CLACKAMAS C O U N T Y

Marc Gonzales Director

DEPARTMENT OF FINANCE

Public Services Building 2051 Kaen Road | Oregon City, OR 97045

June 28, 2018

Board of County Commissioners Clackamas County

Members of the Board:

Resolution Adopting a Methodology for Calculating Cost of Living Adjustments for Non-Represented Clackamas County Employees

Purpose/Outcome	Establish data-driven method for calculating cost of living adjustments for non-represented county employees
Dollar Amount and Fiscal Impact	Estimate: \$120,000 per year
Funding Source	Various funds
Duration	Ongoing
Previous Board Action/Review	Study session June 19, 2018
Strategic Plan	Build public trust through good government
Alignment	
Contact Person	Laurel Butman, 503-655-8893

BACKGROUND:

This Resolution establishes a data-driven methodology using the CPI-W, West Urban rate (Annual Average) as the basis for calculating cost of living adjustments for non-represented county employees beginning with Fiscal Year 2018-2019,

RECOMMENDATION:

Staff respectfully recommends that the Board adopt the attached Resolution.

Sincerely,

Diane Padilla Budget Manager

BEFORE THE BOARD OF COUNTY COMMISSIONERS OF CLACKAMAS COUNTY, STATE OF OREGON

Resolution Adopting a Methodology for Calculating Cost of Living Adjustments for Non- Represented Clackamas County Employees	<pre>}</pre>	Resolution No
--	--------------	---------------

Whereas, Clackamas County adopts an annual budget which includes Cost of Living Adjustments for non-represented employees; and

Whereas, on July 1st Clackamas County offers a Cost of Living Adjustment (COLA) to represented employees which is defined in their collective bargaining agreements; and

Whereas, non-represented employees do not have the opportunity to negotiate a COLA and the County would like to establish a consistent methodology for this determination; and

Whereas, Clackamas County desires to have a data-driven methodology for calculating the COLA for non-represented employees; and

Whereas, Clackamas County wishes to align its annual non-represented COLA adjustment methods with similar Oregon agencies and jurisdictions;

Whereas, Washington County uses the CPI-W for determining its annual non-represented COLA adjustment;

NOW THEREFORE, the Clackamas County Board of Commissioners resolves as follows:

1. The Board of Commissioners adopts the methodology of using the CPI-W, West Urban rate (Annual Average) from the previous year, as reported by the US Department of Labor, with a minimum of 0% as the basis for annual COLA adjustments for non-represented employees; this rate for 7-1-18 is 2.8%.

DATED this 28th day of June, 2018

BOARD OF COUNTY COMMISSIONERS

Chair

Recording Secretary



Evelyn Minor-Lawrence Director

Ň

DEPARTMENT OF HUMAN RESOURCES

PUBLIC SERVICES BUILDING 2051 Kaen Road | Oregon City, OR 97045

То:	Don Krupp, County Administrator	1 NA
From:	Don Krupp, County Administrator Evelyn Minor-Lawrence, Director, Human Resources	ENC
Date:	June 13, 2018 .	
Subject:	Non-Represented COLA Philosophy	

Background:

Historically, the annual COLA for non-represented employees (NRP) has been linked to the COLA received by employees represented by the Employees' Association, the County's largest union. In years when the POA has negotiated a higher COLA than other unions, the non-represented group within the Sheriff's Office (NSO) has, at times, received the higher COLA. While this has served to maintain the internal alignment between management and represented employees, it has also been problematic.

During years when the County is in contract negotiations, like this year, non-represented employees are held in limbo, either receiving no COLA or a placeholder COLA, until negotiations are wrapped up. Instances where the NSO has received a higher COLA than the larger NRP group has created disparity among classifications used in both pay plans. This year adds another layer of complexity as the Consumer Price Index for Portland-Salem, the indicator used to determine COLA for the majority of our bargaining groups, will no longer be published by the Bureau of Labor and Statistics. This change opens the door to negotiating a new CPI with the unions and offers an opportunity to create a new philosophy on how non-represented employees receive COLAs.

Recommendation:

Beginning with FY 18/19, it is recommended that the COLA for non-represented employees be linked to the CPI-W, West Urban-All Items (Annual Average). This CPI-W is also used by Washington County for their non-represented employees and all bargaining groups. It is recommended that annually on July 1, non-represented employees (NRP and NSO) receive the equivalent of the CPI-W, West Urban rate (Annual Average) from the previous year. This rate for 7/1/18 is 2.8%.

Rationale:

Linking both non-represented groups (NRP and NSO) to one CPI removes the uncertainty for these groups, allows for more accurate budgeting, and creates a situation where the non-represented groups are leading rather than following. One COLA for all non-represented classifications also eliminates salary grade 'creep' between classifications used in both the NRP and NSO pay plans. Finally, linking non-represented groups to one CPI allows the County to stay competitive with the market and other jurisdictions who have similar pay philosophies.

C: Laurel Butman, Deputy County Administrator Heather Pedersen, Compensation Manager



DEPARTMENT OF FINANCE

PUBLIC SERVICES BUILDING2051 KAEN ROADOREGON CITY, OR97045

June 28, 2017

Board of County Commissioners Clackamas County

Members of the Board:

Approval of a Lease by and between CGF Family Limited Partnership and Clackamas County for Business and Community Services

Purpose/Outcomes	This is a one-year extension of the lease for the Oak Lodge Library
-	occupied by Business and Community Services (BCS) staff.
Fiscal Impact	Monthly rent of \$6,799.00, 1-year total cost of \$81,588.00.
Funding Source	Funded by library district. No new funds needed.
Duration	Effective July 1, 2018 and terminating on June 30, 2019
Previous Action	The first lease for this building was approved by the Board on
	June 9, 1994 through board order #94-635.
Strategic Plan	Grow a vibrant economy
Alignment	Build public trust through good government
Contact Person	Eli Seely, Facilities Services Coordinator, Facilities Management,
	503-557-6425

BACKGROUND

Clackamas County has operated the Oak Lodge Library, located at 16201 SE Mcloughlin Boulevard in Oak Grove, since initially leasing it in 1994. The lease extension was negotiated by Facilities Management in consultation with BCS.

