SECOND AMENDED AND RESTATED INTERGOVERNMENTAL URBAN SERVICES AGREEMENT RELATING TO FIRE AND EMERGENCY SERVICES

THIS SECOND AMENDED AND RESTATED AGREEMENT ("AGREEMENT") is made and entered into by and among the City of Hillsboro, an Oregon municipal corporation (hereafter the "City"), acting under authority of the City Charter, and Tualatin Valley Fire & Rescue, A Rural Fire Protection District (hereafter the "District").

WHEREAS, ORS 195 requires a plan for the eventual annexation of unincorporated territories within an urban growth boundary, and;

WHEREAS, ORS 195 requires that the plan address the continued and coordinated provision of urban services within such territories, and fire protection and emergency services are such urban services, and;

WHEREAS, the parties entered into the Hillsboro Urban Service Agreement, dated April 2, 2003 (the "HUSA"), and entered into an Intergovernmental Urban Services Agreement Relating to Fire and Emergency Services Within Subject Territory, dated December 17, 2002, as thereafter amended on June 17, 2003 (the "IGA"), that established, *inter alia*, that the City's eventual eastern boundary would be contiguous with the March 31, 2002, boundary of the Hillsboro School District, and;

WHEREAS, territories between the City's existing eastern boundary as of March 31, 2002, and the Hillsboro School District boundary are within the District and were made subject to an orderly transition plan of service and tax revenues, and;

WHEREAS, disputes have arisen between the parties regarding the interpretation of the HUSA and the IGA and the disputes have been resolved by an arbitrator enforcing the provisions of the transition payments for an area known as the South Hillsboro Area, and;

WHEREAS, 2014 HB 4078 proposes to address metro urban growth boundary issues which are the subject of an Oregon Court of Appeals decision, *Barkers Five, LLC v. LCDC*, No. A152351, that is of significant statewide economic development concern, and affects the territories addressed by the IGA, and;

WHEREAS, the parties desire to facilitate and promote the resolution of the statewide issues, provide a different mechanism for transition, and establish a permanent boundary by entering into this Agreement, and;

WHEREAS, the parties have agreed to establish a new east-west service boundary between the parties for fire protection and emergency services, eliminate the payments in lieu of property taxes, eliminate staffing and division of assets, and resolve the term and application of this Agreement.

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NOW, THEREFORE, the parties agree as follows:

I. Term

This Agreement is effective on the day after the effective date of 2014 HB 4078 ("Effective Date"), and shall be of perpetual duration.

II. Fire Protection and Emergency Services Boundary and Annexations

The parties establish a permanent Ultimate TVF&R Boundary as identified in Exhibit A. In all instances where the City annexes property east of the Ultimate TVF&R Boundary, the City shall not withdraw such property from the District at the time of annexation or at any time thereafter.

III. Effect on HUSA

The parties intend the terms and conditions of the HUSA to remain intact and fully enforceable for all areas except for the real property described as Area 2 on Metro's map denominated "2011 UGB Expansion Areas, Ordinance 11-1264B, Exhibit A, October, 2011."

IV. Dispute Resolution

The parties agree to make a good faith effort to informally resolve any disputes regarding this Agreement or its terms. In the event that such disputes are not resolved informally, the parties agree that such disputes will be exclusively settled through the dispute resolution process set forth in the HUSA.

V. Modification and Termination

Upon request of either party, the parties to this Agreement shall meet within 30 days of such request for purposes of reviewing the terms of this Agreement. This Agreement may be modified only by mutual agreement of the parties. Any modification to this Agreement shall be in writing and signed by an authorized representative of each party hereto.

VI. Entire Agreement; Amendments

This Agreement contains the entire agreement of the parties and shall replace the IGA. An addition or modification of the provisions of this Agreement shall not be effective unless it is in writing and acknowledged by the authorized signature of each party.

VII. Notices

All notices required or allowed of one party to the other shall be deemed given when sent to the parties at the following addresses:

For City: City Manager City of Hillsboro 123 W. Main Hillsboro OR 97123 For District: Fire Chief/Administrator Tualatin Valley Fire & Rescue 11945 SW 70th Ave Tigard OR 97223-9196

With a copy to: Jordan Ramis PC PO Box 230669 Portland OR 97281

VIII. Authority to Enter Into Agreement

Each signatory, by affixing his or her signature hereto, personally certifies that he or she is authorized to do so by the Charter, Ordinances, and/or governing body of his or her respective governmental entity for which he or she is executing this Agreement, and that his or her signature shall cause this Agreement to be binding upon such party.

CITY:	DISTRICT:
City of Hillsboro, an Oregon municipal corporation	Tualatin Valley Fire & Rescue, A Rural Fire Protection District
Ву:	By:
Its:	Its:
Date:	Date:

