



AGENDA

***REVISED**

Added consent item D.1.

Thursday, March 14, 2013 - 10:00 AM

Board of County Commissioners Business Meeting

Beginning Board Order No. 2013-14

I. CALL TO ORDER

- Roll Call
- Pledge of Allegiance
- Approval of Order of Agenda

II. PRESENTATION *(Following are items of interest to the citizens of the County)*

1. Presentation on the Grant Award for the Expansion of the Mt. Express Bus Service to Government Camp (Cindy Becker and Teresa Christopherson, Health, Housing & Human Services)

III. CITIZEN COMMUNICATION *(The Chair of the Board will call for statements from citizens regarding issues relating to County government. It is the intention that this portion of the agenda shall be limited to items of County business which are properly the object of Board consideration and may not be of a personal nature. Persons wishing to speak shall be allowed to do so after registering on the blue card provided on the table outside of the hearing room prior to the beginning of the hearing. Testimony is limited to three (3) minutes. Comments shall be respectful and courteous to all.)*

IV. DISCUSSION ITEM *(The following items will be individually presented by County staff or other appropriate individuals. Citizens who want to comment on a discussion item may do so when called on by the Chair.)*

Business & Community Services

1. Approval of a Timber Sale Contracts for the Golf, Goalie and Fore Timber Sales with High Cascade, Inc. (Gary Barth and Dan Green)

V. CONSENT AGENDA *(The following items are considered to be routine, and therefore will not be allotted individual discussion time on the agenda. Many of these items have been discussed by the Board in Study Session. The items on the Consent Agenda will be approved in one motion unless a Board member requests, before the vote on the motion, to have an item considered at its regular place on the agenda.)*

A. Department of Transportation & Development

1. Approval of Intergovernmental Agreement No. 28806 with the Oregon Department of Transportation for the Construction of the Highway 212/Lawnfield Road Connection Project, Phase 3

B. Elected Officials

1. Approval of Previous Business Meeting Minutes – BCC

C. Juvenile Department

1. Approval to Submit the Mental Health and Substance Abuse Grant Application through the US Department of Justice

D. County Administration

- *1. Resolution No. _____ Approving the Participation in Funding Activities with Oregon Office for Community Dispute Resolution

VI. WATER ENVIRONMENT SERVICES

1. Approval of an Agreement to Furnish Engineering Services to Clackamas County Service District No. 1 for the Carli Creek Regional Water Quality Treatment Facility 30% Design

VII. COUNTY ADMINISTRATOR UPDATE

VIII. COMMISSIONERS COMMUNICATION

NOTE: Regularly scheduled Business Meetings are televised and broadcast on the Clackamas County Government Channel. These programs are also accessible through the County's Internet site. DVD copies of regularly scheduled BCC Thursday Business Meetings are available for checkout at the Clackamas County Library in Oak Grove by the following Saturday. You may also order copies from any library in Clackamas County or the Clackamas County Government Channel.

<http://www.clackamas.us/bcc/business.html>

March 14, 2013

Board of County Commissioner
Clackamas County

Members of the Board:

Clackamas County Social Services awarded funding for expansion of
Bus Service to Government Camp

Purpose/Outcomes	Mt Hood National Forest, in partnership with the Clackamas County Social Services Division has been awarded a \$460,200 grant to expand the Mt. Express Bus Service to Government Camp. The grant funding is provided by the Paul G. Sarbanes Transit In Parks Award. The Transit in Parks award will be used to purchase new buses to provide new bus service to Government Camp.
Dollar Amount and Fiscal Impact	The award is for \$460,200 to purchase two new buses and other equipment for the Mountain Express service.
Funding Source	Federal Transit Administration Paul G. Sarbanes Transit In Parks Award.
Safety Impact	None
Duration	The Mountain Express has been operated by Clackamas County Social Services since 2007. Expanded service to Government Camp will begin in October, 2013. The new buses will be purchased within approximately one year.
Previous Board Action	None, although the board has approved various grant applications and contracts for this service since 2007.
Contact Person	Teresa Christopherson, Administrative Services Manager 503-650-5718
Contract No.	N/A

BACKGROUND:

The Mount Hood National Forest along with their partner Clackamas County received a grant on February 18, 2013 in the amount of \$460,400 to expand the existing transit bus system known as Mountain Express along the Highway 26 corridor.

Clackamas County and Mt. Hood National Forest will use this grant award to purchase new busses equipped for winter driving conditions, and to expand the existing Mountain Express bus service. The expanded service will include "express runs" from Sandy to Government Camp, with stops at a number of communities along US-26.

The service will provide 5 express runs per day, 7 days per week in winter to Government Camp and two express runs per day 6 days per week in summer, along with year around local service.

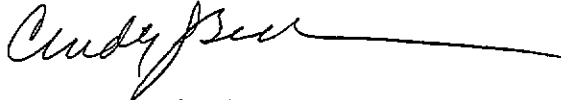
Local commuter runs will continue to be provided, with stops between Sandy and Rhododendron. This will provide year-round service to local communities and access to employment centers, retail and social services, as well as winter and summer recreation use in the Mt. Hood National Forest.

This effort is widely supported by many partners including Oregon Department of Transportation, City of Sandy, all three ski areas on Mt. Hood, Hood River County, and the Villages at Mt. Hood who provided letters of support during the application process. The effort to expand public transit on the forest is a high priority action item identified in the Mt. Hood National Forest 2012 Alternative Transit Opportunities Study and will continue to be an item of investigation during the on-going Multi-Modal Transportation Planning effort by ODOT.

RECOMMENDATION:

No action needed.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Cindy Becker", followed by a long horizontal line extending to the right.

Cindy Becker, Director

For information on this issue or copies of attachments,
Please contact Teresa Christopherson at 503-650-5718



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GARY BARTH
DIRECTOR

BUSINESS AND COMMUNITY SERVICES

March 14, 2013

DEVELOPMENT SERVICES BUILDING
150 BEAVERCREEK ROAD | OREGON CITY, OR 97045

Board of County Commissioner
Clackamas County

Members of the Board:

**Approval of Timber Sale Contracts for the Golf, Goalie and
Fore Timber Sales with High Cascade, Inc.**

Purpose/Outcomes	High Cascade, Inc. contracts for the Golf, Goalie and Fore timber sales with Business and Community Services County Forest division.
Dollar Amount and Fiscal Impact	Total of all three contracts is \$3,663,856 to be recognized in the County Parks and Forest Trust fund in FY 12/13 and FY 13/14.
Funding Source	No county funds are required for these contracts. Funds for reforestation of these sales will come from the County Parks & Forest Trust fund in FY13/14.
Safety Impact	Harvests are done on county owned forest lands. Loggers will use industry safety practices to complete the work. County staff will monitor work daily.
Duration	Contracts expire November 30, 2013
Previous Board Action	BCC Study Session on July 24, 2012 directed Forest staff to proceed with an accelerated harvest plan in order to complete an early defeasement of the Stone Creek Golf course debt, resulting in an approximate savings of \$1 million in bond interest and additionally will return an increase in net operating revenue from the golf course to County Parks.
Contact Person	Dan Green, Country Forester (503) 742-4425
Contract No.	Golf 01-13, Goalie 02-13, Fore 03-13

BACKGROUND:

On July 24, 2012, the Board of County Commissioners directed Clackamas County Forest staff to proceed with an accelerated harvest plan in order to pay off debt on the Stone Creek Golf course. The first three sales of the accelerated harvest plan have been prepared, have gone through the technical review and public involvement process, and have been advertised for bid.

The public involvement process included a tour of the timber sale properties, followed by a public comment period, and finished with a public meeting of the Timber Sale Advisory Committee (TSAC) to review the sales and receive any additional comment. No objections to the sales were received from the public prior to or at the meeting, and the TSAC voted unanimously to approve the sales.

The high bidder for each sale was High Cascade Inc., a sawmill company with mills in Hood River valley and in Carson, Washington. High Cascade representatives have signed the required contracts, made all required payments, and County Counsel has approved the contracts as to form.

RECOMMENDATION:

Staff recommends Board approval of Golf, Goalie and Fore timber sale contracts.

Respectfully submitted,

Gary Barth, Director

TIMBER SALE CONTRACT

Golf Timber Sale Contract No. 01-13

This contract, made and entered into triplicate this _____ day of _____, 2013 by and between **CLACKAMAS COUNTY**, hereinafter called "COUNTY," and High Cascade Inc., hereinafter called "PURCHASER," which parties do hereby agree as follows:

Section 1. Sale of Timber. Under the terms and conditions of this contract, COUNTY sells to PURCHASER, and PURCHASER buys from COUNTY, that timber designated and described in Section 40, which timber for all purposes of this contract is hereinafter referred to as "timber." The location of designated timber is shown on Exhibit A. PURCHASER shall pay COUNTY the "purchase price for timber" set forth in Section 45. The purchase price shall be paid to COUNTY in accordance with the payment schedule in Section 43.

This is a sale of timber from "Public lands" as defined in ORS 526.801(5) and may not be exported. The Forest Resources Conservation Amendments Act of 1993 authorizes Oregon and other western States to prohibit the export of unprocessed timber from public lands. PURCHASER must comply with the provisions of the federal act, ORS 526.801-526.831, and Clackamas County Board of County Commissioners Board Order number 92-484 in disposing of COUNTY timber from this sale.

Section 2. Quality and Quantity of Timber. COUNTY makes no guarantee or warranty to PURCHASER as to the quality or quantity of the timber. PURCHASER shall be liable to COUNTY for the total purchase price even if the quantity or quality of timber actually cut, removed, or designated for taking is more or less than that estimated by COUNTY.

Further, COUNTY makes no representation, warranty, or guarantee of the accuracy of any information either provided by COUNTY or made available by COUNTY under the Public Records Law with respect to this contract. PURCHASER agrees to bear exclusive responsibility for, and to accept all risks associated with, the actual conditions on the timber sale area and Purchaser's computation of its bid for this contract. The Contractor agrees to perform the scope of work as described in the contract documents and meet the performance standards set forth therein.

THIS CONTRACT, AND ALL EXHIBITS AND ATTACHMENTS INCORPORATED HEREIN, CONSTITUTES THE ENTIRE CONTRACT BETWEEN THE PARTIES. NO WAIVER, CONSENT, MODIFICATION, OR CHANGE OF TERMS OF THIS AGREEMENT SHALL BIND EITHER PARTY, UNLESS IN WRITING AND SIGNED BY BOTH PARTIES. SUCH WAIVER, CONSENT, MODIFICATION, OR CHANGE, IF MADE, SHALL BE EFFECTIVE ONLY IN THE SPECIFIC PURPOSE GIVEN. THERE ARE NO UNDERSTANDINGS, AGREEMENTS, OR REPRESENTATIONS, ORAL OR WRITTEN, NOT SPECIFIED HEREIN REGARDING THIS AGREEMENT. PURCHASER, BY THE SIGNATURE BELOW OF ITS AUTHORIZED REPRESENTATIVE, HEREBY ACKNOWLEDGES THAT SHE/HIS HAS READ THIS AGREEMENT, UNDERSTANDS IT, AND AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS.

CLACKAMAS COUNTY
By its Board of County Commissioners

John Ludlow, Chair

PURCHASER
High Cascade Inc.

By _____
Ron W. Schneider

Recording Secretary

Attest: Deborah K. Chamberlain

Date

Approval as to Form
COUNTY COUNSEL,
[Signature]
COUNTY COUNSEL

3/5/13
Date

Section 3. Definition of Terms.

