

## MEMORANDUM

July 7, 2022

To: Gary Schmidt, Clackamas County Administrator

From: Toni Karter, Interim Director, Housing Authority of Clackamas County  
Rodney Cook, Director of Health, Housing and Human Services

RE: Modernization of 22010 Leslie Public Housing Project

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The Housing Authority of Clackamas County (HACC), a division of the Health, Housing and Human Services Department (H3S), is seeking to provide more information about the proposed modernization project for the HACC property at 22010 Leslie in Beavercreek. This matter was originally presented at issues on May 17, 2022, and the Board asked for additional information.

### Background

22010 Leslie is a large four bedroom, one bathroom scattered site public housing unit built in 1971 and zoned as Rural Residential Farm/Forest 5 Acres ([RRFF-5](#)). The property was most recently home to a large family for over 21 years. The family originally consisted of seven members. Over the 21 years of occupancy, the family's five children graduated off public assistance and moved out of the home. The father and mother remained in the home with plans to be transferred to a smaller unit prior to the COVID-19 pandemic. Both parents are elderly and disabled and did not want to move or have others enter the unit during the pandemic. As a reasonable accommodation and waiver, HACC did not inspect units during that time due to the expressed concerns. Prior to the pandemic, all routine repairs reported by the family were made in a timely fashion and the unit passed all U.S. Department of Housing and Urban Development (HUD) Real Estate Assessment Center (REAC) and HACC inspections (HACC maintenance staff inspect homes annually for repair needs).

Other than routine maintenance, no significant capital improvements were made during this family's 21 year occupancy. In part, this was due to the choice to perform minimal maintenance as various redevelopment plans/strategies came and went over the past decade. With the home currently vacant, and because a number of major components have either failed or have reached the end of their useful life, HACC is proposing to preserve and improve the asset via this modernization project. The home cannot currently be occupied due to the failure of the septic and heating/ducting systems. Other major components, including the doors, siding, plumbing, water line, and concrete driveway, walkway, and patio, have reached the end of their useful life and are at risk of not passing a REAC inspection. The remaining work is proposed to be done as part of this project because it will either be needed in the near future (risking disruption to future tenants if done later) and/or because it will increase the value of the home in future disposition. Time is of the essence in completing this project to put the property back into use as affordable housing. Following approval of the construction contract, HUD requires that the project be completed within 120 days.

## Proposed modernization

The proposed modernization of this property will utilize available HUD Capital Funds to fully renovate the property to its maximum useful life and market value. This requires an investment of \$247,000, which is estimated to increase the current market value from approximately \$400,000 to upwards of \$650,000.

This investment of HUD Capital Funds is in alignment with the Board's directive at the [March 9, 2022, Policy Session](#) to begin planning for the disposition of the scattered site portfolio. The timing of this particular action, in advance of a full scattered site disposition plan presentation, is due to the intersection of the recent vacancy of this property, the availability of HUD Capital Funds, and the need to put the property back into use as affordable housing as quickly as possible.

Here is a list of the planned scope of work:

Planned Scope of Modernization	
Task	Est. Cost
New septic tank	\$15,000
Attic and crawl space insulation, install new sheetrock	\$10,500
Paint interior and exterior	\$6,500
New interior and exterior doors including trim	\$11,000
New windows	\$14,000
New siding	\$16,000
New heating system and all new ductwork	\$17,000
Electrical fixture upgrades	\$3,200
Remodel kitchen and open concept design including an island, new cabinets	\$17,200
Remodel old bathroom (new cabinets, sink and tub), split to create new master bathroom (adding second bath)	\$15,550
Upgrade supply and drain plumbing throughout house, install new water service line from the meter at the street	\$25,000
New flooring throughout (higher quality flooring)	\$14,000
New concrete driveway, front walkway and rear concrete patio, and new back patio with access from unit, minor site work (tree trimming and removal)	\$28,000
Asbestos abatement including insulation, asbestos abatement of sheetrock	\$17,000
Overhead & Profit (10%)	\$24,700
Bonding	\$12,350
<b>Total</b>	<b>\$247,000</b>

## Modernization vs. Disposition/Redevelopment

This property would be subject to disposition as part of the planned strategy to dispose of all scattered sites. As part of that strategy, HACC hopes to sell many of the units to the families that live in them or to other low income families. However, HACC also hopes to raise revenue to fund redevelopment opportunities, so not all properties are focused on selling at the lowest possible price. Until HACC has submitted a plan to HUD, it must continue to occupy these units until such time as it is approved for disposition. Failure to maintain occupied units can lead to a cut in funding and disallowance of getting replacement voucher rental assistance when the

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entire stock is disposed. Therefore, HACC is proposing to utilize HUD Capital Funds to bring the property back up to occupancy standards in the short-term and make a longer-term strategic investment that will increase the value of the property for future disposition, effectively converting the Capital Funds to a more flexible resource for the Board to use in furthering its affordable housing goals as part of the future scattered site disposition.