Due to the fact that the current lease will expire on June 30, 2018, the County may need to sign this Lease before CGF Family Limited Partnership. Facilities Management staff, in conjunction with County Counsel, will ensure that no changes are made to the original document after County signature by maintaining possession of the original document until it is signed by CGF Family Limited Partnership.

RECOMMENDATION

Staff recommends the Board approve the Lease agreement between Clackamas County and CGF Family Limited Partnership and that the Chair of the Board be authorized to execute the Lease.

Respectfully submitted,

Marc Gonzales Finance Director

EXTENSION OF LEASE

LEASE TERM:

The Lease for property located at 16201 Southeast McLoughlin Boulevard, Oak Grove, Oregon, effective June 30, 2000 through June 30, 2005, and extended July 1, 2006; July 1, 2007; July 1, 2009; July 1, 2010; July 1, 2011; July 1, 2012; July 1, 2013; July 1, 2014; July 1, 2015; July 1, 2016; and July 1, 2017, as executed between C.G.F. FAMILY LIMITED PARTNERSHIP (Lessor) and CLACKAMAS COUNTY, a political subdivision of the State of Oregon (Lessee), and copies of which are attached, is extended for a period of one (1) year, beginning July 1, 2018, and ending at midnight on June 30, 2019, with the following considerations:

RENTAL:

Lessee agrees to pay as monthly rent for the premises the sum of six thousand seven-hundred ninety-nine dollars (\$6,799.00).

All other terms and conditions of the original Lease and Extensions remain in full force and effect.

LESSEE

CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS by:

Jim Bernard, Chair

LESSOR C.G.F. FAMILY LIMITED PARTNERSHIP 9418 SE Chatfield Court Happy Valley, OR 97086

72-1539377 Federal ID#

Mary Raethke, Recording Secretary

Marc Gonzales, Finance Director

Laura Zentner, Director Business & Community Services

Approved as to form:

Authorized Signature

Printed Name

Date

Office of County Counsel



DEPARTMENT OF FINANCE

PUBLIC SERVICES BUILDING2051 KAEN ROADOREGON CITY, OR97045

June 28, 2017

Board of County Commissioners Clackamas County

Members of the Board:

Approval of a Lease by and between Willamette Building Partnership and Clackamas County for Health, Housing, and Human Services

This is a lease for a one-year term for the Willamette Building	
occupied by Health, Housing, and Human Services (H3S) staff.	
Monthly rent of \$6,632.09, 1-year total cost of \$79,585.08.	
Mix of general fund and federal/state grants. No new funds needed.	
Effective July 1, 2018 and terminating on June 30, 2019	
The first lease for this building was approved by the Board on	
September 29, 1994 through board order #94-1125.	
 Ensure safe, healthy and secure communities 	
 Build public trust through good government 	
Eli Seely, Facilities Management, 503-557-6425	
-	

BACKGROUND

Clackamas County has offered various services in the Willamette Building, located at 102 11th Street in Oregon City, since initially leasing it in 1994. At present, it houses Children, Youth, and Families and Community Solutions program services. Last year, the ownership of the building changed and the previous owner's interest passed to the Willamette Building Partnership. The new lease was negotiated by Facilities Management in consultation with H3S.

Due to the fact that the current lease will expire on June 30, 2018, the County may need to this Lease before Willamette Building Partnership. Facilities Management staff, in conjunction with County Counsel, will ensure that no changes are made to the original document after County signature by maintaining possession of the original document until it is signed by Willamette Building Partnership.

RECOMMENDATION

Staff recommends the Board approve the Lease agreement between Clackamas County and Willamette Building Partnership and that the Chair of the Board be authorized to execute the Lease.

Respectfully submitted,

Marc Gonzales Finance Director

LEASE

This Lease is made this _____ day of _____, 20___, by and between CLACKAMAS COUNTY, a political subdivision of the State of Oregon, hereinafter called "Lessee" and WILLAMETTE BUILDING PARTNERSHIP, hereinafter called "Lessor".

Recitals

Whereas, on or about June 20, 2013, Clackamas County and Jack E. Brown executed three leases for different portions of the premises described herein (collectively the "Brown Leases");

Whereas the Brown Leases, as amended, expire on June 30, 2018;

Whereas Willamette Building Partnership is the successor in interest to Jack E. Brown and the sole owner of the premises described herein;

Whereas the parties wish to terminate the three Brown Leases and execute a single new lease agreement for the entirety the premises described herein;

Now, therefore, for good and valuable consideration, the receipt of which is hereby acknowledged, the parties have agreed as follows:

BROWN LEASES: Notwithstanding any provision of the Brown Leases to the contrary, the Brown Leases are hereby terminated upon execution of this Lease. Upon termination, Clackamas County shall have no further obligations under the Brown Leases.

LEASE TERM:

In consideration of the agreements herein contained, the Lessor does hereby let and lease the premises hereinafter described to the Lessee to have and to hold the same for a term of one (1) year, beginning July 1, 2018 and ending at midnight on June 30, 2019.

Ninety (90) days before the end of this Lease, Lessee shall notify Lessor, in writing, of its desire to either renew the Lease or vacate the premises. The Lease may be renewed for additional periods upon such terms as are agreed to by the parties in writing.

PREMISES:

The premises subject to this Lease are situated at 102 11th Street, Oregon City, Clackamas County, Oregon, including suites 104, 108, and 112. The leased premises consist of the building, containing approximately 9,285.5 square feet, and the 22-space parking lot located on Assessor's Map T2S, R2E, Section 31AB, Tax Lot 02500.

BASE RENT:

Lessee agrees to pay as monthly rent for the premises the sum of six-thousand six-hundred thirty-two dollars and nine cents (\$6,632.09) for the entire lease term. Rent is due and payable on or before the first day of the month.

Lessor and Lessee hereby agree that if Lessee opts to pay rent on an annual basis and the rent is paid on or before July 1st, Lessee is entitled to discount the annual rent by five percent (5%) for an annual total of \$75,605.83.

Rent not paid when due shall, after ten (10) days written notice, bear simple interest at the rate of oneand-one-half percent (1.5%) per month until paid.

DEPOSIT:

Lessor acknowledges that Lessee paid refundable deposits in the amounts of \$1,717.00 in February 1990 and \$425.00 in June 1990 under the Brown Leases, which shall be applied against the rent payable for the last month of the lease term.

POSSESSION:

Lessee shall be entitled to full use and possession of the premises for the entire Lease term.

USE AND ENJOYMENT:

Lessor covenants that Lessee shall be entitled to possession of the premises for government offices and related purposes. Lessee covenants not to use the premises for any other purpose without Lessor's prior written consent, or for any unlawful purpose. Lessee shall not allow the creation of any nuisance upon the premises nor create any nuisance upon the same.

OPERATING COSTS:

Lessee shall be responsible for charges for telephone, electrical service, water/sewer, natural gas service, landscape maintenance, and trash removal relating to the premises.

PROPERTY TAXES:

Lessee is applying for a property tax exemption on the property described above under provisions of ORS 307.112. If the property tax exemption is granted, Lessee and Lessor agree that any tax savings resulting from the exemption shall inure solely to the benefit of Lessee. The rent payable by Lessee has been established to reflect the savings resulting from the exemption granted in ORS 307.112.

ASBESTOS, CHEMICALS, AND OTHER MATERIALS AND CONDITIONS RELATING TO SAFE WORK ENVIRONMENT:

1. Lessor assures that the leased premises are safe, healthful, and in compliance with all state and federal Occupational Safety and Health Administration (OSHA) rules and regulations, and all other state structural, building, fire, and specialty code requirements.

2. If conditions pre-exist, or arise, which are determined to be violations of any state or federal OSHA rule or regulation or any specialty code requirement, Lessor will be allowed a reasonable period in which to modify and correct the violation to achieve compliance. If Lessee deems that there is any imminent danger to employees or to the public, Lessor must correct the violations immediately. Lessor shall make every effort to achieve full compliance within thirty (30) days.

In the event Lessor does not correct any condition as required in items 1 and 2 above, Lessee has the right to terminate this Lease immediately, and shall have no further responsibility to Lessor under this Lease agreement.

INSPECTION:

Lessor shall have the right personally and through Lessor's agents and workmen to enter into and upon the premises at reasonable times to inspect the premises and examine the condition thereof upon fortyeight (48) hours written notice, except in the event of an emergency, in which event no notice shall be necessary.

ALTERATIONS:

Lessee may perform leasehold improvements and make subsequent non-structural modifications and alterations to the building, provided that Lessee will obtain Lessor's prior written approval of any proposed modifications or alterations of the improvements on the property. Such approvals will not be unreasonably withheld and will be given or denied within ten (10) business days after receipt of a written request for approval and such plans or other information as Lessor may reasonably require. Whether or not Lessor's consent is required under this Lease, Lessee will keep Lessor informed as to modifications and alterations of the premises performed or to be performed by Lessee. All alterations shall be made in a good and workmanlike manner, and in compliance with applicable laws and building codes.

All alterations undertaken by Lessee shall be at Lessee's sole expense. Any alterations or improvements by Lessee that cannot reasonably be removed by Lessee without damaging the premises shall become the property of Lessor upon termination of this Lease.

ELECTRICAL AND BUILDING OVERLOADS:

Lessee shall not overload the floors or electrical circuits or alter the plumbing or wiring of the premises or building without the written consent of Lessor, which Lessor shall not unreasonably withhold.

MAINTENANCE:

Lessor shall be responsible for necessary maintenance and repair of the building foundation, roof, sidewalks, exterior walls, structural members, and for necessary water, sewage, and electrical repairs so long as not made necessary by Lessee's negligence, misuse, or failure to comply with any provisions of this lease. Lessor shall be responsible for major repairs and/or replacement of heating and air conditioning components.

Any repairs or maintenance performed on or around the leased premises by the Lessor shall be done in such a way as to interfere as little as reasonably possible with the use of the premises by the Lessee. Lessee shall have no right to an abatement of rent nor any claim against Lessor for any inconvenience or disturbance resulting from Lessor's activities performed in conformance with the requirements of this provision.

Lessee shall be responsible for routine maintenance of heating and air conditioning equipment, including filter changes.

Lessee shall be responsible for non-structural interior maintenance, including janitorial services and plumbing/toilet problems caused by Lessee's negligence or misuse. Lessee shall maintain premises in a neat condition, free of trash and debris, in good order and repair.

Lessee shall promptly notify Lessor of any necessary repairs and shall, if necessary to protect the leased premises from imminent damage, prior to such notice arrange for necessary emergency repairs. Payment for emergency repairs shall be the responsibility of Lessor.

Lessee shall be responsible for all damages to the leased premises resulting from burglary or attempted burglary and shall repair and maintain all windows and doors.

REPAIR BY LESSOR:

Lessor shall have no liability for failure to perform required maintenance and repair unless written notice of the needed maintenance or repair is given by Lessee and Lessor fails to commence efforts to remedy the problem in a reasonable time and manner. Repair of damage caused by negligent or intentional acts or breach of this Lease by Lessee, its employees, invitees, or licensees shall be at Lessee's expense.

LIEN CLAIMS AND LIABILITY:

Lessee shall not allow any liens to attach to the building or Lessee's interest in the premises as a result of any alterations or modifications done at Lessee's request, repairs or maintenance performed for which Lessor is not responsible, or obligations or judgments of Lessee unrelated to the premises. Any labor or materials provided or construction done by Lessee at Lessor's request shall be deemed to have been provided by Lessor who shall be solely responsible for any liens or judgments arising from such provision or construction.