Purchaser's Authorized Representatives means the representatives authorized by PURCHASER to receive any notice or instructions from the COUNTY on behalf of PURCHASER and to take any action required in regard to performance of PURCHASER under the contract. Purchaser's Authorized Representatives are identified in the Operations Plan.

Contract means the entire written agreement between the parties, including but not limited to the Notice of Timber Sale, Invitation to Bid or Request for Proposal, Instructions to Bidders, specifications, terms, and conditions, Exhibits, Operations Plan, change notices, if any, the accepted bid, and the purchase order or price agreement document.

Operations means all the activities conducted by PURCHASER under this contract, including project work, logging, or post harvest activities; or the furnishing of all materials, equipment, labor, and incidentals necessary to successfully complete any individual item or the entire contract. The CONTRACTOR shall meet the highest standards prevalent in the industry or business most closely involved in providing the appropriate goods or services.

Areas of Operations means the locations where PURCHASER performs the operations described in the contract.

Operations Plan means the document by which PURCHASER notifies COUNTY of the plans and schedule for completing the operations described in the contract. It also contains the names of the subcontractors, Purchaser's Authorized Representatives, and County's Authorized Representatives.

Permit means any permit required by a federal, county, or local government agency before operations under this contract may lawfully begin or continue. Permit includes an incidental take permit under the federal Endangered Species Act.

Project Location means the points or areas designated as such on Exhibit A and located on the ground by reference to points, stations, natural land features, improvements, or area boundary signs.

COUNTY means any duly Authorized Representative of Clackamas County. The Clackamas County Forester, and any designated sale inspector are duly Authorized Representatives of Clackamas County for all purposes associated with this Contract.

Timber Sale Area means the area or areas designated as such on Exhibit A and located on the ground by reference to legal subdivisions, monuments, natural land features, improvements, or sale boundary signs.

Section 4. Examination of Locations and Conditions. It is understood that PURCHASER, before signing this contract, has made a careful examination of all plans and specifications set forth in this contract; that PURCHASER has obtained full information as to the quality and quantity of materials and the character of the work required; and that PURCHASER has made a careful examination of the timber sale area and the location and conditions of work, including sources of supply for materials. COUNTY, in no case, will be responsible for any loss or cost that may be suffered by PURCHASER as a result of Purchaser's failure to be so informed.

Section 5. Title to Timber. During the period of this contract, and any extension, PURCHASER shall have the right to cut and remove the timber. That right shall automatically cease if PURCHASER defaults on the terms of this Contract in any way.

The ownership of and title to the timber shall pass to PURCHASER as the timber is paid for from the timber sale area. Any right of PURCHASER to cut and remove the timber shall expire and end at the time this contract, or any extension, terminates. All rights and interests of PURCHASER in and to the timber and logs remaining on the timber sale area shall, at that time, automatically revert to and revest in COUNTY, without compensation to PURCHASER.

Section 6. Purchase Price, Bond, and Time of the Essence. PURCHASER shall supply the performance bond, insurance, first payment, and fully executed contract to COUNTY within 30 days of the date of sale award. Failure to present the required documents within 30 days may be grounds for bid rejection. PURCHASER shall not commence work on the timber sale area until written notification has been received from COUNTY that the above requirements have been met.

- (a) Purchase price for timber: See Section 44
- (b) Performance bond: **\$ 20% OF BID PRICE**
- (c) Completion date of contract: **NOVEMBER 30, 2013**

Time is of the essence in this contract. PURCHASER shall complete and fully perform this contract within the time specified in this section, unless extended in accordance with Section 26. PURCHASER may be required to perform uncompleted contractual obligations at a time later than stated above or in Section 26. Notification of these obligations and their completion date will be made in writing by COUNTY.

Section 7. Assignment of Contract. PURCHASER agrees not to assign, transfer, convey, or otherwise dispose of this contract, or any portion thereof, or the right, title, interest, or the power of PURCHASER to execute or perform this contract, to any other person, firm, or corporation, without the previous written consent of COUNTY. Should the contract assignment be approved, it shall be in total, with no rights being retained by original PURCHASER, regardless of any assignment or delegation. COUNTY shall retain Purchaser's performance bond, and PURCHASER shall remain liable for claims as provided in Sections 9, 13, 14, and 15 of this contract.

Section 8. Subletting of Contract. It is understood and agreed that if all or any part of the logging operations or work to be done under this contract is subcontracted, such subcontracting done by PURCHASER shall in no way relieve PURCHASER of any responsibility under this contract. PURCHASER

shall notify COUNTY in writing of the names and addresses of each subcontractor, prior to the commencement of any contract work by the subcontractor.

Section 9. Hold Harmless. PURCHASER shall defend and hold harmless the COUNTY, the COUNTY Commissioners, their officers, agents, employees, and members, from all claims, suits, or actions of any nature resulting from or arising out of the acts or omissions of PURCHASER or its subcontractors, agents, or employees under this contract. PURCHASER shall indemnify, and hold COUNTY harmless against any liability for premiums, contributions, or taxes payable under any Workers' Compensation, Disability Benefits, Old Age Benefits, including FICA, or tax withholding laws.

Section 10. Severability. If any provision of this contract is declared by a court 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 provision held to be invalid.

Section 11. Waiver. Failure of COUNTY to enforce any provision of this contract shall not constitute a waiver or relinquishment by COUNTY of the right to such performance in the future, nor of the right to enforce any other provision of this contract.

Section 12. Jurisdiction. This contract shall be governed by and construed in accordance with the laws of the STATE of Oregon, as interpreted by the Oregon courts. Any litigation arising out of this contract shall be conducted in the courts of the STATE of Oregon.

Section 13. Attorney Fees. In the event a law suit of any kind is instituted on behalf of COUNTY to collect any payment due or to obtain performance of any kind under this contract, PURCHASER shall pay such additional sums as the court may adjudge for reasonable attorneys' fees plus all costs and disbursements at trial and on any appeal.

BONDING AND INSURANCE

Section 14. Performance Bond. PURCHASER shall furnish COUNTY with a performance bond which shall guarantee complete compliance by PURCHASER with the terms and conditions of this contract and the faithful performance of all required obligations. Bonds may be in the form of surety bonds, cash deposits, assignments of surety, irrevocable letters of credit, or other securities determined acceptable by COUNTY. Surety bonds must be written by a surety company authorized to do business in the STATE of Oregon.

Performance bonds, other than surety bonds, will be retained by COUNTY for a period of 120 days after all work has been accepted by COUNTY. Bonds will be released after 120 days, provided no claims are pending. Surety bonds will be released after all work is accepted by COUNTY. The surety company will be liable for any claim filed within the 120 day period.

Section 15. Payment Bond. PURCHASER may furnish an acceptable surety payment bond, blanket payment bond, or cash to COUNTY as guarantee for payment for timber. The bonds or cash shall be in an amount at least equal to the value of timber estimated to be removed during one-month plus 15 day billing period. In any event, the amount shall not be less than one installment payment as specified in Section 43. Under a payment bond, PURCHASER may then remove timber for a 30-day period, after which time, payment becomes due and owing. PURCHASER shall make cash payment within 15 days following the end of the monthly period. Upon payment for timber removed in the monthly period, the payment guarantee may be applied as a guarantee for a subsequent period.

A blanket payment bond shall be in an amount at least equal to the value of timber estimated to be removed from all contracts covered by the blanket payment bond during a one-month plus 15-day billing period. COUNTY may, at Purchaser's request, allocate the amount of such bond to the covered sales. PURCHASER shall obtain and furnish COUNTY with written consent of surety on forms provided by COUNTY for coverage of any contracts to which the blanket payment bond may apply.

In no event shall PURCHASER remove timber with a value greater than the amount of the payment guarantee.

Section 16. Insurance. PURCHASER shall secure, at Purchaser's expense, and keep in effect during the term of this contract, the following insurance coverage, in a policy or policies issued by an insurance company or companies authorized to do business in the STATE of Oregon. The issuing company or companies shall indicate on the insurance certificates that COUNTY will be given not less than 30 days notice of any cancellation, material change, or intent not to renew such policy.

The coverage shall be as follows:

- (a) Commercial General Liability Insurance covering personal injury and property damage in an amount not less than \$1,000,000 combined single limit per occurrence with no more than \$5,000 deductible, with a contractual liability to include all contracts involving the work to be performed under this contract.
- (b) Automobile Liability Insurance in an amount not less than \$1,000,000 combined single limit per occurrence. This coverage can be provided by combining the Automobile Liability protection with the Commercial General Liability policy.
- (c) Loggers Broad Form coverage in an amount not less than \$1,000,000 with no more than \$5,000 deductible, for costs of fire control, losses or damage from fire, and other causes arising or resulting from activities of PURCHASER, employees, contractors, and others working or acting for PURCHASER.
- (d) Worker's Compensation insurance as statutory required for persons performing work under the contract.
- (e) The insurance policy or policies required under this section, excluding Loggers Broad Form, shall name the COUNTY of CLACKAMAS, the COUNTY Commissioners, their officers, agents, employees, and members as additional insured.
- (f) As evidence of the insurance coverage required by this contract, PURCHASER shall furnish a certificate or certificates of insurance including all of the foregoing coverage to COUNTY.
- (g) Contractor shall require that all of its subcontractors of any tier provide insurance coverage (including additional insured provisions) and limits identical to the insurance required of the Contractor under this Agreement, unless this requirement is expressly modified or waived by the County.

LAWS AND REGULATIONS

Section 17. Payments, Contributions, and Liens. Under the provisions of ORS 279B.220 PURCHASER shall:

- (a) 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.
- (b) Pay all contributions or amounts due the Industrial Accident Fund from such contractor or subcontractor incurred in the performance of the contract.
- (c) Not permit any lien or claim to be filed or prosecuted against the COUNTY, municipality, municipal corporation, or subdivision thereof, on account of any labor or material furnished.
- (d) Pay to the Department of Revenue all sums withheld from employees pursuant to ORS 316.167.

Section 18. Permits, Licenses, and Safety. PURCHASER shall procure all permits and licenses, pay all charges and fees, and give all notices necessary and incident to the due and the lawful prosecution of the work. In the performance of the work to be done under this contract, PURCHASER shall use every reasonable and practicable means to avoid damage to property and injury to persons. The responsibility of PURCHASER STATED herein shall cease upon the work being accepted as complete by COUNTY.

Section 19. Workers' Compensation Insurance. PURCHASER shall perform the work to be done under this contract in accordance with the requirements of the Workers' Compensation Law of the STATE of Oregon during the term of this contract. In addition, the PURCHASER, its subcontractors, if any, and all employers providing work, labor, or materials under this contract are subject employers under the Oregon Workers' Compensation Law and shall comply with ORS 656.017 and 656.029, which requires them to provide workers' compensation coverage that satisfies Oregon law for all their subject workers. Out-of-State employers must provide Oregon workers' compensation coverage for their workers who work at a single location within Oregon for more than 30 days in a calendar year. Contractors who perform the work without the assistance or labor of any employee need not obtain such coverage.

Section 20. Medical Care. PURCHASER shall promptly, as due, make payment to any person, co-partnership, association, or corporation, furnishing medical, surgical, and hospital care or other needed care and attention, incident to sickness or injury, to the employees of such PURCHASER, of all sums which PURCHASER agrees to pay for such services and all moneys and sums which PURCHASER collected or deducted from the wages of employees pursuant to any law, contract, or agreement for the purpose of providing or paying for such service.