No redevelopment of the property can be done until the Declaration of Trust (HUD's restrictive covenant) is removed through the Section 18 disposition process. Full redevelopment via razing the existing structure and building a new multi-family unit is not viable due to the RRFF-5 zoning and the HUD administrative requirements for such an action. RRFF-5 zoning does not allow for middle-housing development. Disposition with HUD, whether for sale or redevelopment, is an intensive and expensive process that requires proof of obsolescence. For this reason, the standard practice is to avoid making asks for disposition of individual properties and instead grouping properties for a bulk determination. Additionally, the sale proceeds from the planned future disposition will have more flexibility than current Public Housing funds (namely that the funds can then be used to develop Project Based Voucher housing anywhere in the County), so leveraging the Capital Funds to increase the value of the property now is a strategic investment in future development opportunities. For these reasons, HACC recommends proceeding with the modernization and including the property in the planned future disposition process for all scattered sites.

### **Additional Information on HUD Capital Funds**

The source of funding for this project is Capital Funds, which are awarded by HUD for large-scale projects of this type. These funds are allocated annually and become unavailable if not obligated within two years. Capital Funds cannot be used on small improvements and HACC must forecast for HUD the units that will undergo major renovations each year. For example, HACC submitted plans to HUD for 12 roofing projects on scattered sites at a total cost of \$163,120. If a roof only needs a patch, HACC has to use Operating Funds. Operating Funds is a separate federal funding source provided for routine maintenance and general turn costs on units to maintain minimum habitability standards.

### **Next Steps**

With Board approval, HACC will place the approval to execute a construction contract between the HACC and Nomarco, Inc. (construction company) on the Board's Consent Agenda.

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July 21, 2022

Housing Authority Board of Commissioners  
Clackamas County

Approval of a construction contract with Nomarco, Inc. for the modernization of Leslie public housing project. Total value is \$247,000. Funding through HUD Capital Fund grant funds.  
No County General Funds are involved.

<b>Purpose/Outcome</b>	Seeking approval for the construction contract with Nomarco, Inc. for the modernization project at the public housing property at 22010 Leslie in Beavercreek.
<b>Dollar Amount and Fiscal Impact</b>	One-time expense not to exceed \$247,000.00.
<b>Funding Source</b>	HUD Federal Capital grant funds. No County General Funds are involved.
<b>Duration</b>	120 days from date of notice to proceed.
<b>Previous Board Action/Review</b>	July 19, 2022 – Item presented at issues July 6, 2022 – Memo to the Board answering the questions posed by commissioners at Issues on May 17, 2022 May 17, 2022 – Item presented at Issues
<b>Strategic Plan Alignment</b>	1. How does this item align with your department’s Strategic Business Plan goals? This project increases sustainable and affordable housing. 2. How does this item align with the County’s Performance Clackamas goals? Bringing the Leslie property up to standards helps us reach our goal of ensuring safe, healthy and secure communities.
<b>Counsel Review</b>	April 25, 2022, Contract reviewed by Andrew Naylor
<b>Procurement Review</b>	1. Was the item processed through Procurement? yes <input type="checkbox"/> no <input checked="" type="checkbox"/> 2. Per Resolution No. 1936, HACC adopted the Local Contract Review Board rules for HACC Procurements. HACC conducts its own procurements following its procurement handbook. HACC publicly advertised for bids and Nomarco, Inc. was selected through a competitive Invitation for Bids process.
<b>Contact Person</b>	Toni Karter, HACC Interim Executive Director (503) 650-3139
<b>Contract No.</b>	HACC contract #c006-22/H3S Contract #10665

**BACKGROUND:**

The Housing Authority of Clackamas County (HACC), a division of the Health, Housing and Human Services Department (H3S), requests approval to execute a construction contract between HACC and Nomarco, Inc. for the modernization of the public housing unit at 22010 Leslie in Beavercreek.

