

To; Rivergrove City Council

From; Curt Taylor

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Subject; Impact of City of Rivergrove disincorporation considering existing sewer services

Rivergrove Oregon has either septic sewer systems or are connected to the City of Lake Oswego Sewer system. New or replacement septic systems are not allowed. If a septic system fails, a connection to the Lake Oswego sewer system must be made. What would happen if the City of Rivergrove disincorporated. Would the residents with Lake Oswego sewer system connections be automatically added/annexed to the City of Lake Oswego ? Or could these and future residents continue to use the Lake Oswego Sewer system while these properties would remain as an unincorporated area of Clackamas County?

Here's a clear summary of how *disincorporation* could affect sewer service for Rivergrove residents connected to the City of Lake Oswego sewer system — and what likely *wouldn't* happen — under Oregon law and typical municipal practice.

1. Disincorporation of Rivergrove Doesn't Automatically Make Properties Part of Lake Oswego

- Under Oregon law, a city (like Rivergrove) can surrender its charter and disincorporate only by a governing body decision and an election by its voters, and it ceases to exist 60 days after that decision is certified.
- **Disincorporation does *not* automatically annex the territory to any neighboring city** such as Lake Oswego. Rather, the land typically **reverts to unincorporated county jurisdiction (Clackamas County)** unless a separate annexation process occurs. That's because annexation to a city has its **own statutory procedures and requirements** under Oregon law.

*So just because Rivergrove disincorporated, that would **not** in itself make all Rivergrove properties automatically part of Lake Oswego.*

2. Sewer Service Is a Separate Issue from Annexation

Can Lake Oswego Continue Sewer Service to Unincorporated Rivergrove?

In Oregon, it's common for cities to provide utilities outside their boundaries under contractual agreements, but:

- **Cities are generally *not* required by law to provide sewer service outside their corporate limits.** Many municipal codes require property to annex to the city to receive city sewer, though exceptions can be made by contract or ordinance.
- Some cities (like Oregon City, as an example) **explicitly require annexation before sewer service is extended**(unless there's a specific agreement for extraterritorial service).

Lake Oswego's code doesn't automatically annex territory when sewer is provided; extensions outside city limits typically require an agreement or specific provisions allowing the city to serve extraterritorial customers.

This means it's legally possible for Rivergrove residents (post-disincorporation) to:

- **Remain in unincorporated Clackamas County,** and
- **Continue to receive sewer service from Lake Oswego,** *if Lake Oswego and the relevant sewer authority agree and there's a contractual/extraterritorial service arrangement in place.*

But this **isn't automatic** — it depends on how Lake Oswego's utility policies and agreements address serving customers outside its city limits. Many cities have provisions or agreements to provide service beyond the boundary when feasible or beneficial.

3. Annexation Is the Typical Path If a City Wants Full Jurisdiction

If Lake Oswego *wanted* to broadly extend its jurisdiction and services (police, planning, sewer, etc.) to include the Rivergrove area, it would normally pursue **formal annexation** under ORS Chapter 222. Annexation requires either:

- Approval by the affected property owners and city (and sometimes voters depending on the process), or
- Following statutory provisions under state and local rules for annexing contiguous territory.

Without annexation:

- Rivergrove properties could still be served sewer — but
- They would remain **unincorporated into Clackamas County** and subject to county land-use regulations and taxes, *not* full city governance.

4. What Practical Steps/Questions Matter for Residents

To understand what *would* happen specifically:

✓ Is there an existing sewer service agreement?

Lake Oswego may already have intergovernmental agreements with Rivergrove or Clackamas County governing sewer service to this area.

✓ What does Lake Oswego's sewer utility policy say about extraterritorial customers?

Check whether the city allows sewer service without annexation, and under what conditions.

✓ What would Clackamas County require?

As the local governing body for unincorporated areas post-disincorporation, the County's land-use codes and plumbing permits would apply.

✓ Would residents prefer annexation?

Annexation would bring them into Lake Oswego city limits with full municipal services — but also higher taxes and city regulations, which is a political choice.

Bottom Line

If Rivergrove disincorporated:

- Rivergrove territory would likely revert to **unincorporated Clackamas County** (not automatically annexed to Lake Oswego).
- **Existing sewer connections to Lake Oswego could continue** *if Lake Oswego agrees and there is a legal framework for extraterritorial service.*
- **Automatic inclusion into Lake Oswego does *not* occur simply because people are connected to the sewer system.**
- A **separate annexation process** would be required for residents to become part of Lake Oswego officially.

If you're planning on policy advocacy or future planning in Rivergrove, you might consider contacting **Clackamas County planning and Lake Oswego Public Works** to see if there are existing agreements or if they'd anticipate any changes in service arrangements following disincorporation.

