



Randy Leonard, Commissioner
David G. Shaff, Administrator

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June 8, 2011

Dennis Koellermeier
City of Tigard
13125 SW Hall Blvd
Tigard, OR 97223

RECEIVED

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Public Works Admin.

Re: Non-Renewal Notice – 10 Year Contract Customers

Dear Dennis

At the May 11, 2011 Water Managers Advisory Board meeting I reminded the attendees of the non-renewal dates for customers with a 10 Year Water Sales Agreement. This letter is to ensure we have the same understanding of the language of the agreement.

The Regional Water Sales Agreement (the Agreement) Section 3 – DURATION OF AGREEMENT AND RENEWAL says that July 1, 2011 is the earliest possible date for either party to issue a written non-renewal notice. If a non-renewal notice were given July 1, 2011 the earliest date for contract termination is June 30, 2016.

The Agreement Section 3.A. states "...Each "contract year" shall run from July 1 through June 30." which means a termination date is always June 30 of a given year.

If notice is given AFTER July 1, 2011 Section 3.B. states " ... the contract will terminate on the next June 30 at least five years but not more than 6 years from the date of the notice." So, for instance, a notice given from July 2, 2011 through July 1, 2012 would provide for contract termination on June 30, 2017. Notices of non-renewal may be issued at any time up to June 30, 2016, and the contract will expire on the June 30 that is "at least five years, but not more than six years" from the notice's date.

Please send any non-renewal notices to Commissioner Leonard with a copy to me.

Sincerely,

David Shaff
Water Bureau Administrator

C: David Hasson
Cecelia Huynh
Jan Warner
Anne Conway