22010 Leslie is a large four bedroom, one bathroom scattered site public housing unit built in 1971 and zoned as Rural Residential Farm/Forest 5 Acres ([RRFF-5](#)). The property was most recently home to a large family for over 21 years. The family originally consisted of seven members. Over the 21 years of occupancy, the family's five children graduated off public assistance and moved out of the home. The father and mother remained in the home with plans to be transferred to a smaller unit prior to the COVID-19 pandemic.

Both parents are elderly and disabled and did not want to move or have others enter the unit during the pandemic. As a reasonable accommodation and waiver, HACC did not inspect units during that time due to the expressed concerns. Prior to the pandemic, all routine repairs reported by the family were made in a timely fashion and the unit passed all U.S. Department of Housing and Urban Development (HUD) Real Estate Assessment Center (REAC) and HACC inspections (HACC maintenance staff inspect homes annually for repair needs).

Other than routine maintenance, no significant capital improvements were made during this family's 21-year occupancy. In part, this was due to the choice to perform minimal maintenance as various redevelopment plans/strategies came and went over the past decade. With the home currently vacant, and because a number of major components have either failed or have reached the end of their useful life, HACC is proposing to preserve and improve the asset via this modernization project.

The home cannot currently be occupied due to the failure of the septic and heating/ducting systems. Other major components, including the doors, siding, plumbing, water line, and concrete driveway, walkway, and patio, have reached the end of their useful life and are at risk of not passing a REAC inspection.

The remaining work is proposed to be done as part of this project because it will either be needed in the near future (risking disruption to future tenants if done later) and/or because it will increase the value of the home in future disposition. Time is of the essence in completing this project to put the property back into use as affordable housing. Following approval of the construction contract, HUD requires that the project be completed within 120 days.

### **Proposed modernization**

HACC publicly advertised for bids to repair and bring the unit back to its original condition with new materials and Nomarco, Inc was selected through a competitive Invitation for Bids process. The proposed modernization of this property will utilize available HUD Capital Funds to fully renovate the property to its maximum useful life and market value. This requires an investment of up to \$247,000.

This investment of HUD Capital Funds is in alignment with the Board's directive at the [March 9, 2022, Policy Session](#) to begin planning for the disposition of the scattered site portfolio. The timing of this particular action, in advance of a full scattered site disposition plan presentation, is due to the intersection of the recent vacancy of this property, the availability of HUD Capital Funds, and the need to put the property back into use as affordable housing as quickly as possible.

### **Modernization vs. Disposition/Redevelopment**

This property would be subject to disposition as part of the planned strategy to dispose of all scattered sites. As part of that strategy, HACC hopes to sell many of the units to the families that live in them or

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to other low-income families. However, HACC also hopes to raise revenue to fund redevelopment opportunities, so not all properties are focused on selling at the lowest possible price. Until HACC has submitted a plan to HUD, it must continue to occupy these units until such time as it is approved for disposition. Failure to maintain occupied units can lead to a cut in funding and disallowance of getting replacement voucher rental assistance when the entire stock is disposed. Therefore, HACC is proposing to utilize HUD Capital Funds to bring the property back up to occupancy standards in the short-term and make a longer-term strategic investment that will increase the value of the property for future disposition, effectively converting the Capital Funds to a more flexible resource for the Board to use in furthering its affordable housing goals as part of the future scattered site disposition.

No redevelopment of the property can be done until the Declaration of Trust (HUD's restrictive covenant) is removed through the Section 18 disposition process. Full redevelopment via razing the existing structure and building a new multi-family unit is not viable due to the RRFF-5 zoning and the HUD administrative requirements for such an action. RRFF-5 zoning does not allow for middle-housing development. Disposition with HUD, whether for sale or redevelopment, is an intensive and expensive process that requires proof of obsolescence. For this reason, the standard practice is to avoid making asks for disposition of individual properties and instead grouping properties for a bulk determination. Additionally, the sale proceeds from the planned future disposition will have more flexibility than current Public Housing funds (namely that the funds can then be used to develop Project Based Voucher housing anywhere in the County), so leveraging the Capital Funds to increase the value of the property now is a strategic investment in future development opportunities. For these reasons, HACC recommends proceeding with the modernization and including the property in the planned future disposition process for all scattered sites.

### **Additional Information on HUD Capital Funds**

The source of funding for this project is Capital Funds, which are awarded by HUD for large-scale projects of this type. These funds are allocated annually and become unavailable if not obligated within two years. Capital Funds cannot be used on small improvements and HACC must forecast for HUD the units that will undergo major renovations each year. For example, HACC submitted plans to HUD for 12 roofing projects on scattered sites at a total cost of \$163,120. If a roof only needs a patch, HACC has to use Operating Funds. Operating Funds is a separate federal funding source provided for routine maintenance and general turn costs on units to maintain minimum habitability standards.

### **RECOMMENDATION:**

Staff recommends the Housing Authority Board approve the construction contract with Nomarco, Inc. for the modernization of the public housing residence at 22010 Leslie in Beaver Creek. Staff also recommends the Board authorize Commissioner Tootie Smith, Chair, to sign the contract on behalf of the Housing Authority Board of Commissioners.

Respectfully submitted,

Rodney A. Cook, Director  
Health, Housing and Human Services

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**FORM OF CONTRACT  
PROJECT #22002  
Contract # c006-22**

THIS CONTRACT, effective upon signature of both parties, is made by and between **(Contractor)**, a business entity authorized to do business in the State of Oregon, hereinafter called the "Contractor," and **the Housing Authority of Clackamas County** hereinafter call the "PHA."

WITNESSETH, that the Contractor and the PHA for the consideration stated herein mutually agreed as follows:

**ARTICLE 1. Statement of Work.** The Contractor shall furnish all labor, material, equipment and services, and perform and complete all work ("Work") described in the Contract Documents, defined below, or reasonably inferred therefrom, as required for completion of the **MODERNIZATION OF 22010 LESLIE**, a prevailing wage project, **#22002**. Work shall be performed in strict accordance with this Contract and all Contract Documents, defined below, including the Scope of Work, HUD General Conditions, and any Addenda.

**ARTICLE 2. The Contract Price.** The PHA shall pay the Contractor for the performance of the Contract, in current funds, subject to additions and deductions as provided in the Scope of Work, a sum not to exceed two hundred forty seven thousand dollars and zero cents. **(\$247,000.00).**

**ARTICLE 3. Contract Dates.** The following critical dates are hereby set for the MODERNIZATION OF 22010 LESLIE. Time is of the essence.

- A. START DATE: August 01, 2022
- B. SUBSTANTIAL COMPLETION DATE: N/A
- C. FINAL COMPLETION DATE: December 01, 2022

**ARTICLE 4. Contract Documents.** The Contract shall consist of the following component parts:

- a. This Agreement
- b. Bid Documents
- c. HUD General Conditions
- d. Addendum(s), if any
- e. Special Conditions
- f. Scope of Work

This instrument, together with the other documents enumerated in this Article 4, which said other documents are as fully a part of the Contract as if hereto attached or herein repeated, form the Contract. In the event that any provision in any component part of this Contract conflicts with any provision of any other component part, the provision of the component part first enumerated in this Article 4 shall govern, except as otherwise specifically stated. The various provisions in Addenda shall be construed in the order of preference of the component part of the Contract which each modifies.

**ARTICLE 5. Responsibility for Damages/Indemnity.** Contractor shall be responsible for all damage to property, injury to persons, and loss, expense, inconvenience, and delay that may be caused by, or result from, the carrying out of the Work to be done under the Contract, or from any act, omission or neglect of the Contractor, its subcontractors, employees, guests, visitors, invitees and agents.



To the fullest extent permitted by law, Contractor shall indemnify, defend (with counsel approved by PHA) and hold harmless the PHA and its elected officials, officers, directors, agents, and employees (collectively "Indemnitees") from and against all liabilities, damages, losses, claims, expenses, demands and actions of any nature whatsoever which arise out of, result from or are related to: (a) any damage, injury, loss, expense, inconvenience or delay described in this Article 5; (b) any accident or occurrence which happens or is alleged to have happened in or about the project site or any place where the Work is being performed, or in the vicinity of either, at any time prior to the time the Work is fully completed in all respects; (c) any failure of the Contractor to observe or perform any duty or obligation under the Contract Documents which is to be observed or performed by the Contractor, or any breach of any agreement, representation or warranty of the Contractor contained in the Contract Documents or in any subcontract; (d) the negligent acts or omissions of the Contractor, a subcontractor or anyone directly or indirectly employed by them or any one of them or anyone for whose acts they may be liable, regardless of whether or not such claim, damage, loss or expense is caused in part by a party indemnified hereunder (except to the extent otherwise void under ORS 30.140); and (e) any lien filed upon the project or bond claim in connection with the Work. Such obligation shall not be construed to negate, abridge, or reduce other rights or obligations of indemnity which would otherwise exist as to a party or person described in this Article 5.