PLACE OF PAYMENT AND NOTICE:

Any notice to which Lessee shall be entitled under this Lease shall be delivered or sent to Clackamas County Facilities Management, 1710 S Red Soils Court #200, Oregon City, OR 97045. Place of payment and notice for Lessor shall be mailed to Charles Fuhrmann, c/o McLaren's Bookkeeping, 6193 81st Avenue SE, Salem, OR 97317. Place for notices may be changed by written notice from the party changing address.

INDEMNIFICATION:

Lessor shall hold Lessee harmless from and against any claim, loss, expense, or damage to any person or property in or upon the demised premises arising out of an act or omission of Lessor or its employees or agents.

TOTAL OR PARTIAL DESTRUCTION:

Lessor agrees to insure the building on the premises against risks as covered by a standard all risk insurance policy, including water damage and sprinkler leakage, with extended coverage. So long as this provision does not invalidate or limit the extent of Lessor's coverage under such insurance policies, Lessor does hereby waive the right of subrogation against Lessee and Lessee's agents or employees under such insurance policy or policies. If the leased portion of the building on the premises which is the subject of this lease so insured shall be damaged by some cause covered by such insurance to the extent of less than thirty percent (30%) thereof, Lessor shall promptly remove all debris therefrom and repair and rebuild the same, restoring the premises in substantially the same condition in which it was previous to the destruction. If the structure shall be damaged more than thirty percent (30%), Lessor shall not be required to build but may do so at Lessor's option. Percentage of damage shall be determined by the fire insurance underwriter. If Lessor shall elect to rebuild and repair the premises in the last mentioned instance, Lessor shall give written notice of Lessor's intention to do so to the Lessee within thirty (30) days of the date of the damage. If Lessor fails to give such notice within thirty (30) days, this Lease shall terminate. If the premises shall be damaged by some cause not covered by insurance and Lessor does not elect to rebuild or repair the premises within sixty (60) days from date of damage, Lessee may terminate this Lease at Lessee's option. During any period of time during which the premises shall be unusable, rental shall abate entirely and if the operation of the business on the premises shall be impaired in part, rental shall abate during the terms of repairs or rebuilding proportionate to loss of use of the premises and said impairment of business. If the insurance premium rates shall increase in any way by reason of Lessee's activities on the premises, Lessee shall reimburse Lessor promptly for the cost of any premium in excess of the amount Lessor would have been required to pay for insurance had it not been for Lessee's activities or use and shall be added to the rent as charge against Lessee.

HAZARDOUS SUBSTANCES:

Lessee shall not cause or permit any Hazardous Substance to be spilled, leaked, disposed or, or otherwise released on or under the premises. Lessee may use or otherwise handle on the premises only those Hazardous Substances typically used in the prudent and safe operation of the office. Lessee may store such Hazardous Substances on the premises only in quantities necessary to satisfy Lessee's reasonably anticipated needs. Lessee shall comply with all Environmental Laws and exercise the highest degree of care in the use, handling, and storage of Hazardous Substances and shall take all practicable measures to minimize the quantity and toxicity of Hazardous Substances used, handled, or stored on the premises. On the expiration or termination of this Lease, Lessee shall remove all Hazardous Substances from the premises. The term *Environmental Law* shall mean any federal, state, or local statute, regulation, or ordinance, or any judicial or other governmental order pertaining to the protection of health, safety, or the environment. The term *Hazardous Substance* shall mean any hazardous, toxic, infectious, or radioactive substance, waste, or material as defined or listed by any Environmental Law and shall include, without limitation, petroleum oil and its fractions.

ASSIGNMENT AND SUBLETTING:

Lessee shall not have the right to assign this Lease without the written consent of Lessor.

No assignment shall relieve Lessee of its obligation to pay rent or perform other obligations required by this Lease, and no consent to one assignment or subletting shall be a consent to any further assignment or subletting. Lessor shall not unreasonably withhold its consent to any assignment, or to subletting provided that subrental rate or effective rental paid by the assignee is not less than the current scheduled rental rate of the building for comparable space and the proposed lessee is compatible with Lessor's other lessees and Lessor's normal standards for the building. If Lessee proposes a subletting or assignment to which Lessor is required to consent under this paragraph, Lessor shall have the option of terminating this lease and dealing directly with the proposed sublessee or assignee, or any third party.

HOLDING OVER:

If Lessee shall hold over and remain in possession of said premises after expiration of this Lease without any written lease actually being made, such holding over shall not be deemed to operate as a renewal or extension of this Lease but shall only create a month-to-month tenancy which may be terminated at any time by Lessor upon sixty (60) days written notice to Lessee.

EMINENT DOMAIN:

If the entire premises or entire access shall be taken under power of eminent domain, this lease shall terminate, and Lessee shall immediately vacate said premises within ninety (90) days after receipt of notice of said termination, or earlier if directed by a court having jurisdiction. Lessee shall not participate in any award of damages or purchase price paid by the acquiring authority to Lessor for the building and premises and Lessee shall not be liable for any subsequent rent. If only a part of the premises or access shall be taken under eminent domain so that Lessee may continue to operate Lessee's business on substantially the scale on which such business was conducted prior to condemnation, rental shall be abated for the remaining portion of the term of this lease or extension thereof, proportionate to the loss of use of the premises by Lessee. In no event shall Lessee participate in any condemnation award or settlement.

WAIVER:

Any waiver of any breach of covenants herein contained to be kept and performed by Lessee or Lessor shall not be deemed or considered to be a continuing waiver, and shall not operate to bar or prevent the other party from declaring a forfeiture or exercising any other rights as to any succeeding breach, either of the same condition or covenant or otherwise.

TERMINATION AND BREACH:

If Lessee fails to pay any rental payment by the fifteenth (15th) day of the month in which it is due, Lessor may terminate this Lease by providing sixty (60) days written notice, with an opportunity to cure, to Lessee Within sixty (60) days of receipt of said notice, Lessee shall either cure the default or vacate the premises.

If Lessee defaults in performing its obligations under this Lease, other than payment of rent, Lessor may make any payment or perform any obligation which Lessee has failed to perform after not less than ten (10) days written notice to Lessee of Lessor's intention to pursue this remedy (except in cases of emergency, where no such prior notice shall be required), in which case Lessor shall be entitled to recover from Lessee upon demand all amounts so expended.