Section 21. Labor Laws and Prevailing Wages. Insofar as applicable to the work to be done under this contract, PURCHASER shall pay prevailing wages and comply with all STATE and federal laws in the employment and payment of labor. Particular reference is made to the requirements of ORS Chapter 279B, which relates to wage rates to be paid on public works. No person shall be employed for more than ten (10) hours in any one day, or more than forty (40) hours in any one week, except in cases of necessity, emergency or where the public policy absolutely requires it, except in cases of contracts for personal services as defined in ORS 279A.055. The employee shall be paid at least time and one-half pay:

- (a) For all overtime in excess of eight (8) hours a day or 40 hours in any one week when the work week is five consecutive days, Monday through Friday; or

- (b) For all overtime in excess of 10 hours a day or 40 hours in any one week when the work week is four consecutive days, Monday through Friday; and
- (c) For all work performed on Saturday and on any legal holiday specified in ORS 279B.020. Employers must give written notice to employees of the days and hours of required work.

Section 22. Laws, Regulations, and Orders. PURCHASER shall at all times observe and comply with all federal and STATE laws, and lawful regulations issued hereunder, and local bylaws, ordinances, and regulations, which in any manner affect the activities of PURCHASER under this contract. PURCHASER shall observe and comply with all orders or decrees that exist at present and those which may be enacted later by bodies or tribunals having any jurisdiction or authority over such activities of PURCHASER.

PURCHASER shall comply with Oregon laws and with the rules and regulations of the Oregon Forest Practices Act, Oregon STATE Board of Health, and the Environmental Quality Commission relating to the protection of soil, air, and water resources.

MATERIALS AND IMPROVEMENTS

Section 23. Materials from COUNTY Property. PURCHASER shall not take, sell, use, remove, or otherwise dispose of any sand, gravel, rock, earth, or other material obtained or produced from within the limits of rights-of-way, gravel pits, rock quarries, or other property owned by or held by COUNTY, unless authorized by this contract or written consent of COUNTY.

Section 24. Materials and Improvements. Title to materials, improvements, and other property required of PURCHASER by this contract, shall vest in and become the property of the COUNTY at the time such are furnished by PURCHASER and accepted by the COUNTY. Only materials, improvements, and property free and clear of liens, claims, and encumbrances shall be furnished by PURCHASER.

All existing improvements located on COUNTY land, and any improvements placed on COUNTY land by PURCHASER which become the property of the COUNTY, including roads, shall be safeguarded by PURCHASER, and if injured or damaged by PURCHASER or by contractors of PURCHASER, shall be repaired as soon as possible under existing conditions by PURCHASER, without cost to the COUNTY.

Section 25. Removal of Equipment and Materials. Upon completion of the requirements of this contract, PURCHASER shall promptly remove from the timber sale area and work location, and other property owned or controlled by COUNTY, all equipment, materials, and other property PURCHASER has placed or caused to be placed thereon that is not to become the property of COUNTY. It is agreed that any such equipment, materials, and other property that are not removed, shall become the property of COUNTY and may be used or otherwise disposed of by COUNTY without notice or obligation to PURCHASER or to any party to whom PURCHASER may transfer title. Nothing in this section shall be construed as relieving PURCHASER from an obligation to clean up and to burn, remove, or dispose of debris, waste materials, and such, in accordance with the provisions of this contract.

EXTENSIONS, MODIFICATIONS, AND DEFAULT

Section 26. Causes Beyond Control. In the event PURCHASER is prevented by a cause or causes beyond reasonable control of PURCHASER from performing any obligation of this contract, such nonperformance shall not be deemed to be a breach of this contract such as to render PURCHASER liable in damages therefore or to give rise to the cancellation thereof; provided, that if and when such cause or causes shall cease to prevent such performance, PURCHASER shall exercise all reasonable diligence to resume and

complete performance of such obligation with the least possible delay. "Cause or causes beyond reasonable control," is defined as any one or more of the following causes affecting operations of PURCHASER: fire or other casualties and accidents; strikes, riots, and civil commotions; war and acts of public enemies; storms, floods, and other unusual climatic conditions, including droughts and low humidity, or orders of duly constituted public authorities; acts of God, and other similar circumstances beyond the control of PURCHASER.

Section 27. Extension of Time. An extension of time for performance of this contract may be made by COUNTY only upon written request from PURCHASER, and with the written consent of an extension of the security by the surety of PURCHASER. In addition to the cause or causes beyond the reasonable control of PURCHASER specified in Section 26, the extension under this section may be granted because of purchaser's participation in priority salvage operations on other COUNTY lands which did not exist prior to the date of this contract.

If none of the above conditions apply, COUNTY may, at its option, grant an extension of time when it is in the best interests of COUNTY. Market conditions shall not be considered a reason for extension under this section.

A written request must be received by COUNTY not later than 30 days prior to the expiration date of this contract, unless the cause for delay in performance occurred within the 30 days prior to the expiration of the contract; in which event, written application must be made prior to the expiration date. The written request for extension shall state the date to which the extension is desired, the area of the sale to be extended, and the reason(s) why the extension is necessary.

COUNTY will make the final determination as to whether the reasons given for nonperformance by PURCHASER shall be grounds for an extension. If COUNTY accepts the reason(s) for extension, COUNTY may grant an extension of time, not to exceed one year, subject to one or more of the following conditions:

- (a) COUNTY may require payment at the time of the extension of the full amount of the unpaid balance of the purchase price. In the case of scale or recovery sales, such payment will be an advance deposit, based on remaining volume, as estimated by COUNTY.
- (b) In lieu of full payment, if PURCHASER is not otherwise in arrears in required payments, COUNTY may grant additional time for payment of the unpaid balance. Such granting of additional time for payment shall require PURCHASER to make installment payments based on timber removal as required by Section 43 of the contract, and pay an interest charge on all payments received after the original expiration date.
- (c) COUNTY may require completion of certain requirements of the contract, such as fire trail construction, snag felling, slash preparation work on logged portions of the sale area, and road construction or maintenance.
- (d) Payment of an extension fee as determined by COUNTY. Such fee will be based upon the loss of production, extra reforestation costs, brush control costs, slash disposal costs, or other costs which may be caused by the extension. The extension fee will not be less than \$250.
- (e) COUNTY may waive requirement for full payment, or payment of interest charge on unpaid balance, when, in the opinion of COUNTY, extenuating circumstances warrant such waiver or the extension is of benefit to COUNTY.

Section 28. Contract Modifications. COUNTY reserves the right to make, at any time during the contract, such modifications as are necessary or desirable; provided such modifications shall not change the character of the work to be done nor increase the cost, unless such work or cost increase is approved in writing by PURCHASER. Any modifications so made shall be in writing and shall not invalidate this contract nor release PURCHASER of obligations under the performance bond. PURCHASER agrees to do the modified work as if it had been a part of the original contract.

Section 29. Adjustment of Contract. Notwithstanding any other provisions of this contract, COUNTY may, pursuant to Oregon law, make adjustments in the contract when major catastrophes materially affect the volume and value of timber, or work to be done under the contract. Examples of major catastrophes can be windstorms, floods, fire, or other acts of God, which are beyond the control of PURCHASER and in no way connected with negligent acts or omissions of PURCHASER, its officers, employees, agents, or subcontractors. Market conditions will not be considered a reason for contract adjustments. Such adjustments may be made to place the parties in their original status under the contract insofar as possible; provided, however, that any loss or cost to PURCHASER is in no way recoverable from third parties by PURCHASER and that PURCHASER make written application to COUNTY within 30 days after discovery of the damage done by the catastrophe.

If, prior to acceptance of project work, a catastrophe (as defined above) caused by a single event results in additional work for PURCHASER involving an additional estimated cost of more than:

- (a) \$500 for sales less than one-half million board feet;
- (b) \$1.00 per thousand (1000) board feet for sales of one-half million to three million board feet; or
- (c) \$3,000 for sales over three (3) million board feet, COUNTY may adjust the contract and become responsible for any additional estimated cost which exceeds the above amount. Adjustments by COUNTY will be based on advertised volumes and may be accomplished by adjusting stumpage prices or payment of such cost to PURCHASER or by performing its share of the necessary work. The estimated cost of additional work shall be calculated by COUNTY.

Section 30. Violations, Suspensions, and Cancellation. If PURCHASER violates any of the provisions of this contract, COUNTY may, after giving written notice, suspend any further operations of PURCHASER under this contract, except those operations necessary to remedy any violations.

If PURCHASER fails to remedy any violations of this contract within 10 days after receipt of the suspension notice given under this section, COUNTY may, by written notice, cancel this contract and take appropriate action to recover all damages and expenses suffered by COUNTY by reason of such violations, including application of any advance payments and any performance bonds toward payment of such damages.

If PURCHASER cuts or removes any of the timber under this contract during any period of suspension, or if PURCHASER cuts any of the timber after the expiration of the time for cutting or the cancellation of this contract, such cutting or removal shall be considered a willful trespass and render PURCHASER liable for treble damages in accordance with applicable Oregon law.

COUNTY shall have the authority to suspend the activities of PURCHASER and contractors of PURCHASER, wholly or in part, under this contract for such period or periods necessary due to fire hazard conditions or other severe weather occurrence.

Section 31. Settlement for T & E Species. In the event COUNTY determines this contract may jeopardize the continued existence of a species presently, or subsequently, listed as threatened or endangered pursuant to the Endangered Species Act of 1973, as amended (16 U.S.C. 1531-1536, 1538-1540), or ORS 496.172 to 496.192, COUNTY may terminate this contract in whole or in part.

In the event of termination or partial termination, PURCHASER agrees that its sole and exclusive remedy shall be the sum of:

- (a) The value of any project work completed but not yet credited through amortization;
- (b) The estimated expenditures for felling, bucking, lopping, skidding, and decking any products so processed, but not removed from the sale area; and
- (c) The actual expenses involved in acquiring and holding this contract.

Cost and expenditure estimates for items listed in (a) and (b) shall be based upon COUNTY'S appraisal for the sale. Actual expenses in (c) do not include lost profits, replacement costs of timber, or any other consequential damage suffered by PURCHASER. PURCHASER agrees to provide receipts or other documentation to COUNTY which clearly identify and verify actual expenditures.

In the event of termination of this contract, in whole or in part, by COUNTY, PURCHASER agrees that the liability of COUNTY shall be limited to the express remedies contained in this provision.

Section 32. Debt Limitation. To the extent COUNTY may incur any financial obligation under this Contract, 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 therefore.

Section 33. Default. Any default by PURCHASER in the performance of this contract shall be subject to the provision of Oregon Administrative Rule 629-32-000 through 070. The provisions of such rule are incorporated into this contract and made a permanent part hereof by their reference as though fully set forth herein. The following terms shall be substituted in said rule for it to apply to this contract: "The Clackamas County Forester" shall be substituted for "Forester", and "Clackamas County" shall be substituted for "Board of Forestry" and "State".

NOTICES, PLANS, AND INSPECTIONS

Section 34. Work Responsibility and Acceptance. For all purposes of this contract, "work" shall mean the furnishing of all labor, materials, equipment, and other incidentals necessary or convenient to the successful completion of the projects, duties, and obligations, including slash disposal, imposed on PURCHASER by this contract.

Prior to the completion and final acceptance of work, PURCHASER shall be held responsible for, and shall correct any injury or damage to, the work or any part of the work, from any cause whatsoever, unless adjustment is made pursuant to Section 27.

COUNTY shall make final inspection of work done by PURCHASER within ten (10) calendar days after written notification is received by COUNTY from PURCHASER stating that the work is completed. Following inspection, COUNTY will notify PURCHASER of acceptance in writing. If the work is not acceptable to COUNTY, COUNTY shall advise PURCHASER in writing of the particular defects to be remedied before final acceptance by COUNTY can be made.

