clean version of Section 3.30 is provided as Exhibit 1 to the ordinance.

Financial Impacts:
The proposed tax increase is expected to generate approximately $107,000 in additional revenue the first year and $160,000 in the following years. The actual amount of revenue generated will be dependent on future lodging activity within the city.

Revenue generated by the local transient lodging tax will continue to be allocated in accordance with applicable provisions of ORS Chapter 320.

Recommendation:
Staff recommends that the City Council conduct the public hearing, receive public testimony, and consider Ordinance 2026-005 amending Chapter 3.30 of the Sherwood Municipal Code to increase the City's transient lodging tax. As this is the first reading of the ordinance, no vote may be taken until the second reading scheduled for September 1, 2026.

Attachments:

A. Redline version of Sherwood Municipal Code Section 3.30

Chapter 3.30 LOCAL TRANSIENT LODGING TAX

3.30.010 Purpose.

A. The purpose of this chapter is to impose a tax upon transient occupants of transient lodging in the City of Sherwood.

B. The local transient lodging tax imposed by this chapter is in addition to and not in lieu of the Washington County transient lodging tax collected within the corporate limits of the City.

C. The local transient lodging tax imposed by this chapter is in addition to and not in lieu of any State transient lodging tax.

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.020 Definitions.

As used in this chapter, unless the context requires otherwise:

"Accrual accounting" means that the transient lodging tax collector enters the rent due from a transient on his or her records when the rent is earned, whether or not it is paid.

"Cash accounting" means the transient lodging tax collector does not enter the rent due from a transient on his or her records until the rent is paid.

"City Manager" means the City Manager of the City of Sherwood, or his or her designee.

"Collection reimbursement charge" means the amount a transient lodging tax collector may retain as reimbursement for the costs incurred by the transient lodging tax collector in collecting and reporting a transient lodging tax and in maintaining transient lodging tax records.

"Occupancy" means the use or possession, or the right to the use or possession, for lodging or sleeping purposes, of any space, or portion thereof, in transient lodging.

"Rent" means any consideration rendered for the sale, service, or furnishing of transient lodging.

"Tax Administrator" means the Finance Director of the City of Sherwood, Oregon, or his or her designee.

"Transient" means any person who exercises occupancy or is entitled to occupancy in transient lodging for a period of less than 30 consecutive calendar days, counting portions of calendar days as full days. The day an individual checks out of the transient lodging is not included in determining the 30-day period if the individual is not charged rent for that day. Any such individual so occupying or entitled to occupy space in transient lodging shall be deemed a transient for purposes of this chapter until the period of 29 days has elapsed, unless there is an agreement in writing between the transient lodging tax collector and the transient providing for a longer period of occupancy. In determining whether a person is a transient, uninterrupted periods of time extending both prior and subsequent to the effective date of the ordinance codified in this chapter may be considered. A human being who pays for lodging on a monthly basis, irrespective of the number of days in such month, shall not be deemed a "transient."

"Transient lodging" means:

a. Hotel, motel and inn dwelling units that are used for temporary overnight human occupancy;

b. Spaces used for parking recreational vehicles or erecting tents during periods of human occupancy; or

c. Houses, cabins condominiums, apartment units or other dwelling units, or portions of any of these dwelling units, used for temporary human occupancy.

"Transient lodging intermediary" means a person other than a transient lodging provider that facilitates the retail sale of transient lodging and:

a. Charges for occupancy of the transient lodging;

b. Collects the consideration charged for occupancy of the transient lodging; or

c. Receives a fee or commission and requires the transient lodging provider to use a specified third-party entity to collect the consideration charged for occupancy of the transient lodging.

"Transient lodging provider" means a person who furnishes transient lodging, and includes a person who operates a transient lodging facility, whether in the capacity of owner, managing agent, lessee, sublessee, mortgagee in possession, licensee, concessionaire, or any other capacity.

"Transient lodging tax collector" means a transient lodging provider or a transient lodging intermediary.

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.030 Tax imposed; rate and computation; collector reimbursement.

A. For the privilege of occupancy in any transient lodging within the corporate limits of the city on or after April 1, 2019, each transient shall pay a tax of three percent of the rent until September 30, 2026. The rate shall increase to five~~rthree~~ percent of the rent beginning on October 1, 2026 and six percent of the rent beginning on October 1, 2027.

1. The tax must be computed on the total retail price, including all charges other than taxes, paid by a person for occupancy of the transient lodging.

2. The total retail price paid by a person for occupancy of transient lodging that is part of a travel package may be determined by reasonable and verifiable standards from books and records kept in the ordinary course of the transient lodging tax collector's business.

3. The tax shall be collected by the transient lodging tax collector that collects the consideration charged for occupancy of the transient lodging or that receives a fee or commission and requires the transient lodging provider to use a specified third-party entity to collect the consideration charged for occupancy of the transient lodging.

4. The tax imposed by this subsection is in addition to and not in lieu of any other local transient lodging tax collected within the corporate limits of the city.

B. The transient lodging tax collector may withhold a collection reimbursement charge of five percent of the amount collected under subsection A of this section.

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.040 Travel packages.

A. If a separate fee is charged for a service and the service is optional, that fee is not subject to the tax imposed by this chapter.

B. If a separate fee is charged for a service and the service is not optional, or if the value of a service is included in the normal lodging rate, the amount allocated to the service is subject to the tax imposed by this chapter.

C. If the provider offers a lodging package that includes something that is not associated with the actual lodging or is provided by a third party, only the regular lodging rate that would have been charged absent the package item is subject to the tax imposed by this chapter.

D. Any allocation made for the city's local transient lodging tax shall be consistent with the allocation for the state transient lodging tax.

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.050 Exemptions.

No tax imposed by this chapter shall be imposed on dwelling units described in ORS 320.308.

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.060 Collection of tax by transient lodging tax collectors.

A. The tax constitutes a debt owed by the transient to the city that is extinguished only by payment to the transient lodging tax collector or to the city.

B. The transient shall pay the tax to the transient lodging tax collector at the time the rent is paid.

C. No transient lodging tax collector shall advertise that the tax or any part of the tax will be assumed or absorbed by the transient lodging tax collector, or that it will not be added to the rent, or that, when added, any part will be refunded.

D. The amount of tax shall be separately stated upon the transient lodging tax collector's business records, including lodging receipts provided to transients.

E. The transient lodging tax collector shall enter the tax on the transient lodging tax collector's records when rent is collected if the transient lodging tax collector keeps records on the cash accounting basis or, if the transient lodging tax collector keeps records on the accrual accounting basis, when rent is earned. If rent is paid in installments, the transient shall pay a proportionate share of the tax to the transient lodging tax collector with each installment.

F. The tax collected or accrued by the transient lodging tax collector, or which should have been charged by the transient lodging tax collector, constitutes a debt owing by the transient lodging tax collector to the city.

G. In all cases of credit or deferred payment of rent for transient lodging, the payment of tax to the transient lodging tax collector may be deferred until the rent is paid. A transient lodging tax collector is not liable for the tax until credits are paid or deferred payments are made. The deferral allowed by this subsection does not excuse a transient lodging tax collector from liability for any failure to collect the tax due.

H. A transient lodging tax collector shall not collect, report or remit amounts of the transient lodging tax imposed by this chapter in amounts smaller than one cent. Fractions of cents calculated as an amount of tax that is collectable, reportable or remittable may be ignored.

I. If, for any reason, the tax due is not paid by the transient to the transient lodging tax collector, the tax administrator may require that such tax be paid by the transient directly to the city.

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.070 Rules and regulations.

A. The tax administrator shall administer and enforce provisions of this chapter and has the power to adopt rules and regulations not inconsistent with this chapter as may be necessary to aid in the administration and enforcement of this chapter.

B. Prior to the adoption of rules and regulations, the tax administrator shall (1) give public notice of its intent to adopt rules and regulations, (2) provide copies of the proposed rules and regulations to interested parties, and (3) either provide not less than 15 days for persons to submit data or written comments on the proposed rules and regulations, or conduct a public hearing on the proposed rules and regulations. Additional public notice shall be given when rules and regulations have been finally adopted. Copies of current rules and regulations shall be made available to the public upon request.

C. Unless the context requires otherwise, references to "this chapter" herein include any rules and regulations duly adopted by the tax administrator.

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.080 Registry.

A. Every person engaging or about to engage in business as a transient lodging tax collector for a transient lodging in the city shall register with the city on a form provided by the tax administrator. A transient lodging tax collector engaged in business at the time the ordinance codified in this chapter is adopted must register not later than 30 calendar days after the effective date of the ordinance codified in this chapter. A transient lodging tax collector starting business after the ordinance codified in this chapter is adopted must register within 15 calendar days after commencing business. The privilege of registration after the date of imposition of the tax does not relieve any person from the obligation of payment or collection of the tax regardless of registration status.