If Lessee breaches any covenants or conditions of this Lease, other than payment of rent, and such breach is not corrected within thirty (30) days after receipt of written notice from Lessor claiming a default by Lessee and Lessor's intention to terminate the Lease if such breach is not corrected (except that if the breach is of a type that cannot be fully corrected within such thirty day period, Lessee must commence correction within such period and thereafter diligently pursue the correction to completion), Lessor may terminate this Lease by sixty (60) days written notice thereof to Lessee, without waiver of any rights Lessor may have to initiate legal proceedings to recover damages or other relief. Within sixty (60) days of sending such notice, Lessee shall vacate the premises. If Lessor breaches any covenants or conditions of this Lease, and such breach is not corrected within thirty (30) days after receipt of written notice from Lessee claiming a default by Lessor and Lessee's intention to terminate the Lease if such breach is not corrected (except that if the breach is of a type that cannot be fully corrected within such thirty day period, Lessor must commence correction within such period and thereafter diligently pursue the correction to completion), Lessee may terminate this Lease by sixty (60) days written notice thereof to Lessor, without waiver of any rights Lessee may have to initiate legal proceedings to recover damages or other relief. Within sixty (60) days of sending such notice, Lessee shall vacate the premises.

The rights and remedies specified in this section shall be non-exclusive. Either party's right to terminate this Lease for default as provided herein shall not be that party's sole remedy, and such party may exercise any other right or remedy provided in this Lease or otherwise available under applicable law.

SURRENDER:

On expiration or early termination of this Lease, Lessee shall deliver all keys to Lessor and surrender the premises clean and in the same condition as at the commencement of the term subject only to reasonable wear and tear from ordinary use. Lessee shall remove all of its furnishings and trade fixtures that remain its property and restore all damage resulting from such removal. Failure to remove shall be an abandonment of the property, and Lessor may dispose of it in any manner without liability.

CONSTITUTIONAL DEBT LIMITATION:

This agreement 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 therefor. Any provisions herein which would conflict with law are deemed inoperative to that extent.

WARRANT OF AUTHORITY:

Lessor warrants and represents that Lessor is the sole successor in interest to Jack E. Brown, that Lessor is the sole owner of the premises subject to this Lease, and that Lessor has full authority to execute this Lease and terminate the Brown Leases. The undersigned, Charles Fuhrman, warrants and represents that he has full authority to sign on behalf of Lessor.

LESSEE

CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS by:

Jim Bernard, Chair

Mary Raethke, Recording Secretary

Marc Gonzales, Finance Director

Richard Swift, Director, Health Housing and Human Services

Approved as to form:

Office of County Counsel

Date

LESSOR

WILLAMETTE BUILDING PARTNERSHIP CHARLES FUHRMAN, PROPERTY MANAGER c/o MCLAREN'S BOOKKEEPING 6193 81st Ave SE Salem, OR 97317

<u>93-0728022</u> Federal ID#

Authorized Signature

Printed Name

Date



DEPARTMENT OF FINANCE

PUBLIC SERVICES BUILDING2051 KAEN ROADOREGON CITY, OR97045

June 28, 2017

Board of County Commissioners Clackamas County

Members of the Board:

Approval of a Lease by and between Homestead Building LLC and Clackamas County for Health, Housing, and Human Services

Purpose/Outcomes	This is a lease for a one-year term for the Homestead Building	
	occupied by Health, Housing, and Human Services (H3S) staff.	
Fiscal Impact	Monthly rent of \$4,100.00, 1-year total cost of \$49,200.00.	
Funding Source	Medicaid revenues. No new funds needed.	
Duration	Effective July 1, 2018 and terminating on June 30, 2019	
Previous Action	The first lease for this building was approved by the Board on	
	December 12, 1991 through board order #91-1160.	
Strategic Plan	Ensure safe, healthy and secure communities	
Alignment	Build public trust through good government	
Contact Person	Eli Seely, Facilities Management, 503-557-6425	

BACKGROUND

Clackamas County has offered various health services in the Homestead Building, located at 38872 Proctor Boulevard in Sandy, since initially leasing it in 1991. At present, it houses Behavioral Health and Women, Infants, and Childrens program services.

Last year, the ownership of the building changed and the Homestead Building LLC was formed to oversee the new owner's property interest. The new lease was negotiated by Facilities Management in consultation with H3S.

Due to the fact that the current lease will expire on June 30, 2018, the County may need to sign this Lease before Homestead Building LLC. Facilities Management staff, in conjunction with County Counsel, will ensure that no changes are made to the original document after County signature by maintaining possession of the original document until it is signed by Homestead Building LLC.

RECOMMENDATION

Staff recommends the Board approve the Lease agreement between Clackamas County and Homestead Building LLC and that the Chair of the Board be authorized to execute the Lease.

Respectfully submitted,

Marc Gonzales Finance Director

LEASE

This Lease is made this _____ day of _____, 20___, by and between CLACKAMAS COUNTY, a political subdivision of the State of Oregon, hereinafter called "Lessee" and HOMESTEAD BUILDING LLC, hereinafter called "Lessor".

Recitals

Whereas, on or about April 16, 2009, Clackamas County and Richard Evans executed a lease of the premises described herein (the "Evans Lease");

Whereas the Evans Lease, as amended, expires on June 30, 2018;

Whereas Homestead Building, LLC is the successor in interest to Richard Evans and the sole owner of the premises described herein;

Whereas the parties wish to terminate the Evans Lease and execute a new lease agreement for the lease of the premises described herein;

Now, therefore, for good and valuable consideration, the receipt of which is hereby acknowledged, the parties have agreed as follows:

EVANS LEASE: Notwithstanding any provision of the Evans Lease to the contrary, the Evans Lease is hereby terminated upon execution of this Lease. Upon termination, Clackamas County shall have no further obligations under the Evans Lease.