Section 35. Notices. Any written notice to PURCHASER which may be required under this contract to be served on PURCHASER by the COUNTY may be served on to PURCHASER or designated representative(s) by mailing the notice to the address of PURCHASER as is given in this contract, or by leaving the notice at said address. Should PURCHASER be required to notify COUNTY concerning the progress of the work to be done, or concerning any matter or complaint which PURCHASER may have regarding the contract subject matter, or for any other reason, that notification is to be made in writing and delivered or mailed to the designated representative of COUNTY.

Section 36. Authorized Representative. During any period of logging operations or activity on the timber sale area, and during any period of work performance required by this contract on location, PURCHASER shall have a designated representative(s) available to COUNTY on the timber sale area or work location, or both, where such activity is separated. The representative(s) shall be authorized to receive any notice or instructions from COUNTY on behalf of PURCHASER and to take any action required in regard to performance of PURCHASER under this contract. COUNTY shall designate a field representative(s) who shall be authorized to receive notices, inspect progress of the work, and issue instructions in regard to performance under the terms of this contract. Authorized representatives of COUNTY and PURCHASER shall be designated in the Operations Plan required by Section 38.

Section 37. Inspection. COUNTY, through its authorized and designated representative, shall at all times be allowed access to all parts of the logging operations and work locations of PURCHASER, as may be required to make a complete and detailed inspection. COUNTY shall be furnished such information and assistance by PURCHASER, or the designated representative(s).

Section 38. Operations Plan. PURCHASER shall prepare an Operations Plan for all operations to be conducted under this contract and submit the plan to COUNTY at least five (5) calendar days prior to commencement of any work. This plan shall be prepared on a form provided by COUNTY, and shall be used for all types of operations, including project work, logging, and post harvest requirements. COUNTY may require an on-site meeting prior to approval of the Operations Plan, attended by PURCHASER, subcontractor, and COUNTY representatives. County's approval of the Operations Plan must be obtained prior to commencement of any operation, and PURCHASER must comply with this plan. PURCHASER shall notify COUNTY whenever operations will be inactive for more than three days, and again when operations will be resumed.

Upon approval by COUNTY, the Operations Plan will automatically be incorporated into, and made part of, this contract. PURCHASER'S strict compliance with the Operations Plan, as approved by COUNTY, is a material condition and covenant of this contract.

Any changes to the plan must have COUNTY approval in writing. PURCHASER shall comply with all provisions of the Written Plan in accordance with the Oregon Forest Practices Act.

TIMBER SALE AREA

Section 39. Timber Sale Area. The timber sale area is located on Exhibit "A" of this contract. For all purposes of this contract, "timber sale area" shall be understood to mean the area or the areas designated as such on Exhibit A and located on the ground by reference to legal subdivisions, monuments, natural land features, improvements, or sale boundary signs.

PURCHASER shall be exclusively responsible for any taking of timber, infliction of damage, or trespass beyond the boundaries of the timber sale area resulting from any activities of PURCHASER. Any trespass

resulting from the acts or omissions of PURCHASER will be deemed a breach of this contract. For said trespass and breach, PURCHASER shall pay the COUNTY the following damages:

- (a) Treble the contract value, as defined in Section 45, "Log Prices," for each species involved in the trespass, if purchaser's acts or omissions are willful or intentional or;
- (b) Double the contract value, as defined in Section 45, "Log Prices," for each species involved in the trespass, if purchaser's acts or omissions are not willful or intentional.

Section 40. Designated Timber. In accordance with Section 1, the following is designated timber.

- (a) All trees over eight inches (8") in diameter at breast height inside the timber sale area.
- (b) Trees marked with orange paint or posted with boundary signs or similar COUNTY signs are reserved from cutting, unless instructed otherwise by the COUNTY.

Section 41. Protection of Markings and Monuments. PURCHASER shall not remove, alter, damage, or destroy any signs, posters, markings, land survey corners, witness trees, or corner reference tags pertaining to the timber sale or land survey. Should such damage or disturbance occur, PURCHASER shall report it to COUNTY within 24 hours of the incident, and shall prevent any further damage or disturbance from occurring. PURCHASER shall be responsible for the re-establishment of legal subdivision markers or monuments damaged by purchaser's activities. COUNTY may reestablish such markers or monuments and bill PURCHASER for the expense incurred.

In the event it is necessary to disturb any legal land survey corner in order to conduct any activity under this contract, PURCHASER shall notify COUNTY. PURCHASER shall not disturb any corner until COUNTY has referenced or otherwise preserved the corner.

Section 42. Simultaneous Use of Area. COUNTY reserves the right to issue written authorization to others to use the timber sale area or access roads provided that, in the determination of COUNTY, such use will not materially interfere with the operations of PURCHASER. During the period of this contract, COUNTY reserves the right to sell any products or materials from the timber sale area, provided that the products or materials are not covered by this contract and that removal will not materially interfere with the operations of PURCHASER. PURCHASER shall not interfere with the use of roads by other authorized users. PURCHASER shall not be held liable for any acts, omissions, or neglect of authorized simultaneous users.

PAYMENTS AND ACCOUNTABILITY

Section 43. Payment Schedule. The purchase price for timber sold under this contract shall be paid in advance as follows:

The first payment shall be paid within 30 days of the sale award or before operating, whichever is first. First payment shall be 20 % of the total estimated bid value. The total estimated bid value will be the sum obtained by multiplying estimated timber volumes by the prices given in Section 45 (including the estimated value of no bid species). Cash bid deposits will be applied to the initial payment.

Subsequent payments shall be made in advance of timber removal, and as described in the payment schedule. The total estimated bid value is the sum obtained by multiplying estimated timber volumes by the prices given in Section 45 (including the value of hardwoods).

PAYMENT SCHEDULE:

- (a) Logging progress payments shall be made by PURCHASER for timber removed under this contract in a manner that maintains at all times a 20% reserve until the bid price is paid. Logging progress payments will be determined by scale reports as required in Section 47 of the Contract, or as determined by the County Forester.
- (b) Regardless of logging progress, the following payment schedule shall be met:
 - 1. Twenty percent (20%) of the bid price must be paid at the time of contract signing. The bid deposit, if cash or check, shall apply to this payment.
 - 2. An additional twenty percent (20%) of bid price including logging progress payments, must be paid by June 30, 2013.
 - 3. The total bid price (based on the County cruise), must be paid by November 30, 2013.

Total purchase price shall be calculated AFTER all log scale is reported by multiplying prices in Section 45 by scaled volume. COUNTY will refund any advance payment in excess of total price, or PURCHASER shall pay any deficit within 10 days of notice.

Section 44. Payments and Interest. Payments required of PURCHASER by this contract or modifications of this contract shall be received by COUNTY within the time period stated on the instrument requesting payment from PURCHASER.

Payments received after the due date stated on the billing instrument may be subject to an interest charge. The interest rate applied to overdue payments will be the prime interest rate in effect on the day the payment became delinquent, as established by US Bank, Ladd and Bush Branch, plus four percent (4%). Interest will be calculated from the date of the original billing to the date payment is received by the COUNTY Forest Program Forester.

Section 45. Log Prices. The following price schedule shall apply for all designated timber; and payment shall be for NET log scale, unless noted.

Log prices shall be:

Douglas-fir	\$ 503.00
Hemlock, noble fir and grand fir	\$ 423.00
Red alder	\$ 200.00
Big leaf maple	\$ 50.00
Western red cedar	\$ 625.00
Utility logs, adjusted gross scale.	\$ 50.00
Pulp by weight	\$ 5.00 /ton
Conifer species not named will be the same price as hemlock.	
Hardwood species not named will be the same price as big leaf maple.	

Section 46. Log Removal. All logs defined below shall be removed as designated timber under this contract, at prices given in Section 45.

- (a) Any conifer log that conforms with grading rules for peeler or sawmill grades and meets or exceeds both of the following minimum requirements: five inches (5") in gross scaling diameter, containing ten (10) board feet (net).
- (b) Any conifer log that meets the specifications of utility grade or special cull grade.

- (c) Any hardwood log containing twenty or more (20) board feet.

For purposes of log removal requirements, minimum net log volume shall be determined by the net volume of the full log length rather than the volume of individual segments.

Other logs may be removed from designated timber sale area under this contract at prices given in Section 45.

Log grades are defined in the Official Log Scaling and Grading Rules published by the Northwest Log Rules Advisory Group in effect at the time logs are scaled.

PURCHASER shall not deliberately buck logs to reduce log sizes to less than minimum requirements for merchantable logs, and shall take reasonable precautions to prevent breakage losses in felling and yarding. Log lengths shall be adjusted to secure the most utilization of merchantable timber.

Section 47. Log Accountability By Log Load Receipts. PURCHASER shall completely and accurately fill out all portions of a multipart, serially numbered log load receipt before each truck leaves the landing area. PURCHASER shall require the truck driver of each load of logs to sign the woods receipt. PURCHASER shall staple the load receipt and scaler receipt parts to the load as instructed on the log load receipt directions and as directed by COUNTY. PURCHASER shall require the scaler to record the log load receipt number on the scale ticket that is signed by the scaler, and to attach the scaler receipt part to a copy of the scale ticket and mail to COUNTY on the date scaled.

COUNTY will issue PURCHASER sufficient books of serially numbered log load receipts to cover not over 30 days of operation, as determined by COUNTY. PURCHASER shall sign a receipt for each book of receipts and be fully accountable for all serially numbered woods and scaler receipts tickets. PURCHASER shall retain all woods receipts in each book and return to COUNTY as soon as all receipts in each book have been used. Unused books or portions of books shall be returned to COUNTY during sale inactivity over 30 days, and at the completion of timber removal from the sale area.

PURCHASER shall account for each and every serially numbered log load receipt, and shall pay damages to COUNTY for all log load receipts not accounted for by proof of scaling. Damages shall consist of full stumpage rate for each missing receipt, on the basis of average volume of the ten (10) largest loads of logs scaled from the sale area, charged at the highest species rate.

PURCHASER shall not intermingle COUNTY timber or logs designated by this contract with any other timber or logs before log scaling occurs, unless otherwise approved by COUNTY.

Section 48. Log Measurement.

Scaling Locations, Rules, and Organizations. All logs from timber sold under the terms and conditions of this contract shall be:

- (a) Scaled at the closest multiple scaling location to the timber sale area, unless otherwise approved by COUNTY;
- (b) Scaled at scaling locations approved by COUNTY;
- (c) Scaled by a third-party scaling organization with a current agreement with COUNTY; and
- (d) Scaled using the Official Log Scaling and Grading Rules (as adopted by the Northwest Log Rules Advisory Group) and COUNTY special service scaling instructions in effect at the time

the logs are scaled. Utilization scale shall be handled in accordance with Section 52. Scaling of hardwood loads is required.

PURCHASER shall enter into a written agreement with a third-party scaling organization for the scaling of logs removed from the timber sale area. PURCHASER shall furnish COUNTY with a copy of the scaling agreement upon request. Logs shall not be delivered unless an authorized third-party scaling organization scaler is available to scale load.

PURCHASER shall provide COUNTY with remote check scaling opportunities for logs scaled under this contract.

In the event scaling is suspended for any reason, hauling operations shall be immediately suspended until approved alternate scaling services are provided, or service by the scaling organization is resumed.

Cost of Scaling. All costs of scaling and all costs in connection with reports furnished and delivered to COUNTY shall be paid by PURCHASER.

PURCHASER shall require the scaling organization to furnish copies each week to COUNTY of all scaled certificates showing gross and net volumes, by species and grade, of all logs scaled during the week. Upon request by COUNTY, PURCHASER shall also require the scaling organization to furnish and attach a log detail listing to each weekly scale certificate showing all COUNTY logs included on the certificate.