B. Registration forms shall require, and the person registering with the city shall provide, the name under which the transient lodging tax collector transacts or intends to transact business, the location of the place or places of business, and such other information as may be required by the tax administrator to facilitate the collection of the tax. The registration shall be signed by the transient lodging tax collector.

C. The tax administrator shall, within 15 business days after submittal of a completed registration form, issue without charge a certificate of authority to each registrant to collect the tax, together with a duplicate thereof for each additional place of business of each registrant. Certificates shall be non-assignable and nontransferable and shall be surrendered immediately to the tax administrator upon the cessation of business at the location named, or upon its sale or transfer. Each certificate and duplicate shall state the place of business to which it is applicable and shall be prominently displayed therein so as to be seen and come to the notice readily of all occupants and persons seeking occupancy.

D. The certificate shall state, at minimum, the following:

1. The name of the transient lodging tax collector;
2. The address of the transient lodging;
3. The date upon which the certificate was issued; and
4. This statement: "This Transient Lodging Registration Certificate signifies that the person named has fulfilled the requirements of the transient lodgings tax chapter of the Sherwood Municipal Code by registering with the Tax Administrator for the purpose of collecting from transients and remitting the lodging tax. This certificate does not authorize any person to conduct any unlawful business or to

conduct any lawful business in an unlawful manner, or to operate a transient lodging without strictly complying with all applicable laws, including, but not limited to, those requiring a permit from any board, commission, department or office of the City. This certificate does not constitute a permit."

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.090 Due dates and returns.

A. The taxes imposed by this chapter and collected by a transient lodging tax collector, less the collection reimbursement charge, are due and payable to the tax administrator, on a quarterly basis, on or before the last day of the month following the end of the calendar quarter, or, if the last day is not a business day, the first business day thereafter. All taxes not remitted by the day they are due are delinquent.

B. Transient lodging tax collectors shall file, with the quarterly tax payment, or, if there is no tax payment due for a given quarter, at the time the tax payment would have been due, a return for that quarter's tax collections. The return shall be filed with the tax administrator and shall be on a form prescribed by the tax administrator. The return shall reflect the amount of tax collected or otherwise due for the period for which the return is filed. At the discretion of the tax administrator, it may also be required to reflect:

1. The total rentals upon which the tax is collected or otherwise due;
2. Gross receipts of the transient lodging tax collector for the period;
3. The amount of rents exempt, if any;
4. An explanation in detail of any discrepancies; and
5. Such other information as may otherwise be necessary for the administration of this chapter.

C. The transient lodging tax collector or his/her designee shall deliver the quarterly tax payment and return to the tax administrator at its office either by personal delivery, via a website portal, or by United States Mail. If the return and taxes are mailed, the postmark shall be considered the date of delivery for determining delinquency.

D. At any time before the due date, the tax administrator may, for good cause, extend the due date for making any return and/or payment of tax for up to 30 days after the date the tax would have become due but for the extension. Further extensions must be approved by the city manager. A transient lodging tax collector who is granted an extension shall pay a fee of three percent per month of the unpaid tax without proration for a fraction of a month. If a return is not filed, and the tax and interest due is not paid by the end of the extension, then the interest shall become a part of the tax for computation of penalties under this chapter.

E. The tax administrator may require a transient lodging tax collector to file returns and to remit taxes on other than a quarterly basis if, in the exercise of the reasonable discretion of the tax administrator, the change in payment schedule is needed to ensure payment or to facilitate collection of taxes in an individual case. Any change in schedule under this section shall be stated in writing delivered to the transient lodging tax collector at least 20 days in advance of the schedule change.

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.100 Penalties and interest; liens.

A. A transient lodging tax collector who fails to remit the full amount of the tax imposed and due by this chapter prior to delinquency shall pay a late payment penalty of ten percent of the amount of the portion of the tax that is unpaid as of the delinquency date, which penalty is owed in addition to the amount of the tax due.

B. If the transient lodging tax collector does not pay the delinquent amount of tax due and the ten percent late payment penalty within thirty (30) days following the delinquency date, the transient lodging tax collector shall pay a second late payment penalty of fifteen (15) percent of the portion of the tax that remains unpaid as of the date that is thirty (30) days following the delinquency date, which penalty is owed in addition to the remaining unpaid amount of the tax and first late payment penalty.

C. If the tax administrator determines that the nonpayment is on account of fraud or intent to evade the provisions of this chapter or any rules or regulations adopted pursuant to this chapter, a penalty of twenty-five (25) percent of the amount of the tax due shall be added thereto in addition to the penalties stated in subsections A and B of this section.

D. In addition to the penalties imposed, a transient lodging tax collector who fails to remit a tax imposed by this chapter shall pay interest at the rate of one percent per month or a fraction thereof without proration for portions of a month, on the amount of the tax due, exclusive of penalties, from the date on which the remittance first became delinquent until paid.

E. Every penalty imposed and such interest as accrues under the provisions of this section shall be merged and become a part of the tax herein required to be paid.

F. Within ten days of notice of the imposition of a late payment penalty, a transient lodging tax collector may petition the tax administrator for waiver or refund of any penalty or portion thereof. The tax administrator may, if a good and sufficient reason is shown that such failure is not due to willful neglect, waive or refund the penalty in full or in part.

G. The city may record a lien in the city's lien docket against any real property owned by the transient lodging tax collector in the city as to any delinquent remittances by the transient lodging tax collector.

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.110 Deficiencies.

A. If the tax administrator determines that a transient lodging tax collector's return or remittance of tax is missing, incomplete or otherwise incorrect, the tax administrator may compute and determine the amount of tax due based upon the facts contained in the transient lodging tax collector's return, if any, or any other source of information. Any deficiency in the payment of tax due is due and payable immediately upon delivery of a notice of the deficiency from the tax administrator to the transient lodging tax collector, at which time the deficiency amount owed is also delinquent. The tax administrator will apply any penalty and interest relating to the deficiency amount owed as set forth in this chapter.

B. In making a deficiency determination, the tax administrator may offset any overpayment the transient lodging tax collector has against any deficiency, penalty or interest the transient lodging tax collector owes.

C. The tax administrator shall deliver the transient lodging tax collector a written notice of any deficiency determination.

D. Except in the case of fraud or willful intent to evade this chapter or the rules and regulations adopted pursuant to this chapter, every deficiency determination shall be made and notice of the deficiency determination delivered to the transient lodging tax collector within three years after the last day of the month following the end of the month for which the amount is proposed to be determined or within three years after the return is filed, whichever period is later. In the case of fraud or willful intent to evade this chapter or the rules and regulations adopted pursuant to this chapter, every deficiency determination shall be made and notice of the deficiency determination delivered to the transient lodging tax collector within ten years after the last day of the month following the close of the period for which the amount is proposed to be determined or within ten years after the return is filed, whichever period is later.

E. A transient lodging tax collector who receives a notice of deficiency determination from the tax administrator may petition for redetermination and refund of any overpayment. The petition must be made in writing and delivered to the tax administrator within ten days of the transient lodging tax collector's receipt of the notice of a deficiency determination. If a timely petition for redetermination is not received by the tax administrator, the deficiency determination is final. If a timely petition for redetermination is received by the tax administrator, a redetermination will occur as provided in this chapter.

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.120 Redetermination.

A. Any person affected by a determination under SMC 3.30.110 may file a petition for redetermination with the tax administrator within ten days of delivery of notice of the tax deficiency determination. Payment in full of all taxes, penalties and interest determined by the tax administrator to be due is a prerequisite to filing a petition for redetermination and refund. Filing a petition for redetermination and refund is a prerequisite to seeking judicial review and the determination shall be final if no petition is timely filed.

B. If a petition for redetermination and refund is filed within the allowable period, the tax administrator shall reconsider the determination, and, if the petition requests, shall grant the petitioner an oral hearing and shall provide at least ten days' notice of the time and place of the hearing, unless the tax administrator and petitioner agree otherwise. The tax administrator may continue the hearing from time to time as may be necessary.

C. The tax administrator may decrease or increase the amount of the original determination as a result of the hearing. If the tax administrator increases the amount of the original determination, such increase is due upon delivery of a written notice of the increase to the petitioner.

D. After considering the petition and all available information, the tax administrator shall issue a redetermination decision and mail the decision to the petitioner.

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.130 Security.

The tax administrator, whenever the tax administrator deems it necessary to ensure compliance with this chapter, may require any transient lodging tax collector to deposit with the tax administrator security in the form of cash, bond, or other security acceptable to the tax administrator. The amount of the security shall be fixed by the tax administrator, but shall not be greater than two times the transient lodging tax collector's estimated average quarterly tax liability for the period for which the transient lodging tax collector files returns, determined in a manner the tax administrator deems proper, or five thousand dollars ($5,000.00), whichever amount is less. The amount of security may be increased or decreased by the tax administrator within the limitation of this section.