LEASE TERM:

In consideration of the agreements herein contained, the Lessor does hereby let and lease the premises hereinafter described to the Lessee to have and to hold the same for a term beginning July 1, 2018 and ending June 30, 2019.

Ninety (90) days before the end of this Lease, Lessee shall notify Lessor, in writing, of its desire to either renew the Lease or vacate the premises. The Lease may be renewed for additional periods upon such terms as are agreed to by the parties in writing.

PREMISES:

The premises subject to this Lease are situated at 38872 Proctor Boulevard, Sandy, Clackamas County, Oregon. The leased premises consist of the building, containing approximately 6,400 square feet, and the parking lot located on Assessor's Map T2S, R4E, Section 13CA, Tax Lot 02900.

BASE RENT:

Lessee agrees to pay as rent for the premises the sum of four-thousand one-hundred dollars (\$4,100.00) per month for the entire lease term.

Rent not paid when due shall, after ten (10) days written notice, bear simple interest at the rate of oneand-one-half percent (1.5%) per month until paid.

POSSESSION:

Lessee shall be entitled to full use and possession of the premises for the entire Lease term.

USE AND ENJOYMENT:

Lessor covenants that Lessee shall be entitled to possession of the premises for government offices and related purposes. Lessee covenants not to use the premises for any other purpose without Lessor's prior written consent, or for any unlawful purpose. Lessee shall not allow the creation of any nuisance upon the premises nor create any nuisance upon the same.

OPERATING COSTS:

Lessee shall be responsible for charges for telephone, electrical service, and natural gas service relating to the premises. Lessor shall be responsible for water/sewer and garbage service charges.

PROPERTY TAXES:

Lessee is applying for a property tax exemption on the property described above under provisions of ORS 307.112. If the property tax exemption is granted, Lessee and Lessor agree that any tax savings resulting from the exemption shall inure solely to the benefit of Lessee. The rent payable by Lessee has been established to reflect the savings resulting from the exemption granted in ORS 307.112.

ASBESTOS, CHEMICALS, AND OTHER MATERIALS AND CONDITIONS RELATING TO SAFE WORK ENVIRONMENT:

1. Lessor assures that the leased premises are safe, healthful, and in compliance with all state and federal Occupational Safety and Health Administration (OSHA) rules and regulations, and all other state structural, building, fire, and specialty code requirements.

2. If conditions pre-exist, or arise, which are determined to be violations of any state or federal OSHA rule or regulation, or any specialty code requirement, Lessor will be allowed a reasonable period in which to modify and correct the violation to achieve compliance. If Lessee deems that there is any imminent danger to employees or to the public, Lessor must correct the violations immediately. Lessor shall make every effort to achieve full compliance within thirty (30) days.

In the event Lessor does not correct any condition as required in items 1 and 2 above, Lessee has the right to terminate this Lease immediately, and shall have no further responsibility to Lessor under this Lease agreement.

INSPECTION:

Lessor shall have the right personally and through Lessor's agents and workmen to enter into and upon the premises at reasonable times to inspect the premises and examine the condition thereof upon fortyeight (48) hours written notice, except in the event of an emergency, in which event no notice shall be necessary.

ALTERATIONS:

Lessee may perform leasehold improvements and make subsequent non-structural modifications and alterations to the building, provided that Lessee will obtain Lessor's prior written approval of any proposed modifications or alterations of the improvements on the property. Such approvals will be given or denied within ten (10) business days after receipt of a written request for approval and such

plans or other information as Lessor may reasonably require. Whether or not Lessor's consent is required under this Lease, Lessee will keep Lessor informed as to modifications and alterations of the premises performed or to be performed by Lessee. All alterations shall be made in a good and workmanlike manner, and in compliance with applicable laws and building codes.

All alterations undertaken by Lessee shall be at Lessee's sole expense. Any alterations or improvements by Lessee shall become the property of Lessor upon termination of this Lease or be removed at Lessor's request with suitable repairs completed by Lessee.

ELECTRICAL AND BUILDING OVERLOADS:

Lessee shall not overload the floors or electrical circuits or alter the plumbing or wiring of the premises or building without the written consent of Lessor, which Lessor shall not unreasonably withhold.

MAINTENANCE:

Lessor shall be responsible for necessary maintenance and repair of the building foundation, roof, sidewalks, exterior walls, heating and cooling systems, structural members, and for necessary water, sewage, gas, and electrical repairs so long as not made necessary by Lessee's negligence, misuse or failure to comply with any provisions of this lease.

Any repairs or maintenance performed on or around the leased premises by the Lessor shall be done in such a way as to interfere as little as reasonably possible with the use of the premises by the Lessee. Lessee shall have no right to an abatement of rent nor any claim against Lessor for any inconvenience or disturbance resulting from Lessor's activities performed in conformance with the requirements of this provision.

Lessee shall be responsible for routine maintenance of heating and air conditioning equipment including filter changes.

Lessee shall be responsible for non-structural interior maintenance, including janitorial services. Lessee shall maintain premises in a neat condition, free of trash and debris, in good order and repair.

Lessee shall promptly notify Lessor of any necessary repairs and shall, if necessary to protect the leased premises from imminent damage, prior to such notice, arrange for necessary emergency repairs. Payment for emergency repairs shall be the responsibility of Lessor.

REPAIR BY LESSOR:

Lessor shall have no liability for failure to perform required maintenance and repair unless written notice of the needed maintenance or repair is given by Lessee and Lessor fails to commence efforts to remedy the problem in a reasonable time and manner. Repair of damage caused by negligent or intentional acts or breach of this Lease by Lessee, its employees, invitees, or licensees shall be at Lessee's expense.

LIEN CLAIMS AND LIABILITY:

Lessee shall not allow any liens to attach to the building or Lessee's interest in the premises as a result of any alterations or modifications done at Lessee's request, repairs or maintenance performed for which Lessor is not responsible, or obligations or judgments of Lessee unrelated to the premises. Any labor or materials provided or construction done by Lessee at Lessor's request shall be deemed to have been provided by Lessor who shall be solely responsible for any liens or judgments arising from such provision or construction.