Scaling Instructions. PURCHASER agrees that COUNTY will provide instructions to the approved third-party scaling organization for the scaling practices to be used for timber removed from the timber sale area. Instructions will conform to the terms of this contract, including special scales as necessary. PURCHASER shall acknowledge and sign such instructions and will receive a copy.

Minimum Products Specifications and Special Scale information are shown in Section 46.

Logs Damaged During Handling. Mechanical damage to logs shall be prevented during log loading, unloading, and roll-out. Deductions for damage occurring during these operations will not be allowed.

Add-Back Volume. Scaling deduction for deterioration due to abnormal delay in removal of logs from the sale area will not be allowed in determining net volume. Volume of material deteriorated due to delay in removal will be reported to COUNTY and paid for at the contract price. Cost for separate reports shall be paid by PURCHASER.

Conversion Factors. COUNTY may approve the use of appropriate conversion factors, sample scaling techniques, and measurement by weight when such methods are a more practical means to measure the timber and logs sold by this contract. Measurement for converting factors, random sample determination, and weighing of the products shall be done by an approved independent third party or COUNTY employee.

Section 49. Log Branding. Every log removed from the timber sale area by PURCHASER shall be clearly branded using COUNTY Brand, CC 2, and painted with a minimum two inch (2") diameter spot of HIGHLY VISIBLE GREEN paint, (supplied by PURCHASER, brand of paint approved by the County), unless otherwise approved in writing by COUNTY. Paint should be applied on both ends of the logs if possible. COUNTY may issue PURCHASER one or more branding hammers registered to COUNTY. PURCHASER shall use only those brands issued or approved by COUNTY for timber sold under this contract. Only those brands issued by COUNTY for use on timber sold under this contract shall be allowed on the sale area at any time.

When branding and painting of all logs is impractical because of the small size of the logs and number per load, COUNTY may give written authorization for use of a combination of brands and paint. In this case, at least half of

the logs shall be branded, and all logs shall be painted with a minimum two inch (2") diameter spot of HIGHLY VISIBLE GREEN paint.

In addition, PURCHASER shall brand and paint all logs left singly or in decks along rights-of-way, and shall brand and paint all logs yarded and left on landings after termination of operations each day. PURCHASER shall make every effort to remove logs from roads or landings within a reasonable period of time, and agrees to notify COUNTY in advance of intention to leave logs decked along roads or on landings for more than 96 hours. COUNTY may scale such decked logs, and PURCHASER shall be responsible for the costs of such scaling and for any loss due to theft or deterioration.

When the brand registered to COUNTY is issued, PURCHASER agrees to sign a receipt for those branding hammers and to return them in good condition within 14 calendar days of completion of log hauling. PURCHASER shall pay a fee of \$50 to COUNTY for each branding hammer returned to COUNTY in damaged and unusable condition, or \$100 for each branding hammer not returned within the time specified by COUNTY.

Section 50. Hauling and Operating Time Restrictions. PURCHASER shall not haul logs from the sale area on weekends, COUNTY-observed holidays, or outside the hours of 5:00 a.m. to 6:00 p.m. daily, without notification and approval by COUNTY. Trucks hauling logs through residential areas shall minimize the use of exhaust brakes, especially before 8 AM.

Section 51. Route of Haul. PURCHASER shall furnish to COUNTY, at the time of making request for scaling approval, a map showing the scaling location and the precise route of haul which will be used to haul logs from the sale area to the scaling location. Such route of haul will be the most direct haul route between the two points, unless another route is approved by COUNTY. The route of haul may be changed only with advance notice to and approval by COUNTY.

Upon loading at the sale area, a log load shall be directly hauled to an approved scaling location, if required to be scaled. No storing of log loads for delayed delivery will be allowed, without prior approval from COUNTY.

Section 52. Utilization Scale. COUNTY shall scale logs or portions of logs that are broken, wasted, or not removed by PURCHASER due to:

- (a) Improper felling or bucking of the logs;
- (b) Failure to remove the logs prior to deterioration; and
- (b) Logs remaining on the sale area after completion of logging, provided the logs were merchantable prior to breakage or wastage. PURCHASER shall pay for the logs at the contract price designated in Section 45. COUNTY shall notify PURCHASER of the volume of logs so scaled. Payment shall be considered due on such volume as if the logs were removed on the date of said notification.

In the event PURCHASER disagrees with the findings made by COUNTY under this section, PURCHASER may furnish scaling by a third-party scaling organization acceptable to COUNTY. Costs and expenses of such third party shall be paid for by PURCHASER, and the findings of the third party shall be final.

Section 53. Special Products. PURCHASER shall not sell special products from the sale area, or allow firewood, shake, or post cutting, or any other special product manufacturing on the sale area without prior written approval of COUNTY. If COUNTY grants approval for special product manufacturing, PURCHASER shall make satisfactory arrangements for measurement of the products. Special products are any products not in log form manufactured from material having a price under the contract.

Section 54. Access. PURCHASER shall use the roads shown or indicated on Exhibit A for access to the timber sale area and project locations. If PURCHASER desires to use an alternative route, it will be Purchaser's responsibility to secure that access and obtain written COUNTY approval for the route. The use of access roads shall be limited to that necessary to carry out the terms and provisions of this contract. Except as otherwise provided for in this contract, PURCHASER shall have the right of access over, in, and through the timber sale area for the purpose of cutting and removing the timber or performing the work to be done. PURCHASER in so using, improving, or constructing roads shall at no time have an interest in the land, other than the right of access. PURCHASER shall comply with all applicable terms and conditions of any access documents described in the provisions of this contract, which are by this reference made a part of this contract.

Section 55. Road Maintenance. Purchaser's responsibility for normal road maintenance commences with Purchaser's first use of a road for any activity under the contract. Purchaser's responsibility will continue through any active periods until final acceptance of the road maintenance for this sale is made by COUNTY.

Normal road maintenance applies to all existing roads used for any activity under this contract. A road which is constructed or reconstructed by PURCHASER shall assume the status of an existing road upon acceptance in writing by COUNTY.

Normal maintenance includes work needed to protect the road from seasonal weather damage, restore damage caused by road use, and safeguard soil, water, and drainage structures, as follows:

- (a) PURCHASER shall maintain the existing cross section of dirt or graveled roads by blading and shaping the surface and shoulders. Banks shall not be undercut. Established berms shall be maintained. Additional berms shall be placed where needed to protect fills. COUNTY may require cross ditching on certain roads.
- (b) PURCHASER shall perform all cleanups including the removal of bank slough, minor slides, and fallen timber. This material shall be deposited at a location identified by COUNTY. PURCHASER shall replace material eroded from fill slopes and clean out drainage ditches and culverts.
- (c) PURCHASER shall patch and place additional rock on gravel road surfaces as necessary to repair damage and restore the road, as requested or directed by the COUNTY.
- (c) PURCHASER shall remove brush or tree growth which encroaches on the road and develops during the contract period. Herbicides may be used only with written authorization of COUNTY.

While performing normal road maintenance work, PURCHASER shall not contaminate gravel or bituminous road surfaces by covering or mixing earth or debris from ditches, slides, or other sources. PURCHASER shall not blade any of the surface road material from the roads.

While performing logging operations, PURCHASER shall minimize damage to ditches, cut banks, fill slopes, and road surfaces. Where damage does occur, PURCHASER shall restore the road to its original condition, as directed by COUNTY.

All roads in the sale area shall be kept free of obstructions and maintained in a condition that permits ongoing travel during the operation, unless otherwise approved by COUNTY.

Prior to any inactive periods, drainage systems on the roads and landings will be reestablished so that:

- (a) Exposed soil will not erode into waters of the STATE; and
- (b) Drainage water will not saturate fills.

During active periods, PURCHASER is responsible for maintenance needs that are caused by public use of the road and that can be accomplished under the terms of normal maintenance. Upon written approval from COUNTY, PURCHASER may restrict use of the roads by others. Measures may include signing, gating, or blocking off the road. Approval of measures by COUNTY does not relieve PURCHASER from normal maintenance responsibilities during active periods in the event that such measures do not restrict vehicular traffic.

Upon written acceptance of road maintenance at the end of the active period, PURCHASER will not be required to perform normal road maintenance during the inactive period. Upon resuming activity, PURCHASER shall resume maintenance.

HARVESTING OPERATIONS

Section 56. Felling. PURCHASER shall comply with the following requirements for felling:

- (a) Fell all trees within the sale area EXCEPT trees marked with fresh orange paint.
- (b) Tractor skid roads and loader roads will be designated on the unit prior to any felling. All skid roads and landings shall be marked on the setting by PURCHASER and approved by COUNTY PRIOR to felling of these skid-road and landing-marked trees. Rub trees shall be removed after logging of the setting has been approved by COUNTY.
- (d) Trees shall not be felled across timber sale boundaries, unless authorized in writing by COUNTY. Any trees that fall across sale boundaries shall be yarded back into the sale area prior to limbing or bucking.

Section 57. Protection of Soil. In those sale areas, or portions thereof, where ground yarding has been approved in the Operations Plan, PURCHASER may use ground yarding equipment, cable systems, or a combination of these for yarding logs, subject to the following restrictions.

- (a) When ground yarding is used, PURCHASER must use the type of ground yarding equipment as specified in SPECIAL CONDITIONS, Section 63. However, PURCHASER must limit skid roads and trails used to ten percent (10%) or less of the ground yarded area and restrict equipment operations to these skid roads and trails.
- (b) Preexisting openings within the stand, existing skid roads and/or trails shall be used whenever possible; and soil disturbance, or construction of new skid roads and trails shall be limited to that necessary to log the area. Total area of soil disturbance of old and new skid roads and trails used shall not exceed ten percent (10%) of the ground yarded area.
- (c) Ground yarding equipment shall not operate under conditions where soils are rutted or excavated to a depth of eight inches (8") or more.
- (d) Ground yarding equipment shall not operate on slopes greater than 35 %. Written approval may be granted for short distances on slopes exceeding 35 % when, in the opinion of COUNTY, it would be unreasonable to yard by pulling line.

- (e) Ground yarding will be permitted on haul roads, only when authorized by the COUNTY in writing.
- (f) Prior to the beginning of felling operations, PURCHASER shall mark the locations, on the ground, of all major skid roads, subject to COUNTY approval. Felling shall be "to lead" to those marked trails and those trail locations adhered to, unless otherwise approved in writing by COUNTY.

If the above conditions are not met by PURCHASER, COUNTY at its option reserves the right to require either or both of the following:

- (a) Suspend yarding, require PURCHASER to mark skid trails and roads on the ground, and obtain prior approval before resuming yarding activities.
- (b) Suspend yarding during portions of the year when soil moisture is critical as determined by the COUNTY.

Time lost while COUNTY exercises any of the above options shall be considered cause for contract extension.

Section 58. Damage to Reserved Trees. Reserved trees are those trees on the timber sale area, or on adjoining COUNTY property, which are not sold to nor are to be cut by PURCHASER. If damage to reserve trees occurs and is determined unavoidable by COUNTY, or results from activities approved in the Operations Plan, then no charge will be made for damage.

If Purchaser's activities result in avoidable damage to reserved trees as determined by COUNTY, PURCHASER shall pay for such trees at the following rates:

- (a) Single the contract value shall be paid when:
 - (1) "Minor damage" to reserve trees occurs during the course of normal logging. Minor damage is defined as bark removed down to the cambium layer of a tree, such removal affecting at least twenty-four (24) square inches, but less than damage defined as "major damage."
 - (2) Trees must be cut in order to facilitate contract operations, or for safety around landings, as approved in writing by COUNTY.
- (b) Double the contract value shall be paid when:
 - (1) "Major damage" to reserved trees is caused by operations of PURCHASER. Major damage is defined as bark removed down to the cambium layer over an area of the bole which has one dimension (height or circumference) greater than the diameter of the tree, or any visible bark removal on the tree roots.
 - (2) Tree top is knocked out.
 - (3) More than 50 % of live crown is removed.
- (c) Treble the contract value shall be paid when: *Not Applicable.*
- (d)

For each species sold on a recovery basis, contract value is defined as the price per MBF listed in Section 45.