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.140 Refunds.

A. If a transient lodging tax collector concludes that the transient lodging tax collector has paid more tax, penalty or interest than is due, the transient lodging tax collector may file a claim in writing stating the facts upon which the claim is founded. The claim shall be filed with the tax administrator within one year from the date of payment. The claim shall be made on forms provided by the tax administrator. If the claim is approved by the tax administrator, the excess amount paid shall be credited against any amounts then due and payable from the transient lodging tax collector and the balance refunded to the transient lodging tax collector within fourteen (14) business days of the date the tax administrator concludes that the refund is due. The transient lodging tax collector has the burden of proving the facts that establish the basis for a refund. This section is not applicable to any amount determined by the tax administrator to be due pursuant to the determination provisions of SMC 3.30.110.

B. If a transient concludes that he or she paid more tax than is due, the transient may file a claim in writing stating the facts upon which the claim is founded. The claim shall be filed with the tax administrator within one year from the date of payment. If the claim is approved by the tax administrator, the excess amount collected shall be refunded to the transient within fourteen (14) business days of the date the tax administrator concludes that the refund is due. The transient has the burden of proving the facts that establish the basis for a refund.

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.150 Deposit and expenditure of funds.

The tax administrator shall deposit all money collected pursuant to this chapter into a special revenue fund designated by the city council to be allocated for expenditures in a manner consistent with state law.

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.160 Records and audit.

A. Each transient lodging tax collector shall keep records, render statements and comply with rules adopted by the tax administrator with respect to the tax imposed by this chapter. The records and statements required by this section must be sufficient to show whether there is a tax liability under this chapter. These records shall be retained by the transient lodging tax collector for a period of at least three years and six months after they are created.

B. The tax administrator may examine, during normal business hours, the books, papers, and accounting records relating to rentals of any transient lodging tax collector, after reasonable notification to the transient lodging tax collector, and may investigate the business of the transient lodging tax collector in order to verify the accuracy of any return made, or if no return is made by the transient lodging tax collector, to ascertain and determine the amount required to be paid.

C. A formal audit of all of the transient lodging tax collectors' records may be conducted at the discretion of the tax administrator. The transient lodging tax collector shall comply with all requests by the tax administrator in a timely manner. If, under this formal audit, it is determined that any transient lodging tax collector has underpaid the taxes due by three percent or more, the transient lodging tax collector shall pay his/her prorated portion of the total audit costs. Should the tax administrator, in his/her sole discretion, conduct or cause to be conducted individual audits in addition to or in lieu of the audit described above, and should that individual audit determine that the audited transient lodging tax collector has underpaid the taxes due by three percent or more, the transient lodging tax collector shall pay the total individual audit costs.

D. Records, reports, and returns submitted to the tax administrator are exempt from disclosure to the full extent provided by state law. Nothing in this section shall be construed to prohibit:

   1. The disclosure to, or the examination of, financial records by city officials, employees, or agents for the purpose of administering or enforcing the terms of this chapter, or collecting taxes imposed under the terms of this chapter, or collecting city business license fees;

2. The disclosure to the taxpayer or his/her authorized representative of financial information, including amounts of transient lodging taxes, penalties, or interest, after filing of a written request by the taxpayer or his/her authorized representative and approval of the request by the tax administrator;
3. The disclosure of the names and addresses of any person to whom a transient occupancy registration certificate has been issued;
4. The disclosure of general statistics in a form which would prevent the identification of financial information regarding any particular taxpayer's return or application; or
5. The disclosure of financial information to the city attorney or other legal representative of the city to the extent the tax administrator deems disclosure or access necessary for the performance of the duties of advising or representing the city.

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.170 Notice.

In case of service by mail of any notice required by this chapter, the service is complete three days after deposit with the United States Post Office.

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.180 Appeals.

Any person aggrieved by any decision of the tax administrator may appeal to the city manager by filing a notice of appeal with the tax administrator within fifteen (15) days after the serving of the notice of the tax administrator's decision. The tax administrator shall transmit the notice, together with the file of the appealed matter, to the city manager, who shall fix a time and place for hearing the appeal. The city manager shall give the appellant not less than fifteen (15) days' written notice of the time and place for hearing the appeal. The city manager may continue the hearing from time to time as necessary. The city manager shall render a decision in writing and mail it to the appellant within fifteen (15) days after the close of the hearing. Appeals from any determination made by the city manager are solely and exclusively by writ of review to the Circuit Court of Washington County, as provided in ORS 34.010 to 34.100.

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.190 Violations and penalty.

A. A person who violates a provision of this chapter commits a class B violation.

B. Each transient lodging transaction for which tax, penalty or interest otherwise due is not paid shall be deemed a separate violation.

C. Each day a person fails to register as a transient lodging tax collector shall be deemed a separate violation.

D. A finding that a person has committed a violation of this chapter shall not act to relieve the person from the provisions of this chapter.

E. If a court finds that a transient lodging tax collector collected the tax imposed by this chapter and intentionally failed to remit the tax proceeds to the city when required by this chapter, the amount of penalty may be increased up to ten times the normal penalty imposed for a class B violation. All amounts listed as room tax in bills or invoices issued by the transient lodging tax collector shall be considered tax collected by the transient lodging tax collector, unless the transient lodging tax collector received no payment on the bill or invoice.

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.200 Collection by city; compromise.

A. Except in the case of fraud or willful intent to evade this chapter or the rules and regulations adopted pursuant to this chapter, the city may bring legal action to collect any amounts owed to the city under this chapter within three years after any tax or any amount of tax required to be collected becomes due and payable, or at any time within three years after any determination becomes final, whichever is later. In the case of fraud or willful intent to evade this chapter or the rules and regulations adopted pursuant to this chapter, the city may bring legal action to collect any amounts owed to the city under this chapter within ten years after any tax or any amount of tax required to be collected becomes due and payable, or at any time within ten years after any determination becomes final, whichever is later.

B. The tax administrator may, after consultation with the city attorney, adjust or enter into a settlement as regards any amount believed to be due if, as a result of a bankruptcy filing, foreclosure, bona fide legal or factual dispute or similar circumstance, it is in the best interest of the city.

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.210 Remedies cumulative.

Any fines pursuant to this chapter are in addition to, and not in lieu of, any other civil, criminal or administrative penalty, sanction, or remedy otherwise authorized by law.

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.220 Intergovernmental agreement.

The city council may enter into an intergovernmental agreement with Washington County whereby the county is responsible for the administration, collection, distribution, and/or enforcement of the tax authorized under this chapter, either in full or in part. The terms of that agreement shall apply in lieu of and shall supersede conflicting provisions of this chapter, but shall not be construed as repealing any provision of this chapter.

(Ord. No. 2019-002, § 1, 2-19-2019)

City of Sherwood Oregon
Home of the Tualatin River National Wildlife Refuge

ORDINANCE 2026-005

AMENDING CHAPTER 3.30 OF THE SHERWOOD MUNICIPAL CODE TO INCREASE THE CITY TRANSIENT LODGING TAX

WHEREAS, the City of Sherwood adopted Chapter 3.30 of the Sherwood Municipal Code establishing a local transient lodging tax by Ordinance No. 2019-002 pursuant to ORS Chapter 320; and

WHEREAS, persons occupying transient lodging within the City benefit from municipal services, infrastructure, and public amenities provided by the City, including transportation facilities, police services, parks, and other public investments; and

WHEREAS, the City Council finds that a local transient lodging tax is an equitable means of recovering a portion of the public costs associated with providing those services and facilities to visitors; and

WHEREAS, the City's transient lodging tax has remained at three percent (3%) since its initial adoption in 2019; and

WHEREAS, the City Council finds that implementing an increase in two phases provides transient lodging providers and visitors adequate notice while allowing for a gradual transition; and

WHEREAS, under this ordinance, the local transient lodging tax rate shall increase to five percent (5%) on October 1, 2026 and shall increase to six percent (6%) twelve (12) months thereafter on October 1, 2027.

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

Section 1. After full and due consideration of the information presented during the public hearing process, the City Council finds that increasing the City's transient lodging tax rate will provide additional revenue to be used in accordance with applicable state law and that implementing the increase in two phases provides adequate notice to transient lodging providers, intermediaries, and visitors.

Section 2. Section 3.30 of the Sherwood Municipal Code is hereby amended as set forth in **Exhibit 1**, attached hereto and incorporated herein by this reference. Except as expressly amended, all other provisions of Chapter 3.30 shall remain in full force and effect.

Section 3. This Ordinance shall be effective on the 30th day after its enactment by the City Council and approval by the Mayor.

Duly passed by the City Council on the 1st of September, 2026.