Is there a legal framework or historical agreement that allows properties in the unincorporated extraterritorial areas of Clackamas County defining use of the existing Lake Oswego Sewer system?

Yes — there is a specific historical and legal framework that governs how Lake Oswego's sewer system has been extended and used in the Rivergrove area and adjacent unincorporated parts of Clackamas County, but it does not amount to automatic entitlement of sewer service on the same terms as city residents nor automatic annexation. Here's how it works:

1. There Is an Intergovernmental Agreement and Zone-of-Benefit Arrangement

Lake Oswego, Clackamas County, and the Lake Oswego School District entered into an **Intergovernmental Agreement (IGA)** to fund a sewer extension through what was then unincorporated Clackamas County out to Rivergrove Elementary School to address failing septic systems and provide sewer service. This agreement pre-dates some more modern “urban services agreements.”

To implement this agreement:

- Lake Oswego **amended its city code (Ordinance No. 2352)** to establish a “**special Zone of Benefit**” for the Rivergrove sewer extension.
- A **Zone of Benefit (ZOB)** in Lake Oswego's code is a *financial and service mechanism* whereby the city constructs sewer infrastructure (sometimes beyond the city limits) and then assesses a connection charge to benefited properties when they connect.

So the legal framework includes:

- A **contractual IGA** among City of Lake Oswego, Clackamas County, and the School District.
- A **Lake Oswego municipal code provision** that allows the sewer line extension and cost reimbursement via a Zone of Benefit.

This means sewer service has been specifically **authorized and paid for under agreed terms**, including how costs are spread to properties that later connect — typically as a **condition of connection**.

2. This Is *Not* a Blanket Sewer Service Agreement for All Extraterritorial Properties

A few important clarifications:

- **It applies where sewer lines have actually been constructed**

The Zone of Benefit and associated agreements are tied to specific sewer extensions out to particular areas (e.g., to serve the elementary school and the properties along that route).

- Properties can connect when they are physically able and after paying applicable charges (line charge or zone connection charge).

- **It isn't a universal entitlement for all unincorporated Rivergrove**

City code sections on sewer connections **require a connection fee/charge** and do not inherently allow extraterritorial customers automatic access to the sewer system just by virtue of being within Lake Oswego's Urban Services Boundary.

- **It's not an "urban services agreement" under ORS 195.065**

Lake Oswego's 1990s IGA with Rivergrove Water District existed before ORS 195.065's urban service agreement requirements and thus does *not* contain the same provisions modern urban service agreements require (e.g., specifying which services go to what areas and when).

3. Planning Documents Recognize the Service as an Interim, Contractual Arrangement

County and city planning records show that:

- Rivergrove and nearby unincorporated properties lie within Lake Oswego's **Urban Growth Management Agreement** with Clackamas County and within Lake Oswego's **Urban Services Boundary** — meaning *the long-term intent* in many planning documents has been to eventually provide full city services through annexation.
- However, **interim sewer service** may be provided under existing infrastructure and agreements *before annexation*, subject to conditions and charges set by Lake Oswego.

4. What This Means Practically

If Rivergrove or the surrounding unincorporated area were ever disincorporated:

✓ Court/County/City View

- Sewer service would remain a **contractual, charge-based extraterritorial service** provided by Lake Oswego under the specific legal framework that already exists.
- **There is no automatic extension of full city jurisdiction or automatic annexation** — annexation still requires a separate statutory process under Oregon law.

✓ Property Owners in Zone of Benefit Areas

- They would continue to be able to *hook up to sewer* under the terms of the Zone of Benefit and connection charges *if Lake Oswego chooses to allow it* and if infrastructure is in place.
- The existing agreement does not make them city residents; it just **authorizes sewer service** to specific extraterritorial properties.

✓ Without Existing Agreements

- For areas not covered by the Rivergrove sewer extension Zone of Benefit, Lake Oswego would need another **agreement, ordinance amendment, or code provision** before extending sewer lines beyond city limits.

Summary

Yes — **there is a legal framework** that has allowed Lake Oswego to build sewer infrastructure and serve certain properties outside its city limits in the Rivergrove area, anchored in an **intergovernmental agreement and a Zone of Benefit ordinance**.

However, that **framework does *not***:

- Automatically grant sewer access to all unincorporated properties,
- Automatically annex those properties into Lake Oswego as city residents,
- Guarantee they remain served forever — future agreements or policy changes by the city could alter service terms.

If you need the exact language of those agreements (e.g., the IGA or the Zone of Benefit document) or specifics on **which parcels are included**, the City of Lake Oswego or Clackamas County public records would have the detailed texts.