For species sold on a lump sum basis, the contract value for each species shall be determined by using county's timber appraisal value (prior to amortization of project costs), multiplied by the bid-up factor for the sale.

COUNTY may direct damaged trees to be left. In that case, payment for damage to reserved trees will be reduced by single the contract value of such trees.

The payment for reserved trees shall not release PURCHASER from liability for other damage to the property of COUNTY.

If more than ten percent (10%) of the conifer reserved trees suffer "minor damage," or if any conifer reserved trees suffer "major damage" as defined, COUNTY reserves the right to:

- (a) Suspend felling and/or yarding until corrective measures have been agreed upon by COUNTY and PURCHASER.
- (b) Require limitations on log length and/or the number of logs in each yarding turn.
- (c) Specify the size and type of equipment to be used.

Section 59. Damage to Reforested Areas. PURCHASER shall take all necessary precautions to minimize damage to reforested areas adjacent to, within, or nearby the sale area. Should purchaser's activities damage reforestation areas shown on Exhibit A, COUNTY shall determine the extent of the damage, and PURCHASER shall reimburse COUNTY \$1,200 per acre, or \$ 3.00 per tree for the damage.

Section 60. Fire Trails. NO fire trails are required for this sale.

Section 61. Project Work. PURCHASER shall complete the following projects in accordance with specifications provided and instructions from COUNTY. Project locations are shown on Exhibit A unless otherwise described. PURCHASER shall furnish all material unless otherwise specified.

Purchaser shall deliver 50 tons of firewood logs to Barton Park as required by Section 70. There are no other projects required by this contract.

PURCHASER shall comply with all applicable terms and conditions of any access documents set forth in the provisions of this contract, which are by this reference made a part of this contract. The following access documents pertain to this contract.

.....**SPECIAL CONDITIONS**.....

SECTION 62. Tractor Yarding. Tractor yarding shall not be used on slopes over 35 %.

SECTION 63. Yarding Equipment. **TRACTOR YARDING AREA:** PURCHASER will use a COUNTY APPROVED, track laying, shovel yarding system using machinery that is appropriate in size for the job. Tractors may be used for skidding only if approved by COUNTY.

WHEELED SKIDDER SPECIFICATIONS: Wheeled skidders are not desired and may be used only with written County approval, which is revocable if in the sole opinion of County the skidders are causing excessive damage to COUNTY property..

CABLE YARDER SPECIFICATIONS. If a cable yarder is necessary, Purchaser shall provide a cable yarding side that is appropriate for the size of the job and the size of existing landings. Cable can be hung outside the sale area in order to get proper deflection, however, at no time may Purchaser trespass upon the property of another owner unless a separate agreement is reached between said owner and Purchaser. Damage to areas outside the sale area shall be kept to a minimum and repaired by Purchaser to COUNTY satisfaction. Cable roads through stream buffers shall be kept to a reasonable minimum.

SECTION 64. Loading Equipment, Landing Location & Construction. A track mounted hydraulic loader is recommended for loading trucks on this sale. Construction of landings is not desired. Any trees cut outside the sale area other than a modest widening of the existing rights-of-way, as determined by the COUNTY, will be charged DOUBLE stumpage as determined by the COUNTY.

SECTION 65. Snag Felling, and Hardwood Tree Cutting. PURCHASER may ONLY fell snags located on COUNTY property, which are a direct safety threat to logging personnel, or are required to be felled for fire protection or fire hazard reduction. COUNTY, at its option, may require PURCHASER to fall conifer or hardwood whips in the units.

SECTION 66. Branding Hammers. If the COUNTY branding hammer is not returned in good usable condition, \$50 will be deducted from the performance bond prior to returning the bond after complete compliance by PURCHASER with the terms and conditions of this contract.

SECTION 67. Wood Cutting. NO "firewood" cutting, "shake", or "shake bolt" making will be allowed on COUNTY property by PURCHASER, or his representative, unless the PURCHASER, or employees of the operator have in their possession a valid CLACKAMAS COUNTY WOOD CUTTING PERMIT. All material not hauled off the sale area by the PURCHASER at the completion of sale is COUNTY property.

SECTION 68. Gate Closure. All gates accessing the COUNTY land will be closed and locked evenings, weekends, and any time there are no operations or use of the road under this contract.

SECTION 69. Post Sale Requirements. Where slopes allow, PURCHASER shall loader or shovel pile all slash and brush following harvest activities. Piles shall be free of dirt and rock. To the degree reasonably possible, piles shall be few in number and tall so that they will burn well. Except for landings, areas logged with cable yarding machines need not be piled.

SECTION 70. Firewood PURCHASER shall deliver 50 tons of fir, hemlock, alder or maple logs to Barton Park for use as firewood. Logs may be of any length and size but shall be sound. Logs shall be set on the ground by PURCHASER at a location in Barton Park designated by COUNTY.

SECTION 71. Other Uses of Purchaser's Equipment. COUNTY may require PURCHASER to do other work in the general area of the sale using equipment already on site. COUNTY shall pay PURCHASER \$100 per hour for full-sized excavators or loaders and shall pay \$75 per hour for wheeled and tracked tractors, inclusive of operators.

Exhibit "A"
Golf Timber Sale
Portions of Sections 8 and 17, Township 3 South, Range 6 East, W. M.
Clackamas County, Oregon

Scale: 1 inch equals 880 feet



The timber sale area is that area marked and the ground and shown as inside the pink and white line on this Exhibit.

INVITATION TO BID

Notice is hereby given that Clackamas County, through its Board of County Commissioners, will receive sealed bids until **1:30 p.m., Thursday, February 14, 2013** in the Office of the Purchasing Manager, Clackamas County Public Service Building, 2051 Kaen Road, Oregon City, Oregon 97045, for the following:

"GOLF TIMBER SALE -- #01-13"

as per specifications available at Clackamas County Purchasing, 2051 Kaen Road, Oregon City, Oregon, office hours 7 AM to 6 PM Monday through Thursday. No bids will be received or considered after that time.

Each bid must contain a statement as to whether the vendor is a resident vendor, as defined in ORS 279A.120. The Contractor or sub contractor is not required to be licensed under ORS 468A.720. This is not a public work contract subject to ORS 279C.800 to 279C.870 or the Davis-Bacon Act (40 U.S.C. 3141 et seq.). The bidder is not required to be licensed under ORS 468.883. No bid for construction contracts will be received or considered by the County unless the respondent is registered with the Construction Contractors Board or licensed by the State Landscape Contractors Board as required by ORS 671.530.

The County is selling approximately 2.0 million board feet (MMBF) of timber (0.75 MMBF Douglas-fir, 1.1 MMBF white wood, 0.17 cedar). The timber is in the Wildcat Mtn. area southeast of Sandy, Oregon.

Sealed bids are to be sent to Lane Miller - Purchasing Manager, Clackamas County Purchasing, Clackamas County Public Service Building, 2051 Kaen Road, Oregon City, Oregon 97045, (503) 742-5444.

The Clackamas County Board of County Commissioners reserves the right to reject any and all bids not in compliance with all prescribed public bidding procedures and requirements, and may reject for good cause any and all bids upon the finding that it is in the public interest to do so and to waive any and all informalities in the public interest. In the award of the contract, the Board of County Commissioners will consider the element of time, will accept the proposal or proposals which in their estimation will best serve the interests of Clackamas County and will reserve the right to award the contract to the contractor whose bid shall be best for the public good.

DATED this 16th day of January, 2013

Lane Miller, Purchasing Manager

NOTICE OF TIMBER SALE

The Clackamas County Forester will accept sealed bids for certain designated timber.

Time and Place of Bid Opening: 1:30 p.m. February 14, 2013 at the Clackamas County Purchasing Department office, Room 497, 2051 Kaen Road, Oregon City, OR 97045 Oregon

Sale Number: 01-13

Sale Name: Golf Timber Sale

Located in: Portions of Sections 8 & 17, T. 3 S., R. 6 E., W.M.

Completion Date of Contract: November 30, 2013

BID SPECIES

		<u>Minimum Price</u>
Douglas Fir	753 MBF	\$400.00 per MBF
Hemlock/White fir	1135 MBF	\$350.00 per MBF

NO BID SPECIES (non-negotiable)

Western Red Cedar	168 MBF	\$625.00 per MBF
Red Alder	Negligible	\$200.00 per MBF
Big Leaf Maple	Negligible	\$ 50.00 per MBF
Utility	Negligible	\$ 50.00 per MBF gross
Pulp	Negligible	\$ 5.00 per ton

How to Bid: Price per MBF for EACH bid species. Price for no-bid species will remain as shown. HIGH bid will be based on total price of all species based on the COUNTY cruise. Total contract price will include all species.

Bid Deposit: Bid deposit is \$80,000.

Bond: 20% (to the nearest \$1,000.00), of the total purchase price, based on the total price of all species according to the County cruise.

Insurance: Please see attached sheets.

Minor Project Work: Slash and brush on ground-yarded portions of all units will be loader piled after the harvest. 50 tons of firewood logs (no cottonwood) will be delivered to Barton Park. .

Yarding and Logging Requirements:

Approximately 51 acres of tractor or loader harvest. Acreage is an estimate and Purchasers should make their own determination.

Contract provisions for this timber sale are enclosed for your study, and additional copies may be obtained at the Clackamas County Purchasing Department office at the address below.

Make sure that checks or money orders for bid deposits be made payable to "Clackamas County". The deposits are considered as evidence of good faith. The high bidder's deposit is applied to the first sale payment or retained as liquid damages in case of failure to qualify under terms of the contract within 30 days after sale award. Other deposits are returned.

If you are the successful bidder, the County Forester will send you a "Notice of Sale Award" and a contract shortly after the auction. To qualify for the sale, you must return four (4) copies of the contract with the proper signatures and also submit an insurance certificate and performance bond as specified in the contract, all within 30 days of the award notice. No operations are permitted on the sale area before the bond and insurance are accepted, and Clackamas County executes the Contract.

Clackamas County makes no guarantee as to the quantity, quality or value of the timber to be sold; it also reserves the right to waive minor technicalities and the right to reject any or all bids.

**NARRATIVE ROUTE TO TIMBER SALE # 01-13
"GOLF TIMBER SALE"**

This sale is located southeast of Sandy, Oregon. Access to the area is from Wildcat Mtn. county road. Other County-owned forest roads are available for Purchasers use.

From Sandy, OR travel approximately 2 miles east on U. S. Highway 26 to Shorty's Corner, the intersection of Hwy 26 and Firwood Road. Turn right on to Firwood Road and travel about 3 miles south to the intersection with Wildcat Mountain Drive. Turn left on to Wildcat Mtn. Drive. About 4.75 miles up Wildcat Mtn. Drive a small lake, Hope Lake, will be on the left.

To get to the sale area, go 4 miles past Hope Lake on Wildcat Mtn. Drive. The unit is first on the left hand side of the County road and then, at the yellow County 60 gate, on both sides of the County Road. It is not necessary to pass through any gates in order to see the unit.

Look for blue and white candy stripe ribbon at the start of the unit. The harvest unit boundaries are marked with pink ribbons, yellow paper tags and white Timber Sale Boundary tags..