__________________________ _____________

Tim Rosener, Mayor Date

Attest:

____

Sylvia Murphy, MMC, City Recorder

	AYE	NAY
Giles	____	____
Scott	____	____
Mays	____	____
Standke	____	____
Brouse	____	____
Young	____	____
Rosener	____	____

Chapter 3.30 LOCAL TRANSIENT LODGING TAX

3.30.010 Purpose.

A. The purpose of this chapter is to impose a tax upon transient occupants of transient lodging in the City of Sherwood.

B. The local transient lodging tax imposed by this chapter is in addition to and not in lieu of the Washington County transient lodging tax collected within the corporate limits of the City.

C. The local transient lodging tax imposed by this chapter is in addition to and not in lieu of any State transient lodging tax.

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.020 Definitions.

As used in this chapter, unless the context requires otherwise:

"Accrual accounting" means that the transient lodging tax collector enters the rent due from a transient on his or her records when the rent is earned, whether or not it is paid.

"Cash accounting" means the transient lodging tax collector does not enter the rent due from a transient on his or her records until the rent is paid.

"City Manager" means the City Manager of the City of Sherwood, or his or her designee.

"Collection reimbursement charge" means the amount a transient lodging tax collector may retain as reimbursement for the costs incurred by the transient lodging tax collector in collecting and reporting a transient lodging tax and in maintaining transient lodging tax records.

"Occupancy" means the use or possession, or the right to the use or possession, for lodging or sleeping purposes, of any space, or portion thereof, in transient lodging.

"Rent" means any consideration rendered for the sale, service, or furnishing of transient lodging.

"Tax Administrator" means the Finance Director of the City of Sherwood, Oregon, or his or her designee.

"Transient" means any person who exercises occupancy or is entitled to occupancy in transient lodging for a period of less than 30 consecutive calendar days, counting portions of calendar days as full days. The day an individual checks out of the transient lodging is not included in determining the 30-day period if the individual is not charged rent for that day. Any such individual so occupying or entitled to occupy space in transient lodging shall be deemed a transient for purposes of this chapter until the period of 29 days has elapsed, unless there is an agreement in writing between the transient lodging tax collector and the transient providing for a longer period of occupancy. In determining whether a person is a transient, uninterrupted periods of time extending both prior and subsequent to the effective date of the ordinance codified in this chapter may be considered. A human being who pays for lodging on a monthly basis, irrespective of the number of days in such month, shall not be deemed a "transient."

"Transient lodging" means:

a. Hotel, motel and inn dwelling units that are used for temporary overnight human occupancy;

b. Spaces used for parking recreational vehicles or erecting tents during periods of human occupancy; or

c. Houses, cabins condominiums, apartment units or other dwelling units, or portions of any of these dwelling units, used for temporary human occupancy.

"Transient lodging intermediary" means a person other than a transient lodging provider that facilitates the retail sale of transient lodging and:

a. Charges for occupancy of the transient lodging;

b. Collects the consideration charged for occupancy of the transient lodging; or

c. Receives a fee or commission and requires the transient lodging provider to use a specified third-party entity to collect the consideration charged for occupancy of the transient lodging.

"Transient lodging provider" means a person who furnishes transient lodging, and includes a person who operates a transient lodging facility, whether in the capacity of owner, managing agent, lessee, sublessee, mortgagee in possession, licensee, concessionaire, or any other capacity.

"Transient lodging tax collector" means a transient lodging provider or a transient lodging intermediary.

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.030 Tax imposed; rate and computation; collector reimbursement.

A. For the privilege of occupancy in any transient lodging within the corporate limits of the city on or after April 1, 2019, each transient shall pay a tax of three percent of the rent until September 30, 2026. The rate shall increase to five percent of the rent beginning on October 1, 2026 and six percent of the rent beginning on October 1, 2027.

1. The tax must be computed on the total retail price, including all charges other than taxes, paid by a person for occupancy of the transient lodging.

2. The total retail price paid by a person for occupancy of transient lodging that is part of a travel package may be determined by reasonable and verifiable standards from books and records kept in the ordinary course of the transient lodging tax collector's business.

3. The tax shall be collected by the transient lodging tax collector that collects the consideration charged for occupancy of the transient lodging or that receives a fee or commission and requires the transient lodging provider to use a specified third-party entity to collect the consideration charged for occupancy of the transient lodging.

4. The tax imposed by this subsection is in addition to and not in lieu of any other local transient lodging tax collected within the corporate limits of the city.

B. The transient lodging tax collector may withhold a collection reimbursement charge of five percent of the amount collected under subsection A of this section.

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.040 Travel packages.

A. If a separate fee is charged for a service and the service is optional, that fee is not subject to the tax imposed by this chapter.

B. If a separate fee is charged for a service and the service is not optional, or if the value of a service is included in the normal lodging rate, the amount allocated to the service is subject to the tax imposed by this chapter.

C. If the provider offers a lodging package that includes something that is not associated with the actual lodging or is provided by a third party, only the regular lodging rate that would have been charged absent the package item is subject to the tax imposed by this chapter.

D. Any allocation made for the city's local transient lodging tax shall be consistent with the allocation for the state transient lodging tax.

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.050 Exemptions.

No tax imposed by this chapter shall be imposed on dwelling units described in ORS 320.308.

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.060 Collection of tax by transient lodging tax collectors.

A. The tax constitutes a debt owed by the transient to the city that is extinguished only by payment to the transient lodging tax collector or to the city.

B. The transient shall pay the tax to the transient lodging tax collector at the time the rent is paid.

C. No transient lodging tax collector shall advertise that the tax or any part of the tax will be assumed or absorbed by the transient lodging tax collector, or that it will not be added to the rent, or that, when added, any part will be refunded.

D. The amount of tax shall be separately stated upon the transient lodging tax collector's business records, including lodging receipts provided to transients.

E. The transient lodging tax collector shall enter the tax on the transient lodging tax collector's records when rent is collected if the transient lodging tax collector keeps records on the cash accounting basis or, if the transient lodging tax collector keeps records on the accrual accounting basis, when rent is earned. If rent is paid in installments, the transient shall pay a proportionate share of the tax to the transient lodging tax collector with each installment.

F. The tax collected or accrued by the transient lodging tax collector, or which should have been charged by the transient lodging tax collector, constitutes a debt owing by the transient lodging tax collector to the city.

G. In all cases of credit or deferred payment of rent for transient lodging, the payment of tax to the transient lodging tax collector may be deferred until the rent is paid. A transient lodging tax collector is not liable for the tax until credits are paid or deferred payments are made. The deferral allowed by this subsection does not excuse a transient lodging tax collector from liability for any failure to collect the tax due.

H. A transient lodging tax collector shall not collect, report or remit amounts of the transient lodging tax imposed by this chapter in amounts smaller than one cent. Fractions of cents calculated as an amount of tax that is collectable, reportable or remittable may be ignored.

I. If, for any reason, the tax due is not paid by the transient to the transient lodging tax collector, the tax administrator may require that such tax be paid by the transient directly to the city.

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.070 Rules and regulations.

A. The tax administrator shall administer and enforce provisions of this chapter and has the power to adopt rules and regulations not inconsistent with this chapter as may be necessary to aid in the administration and enforcement of this chapter.

B. Prior to the adoption of rules and regulations, the tax administrator shall (1) give public notice of its intent to adopt rules and regulations, (2) provide copies of the proposed rules and regulations to interested parties, and (3) either provide not less than 15 days for persons to submit data or written comments on the proposed rules and regulations, or conduct a public hearing on the proposed rules and regulations. Additional public notice shall be given when rules and regulations have been finally adopted. Copies of current rules and regulations shall be made available to the public upon request.

C. Unless the context requires otherwise, references to "this chapter" herein include any rules and regulations duly adopted by the tax administrator.

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.080 Registry.

A. Every person engaging or about to engage in business as a transient lodging tax collector for a transient lodging in the city shall register with the city on a form provided by the tax administrator. A transient lodging tax collector engaged in business at the time the ordinance codified in this chapter is adopted must register not later than 30 calendar days after the effective date of the ordinance codified in this chapter. A transient lodging tax collector starting business after the ordinance codified in this chapter is adopted must register within 15 calendar days after commencing business. The privilege of registration after the date of imposition of the tax does not relieve any person from the obligation of payment or collection of the tax regardless of registration status.

B. Registration forms shall require, and the person registering with the city shall provide, the name under which the transient lodging tax collector transacts or intends to transact business, the location of the place or places of business, and such other information as may be required by the tax administrator to facilitate the collection of the tax. The registration shall be signed by the transient lodging tax collector.

C. The tax administrator shall, within 15 business days after submittal of a completed registration form, issue without charge a certificate of authority to each registrant to collect the tax, together with a duplicate thereof for each additional place of business of each registrant. Certificates shall be non-assignable and nontransferable and shall be surrendered immediately to the tax administrator upon the cessation of business at the location named, or upon its sale or transfer. Each certificate and duplicate shall state the place of business to which it is applicable and shall be prominently displayed therein so as to be seen and come to the notice readily of all occupants and persons seeking occupancy.