PLACE OF PAYMENT AND NOTICE:

Any notice to which Lessee shall be entitled under this Lease shall be delivered or sent to Clackamas County Facilities Management, 1710 S Red Soils Court #200, Oregon City, OR 97045. Place of payment and notice for Lessor shall be mailed to Homestead Building LLC, PO Box 1172, Boring, OR 97009. Place for notices may be changed by written notice from the party changing address.

INDEMNIFICATION:

Lessee shall be responsible for insuring or self-insuring its personal property and trade fixtures located on the premises and any alterations or tenant improvements it has made to the premises. Neither Lessor nor Lessee shall be made liable to the other for any loss or damage caused by water damage, sprinkler leakage, or any of the risks that are or could be covered by a standard all risk insurance policy with an extended coverage endorsement.

TOTAL OR PARTIAL DESTRUCTION:

Lessor agrees to insure the building on the premises against fire with extended coverage. So long as this provision does not invalidate or limit the extent of Lessor's coverage under such insurance policies, Lessor does hereby waive the right of subrogation against Lessee and Lessee's agents or employees under such fire insurance policy or policies. If the leased portion of the building on the premises which is the subject of this lease so insured shall be damaged by some cause covered by such insurance to the extent of less than thirty percent (30%) thereof, Lessor shall promptly remove all debris therefrom and repair and rebuild the same, restoring the premises in substantially the same condition in which it was previous to the destruction. If the structure shall be damaged more than thirty percent (30%), Lessor shall not be required to build but may do so at Lessor's option. Percentage of damage shall be determined by the fire insurance underwriter. If Lessor shall elect to rebuild and repair the premises in the last mentioned instance, Lessor shall give written notice of Lessor's intention to do so to Lessee within thirty (30) days of the date of the damage. If Lessor fails to give such notice within thirty (30) days, this Lease shall terminate. If the premises shall be damaged by some cause not covered by insurance and Lessor does not elect to rebuild or repair the premises within sixty (60) days from date of damage, Lessee may terminate this lease at Lessee's option. During any period of time during which the premises shall be unusable, rental shall abate entirely and if the operation of the business on the premises shall be impaired in part, rental shall abate during the terms of repairs or rebuilding proportionate to loss of use of the premises and said impairment of business. If the fire insurance premium rates shall increase in any way by reason of Lessee's activities on the premises, Lessee shall reimburse Lessor promptly for the cost of any premium in excess of the amount Lessor would have been required to pay for insurance had it not been for Lessee's activities or use and shall be added to the rent as charge against Lessee.

ASSIGNMENT AND SUBLETTING:

Lessee shall not have the right to assign this Lease without the written consent of Lessor.

No assignment shall relieve Lessee of its obligation to pay rent or perform other obligations required by this lease, and no consent to one assignment or subletting shall be a consent to any further assignment or subletting. Lessor shall not unreasonably withhold its consent to any assignment, or to subletting provided that subrental rate or effective rental paid by the assignee is not less than the current scheduled rental rate of the building for comparable space and the proposed lessee is compatible with Lessor's other lessees and Lessor's normal standards for the building. If Lessee proposes a subletting or assignment to which Lessor is required to consent under this paragraph, Lessor shall have the option of terminating this lease and dealing directly with the proposed sublessee or assignee, or any third party.

HOLDING OVER:

If Lessee shall hold over and remain in possession of said premises after expiration of this Lease without any written lease actually being made, such holding over shall not be deemed to operate as a renewal or extension of this Lease but shall only create a tenancy which may be terminated at any time by Lessor upon sixty (60) days written notice to Lessee.

EMINENT DOMAIN:

If the entire premises or entire access shall be taken under power of eminent domain, this lease shall terminate, and Lessee shall immediately vacate said premises within ninety (90) days after receipt of notice of said termination, or earlier if directed by a court having jurisdiction. Lessee shall not participate in any award of damages or purchase price paid by the acquiring authority to Lessor for the building and premises and Lessee shall not be liable for any subsequent rent. If only a part of the premises or access shall be taken under eminent domain so that Lessee may continue to operate Lessee's business on substantially the scale on which such business was conducted prior to condemnation, rental shall be abated for the remaining portion of the term of this lease or extension thereof, proportionate to the loss of use of the premises by Lessee. In no event shall Lessee participate in any condemnation award or settlement.

WAIVER:

Any waiver of any breach of covenants herein contained to be kept and performed by Lessee or Lessor shall not be deemed or considered to be a continuing waiver, and shall not operate to bar or prevent the other party from declaring a forfeiture or exercising any other rights as to any succeeding breach, either of the same condition or covenant or otherwise.

TERMINATION AND BREACH:

This Lease may be terminated by either party with ninety (90) days written notice.

If Lessee fails to pay any rental payment by the fifteenth (15th) day of the month in which it is due, Lessor may terminate this Lease by providing sixty (60) days written notice, with an opportunity to cure, to Lessee. Within sixty (60) days of receipt of said notice, Lessee shall either cure the default or vacate the premises.

If Lessee defaults in performing its obligations under this Lease, other than payment of rent, Lessor may make any payment or perform any obligation which Lessee has failed to perform after not less than ten (10) days written notice to Lessee of Lessor's intention to pursue this remedy (except in cases of

emergency, where no such prior notice shall be required), in which case Lessor shall be entitled to recover from Lessee upon demand all amounts so expended.

If Lessee breaches any covenants or conditions of this Lease, other than payment of rent, and such breach is not corrected within thirty (30) days after receipt of written notice from Lessor claiming a default by Lessee and Lessor's intention to terminate the Lease if such breach is not corrected (except that if the breach is of a type that cannot be fully corrected within such thirty day period, Lessee must commence correction within such period and thereafter diligently pursue the correction to completion), Lessor may terminate this Lease by sixty (60) days written notice thereof to Lessee, without waiver of any rights Lessor may have to initiate legal proceedings to recover damages or other relief. Within sixty (60) days of sending such notice, Lessee shall vacate the premises.