**II INFORMATION FOR TIMBER SALE # 01-13
"GOLF TIMBER SALE"**

Prospective PURCHASER'S are strongly advised to review a copy of the CONTRACT for timber sale # 01-13. If you do not have one, copies are available at the office of the County Purchasing Manager, located on the fourth floor of the County's Public Service Building, 2051 Kaen Road, Oregon City, Oregon, 97045

YARDING EQUIPMENT: PURCHASER must use a County-approved logging systems to yard this sale.

This Timber Sale has 1 clear cut unit of approximately 51 acres. No road construction is required, but it is expected that Purchaser will want to build short spur roads to facilitate hauling. The gravel and dirt roads that access the units must be maintained to their existing condition and care should be taken to protect Wildcat Mountain road. New roads will need to be maintained to a similar condition. Unless otherwise approved by County, ground based yarding is only allowed from May 1 to November 1 in order to prevent soil and road damage. This may be waived if conditions warrant. Roads may be plowed to remove snow at Operator's expense. Slash must be loader-piled where the slope of the ground allows track-mounted shovels to work.

INSURANCE: PURCHASER shall furnish the COUNTY, at the time of Contract signature, evidence of Commercial General Liability insurance, not less than \$1,000,000; Loggers Broad Form, property "B", in the amount of not less than \$1,000,000; and \$1,000,000 of Automobile Liability, with a combined single limit for personal injury and property damage coverage for the protection of the COUNTY, its officers, commissioners and employees against liability for damages because of personal injury, death, damage to property, including loss of use thereof, in any way related to this contract.

PAYMENT SCHEDULE: (1) Logging progress payments shall be made by PURCHASER for timber removed under this contract in a manner that maintains at all times a 20 percent reserve until the bid price is paid. Logging progress payments will be determined by scale reports as required in Section 47 of the Contract, or as determined by the County Forester.

(2) Regardless of logging progress, the following payment schedule shall be met:

- a. Twenty percent (20%) of the bid price must be paid at the time of contract signing. The bid deposit shall apply to this payment if it is Cash.
- b. An additional twenty percent (20%) of bid price including any logging progress payments must be paid by June 30, 2013.
- c. The total bid price (based on the County cruise) must be paid by November 30, 2013.

PAYMENT AND PERFORMANCE BOND REQUIREMENTS: PURCHASER shall furnish County with a performance bond in the amount of 20% (to nearest \$1,000) of the total purchase price, based on the total price of all species according to the COUNTY cruise. Bond may be in Cash (to be held by the County Treasurer), assignable savings account, irrevocable letters of credit, other securities determined acceptable by the County, or surety bond written by a surety company authorized to do business in the State of Oregon.

FEDERAL LAW CONCERNING LOG EXPORTS: The federal Forest Resource Conservation and Shortage Relief Act of 1990 applies to Clackamas County timber sales. The export of unprocessed timber from County land is prohibited pursuant to the CLACKAMAS COUNTY LOG EXPORT ORDINANCE, Board Order #92-484. Bidders must comply with the provisions of the CLACKAMAS COUNTY LOG EXPORT ORDINANCE in disposing of timber from this sale.

BIDS for this timber sale must be on the COUNTY BID FORM that is attached or available from the County Forester. Bids on any other form will not be considered.

SEALED BID FORM
SEALED BID FORM RECOVERY (CUT OUT) TIMBER SALE AGREEMENT
"Golf" Timber Sale # 01-13

Ladies and Gentlemen;

The undersigned _____,

a _____, of _____

(corporation, partnership, individual, state) does hereby offer pursuant to your Prospectus, to purchase from CLACKAMAS COUNTY the timber designated for cutting and known as "Golf Timber Sale, # 01-13" for the following prices:

SPECIES	ESTIMATED VOLUME (MBF)	STUMPAGE BID ESTIMATED \$ per MBF	VALUE
Douglas-fir	753	\$ _____	\$ _____
Hemlock/White fir	1,135	\$ _____	\$ _____
No Bid Species			
Western Red Cedar	168	\$625.00	\$105,000.00
Red Alder	Negligible	\$200.00	\$ 0.00
Big Leaf Maple	Negligible	\$ 50.00	\$ 0.00
Pulp	Negligible	\$5.00 per ton	\$ 0.00
TOTAL ESTIMATED VALUE			\$ _____

Enclosed is cash, certified check, cashiers check, money order, or surety bond, (Surety Bond must be executed on a standard form), in the amount of \$80,000.00..

Resident Contractor, as defined in ORS 279A.120 Non-Resident Contractor, Resident State: _____

I, the undersigned certify that the bidder has not discriminated against minority, women, or emerging small business enterprises or a business enterprise that is owned or controlled by or that employs a disabled veteran, in obtaining subcontracts.

It is acknowledged that CLACKAMAS COUNTY reserves the right to reject any and all bids.

DATED this _____ day of February, 2013

By: _____

Title: _____

Address: _____

Phone: _____

**Bids must be received at the Clackamas County Purchasing Office, 2051 Kaen Road, Oregon City, OR 97045,
 Prior To 1:30 PM February 14, 2013**

Faxed Or Emailed Bids Cannot Be Accepted

TIMBER SALE CONTRACT

Goalie Timber Sale Contract No. 02-13

This contract, made and entered into triplicate this _____ day of _____, 2013 by and between **CLACKAMAS COUNTY**, hereinafter called "COUNTY," and High Cascade Inc., hereinafter called "PURCHASER," which parties do hereby agree as follows:

Section 1. Sale of Timber. Under the terms and conditions of this contract, COUNTY sells to PURCHASER, and PURCHASER buys from COUNTY, that timber designated and described in Section 40, which timber for all purposes of this contract is hereinafter referred to as "timber." The location of designated timber is shown on Exhibit A. PURCHASER shall pay COUNTY the "purchase price for timber" set forth in Section 45. The purchase price shall be paid to COUNTY in accordance with the payment schedule in Section 43.

This is a sale of timber from "Public lands" as defined in ORS 526.801(5) and may not be exported. The Forest Resources Conservation Amendments Act of 1993 authorizes Oregon and other western States to prohibit the export of unprocessed timber from public lands. PURCHASER must comply with the provisions of the federal act, ORS 526.801-526.831, and Clackamas County Board of County Commissioners Board Order number 92-484 in disposing of COUNTY timber from this sale.

Section 2. Quality and Quantity of Timber. COUNTY makes no guarantee or warranty to PURCHASER as to the quality or quantity of the timber. PURCHASER shall be liable to COUNTY for the total purchase price even if the quantity or quality of timber actually cut, removed, or designated for taking is more or less than that estimated by COUNTY.

Further, COUNTY makes no representation, warranty, or guarantee of the accuracy of any information either provided by COUNTY or made available by COUNTY under the Public Records Law with respect to this contract. PURCHASER agrees to bear exclusive responsibility for, and to accept all risks associated with, the actual conditions on the timber sale area and Purchaser's computation of its bid for this contract. The Contractor agrees to perform the scope of work as described in the contract documents and meet the performance standards set forth therein.

THIS CONTRACT, AND ALL EXHIBITS AND ATTACHMENTS INCORPORATED HEREIN, CONSTITUTES THE ENTIRE CONTRACT BETWEEN THE PARTIES. NO WAIVER, CONSENT, MODIFICATION, OR CHANGE OF TERMS OF THIS AGREEMENT SHALL BIND EITHER PARTY, UNLESS IN WRITING AND SIGNED BY BOTH PARTIES. SUCH WAIVER, CONSENT, MODIFICATION, OR CHANGE, IF MADE, SHALL BE EFFECTIVE ONLY IN THE SPECIFIC PURPOSE GIVEN. THERE ARE NO UNDERSTANDINGS, AGREEMENTS, OR REPRESENTATIONS, ORAL OR WRITTEN, NOT SPECIFIED HEREIN REGARDING THIS AGREEMENT. PURCHASER, BY THE SIGNATURE BELOW OF ITS AUTHORIZED REPRESENTATIVE, HEREBY ACKNOWLEDGES THAT SHE/HE HAS READ THIS AGREEMENT, UNDERSTANDS IT, AND AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS.

CLACKAMAS COUNTY
By its Board of County Commissioners

John Ludlow, Chair

PURCHASER
High Cascade Inc.

By _____



Recording Secretary

Attest: Deborah K. Chamberlain

Date

Approval as to Form
COUNTY COUNSEL

COUNTY COUNSEL

Date

Section 3. Definition of Terms.

Purchaser's Authorized Representatives means the representatives authorized by PURCHASER to receive any notice or instructions from the COUNTY on behalf of PURCHASER and to take any action required in regard to performance of PURCHASER under the contract. Purchaser's Authorized Representatives are identified in the Operations Plan.

Contract means the entire written agreement between the parties, including but not limited to the Notice of Timber Sale, Invitation to Bid or Request for Proposal, Instructions to Bidders, specifications, terms, and conditions, Exhibits, Operations Plan, change notices, if any, the accepted bid, and the purchase order or price agreement document.

Operations means all the activities conducted by PURCHASER under this contract, including project work, logging, or post harvest activities; or the furnishing of all materials, equipment, labor, and incidentals necessary to successfully complete any individual item or the entire contract. The CONTRACTOR shall meet the highest standards prevalent in the industry or business most closely involved in providing the appropriate goods or services.

Areas of Operations means the locations where PURCHASER performs the operations described in the contract.

Operations Plan means the document by which PURCHASER notifies COUNTY of the plans and schedule for completing the operations described in the contract. It also contains the names of the subcontractors, Purchaser's Authorized Representatives, and County's Authorized Representatives.

Permit means any permit required by a federal, county, or local government agency before operations under this contract may lawfully begin or continue. Permit includes an incidental take permit under the federal Endangered Species Act.

Project Location means the points or areas designated as such on Exhibit A and located on the ground by reference to points, stations, natural land features, improvements, or area boundary signs.

COUNTY means any duly Authorized Representative of Clackamas County. The Clackamas County Forester, and any designated sale inspector are duly Authorized Representatives of Clackamas County for all purposes associated with this Contract.

Timber Sale Area means the area or areas designated as such on Exhibit A and located on the ground by reference to legal subdivisions, monuments, natural land features, improvements, or sale boundary signs.

Section 4. Examination of Locations and Conditions. It is understood that PURCHASER, before signing this contract, has made a careful examination of all plans and specifications set forth in this contract; that PURCHASER has obtained full information as to the quality and quantity of materials and the character of the work required; and that PURCHASER has made a careful examination of the timber sale area and the location and conditions of work, including sources of supply for materials. COUNTY, in no case, will be responsible for any loss or cost that may be suffered by PURCHASER as a result of Purchaser's failure to be so informed.

Section 5. Title to Timber. During the period of this contract, and any extension, PURCHASER shall have the right to cut and remove the timber. That right shall automatically cease if PURCHASER defaults on the terms of this Contract in any way.

The ownership of and title to the timber shall pass to PURCHASER as the timber is paid for from the timber sale area. Any right of PURCHASER to cut and remove the timber shall expire and end at the time this contract, or any extension, terminates. All rights and interests of PURCHASER in and to the timber and logs remaining on the timber sale area shall, at that time, automatically revert to and revest in COUNTY, without compensation to PURCHASER.

Section 6. Purchase Price, Bond, and Time of the Essence. PURCHASER shall supply the performance bond, insurance, first payment, and fully executed contract to COUNTY within 30 days of the date of sale award. Failure to present the required documents within 30 days may be grounds for bid rejection. PURCHASER shall not commence work on the timber sale area until written notification has been received from COUNTY that the above requirements have been met.