D. The certificate shall state, at minimum, the following:

   1. The name of the transient lodging tax collector;

   2. The address of the transient lodging;

   3. The date upon which the certificate was issued; and

   4. This statement: "This Transient Lodging Registration Certificate signifies that the person named has fulfilled the requirements of the transient lodgings tax chapter of the Sherwood Municipal Code by registering with the Tax Administrator for the purpose of collecting from transients and remitting the lodging tax. This certificate does not authorize any person to conduct any unlawful business or to

conduct any lawful business in an unlawful manner, or to operate a transient lodging without strictly complying with all applicable laws, including, but not limited to, those requiring a permit from any board, commission, department or office of the City. This certificate does not constitute a permit."

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.090 Due dates and returns.

A. The taxes imposed by this chapter and collected by a transient lodging tax collector, less the collection reimbursement charge, are due and payable to the tax administrator, on a quarterly basis, on or before the last day of the month following the end of the calendar quarter, or, if the last day is not a business day, the first business day thereafter. All taxes not remitted by the day they are due are delinquent.

B. Transient lodging tax collectors shall file, with the quarterly tax payment, or, if there is no tax payment due for a given quarter, at the time the tax payment would have been due, a return for that quarter's tax collections. The return shall be filed with the tax administrator and shall be on a form prescribed by the tax administrator. The return shall reflect the amount of tax collected or otherwise due for the period for which the return is filed. At the discretion of the tax administrator, it may also be required to reflect:

1. The total rentals upon which the tax is collected or otherwise due;
2. Gross receipts of the transient lodging tax collector for the period;
3. The amount of rents exempt, if any;
4. An explanation in detail of any discrepancies; and
5. Such other information as may otherwise be necessary for the administration of this chapter.

C. The transient lodging tax collector or his/her designee shall deliver the quarterly tax payment and return to the tax administrator at its office either by personal delivery, via a website portal, or by United States Mail. If the return and taxes are mailed, the postmark shall be considered the date of delivery for determining delinquency.

D. At any time before the due date, the tax administrator may, for good cause, extend the due date for making any return and/or payment of tax for up to 30 days after the date the tax would have become due but for the extension. Further extensions must be approved by the city manager. A transient lodging tax collector who is granted an extension shall pay a fee of three percent per month of the unpaid tax without proration for a fraction of a month. If a return is not filed, and the tax and interest due is not paid by the end of the extension, then the interest shall become a part of the tax for computation of penalties under this chapter.

E. The tax administrator may require a transient lodging tax collector to file returns and to remit taxes on other than a quarterly basis if, in the exercise of the reasonable discretion of the tax administrator, the change in payment schedule is needed to ensure payment or to facilitate collection of taxes in an individual case. Any change in schedule under this section shall be stated in writing delivered to the transient lodging tax collector at least 20 days in advance of the schedule change.

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.100 Penalties and interest; liens.

A. A transient lodging tax collector who fails to remit the full amount of the tax imposed and due by this chapter prior to delinquency shall pay a late payment penalty of ten percent of the amount of the portion of the tax that is unpaid as of the delinquency date, which penalty is owed in addition to the amount of the tax due.

B. If the transient lodging tax collector does not pay the delinquent amount of tax due and the ten percent late payment penalty within thirty (30) days following the delinquency date, the transient lodging tax collector shall pay a second late payment penalty of fifteen (15) percent of the portion of the tax that remains unpaid as of the date that is thirty (30) days following the delinquency date, which penalty is owed in addition to the remaining unpaid amount of the tax and first late payment penalty.

C. If the tax administrator determines that the nonpayment is on account of fraud or intent to evade the provisions of this chapter or any rules or regulations adopted pursuant to this chapter, a penalty of twenty-five (25) percent of the amount of the tax due shall be added thereto in addition to the penalties stated in subsections A and B of this section.

D. In addition to the penalties imposed, a transient lodging tax collector who fails to remit a tax imposed by this chapter shall pay interest at the rate of one percent per month or a fraction thereof without proration for portions of a month, on the amount of the tax due, exclusive of penalties, from the date on which the remittance first became delinquent until paid.

E. Every penalty imposed and such interest as accrues under the provisions of this section shall be merged and become a part of the tax herein required to be paid.

F. Within ten days of notice of the imposition of a late payment penalty, a transient lodging tax collector may petition the tax administrator for waiver or refund of any penalty or portion thereof. The tax administrator may, if a good and sufficient reason is shown that such failure is not due to willful neglect, waive or refund the penalty in full or in part.

G. The city may record a lien in the city's lien docket against any real property owned by the transient lodging tax collector in the city as to any delinquent remittances by the transient lodging tax collector.

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.110 Deficiencies.

A. If the tax administrator determines that a transient lodging tax collector's return or remittance of tax is missing, incomplete or otherwise incorrect, the tax administrator may compute and determine the amount of tax due based upon the facts contained in the transient lodging tax collector's return, if any, or any other source of information. Any deficiency in the payment of tax due is due and payable immediately upon delivery of a notice of the deficiency from the tax administrator to the transient lodging tax collector, at which time the deficiency amount owed is also delinquent. The tax administrator will apply any penalty and interest relating to the deficiency amount owed as set forth in this chapter.

B. In making a deficiency determination, the tax administrator may offset any overpayment the transient lodging tax collector has against any deficiency, penalty or interest the transient lodging tax collector owes.

C. The tax administrator shall deliver the transient lodging tax collector a written notice of any deficiency determination.

D. Except in the case of fraud or willful intent to evade this chapter or the rules and regulations adopted pursuant to this chapter, every deficiency determination shall be made and notice of the deficiency determination delivered to the transient lodging tax collector within three years after the last day of the month following the end of the month for which the amount is proposed to be determined or within three years after the return is filed, whichever period is later. In the case of fraud or willful intent to evade this chapter or the rules and regulations adopted pursuant to this chapter, every deficiency determination shall be made and notice of the deficiency determination delivered to the transient lodging tax collector within ten years after the last day of the month following the close of the period for which the amount is proposed to be determined or within ten years after the return is filed, whichever period is later.

E. A transient lodging tax collector who receives a notice of deficiency determination from the tax administrator may petition for redetermination and refund of any overpayment. The petition must be made in writing and delivered to the tax administrator within ten days of the transient lodging tax collector's receipt of the notice of a deficiency determination. If a timely petition for redetermination is not received by the tax administrator, the deficiency determination is final. If a timely petition for redetermination is received by the tax administrator, a redetermination will occur as provided in this chapter.

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.120 Redetermination.

A. Any person affected by a determination under SMC 3.30.110 may file a petition for redetermination with the tax administrator within ten days of delivery of notice of the tax deficiency determination. Payment in full of all taxes, penalties and interest determined by the tax administrator to be due is a prerequisite to filing a petition for redetermination and refund. Filing a petition for redetermination and refund is a prerequisite to seeking judicial review and the determination shall be final if no petition is timely filed.

B. If a petition for redetermination and refund is filed within the allowable period, the tax administrator shall reconsider the determination, and, if the petition requests, shall grant the petitioner an oral hearing and shall provide at least ten days' notice of the time and place of the hearing, unless the tax administrator and petitioner agree otherwise. The tax administrator may continue the hearing from time to time as may be necessary.

C. The tax administrator may decrease or increase the amount of the original determination as a result of the hearing. If the tax administrator increases the amount of the original determination, such increase is due upon delivery of a written notice of the increase to the petitioner.

D. After considering the petition and all available information, the tax administrator shall issue a redetermination decision and mail the decision to the petitioner.

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.130 Security.

The tax administrator, whenever the tax administrator deems it necessary to ensure compliance with this chapter, may require any transient lodging tax collector to deposit with the tax administrator security in the form of cash, bond, or other security acceptable to the tax administrator. The amount of the security shall be fixed by the tax administrator, but shall not be greater than two times the transient lodging tax collector's estimated average quarterly tax liability for the period for which the transient lodging tax collector files returns, determined in a manner the tax administrator deems proper, or five thousand dollars ($5,000.00), whichever amount is less. The amount of security may be increased or decreased by the tax administrator within the limitation of this section.

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.140 Refunds.

A. If a transient lodging tax collector concludes that the transient lodging tax collector has paid more tax, penalty or interest than is due, the transient lodging tax collector may file a claim in writing stating the facts upon which the claim is founded. The claim shall be filed with the tax administrator within one year from the date of payment. The claim shall be made on forms provided by the tax administrator. If the claim is approved by the tax administrator, the excess amount paid shall be credited against any amounts then due and payable from the transient lodging tax collector and the balance refunded to the transient lodging tax collector within fourteen (14) business days of the date the tax administrator concludes that the refund is due. The transient lodging tax collector has the burden of proving the facts that establish the basis for a refund. This section is not applicable to any amount determined by the tax administrator to be due pursuant to the determination provisions of SMC 3.30.110.

B. If a transient concludes that he or she paid more tax than is due, the transient may file a claim in writing stating the facts upon which the claim is founded. The claim shall be filed with the tax administrator within one year from the date of payment. If the claim is approved by the tax administrator, the excess amount collected shall be refunded to the transient within fourteen (14) business days of the date the tax administrator concludes that the refund is due. The transient has the burden of proving the facts that establish the basis for a refund.

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.150 Deposit and expenditure of funds.

The tax administrator shall deposit all money collected pursuant to this chapter into a special revenue fund designated by the city council to be allocated for expenditures in a manner consistent with state law.

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.160 Records and audit.

A. Each transient lodging tax collector shall keep records, render statements and comply with rules adopted by the tax administrator with respect to the tax imposed by this chapter. The records and statements required by this section must be sufficient to show whether there is a tax liability under this chapter. These records shall be retained by the transient lodging tax collector for a period of at least three years and six months after they are created.

B. The tax administrator may examine, during normal business hours, the books, papers, and accounting records relating to rentals of any transient lodging tax collector, after reasonable notification to the transient lodging tax collector, and may investigate the business of the transient lodging tax collector in order to verify the accuracy of any return made, or if no return is made by the transient lodging tax collector, to ascertain and determine the amount required to be paid.

C. A formal audit of all of the transient lodging tax collectors' records may be conducted at the discretion of the tax administrator. The transient lodging tax collector shall comply with all requests by the tax administrator in a timely manner. If, under this formal audit, it is determined that any transient lodging tax collector has underpaid the taxes due by three percent or more, the transient lodging tax collector shall pay his/her prorated portion of the total audit costs. Should the tax administrator, in his/her sole discretion, conduct or cause to be conducted individual audits in addition to or in lieu of the audit described above, and should that individual audit determine that the audited transient lodging tax collector has underpaid the taxes due by three percent or more, the transient lodging tax collector shall pay the total individual audit costs.

D. Records, reports, and returns submitted to the tax administrator are exempt from disclosure to the full extent provided by state law. Nothing in this section shall be construed to prohibit:

   1. The disclosure to, or the examination of, financial records by city officials, employees, or agents for the purpose of administering or enforcing the terms of this chapter, or collecting taxes imposed under the terms of this chapter, or collecting city business license fees;

2. The disclosure to the taxpayer or his/her authorized representative of financial information, including amounts of transient lodging taxes, penalties, or interest, after filing of a written request by the taxpayer or his/her authorized representative and approval of the request by the tax administrator;
3. The disclosure of the names and addresses of any person to whom a transient occupancy registration certificate has been issued;
4. The disclosure of general statistics in a form which would prevent the identification of financial information regarding any particular taxpayer's return or application; or
5. The disclosure of financial information to the city attorney or other legal representative of the city to the extent the tax administrator deems disclosure or access necessary for the performance of the duties of advising or representing the city.

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.170 Notice.

In case of service by mail of any notice required by this chapter, the service is complete three days after deposit with the United States Post Office.

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.180 Appeals.

Any person aggrieved by any decision of the tax administrator may appeal to the city manager by filing a notice of appeal with the tax administrator within fifteen (15) days after the serving of the notice of the tax administrator's decision. The tax administrator shall transmit the notice, together with the file of the appealed matter, to the city manager, who shall fix a time and place for hearing the appeal. The city manager shall give the appellant not less than fifteen (15) days' written notice of the time and place for hearing the appeal. The city manager may continue the hearing from time to time as necessary. The city manager shall render a decision in writing and mail it to the appellant within fifteen (15) days after the close of the hearing. Appeals from any determination made by the city manager are solely and exclusively by writ of review to the Circuit Court of Washington County, as provided in ORS 34.010 to 34.100.

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.190 Violations and penalty.

A. A person who violates a provision of this chapter commits a class B violation.

B. Each transient lodging transaction for which tax, penalty or interest otherwise due is not paid shall be deemed a separate violation.

C. Each day a person fails to register as a transient lodging tax collector shall be deemed a separate violation.

D. A finding that a person has committed a violation of this chapter shall not act to relieve the person from the provisions of this chapter.

E. If a court finds that a transient lodging tax collector collected the tax imposed by this chapter and intentionally failed to remit the tax proceeds to the city when required by this chapter, the amount of penalty may be increased up to ten times the normal penalty imposed for a class B violation. All amounts listed as room tax in bills or invoices issued by the transient lodging tax collector shall be considered tax collected by the transient lodging tax collector, unless the transient lodging tax collector received no payment on the bill or invoice.

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.200 Collection by city; compromise.

A. Except in the case of fraud or willful intent to evade this chapter or the rules and regulations adopted pursuant to this chapter, the city may bring legal action to collect any amounts owed to the city under this chapter within three years after any tax or any amount of tax required to be collected becomes due and payable, or at any time within three years after any determination becomes final, whichever is later. In the case of fraud or willful intent to evade this chapter or the rules and regulations adopted pursuant to this chapter, the city may bring legal action to collect any amounts owed to the city under this chapter within ten years after any tax or any amount of tax required to be collected becomes due and payable, or at any time within ten years after any determination becomes final, whichever is later.

B. The tax administrator may, after consultation with the city attorney, adjust or enter into a settlement as regards any amount believed to be due if, as a result of a bankruptcy filing, foreclosure, bona fide legal or factual dispute or similar circumstance, it is in the best interest of the city.

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.210 Remedies cumulative.

Any fines pursuant to this chapter are in addition to, and not in lieu of, any other civil, criminal or administrative penalty, sanction, or remedy otherwise authorized by law.

(Ord. No. 2019-002, § 1, 2-19-2019)

3.30.220 Intergovernmental agreement.

The city council may enter into an intergovernmental agreement with Washington County whereby the county is responsible for the administration, collection, distribution, and/or enforcement of the tax authorized under this chapter, either in full or in part. The terms of that agreement shall apply in lieu of and shall supersede conflicting provisions of this chapter, but shall not be construed as repealing any provision of this chapter.

(Ord. No. 2019-002, § 1, 2-19-2019)

City Council Meeting Date: August 4, 2026

Agenda Item: Public Hearing *(1st Reading)*

TO: Sherwood City Council

FROM: Kristen Switzer, Assistant City Manager
Through: Craig Sheldon, City Manager and Ryan Adams, City Attorney

SUBJECT: **Ordinance 2026-006, Amending Chapter 2.08.095 of the Sherwood Municipal Code - Youth Advisory Board**

Issue:
Shall the City Council adopt an ordinance amending Sherwood Municipal Code Section 2.08.095 to expand membership of the Youth Advisory Board and adjust member terms of office?

Background
The City of Sherwood established the Youth Advisory Board (codified at SMC 2.08.095) to educate, engage, and empower young residents by providing a meaningful platform for involvement in local government and community initiatives. The Board currently consists of a fixed number of members drawn from high school grades who either reside in Sherwood or attend school within the Sherwood School District.

Interest in service on the Board has grown. To accommodate greater youth participation and provide more flexible terms that better align with high school graduation timelines, staff recommends amendments that:

- Increase the authorized membership from a fixed number to a range of up to twelve members;
- Clarify quorum as one-half of the presently appointed members plus one;
- Adjust terms so that members serve up to three years, or until two months after the member completes high school.

The proposed amendments are set forth in Exhibit A to the accompanying ordinance. Duties and responsibilities of the Board remain substantively unchanged and continue to focus on youth engagement, civic participation, policy input on matters affecting youth, and coordination with schools, community organizations, and City government.

Proposed Amendment to Municipal Code
The proposed ordinance would amend Section 2.08.095 of the Sherwood Municipal Code, a redlined version of which is provided as Attachment A to this staff report.

Financial Impacts:
Adoption of the ordinance has no direct fiscal impact, other than the cost of codification. Any incremental administrative costs associated with a modestly larger Board are expected to be absorbed within existing staff resources and the City's youth engagement programming budget.

Recommendation:
Staff respectfully recommends that the City Council conduct first and second readings as required by the City Charter and adopt Ordinance 2026-006, Amending Chapter 2.08.095 of the Sherwood Municipal Code - Youth Advisory Board.

Attachments:

A. Redline version of Sherwood Municipal Code Section 2.08.095.

Exhibit A

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2.08.095 - Youth advisory board.

A. *Purpose.* The Sherwood Youth Advisory Board is hereby established for the purpose of educating, engaging and empowering young residents by providing a platform for meaningful involvement in local government and community initiatives.

B. *Composition.* The board shall consist of ~~seven~~ up to twelve (12) members who are enrolled in grades ninth to twelfth and are either Sherwood residents or attend school within the boundary of the Sherwood School District. A quorum shall consist of half of the presently appointed members, plus one.

C. *Term of office.* ~~For the first year following the formation of the youth advisory board, the~~The term of office for ~~four~~ members of the youth advisory board shall be ~~one year and the remaining three members shall be two years~~up to three years, or until two months after such time a member completes high-school. ~~For all subsequent appointments, the term of office will be two years.~~

D. *Duties and responsibilities.* The board shall:

1. Actively engage in city initiatives by providing input to the city on policies and programs affecting youth residents. Collaborate with city leaders and community organizations to boost civil engagement

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2. Serve as ambassadors for youth issues by promoting civic participation and encouraging peers to engage in local government and volunteer opportunities. Attend leadership events and other civic gatherings.

3. Assist the city council and city administration in creating public policy on youth safety, transportation, health and wellness, and other needs.

4. Regularly review, and advise the city council and city administration on specific programs and policies relative to youth services goals and objectives, including setting annual priorities and determining projects based on community needs.

5. Establish and maintain coordinated and cooperative working relationships between residents, the business community, faith community, senior population, schools, other agencies, and the city government.

6. Undertake additional responsibilities relative to youth services as may be designated by the city council or request by the city administration.

City of Sherwood Oregon
Home of the Tualatin River National Wildlife Refuge

ORDINANCE 2026-006

AMENDING SHERWOOD MUNICIPAL CODE SECTION 2.08.095 – YOUTH ADVISORY BOARD

WHEREAS, The City of Sherwood values input from a diverse group of citizens including a Youth Advisory Board; and

WHEREAS, The City has formally adopted and codified the Youth Advisory Board in Section 2.08.095 of its municipal code; and

WHEREAS, The City wishes to allow a greater number of youth to serve on the Youth Advisory Board and to extend their terms accordingly.

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

Section 1. Sherwood Municipal Code Chapter 2.08.095 is amended as set forth in the attached Exhibit A.

Section 2. Staff is directed to take all necessary and reasonable steps to promulgate the amendments in the attached Exhibit A.

Section 3. This Ordinance is and shall be effective 30 days after its adoption by the City Council.

Duly passed by the City Council on this 1st day of September, 2026.

____
Tim Rosener, Mayor

Attest:

____
Sylvia Murphy, MMC, City Recorder

	AYE	NAY
Giles	____	____
Scott	____	____
Mays	____	____
Standke	____	____
Brouse	____	____
Young	____	____
Rosener	____	____

Exhibit A

2.08.095 - Youth advisory board.

A. *Purpose.* The Sherwood Youth Advisory Board is hereby established for the purpose of educating, engaging and empowering young residents by providing a platform for meaningful involvement in local government and community initiatives.

B. *Composition.* The board shall consist of up to twelve (12) members who are enrolled in grades ninth to twelfth and are either Sherwood residents or attend school within the boundary of the Sherwood School District. A quorum shall consist of half of the presently appointed members, plus one.

C. *Term of office.* The term of office for members of the youth advisory board shall be up to three years, or until two months after such time a member completes high-school.

D. *Duties and responsibilities.* The board shall:

1. Actively engage in city initiatives by providing input to the city on policies and programs affecting youth residents. Collaborate with city leaders and community organizations to boost civil engagement

2. Serve as ambassadors for youth issues by promoting civic participation and encouraging peers to engage in local government and volunteer opportunities. Attend leadership events and other civic gatherings.

3. Assist the city council and city administration in creating public policy on youth safety, transportation, health and wellness, and other needs.

4. Regularly review, and advise the city council and city administration on specific programs and policies relative to youth services goals and objectives, including setting annual priorities and determining projects based on community needs.

5. Establish and maintain coordinated and cooperative working relationships between residents, the business community, faith community, senior population, schools, other agencies, and the city government.

6. Undertake additional responsibilities relative to youth services as may be designated by the city council or request by the city administration.

City Council Meeting Date: August 4, 2026

Agenda Item: Public Hearing *(1st Reading)*

TO: Sherwood City Council

FROM: David Bodway, Finance Director
Through: Craig Sheldon, City Manager and Ryan Adams, City Attorney

SUBJECT: **Ordinance 2026-007, Establishing a Commercial Public Safety Fee and Adding Section 3.50 to the Sherwood Municipal Code**

Issue:
Shall the City Council adopt an ordinance establishing a Commercial Public Safety Fee on non-residential (commercial) properties within the City of Sherwood to provide dedicated funding for police services?

Background
The City of Sherwood, like many Oregon municipalities, faces ongoing challenges in funding public safety services due to the limitations on property tax revenues. Police service costs continue to rise with personnel, equipment, and operational needs, while the City's ability to increase general fund property tax revenue is constrained.

Numerous Oregon cities have adopted public safety fees (often billed on utility accounts) as a lawful mechanism to provide stable, dedicated funding for police and related services. These fees are structured as fees for services that benefit developed property rather than as property taxes.

The City of Keizer adopted Ordinance No. 2017-775 in July 2017, establishing a Police Services Fee. That ordinance provides a clear, court-tested model: findings regarding the benefits of police services; definitions of residential and non-residential units; imposition of the fee; rates set by resolution for flexibility; a dedicated fund restricted to police uses; and collection through the existing utility billing system. Keizer later refined commercial charges using an Equivalent Service Unit (ESU) methodology tied to impervious surface.

Staff recommends that Sherwood adopt a similar enabling ordinance limited to commercial (non-residential) properties only. This approach focuses the new fee on business properties that generate significant demand for police services while avoiding an additional charge on residential utility customers at this time. The proposed ordinance closely tracks the structure and language of Keizer's ordinance, adapted for a commercial-only fee and for consistency with Sherwood's existing utility billing practices and Municipal Code style.

Key features of the proposed ordinance include:

- Purpose findings emphasizing the benefits of police services to commercial properties and the need for stable funding;
- Definitions of "Commercial Unit," "Premise," and related terms;

- Establishment of the fee solely on commercial/non-residential developed property;
- Authority for the City Council to set the amount (and methodology, including per-unit or ESU-based) by resolution;
- Creation of a dedicated Commercial Public Safety Fund restricted to police services;
- Billing and collection through the City's existing utility billing system for commercial accounts, with standard delinquency, adjustment, and appeal procedures.

If the ordinance is adopted, staff will bring a companion resolution establishing the initial rate structure and any preferred methodology (flat per commercial unit or ESU-based) for Council consideration. The ordinance itself does not set a dollar amount, preserving flexibility for annual review during the budget process.

Proposed Amendment to Municipal Code

The proposed ordinance would add a new section 3.50 to the Sherwood Municipal Code, a version of which is provided as Attachment A to this staff report.

Financial Impacts:

Adoption of the enabling ordinance itself has no immediate fiscal impact beyond codification costs. Revenue generation will depend on the rate and methodology subsequently adopted by resolution. Revenue would be deposited into a restricted fund and used exclusively for police services (personnel, equipment, vehicles, and related operational costs). Implementation will utilize existing utility billing infrastructure, minimizing additional administrative expense.

Recommendation:

Staff respectfully recommends that the City Council hold the required public hearing(s), conduct first and second readings as required by the City Charter, and adopt Ordinance 2026-007, Establishing a Commercial Public Safety Fee and Adding Section 3.50 to the Sherwood Municipal Code.

Attachment:

Attachment A, Proposed code language.

Exhibit A

Sherwood Municipal Code Section 3.50

Chapter 3.50—Commercial Public Safety Fee

3.50.010. Purpose of Commercial Public Safety Fee.
The purpose of the Commercial Public Safety Fee is to provide funding for police services. Police services safeguard, facilitate, and encourage the health, safety, and welfare of the residents and enterprises of the City of Sherwood. Stable and reliable police services provide a multitude of economic and social benefits to the public, including, but not limited to:

A. Protection of life and property;

B. Reduction in the incidence of crime;

C. Dependable response by law enforcement; and

D. Promotion of business and economic activity within the City.

The City Council finds and determines the necessity of this Commercial Public Safety Fee to provide a funding mechanism to help pay for the benefits of police services and to maintain an acceptable level of service.

3.50.020. Definitions.
For purposes of Sherwood Municipal Code section 3.50, the following terms are defined as follows:

A. Commercial Unit. A Premise or a portion of a Premise not used primarily for personal, domestic accommodation in independent living facilities. A Commercial Unit includes, but is not limited to, governmental (except as exempted herein), not-for-profit, business, commercial, industrial, and institutional enterprises. Each portion of a Commercial Unit that has permanent provisions for distinct and defined access to an individual enterprise shall be considered a separate Commercial Unit. Enterprises that provide senior living, assisted living, nursing care, and similar services exclusively shall be considered Commercial Units. Multi-family residential properties, condominiums, and mobile home parks used primarily for residential occupancy are not Commercial Units under this Ordinance. For purposes of this section, Commercial Unit also includes irrigations accounts. Irrigation accounts are those utility billing accounts for water used for outdoor irrigation purposes. It may be served by a dedicated irrigation meter or by a shared water service, and charges are assessed according to the utility's billing rates and policies. Irrigation accounts shall not be construed to include any account serving a residential property.

