



Deschutes County Board of Commissioners  
1300 NW Wall St., Suite 200, Bend, OR 97701-1960  
(541) 388-6570 - Fax (541) 385-3202 - [www.deschutes.org](http://www.deschutes.org)

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## **AGENDA REQUEST & STAFF REPORT**

**For Board Business Meeting of July 20, 2015**

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**DATE:** July 13, 2015.

**FROM:** Susan Ross. Property & Facilities 541-383-6713

**TITLE OF AGENDA ITEM:**

Signature of Debt Satisfaction and Release Agreement with City of La Pine related to former water district.

**PUBLIC HEARING ON THIS DATE?** No.

**BACKGROUND AND POLICY IMPLICATIONS:**

Deschutes County purchased the municipal water well site on behalf of the La Pine Water District in 1999 and entered into a loan agreement with the district. Repayment of the loan was to be via a credit for hookups for County properties, including the "New Neighborhood" and projects within the industrial park. The County believes it has received the required value of water hookups and releases the district from the debt obligation. The City of La Pine has since formed, dissolved the water district, and assumed the obligations of the district. Therefore, the debt satisfaction and release agreement is between Deschutes County and the City of La Pine.

**FISCAL IMPLICATIONS:**

None.

**RECOMMENDATION & ACTION REQUESTED:**

Authorize County Administrator signature of agreement

**ATTENDANCE:** Susan Ross

**DISTRIBUTION OF DOCUMENTS:**

Return to Susan Ross to obtain City's signature. Will return fully executed original to recording secretary.

## DESCHUTES COUNTY DOCUMENT SUMMARY

(NOTE: This form is required to be submitted with ALL contracts and other agreements, regardless of whether the document is to be on a Board agenda or can be signed by the County Administrator or Department Director. If the document is to be on a Board agenda, the Agenda Request Form is also required. If this form is not included with the document, the document will be returned to the Department. Please submit documents to the Board Secretary for tracking purposes, and not directly to Legal Counsel, the County Administrator or the Commissioners. In addition to submitting this form with your documents, please submit this form electronically to the Board Secretary.)

**Date:** July 13, 2015

**Department:** Property & Facilities

**Contractor Name:** City of La Pine

**Contractor Contact:** Rick Allen

**Contractor Phone #:**

**Type of Document:** Signature of Debt Satisfaction and Release Agreement with City of La Pine related to former water district.

**Goods and/or Services:**

**Background & History:** Deschutes County purchased the municipal water well site on behalf of the La Pine Water District in 1999 and entered into a loan agreement with the district. Repayment of the loan was to be via a credit for hookups for County properties, including the "New Neighborhood" and projects within the industrial park. The County believes it has received the required value of water hookups and releases the district from the debt obligation. The City of La Pine has since formed, dissolved the water district, and assumed the obligations of the district. Therefore, the debt satisfaction and release agreement is between Deschutes County and the City of La Pine.

**Agreement Starting Date:** July 13, 2015

**Ending Date:**

**Annual Value or Total Payment:** \$60,000

Insurance Certificate Received (check box)  
Insurance Expiration Date: \_\_\_\_\_

Check all that apply:

- RFP, Solicitation or Bid Process
- Informal quotes (<\$150K)
- Exempt from RFP, Solicitation or Bid Process (specify – see DCC §2.37)

**Funding Source:** (Included in current budget?  Yes  No

If **No**, has budget amendment been submitted?  Yes  No

Departmental Contact and Title: Susan Ross, Director Phone #: 541-383-6713

Department Director Approval:  \_\_\_\_\_  
Signature Date

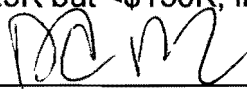
Distribution of Document: Please return all copies to Property and Facilities Department.

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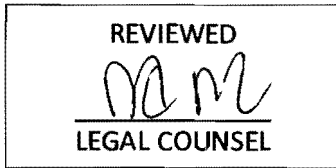
**Official Review:**

County Signature Required (check one):  BOCC  Department Director (if <\$25K)

Administrator (if >\$25K but <\$150K; if >\$150K, BOCC Order No. \_\_\_\_\_)

Legal Review  Date 7/16/15

Document Number 2015-506



## DEBT SATISFACTION AND RELEASE AGREEMENT

THIS DEBT SATISFACTION AND RELEASE AGREEMENT ("Agreement") is made and entered into this 13 day of July 2015 between Deschutes County, a political subdivision of the State of Oregon ("Deschutes") and City of La Pine, a municipal corporation of the State of Oregon ("City").

WHEREAS, on or about October 27, 1999, Deschutes transferred the real property identified in the attached Exhibit A to the La Pine Water District, along with associated rights, permits and grants; and

WHEREAS, the consideration for the transferred real property and associated rights, permits and grants was the promise by La Pine Water District to pay Deschutes the sum of \$60,000; and

WHEREAS, in lieu of monetary payment the La Pine Water District has provided and Deschutes has accepted multiple water hook-up connections, the value of which totals at least \$60,000; and

WHEREAS, the City of La Pine was incorporated and dissolved the La Pine Water District and assumed all the roles and obligations of the former water district; now therefore,

IT IS AGREED AS FOLLOWS:

1. The outstanding debt obligation of City of La Pine on behalf of the former La Pine Water District to Deschutes (described above) in the sum of \$60,000 is declared fully satisfied;
2. Deschutes hereby releases and forever discharges City of and from all actions, causes of action, suits, debts or claims of any nature which Deschutes had or has, or may hereafter have in law or equity against City in any way arising out of the \$60,000 debt obligation described herein.

AGREED TO AND ACCEPTED by City and Deschutes on the date set forth above, as evidenced by the signatures affixed below.

CITY OF LA PINE

DESCHUTES COUNTY

\_\_\_\_\_  
By: Rick Allen, City Manager

\_\_\_\_\_  
By: Tom Anderson, County Administrator

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Exhibit A

A tract of land located in the North one-half of the Southeast one-quarter of Section 18, Township 22 South, Range 11 East of the Willamette Meridian. Deschutes County, Oregon, being more particularly described as follows:

Beginning at the East one-quarter corner of said Section 18; thence South  $00^{\circ} 20' 14''$  West 1325.70 feet to the South one-sixteenth corner of said Section 18; thence North  $89^{\circ} 50' 47''$  West along the east-west centerline of the Southeast one-quarter of said Section 18 1387.73 feet to the TRUE POINT OF BEGINNING; thence North  $89^{\circ} 50' 47''$  West along said east-west centerline of the Southeast one-quarter 726.00 feet; thence leaving said east-west centerline North  $00^{\circ} 09' 13''$  East 300.00 feet; thence South  $89^{\circ} 50' 47''$  East 726.00 feet; thence South  $00^{\circ} 09' 13''$  West 300.00 feet to a point on the east-west centerline of the Southeast one-quarter and the TRUE POINT OF BEGINNING.

Containing 5.00 acres, more or less.