If Lessor breaches any covenants or conditions of this Lease, and such breach is not corrected within thirty (30) days after receipt of written notice from Lessee claiming a default by Lessor and Lessee's intention to terminate the Lease if such breach is not corrected (except that if the breach is of a type that cannot be fully corrected within such thirty day period, Lessor must commence correction within such period and thereafter diligently pursue the correction to completion), Lessee may terminate this Lease by sixty (60) days written notice thereof to Lessor, without waiver of any rights Lessee may have to initiate legal proceedings to recover damages or other relief. Within sixty (60) days of sending such notice, Lessee shall vacate the premises.

The rights and remedies specified in this section shall be non-exclusive. Either party's right to terminate this Lease for default as provided herein shall not be that party's sole remedy, and such party may exercise any other right or remedy provided in this Lease or otherwise available under applicable law.

SURRENDER:

On expiration or early termination of this Lease, Lessee shall deliver all keys to Lessor and surrender the premises clean and in the same condition as at the commencement of the term, subject only to reasonable wear and tear from ordinary use. Lessee shall remove all of its furnishings and trade fixtures that remain its property and restore all damage resulting from such removal. Failure to remove shall be an abandonment of the property, and Lessor may dispose of it in any manner without liability.

CONSTITUTIONAL DEBT LIMITATION:

This agreement 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 therefor. Any provisions herein which would conflict with law are deemed inoperative to that extent.

WARRANT OF AUTHORITY:

Lessor warrants and represents that Lessor is the sole successor in interest to Richard Evans, that Lessor is the sole owner of the premises subject to this Lease, and that Lessor has full authority to execute this Lease and terminate the Evans Lease. The undersigned, Diane Evans, warrants and represents that she has full authority to sign on behalf of Lessor.

LESSEE CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS by: LESSOR

HOMESTEAD BUILDING LLC c/o DIANE EVANS, MANAGER PO BOX 1172 BORING, OR 97009

82-5122616

Federal ID#

Jim Bernard, Chair

Mary Raethke, Recording Secretary

Authorized Signature

Marc Gonzales, Finance Director

Printed Name

Richard Swift, Director, Health Housing and Human Services

Approved as to form:

Office of County Counsel

Date

Date



DEPARTMENT OF FINANCE

PUBLIC SERVICES BUILDING2051 KAEN ROADOREGON CITY, OR97045

June 28, 2017

Board of County Commissioners Clackamas County

Members of the Board:

Approval of a Lease by and between Oregon State University (OSU) Extension Service and Clackamas County

Purpose/Outcomes	This is a two-year extension of the lease for the OSU Extension	
-	Building occupied by OSU Extension Service staff.	
Fiscal Impact	Monthly rent of \$2,606.00, 2-year total revenue of \$31,272.00.	
Funding Source	No County funds needed.	
Duration	Effective July 1, 2018 and terminating on June 30, 2020	
Previous Action	N/A	
Strategic Plan	Honor, utilize, promote and invest in our natural resources	
Alliance	 Build public trust through good government 	
Contact Person	Eli Seely, Facilities Management, 503-557-6425	

BACKGROUND

The OSU Extension Service has operated out of their current building since June 1983. They are charged \$6 per square foot to recover the costs of maintaining and operating their buildings. This lease will cover the duration of their stay in their current space until construction of the new OSU Extension building is completed.

Due to the fact that the current lease will expire on June 30, 2018, the County may need to sign this Lease before OSU Extension Service. Facilities Management staff, in conjunction with County Counsel, will ensure that no changes are made to the original document after County signature by maintaining possession of the original document until it is signed by OSU Extension Service.

RECOMMENDATION

Staff recommends the Board approve the Lease agreement between Clackamas County and OSU Extension Service and that the Chair of the Board be authorized to execute the Lease.

Respectfully submitted,

Marc Gonzales Finance Director

EXTENSION OF LEASE

LEASE TERM:

The Lease for property located at 200 Warner Milne Road, Oregon City, Oregon, effective July 1, 2017 through June 30, 2018, as executed between CLACKAMAS COUNTY, a political subdivision of the State of Oregon (Lessor), and OREGON STATE UNIVERSITY EXTENSION SERVICE (Lessee), is extended for a period of two (2) years, beginning July 1, 2018, and ending at midnight on June 30, 2020.

All other terms and conditions of the original Lease remain in full force and effect.

LESSOR CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS by: LESSEE OREGON STATE UNIVERSITY EXTENSION SERVICE 200 Warner Milne Road Oregon City, OR 97045

<u>93-6001786</u> Federal ID#

Jim Bernard, Chair

Mary Raethke, Recording Secretary

Authorized Signature

Marc Gonzales, Finance Director

Printed Name

Approved as to form:

Date

Office of County Counsel

Date



PROCUREMENT DIVISION

Public Services Building2051 Kaen Road | Oregon City, OR97045

Board of County Commissioners Clackamas County

Members of the Board:

Approval of a Contract with DePaul Industries Inc. for Security Screening and Unarmed Security Services

Purpose	To provide On-call Security Screening and Unarmed Security Services for
/Outcomes	Clackamas County Departments such as Courthouse Facilities, Juvenile and
	Justice Courts.
Dollar Amount &	Total Maximum Contract not to exceed \$600,000.00.
Fiscal Impact	
Funding Source	Various depending on Department Request for Services
Duration	Through June 30, 2019
Strategic Plan	 Build public trust through good government
Alignment	 Ensure safe, healthy and secure communities
Contact Person	Abigail Churchill, Procurement
	503-742-5449

BACKGROUND:

To provide On-call Security Screening and Unarmed Security Services for Clackamas County facilities as needed. Scope of Work to be determined at time of Service and mutually agreed upon by County and Contractor.

This request has been reviewed and approved by County Counsel.

RECOMMENDATION:

Staff recommends the Board of County Commissioners of Clackamas County approve DePaul Industries Inc. for Security Screening and Unarmed Security Services for the Clackamas County Departments.

Respectfully submitted,

Abigail Churchill Procurement and Contract Analyst

Placed on the agenda by Procurement June 28, 2018