B. Equivalent Service Unit or ESU. One Equivalent Service Unit equals 2,640 square feet of impervious surface area, consistent with the City’s stormwater utility methodology. The number of ESUs for a Commercial Unit shall be calculated by dividing the total impervious surface area of the Premise (or the portion attributable to the Commercial Unit) by 2,640 and rounding to the nearest tenth (0.1), subject to any minimum or maximum established by resolution. Where impervious surface data is not readily available, the City may use an alternative reasonable estimate or the ESU count already assigned to the account for stormwater billing purposes.

C. Premise. A parcel or portion of a parcel of land within the corporate limits of the City of Sherwood that receives a direct or indirect benefit from police services. It is presumed that a Premise receives a direct or indirect benefit from police services if the Premise is developed. A Premise is presumed to be developed if served by water, stormwater, or wastewater utility, or if it has improvements, including but not limited to buildings, parking lots, or outdoor storage.

D. Person Responsible. The customer responsible for payment of the City utility account serving the Premise, or, for Premises without utility service, the property owner as shown in the county tax records.

3.50.030. Establishment of Commercial Public Safety Fee.

A. Except as exempted below, a Commercial Public Safety Fee is hereby established and imposed upon all Commercial Units within the City of Sherwood.

B. Premises owned by the City of Sherwood that are property-tax exempt are exempt from the payment of any Commercial Public Safety Fee. Premises owned by the Sherwood School District are exempt from this fee provided that, and only for so long as, the Sherwood School District contributes no less than fifty percent (50%) of the fully loaded cost of the School Resource Officers assigned by the Sherwood Police Department.

C. The Commercial Public Safety Fee shall be calculated on an Equivalent Service Unit (ESU) basis, or such other methodology as the City Council may establish by resolution. The City Council may by resolution establish different rates for categories of commercial accounts (including but not limited to Industrial and Manufacturing versus other commercial), minimum charges, and maximum caps on the number of ESUs or the total fee.

D. The obligation to pay the Commercial Public Safety Fee is a personal obligation of the Person Responsible. No lien shall attach to any Premise solely because of nonpayment of the Commercial Public Safety Fee.

E. All developed commercial property receives a direct or indirect benefit from police services. Unless specifically exempted, the Commercial Public Safety Fee applies to commercial utility accounts, including those that serve local, state, and federal governments (except City-owned tax-exempt property), and to accounts that serve Premises entitled to an exemption from or deferral of ad valorem property taxes, as well as commercial Premises not connected to utility services.

F. The Commercial Public Safety Fee described herein is not subject to the property tax limitations of Article XI, Sections 11 and 11b of the Oregon Constitution and is not a fee imposed on property or property owners by fact of ownership.

3.50.040. Amount of Commercial Public Safety Fee.

The amount of the Commercial Public Safety Fee, any category-based rate differentials, any minimum charge, any maximum cap on ESUs or total fee, and any related methodology shall be set by City Council resolution. In addition, the Council may set by resolution fees for extra services required in collecting delinquent customer accounts for the Commercial Public Safety Fee.

3.50.050. Dedicated Funds.

A. There shall be a Commercial Public Safety Fund. All Commercial Public Safety Fee revenues imposed and collected under this Ordinance shall be deposited in the Commercial Public Safety Fund.

B. Money in the Commercial Public Safety Fund shall be used for the purposes of City police services as determined each year during the budget process. The Commercial Public Safety Fee shall not be used for any other governmental or proprietary functions of the City. Any revenues in excess of actual expenses as identified in the budget process shall be carried forward to the next year's budget.

3.50.060. Billing.

A. The Person Responsible is responsible for payment of the Commercial Public Safety Fee. For non-utility Premises, the property owner as set forth in the county tax records shall be the Person Responsible.

B. The City shall collect the Commercial Public Safety Fee by adding the fee to the utility bill of each commercial customer in the City of Sherwood. For non-utility accounts, the billing shall be mailed to the property owner's address as set forth in the county property records, unless such owner requests the billing be sent to a different address.

C. If a Premise has more than one utility account, the Commercial Public Safety Fee for the Premise shall be calculated based on the total number of ESUs (or applicable methodology) attributable to the Commercial Units on the Premise. The ESUs may be combined into one account or allocated to each account.

D. Charges for water, wastewater, stormwater, street-related fees, the Commercial Public Safety Fee, and any other authorized charges may be billed on the same utility bill. If full payment of a utility billing is not made, payment shall be applied in the order established by City policy or resolution.

3.50.070. Payment Due Date.

The Commercial Public Safety Fee shall be due on the same date as the utility bill. For non-utility accounts, the due date shall be the date specified on the bill, consistent with ordinary utility billing practices.

3.50.080. Adjustment of Accounts and Appeals.

A. Customers who believe their Commercial Public Safety Fee, as applied to their Premise, is not within the intent of this Ordinance may request, in writing, a review of their fee by the Finance Director or designee. The Finance Director or designee may initiate a review of a customer's fee.

i. If a customer's charge is reduced as a result of this review, the corrected fee shall begin with the next billing and a credit or refund shall be made retroactively, not to exceed one year from the last billing.

ii. If a customer's charge is increased as a result of this review, the corrected fee shall begin with the next billing and the customer may be billed for the increase retroactively, not to exceed one year from the last billing.

B. If an existing customer has not been billed for the Commercial Public Safety Fee, the fee shall begin with the next billing and the customer may be billed retroactively, not to exceed one year.

C. Customers not satisfied with the results of the review by the Finance Director or designee may appeal that decision in writing to the City Manager within fourteen (14) calendar days. The City Manager's decision shall be final, subject only to writ of review under ORS 34.010 to 34.100.

3.50.090. Delinquency.

A. A Commercial Public Safety Fee is delinquent if payment in full is not received on or before the due date.

B. If a customer's utility account is delinquent for the Commercial Public Safety Fee only, the City may not discontinue water services billed on that account solely for that reason. However, the City may refuse to restore water service to the Premise if the delinquent charges and other costs incurred are not paid, consistent with applicable law and City policy.

C. Delinquent amounts owing may be collected by any lawful means, including but not limited to referral or assignment to a collection agency.

3.50.100. Severability.

If any section, subsection, sentence, clause, phrase, or portion of this section is for any reason held invalid or unconstitutional by a court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions.

3.50.110. Effective Date.

This Ordinance shall take effect on January 1, 2027, and shall continue thereafter until repealed. The Commercial Public Safety Fee authorized by this Ordinance shall first appear on utility bills for periods beginning on or after January 1, 2027, or as otherwise provided in the initial rate-setting resolution.

City of Sherwood Oregon
Home of the Tualatin River National Wildlife Refuge

ORDINANCE 2026-007

ESTABLISHING A COMMERCIAL PUBLIC SAFETY FEE AND ADDING CHAPTER 3.50 TO THE SHERWOOD MUNICIPAL CODE

WHEREAS, the City of Sherwood maintains a Police Department dedicated to protecting the public and providing essential public safety services; and

WHEREAS, the City Council has determined that sustained funding is necessary to maintain adequate levels of police services in light of rising costs and the limitations on property tax revenues under Oregon law; and

WHEREAS, police services are available to and benefit every developed commercial property within the City; and

WHEREAS, the City has authority under its Charter and Oregon law to impose fees for services that provide a direct or indirect benefit to property and to the public; and

WHEREAS, the City Council finds that a fee imposed on commercial properties will provide a stable funding mechanism to support police services without constituting a tax on property or property owners by reason of ownership; and

WHEREAS, the fee is a charge for services, is reasonably related to the benefits conferred on commercial property and is not imposed by reason of property ownership.

WHEREAS, the City Council held a public hearing to solicit comments regarding the proposed fee; and

WHEREAS, the City Council finds it in the best interest of the community to establish a Commercial Public Safety Fee;

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

Section 1. Sherwood Municipal Code Chapter 3.50, et. seq, is hereby created, adopted, and added to the Sherwood Municipal Code as set forth in the attached Exhibit A.

Section 2. Staff is directed to take all necessary and reasonable steps to promulgate Sherwood Municipal Code as set forth in the attached Exhibit A.

Section 3. This Ordinance is and shall be effective 30 days after its adoption by the City Council.

Duly passed by the City Council on the 1st day of September, 2026.

______________________________ ______________

Tim Rosener, Mayor Date

Attest:

____

Sylvia Murphy, MMC, City Recorder

		AYE	NAY
Giles		____	____
Scott		____	____
Mays		____	____
Standke		____	____
Brouse	____	____	
Young		____	____
Rosener		____	____

Exhibit A

Sherwood Municipal Code Section 3.50

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