In claims against any person or entity indemnified under this Article 5 by an employee of the Contractor, a subcontractor, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, the indemnification obligation under this Article 5 shall not be limited on amount or type of damages, compensation or benefits payable by or for the Contractor or a subcontractor under workers' compensation acts, disability benefit acts or other employee benefit acts.

**ARTICLE 6.** No person shall be employed for more than 10 hours in any one day, or 40 hours in any one week, except in cases of necessity, emergency, or where the public policy absolutely requires it, and in such cases, except in cases of contracts for personal services as described in ORS 279C.100, the employee shall be paid at least time and a half pay for (1) all overtime in excess of eight hours in any one day or 40 hours in any one week if the work week is five consecutive days, Monday through Friday or (2) all overtime in excess of 10 hours in any one day or 40 hours in any one week if the work week is four consecutive days, Monday through Friday; and all work the employee performs on Saturday and on any legal holiday specified in ORS 279C.540. All subject employers working under this contract are either employers that will comply with ORS 656.017 or employers that are exempt under ORS 656.126. Contractor shall comply with the prohibition set forth in ORS 652.220, compliance of which is a material element of the Contract and a failure to comply is a breach entitling PHA to terminate the Contract for cause.

**ARTICLE 7.** Under the provisions of ORS 279C.515, if the Contractor fails, neglects, or refuses to make prompt payment of any claim for labor or services furnished to the Contractor or a subcontractor by any person in connection with this contract as the claim becomes due, the proper officer representing the PHA may pay such claim to the person furnishing the labor or services and charge the amount of the payment against the funds due or to become due the Contractor by reason of the contract.

If the Contractor or a first-tier subcontractor fails, neglects or refuses to pay a person that provides labor or materials in connection with the public improvement contract within 30 days after receiving payment from the contracting agency or a contractor, the Contractor or first-tier subcontractor owes the person the amount due plus interest charges that begin at the end of the 10-day period within which payment is due under ORS 279C.580 (4) and that end upon final



payment, unless payment is subject to a good faith dispute as defined in ORS 279C.580. The rate of interest on the amount due is nine percent per annum. The amount of interest may not be waived.

If the Contractor or a subcontractor fails, neglects or refuses to make payment to a person furnishing labor or materials in connection with the public contract, the person may file a complaint with the Construction Contractors Board, unless payment is subject to a good faith dispute as defined in ORS 279C.580.

**ARTICLE 8.** The Contractor agrees to pay daily, weekly, weekend and holiday overtime as required by ORS 279C.520.

**ARTICLE 9.** The Contractor agrees that all employees/workers working on this project, whether employed by the Contractor or any subcontractor, shall be given written notice of the number of hours per day and days per week they may be required to work.

**ARTICLE 10.** The Contractor shall promptly, as due, make payment to any person, co-partnership, association or corporation furnishing medical, surgical and hospital care services or other needed care and attention, incident to sickness or injury, to the employees of the contractor, of all sums that the contractor agrees to pay for the services and all moneys and sums that the contractor collected or deducted from the wages of employees under any law, contract or agreement for the purpose of providing or paying for the services.

**ARTICLE 11.** The Contractors agrees to pay no less than the applicable state or federal prevailing wage rate, whichever is higher per ORS 279C.830(1)(b).

**ARTICLE 12.** The Contractor agrees to have a performance bond and payment bond in place before starting any work on the project per ORS 279C.380. The Contractor agrees to have filed a public works bond with the Construction Contractors Board before starting any work on the project.

**ARTICLE 13.** The Contractor agrees that every subcontract shall include a provision requiring all subcontractors to have a public works bond filed with the Construction Contractors Board before starting any work on the project per ORS 279C.830.

**ARTICLE 14.** Contractor certifies that both it and any of its subcontractors are (1) Registered to conduct business in the state of Oregon; (2) are actively licensed with the Oregon Construction Contractors Board; (3) are bonded and insured in amounts that meet or exceed the county's minimal requirements.

**ARTICLE 15.** CONTRACTOR shall:

- (1) Make payment promptly, as due, to all persons supplying to such contractor labor or material for the prosecution of the work provided for in such contract.
- (2) Pay all contributions or amounts due the State Industrial Accident Fund from such contractor or subcontractor incurred in the performance of the contract.
- (3) Not permit any lien or claim to be filed or prosecuted against the state, county, school district, municipality, municipal corporation or subdivision thereof, on account of any labor or material furnished.



- (4) Pay to the Revenue Department all sums withheld from the employees pursuant to ORS 316.167.
- (5) Demonstrate that an employee drug testing program is in place.

**ARTICLE 16.** The Contractor shall include in each subcontract those provisions required under ORS 279C.580.

**ARTICLE 17.** For demolition tasks, if any, the Contractor shall salvage or recycle construction and demolition debris, if feasible and cost-effective.

**ARTICLE 18.** Tax Laws.

**18.1** The Contractor represents and warrants that, for a period of no fewer than six calendar years preceding the effective date of this Agreement, has faithfully complied with:

- a) All tax laws of this state, including but not limited to ORS 305.620 and ORS chapters 316, 317, and 318;
- b) Any tax provisions imposed by a political subdivision of this state that applied to Contractor, to Contractor's property, operations, receipts, or income, or to Contractor's performance of or compensation for any work performed by Contractor;
- c) Any tax provisions imposed by a political subdivision of this state that applied to Contractor, or to goods, services, or property, whether tangible or intangible, provided by Contractor; and
- d) Any rules, regulations, charter provisions, or ordinances that implemented or enforced any of the foregoing tax laws or provisions.

**18.2** Contractor represents and warrants that, throughout the duration of this Agreement and any extensions, comply with all tax laws of this state and all applicable tax laws of any political subdivision of this state. Any violation of this section shall constitute a material breach of this Agreement. Further, any violation of Contractor's warranty in this Agreement that Contractor has complied with the tax laws of this state and the applicable tax laws of any political subdivision of this state also shall constitute a material breach of this Agreement. Any violation shall entitle PHA to terminate this Agreement, to pursue and recover any and all damages that arise from the breach and the termination of this Agreement, and to pursue any or all of the remedies available under this Agreement, at law, or in equity, including but not limited to:

- a. Termination of this agreement, in whole or in part;
- b. Exercise of the right of setoff, and withholding of amounts otherwise due and owing to Contractor, in an amount equal to PHA's setoff right, without penalty; and
- c. Initiation of an action or proceeding for damages, specific performance, declaratory or injunctive relief. PHA shall be entitled to recover any and all damages suffered as the result of PHA's breach of this Agreement, including but not limited to direct, indirect, incidental and consequential damages, costs of cure, and costs incurred in securing replacement performance.



These remedies are cumulative to the extent the remedies are not inconsistent, and PHA may pursue any remedy or remedies singly, collectively, successively, or in any order whatsoever.

**ARTICLE 19. Liquidated damages**

The Contractor acknowledges that PHA will sustain damages as a result of the Contractor's failure to substantially complete the work authorized under this Contract and in accordance with the Contract Documents. These damages may include, but are not limited to delays in completion, use of the project, and costs associated with Contract administration and use of temporary facilities.

**19.1** Liquidated Damages shall be as follows if the actual Final Completion exceeds the required date of Final Completion:

**19.1.1.** \$77.40 per each Calendar day after the set Final Completion date.

**ARTICLE 20. Additional Terms**

- (1) Execution and Counterparts.** This Contract may be executed in several counterparts, each of which shall be an original, all of which shall constitute one and the same instrument.
- (2) Integration.** The Contract Documents constitute the entire agreement between the Parties. There are no other understandings, agreements or representations, oral or written, not specified herein regarding this Contract. Contractor, by the signature below of its authorized representative, hereby acknowledges that it has read this Contract, understands it, and agrees to be bound by its terms and conditions.
- (3) Governing Law.** This Contract shall be governed and construed in accordance with the laws of the State of Oregon without regard to principles of conflicts of law. Any claim, action, or suit between County and Contractor that arises out of or relates to the performance of this Contract shall be brought and conducted solely and exclusively within the Circuit Court for Clackamas County, for the State of Oregon. Provided, however, that if any such claim, action, or suit may be brought in a federal forum, it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon.
- (4) Compliance with Applicable Law.** Contractor shall comply with all federal, state, county, and local laws, ordinances, and regulations applicable to the Work to be done under this Contract including, but not limited to, compliance with the prohibitions set forth in ORS 652.220, compliance of which is a material element of this Contract and failure to comply is a material breach that entitles County to exercise any rights and remedies available under this Contract including, but not limited to, termination for default.
- (5) Reserved.**
- (6) Compliance with Applicable Funding Source Requirements.** Contractor shall further comply with any and all terms, conditions, and other obligations as may be required by the applicable State or Federal agencies providing funding for performance under this Contract, whether or not specifically referenced herein. Contractor agrees to take all necessary steps, and execute and deliver any and all necessary written instruments, to perform under this Contract including, but not limited to, executing all additional



documentation necessary for PHA to comply with applicable State or Federal funding requirements.

- (7) **Debt Limitation.** This Contract is expressly subject to the debt limitation of Oregon counties set forth in Article XI, Section 10, of the Oregon Constitution, and is contingent upon funds being appropriated therefore. Any provisions herein which would conflict with law are deemed inoperative to that extent.
- (8) **No attorney fees.** No attorney fees shall be paid for or awarded to either party in the course of any dispute, indemnification, or other recovery. It is the intent of the parties that each shall bear the costs of its own legal counsel.
- (9) **Severability.** If any term or provision of this Contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Contract did not contain the particular term or provision held to be invalid.
- (10) **No Third Party Beneficiaries.** PHA and Contractor are the only parties to this Contract and are the only parties entitled to enforce its terms. Nothing in this Contract gives, is intended to give, or shall be construed to give or provide any benefit or right, whether directly, indirectly or otherwise, to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this Contract.
- (11) **Waiver.** The failure of PHA to enforce any provision of this Contract shall not constitute a waiver by PHA of that or any other provision.
- (12) **Merger.** This Contract constitutes the entire agreement between the parties with respect to the subject matter referenced therein. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Contract. No amendment, consent, or waiver of terms of this Contract shall bind either party unless in writing and signed by all parties. Any such amendment, consent, or waiver shall be effective only in the specific instance and for the specific purpose given. Contractor, by the signature hereto of its authorized representative, is an independent contractor, acknowledges having read and understood this contract, and contractor agrees to be bound by its terms and conditions.
- (13) **Responsibility for Taxes.** Contractor is solely responsible for payment of any federal, state, or local taxes required as a result of the Agreement or the Work including, but not limited, to payment of the corporate activity tax imposed under enrolled HB 3427 (2019 Oregon regular legislative session).

MODERNIZATION OF 22010 LESLIE – PROJECT #22002  
HOUSING AUTHORITY OF CLACKAMAS COUNTY  
P.O BOX 1510, 13900 S. GAIN STREET, OREGON CITY, OR 97045


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IN WITNESS WHEREOF, the parties hereto have caused this Contract to be executed in **two** original counterparts as of the day and year first above written.

**HOUSING AUTHORITY OF  
CLACKAMAS COUNTY BOARD**

**Nomarco, Inc.**

Contractor

  
Contractor Authorized Representative's  
Signature / Date

7/12/22

**Jess Doman, Vice President**

Contractor Authorized Representative's  
Name / Title - Print or Type

**93-0567667**

Federal I.D. Number

**4066 S. Elliott Prairie Road, Woodburn  
OR, 97071**

Business Address - Street, City, State, Zip

**#71958**

State of Oregon CCB License Number

Chair, Tootie Smith  
Commissioner, Sonya Fischer  
Commissioner, Paul Savas  
Commissioner, Martha Schrader  
Commissioner, Mark Shull  
Resident Commissioner, Ann Leenstra

Dated this \_\_\_\_ day of July, 2022.

\_\_\_\_\_  
Chair, Tootie Smith

\_\_\_\_\_  
Recording Secretary

Approved as to form

\_\_\_\_\_  
County Counsel



**CERTIFICATION**

I Jess Doman  
certify that I am the Vice President  
at the corporation named as Contractor herein, that Jess Doman  
who signed this Contract on behalf of the Contractor, was then Vice President  
of said corporation; that said Contract was duly signed for and in behalf of said  
corporation by authority of its governing body, and is within the scope of its corporate  
powers.



7/12/22

Authorized Representative's Signature / Date

**Jess Doman, Vice President**

Authorized Representative's Name / Title - Print or Type