- (a) Purchase price for timber: See Section 44
- (b) Performance bond: **\$ 20% OF BID PRICE**
- (c) Completion date of contract: **NOVEMBER 30, 2013**

Time is of the essence in this contract. PURCHASER shall complete and fully perform this contract within the time specified in this section, unless extended in accordance with Section 26. PURCHASER may be required to perform uncompleted contractual obligations at a time later than stated above or in Section 26. Notification of these obligations and their completion date will be made in writing by COUNTY.

Section 7. Assignment of Contract. PURCHASER agrees not to assign, transfer, convey, or otherwise dispose of this contract, or any portion thereof, or the right, title, interest, or the power of PURCHASER to execute or perform this contract, to any other person, firm, or corporation, without the previous written consent of COUNTY. Should the contract assignment be approved, it shall be in total, with no rights being retained by original PURCHASER, regardless of any assignment or delegation. COUNTY shall retain Purchaser's performance bond, and PURCHASER shall remain liable for claims as provided in Sections 9, 13, 14, and 15 of this contract.

Section 8. Subletting of Contract. It is understood and agreed that if all or any part of the logging operations or work to be done under this contract is subcontracted, such subcontracting done by PURCHASER shall in no way relieve PURCHASER of any responsibility under this contract. PURCHASER

shall notify COUNTY in writing of the names and addresses of each subcontractor prior to the commencement of any contract work by the subcontractor.

Section 9. Hold Harmless. PURCHASER shall defend and hold harmless the COUNTY, the COUNTY Commissioners, their officers, agents, employees, and members, from all claims, suits, or actions of any nature resulting from or arising out of the acts or omissions of PURCHASER or its subcontractors, agents, or employees under this contract. PURCHASER shall indemnify, and hold COUNTY harmless against any liability for premiums, contributions, or taxes payable under any Workers' Compensation, Disability Benefits, Old Age Benefits, including FICA, or tax withholding laws.

Section 10. Severability. If any provision of this contract is declared by a court 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 provision held to be invalid.

Section 11. Waiver. Failure of COUNTY to enforce any provision of this contract shall not constitute a waiver or relinquishment by COUNTY of the right to such performance in the future, nor of the right to enforce any other provision of this contract.

Section 12. Jurisdiction. This contract shall be governed by and construed in accordance with the laws of the STATE of Oregon, as interpreted by the Oregon courts. Any litigation arising out of this contract shall be conducted in the courts of the STATE of Oregon.

Section 13. Attorney Fees. In the event a law suit of any kind is instituted on behalf of COUNTY to collect any payment due or to obtain performance of any kind under this contract, PURCHASER shall pay such additional sums as the court may adjudge for reasonable attorneys' fees plus all costs and disbursements at trial and on any appeal.

BONDING AND INSURANCE

Section 14. Performance Bond. PURCHASER shall furnish COUNTY with a performance bond which shall guarantee complete compliance by PURCHASER with the terms and conditions of this contract and the faithful performance of all required obligations. Bonds may be in the form of surety bonds, cash deposits, assignments of surety, irrevocable letters of credit, or other securities determined acceptable by COUNTY. Surety bonds must be written by a surety company authorized to do business in the STATE of Oregon.

Performance bonds, other than surety bonds, will be retained by COUNTY for a period of 120 days after all work has been accepted by COUNTY. Bonds will be released after 120 days, provided no claims are pending. Surety bonds will be released after all work is accepted by COUNTY. The surety company will be liable for any claim filed within the 120 day period.

Section 15. Payment Bond. PURCHASER may furnish an acceptable surety payment bond, blanket payment bond, or cash to COUNTY as guarantee for payment for timber. The bonds or cash shall be in an amount at least equal to the value of timber estimated to be removed during one-month plus 15 day billing period. In any event, the amount shall not be less than one installment payment as specified in Section 43. Under a payment bond, PURCHASER may then remove timber for a 30-day period, after which time, payment becomes due and owing. PURCHASER shall make cash payment within 15 days following the end of the monthly period. Upon payment for timber removed in the monthly period, the payment guarantee may be applied as a guarantee for a subsequent period.

A blanket payment bond shall be in an amount at least equal to the value of timber estimated to be removed from all contracts covered by the blanket payment bond during a one-month plus 15-day billing period. COUNTY may, at Purchaser's request, allocate the amount of such bond to the covered sales. PURCHASER shall obtain and furnish COUNTY with written consent of surety on forms provided by COUNTY for coverage of any contracts to which the blanket payment bond may apply.

In no event shall PURCHASER remove timber with a value greater than the amount of the payment guarantee.

Section 16. Insurance. PURCHASER shall secure, at Purchaser's expense, and keep in effect during the term of this contract, the following insurance coverage, in a policy or policies issued by an insurance company or companies authorized to do business in the STATE of Oregon. The issuing company or companies shall indicate on the insurance certificates that COUNTY will be given not less than 30 days notice of any cancellation, material change, or intent not to renew such policy.

The coverage shall be as follows:

- (a) Commercial General Liability Insurance covering personal injury and property damage in an amount not less than \$1,000,000 combined single limit per occurrence with no more than \$5,000 deductible, with a contractual liability to include all contracts involving the work to be performed under this contract.
- (b) Automobile Liability Insurance in an amount not less than \$1,000,000 combined single limit per occurrence. This coverage can be provided by combining the Automobile Liability protection with the Commercial General Liability policy.
- (c) Loggers Broad Form coverage in an amount not less than \$1,000,000 with no more than \$5,000 deductible, for costs of fire control, losses or damage from fire, and other causes arising or resulting from activities of PURCHASER, employees, contractors, and others working or acting for PURCHASER.
- (d) Worker's Compensation insurance as statutory required for persons performing work under the contract.
- (e) The insurance policy or policies required under this section, excluding Loggers Broad Form, shall name the COUNTY of CLACKAMAS, the COUNTY Commissioners, their officers, agents, employees, and members as additional insured.
- (f) As evidence of the insurance coverage required by this contract, PURCHASER shall furnish a certificate or certificates of insurance including all of the foregoing coverage to COUNTY.
- (g) Contractor shall require that all of its subcontractors of any tier provide insurance coverage (including additional insured provisions) and limits identical to the insurance required of the Contractor under this Agreement, unless this requirement is expressly modified or waived by the County.

LAWS AND REGULATIONS

Section 17. Payments, Contributions, and Liens. Under the provisions of ORS 279B.220 PURCHASER shall:

- (a) 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.
- (b) Pay all contributions or amounts due the Industrial Accident Fund from such contractor or subcontractor incurred in the performance of the contract.
- (c) Not permit any lien or claim to be filed or prosecuted against the COUNTY, municipality, municipal corporation, or subdivision thereof, on account of any labor or material furnished.
- (d) Pay to the Department of Revenue all sums withheld from employees pursuant to ORS 316.167.

Section 18. Permits, Licenses, and Safety. PURCHASER shall procure all permits and licenses, pay all charges and fees, and give all notices necessary and incident to the due and the lawful prosecution of the work. In the performance of the work to be done under this contract, PURCHASER shall use every reasonable and practicable means to avoid damage to property and injury to persons. The responsibility of PURCHASER STATED herein shall cease upon the work being accepted as complete by COUNTY.

Section 19. Workers' Compensation Insurance. PURCHASER shall perform the work to be done under this contract in accordance with the requirements of the Workers' Compensation Law of the STATE of Oregon during the term of this contract. In addition, the PURCHASER, its subcontractors, if any, and all employers providing work, labor, or materials under this contract are subject employers under the Oregon Workers' Compensation Law and shall comply with ORS 656.017 and 656.029, which requires them to provide workers' compensation coverage that satisfies Oregon law for all their subject workers. Out-of-State employers must provide Oregon workers' compensation coverage for their workers who work at a single location within Oregon for more than 30 days in a calendar year. Contractors who perform the work without the assistance or labor of any employee need not obtain such coverage.

Section 20. Medical Care. PURCHASER shall promptly, as due, make payment to any person, co-partnership, association, or corporation, furnishing medical, surgical, and hospital care or other needed care and attention, incident to sickness or injury, to the employees of such PURCHASER, of all sums which PURCHASER agrees to pay for such services and all moneys and sums which PURCHASER collected or deducted from the wages of employees pursuant to any law, contract, or agreement for the purpose of providing or paying for such service.

Section 21. Labor Laws and Prevailing Wages. Insofar as applicable to the work to be done under this contract, PURCHASER shall pay prevailing wages and comply with all STATE and federal laws in the employment and payment of labor. Particular reference is made to the requirements of ORS Chapter 279B, which relates to wage rates to be paid on public works. No person shall be employed for more than ten (10) hours in any one day, or more than forty (40) hours in any one week, except in cases of necessity, emergency or where the public policy absolutely requires it, except in cases of contracts for personal services as defined in ORS 279A.055. The employee shall be paid at least time and one-half pay:

- (a) For all overtime in excess of eight (8) hours a day or 40 hours in any one week when the work week is five consecutive days, Monday through Friday; or

- (b) For all overtime in excess of 10 hours a day or 40 hours in any one week when the work week is four consecutive days, Monday through Friday; and
- (c) For all work performed on Saturday and on any legal holiday specified in ORS 279B.020. Employers must give written notice to employees of the days and hours of required work.

Section 22. Laws, Regulations, and Orders. PURCHASER shall at all times observe and comply with all federal and STATE laws, and lawful regulations issued hereunder, and local bylaws, ordinances, and regulations, which in any manner affect the activities of PURCHASER under this contract. PURCHASER shall observe and comply with all orders or decrees that exist at present and those which may be enacted later by bodies or tribunals having any jurisdiction or authority over such activities of PURCHASER.

PURCHASER shall comply with Oregon laws and with the rules and regulations of the Oregon Forest Practices Act, Oregon STATE Board of Health, and the Environmental Quality Commission relating to the protection of soil, air, and water resources.

MATERIALS AND IMPROVEMENTS

Section 23. Materials from COUNTY Property. PURCHASER shall not take, sell, use, remove, or otherwise dispose of any sand, gravel, rock, earth, or other material obtained or produced from within the limits of rights-of-way, gravel pits, rock quarries, or other property owned by or held by COUNTY, unless authorized by this contract or written consent of COUNTY.

Section 24. Materials and Improvements. Title to materials, improvements, and other property required of PURCHASER by this contract, shall vest in and become the property of the COUNTY at the time such are furnished by PURCHASER and accepted by the COUNTY. Only materials, improvements, and property free and clear of liens, claims, and encumbrances shall be furnished by PURCHASER.

All existing improvements located on COUNTY land, and any improvements placed on COUNTY land by PURCHASER which become the property of the COUNTY, including roads, shall be safeguarded by PURCHASER, and if injured or damaged by PURCHASER or by contractors of PURCHASER, shall be repaired as soon as possible under existing conditions by PURCHASER, without cost to the COUNTY.

Section 25. Removal of Equipment and Materials. Upon completion of the requirements of this contract, PURCHASER shall promptly remove from the timber sale area and work location, and other property owned or controlled by COUNTY, all equipment, materials, and other property PURCHASER has placed or caused to be placed thereon that is not to become the property of COUNTY. It is agreed that any such equipment, materials, and other property that are not removed, shall become the property of COUNTY and may be used or otherwise disposed of by COUNTY without notice or obligation to PURCHASER or to any party to whom PURCHASER may transfer title. Nothing in this section shall be construed as relieving PURCHASER from an obligation to clean up and to burn, remove, or dispose of debris, waste materials, and such, in accordance with the provisions of this contract.

EXTENSIONS, MODIFICATIONS, AND DEFAULT

Section 26. Causes Beyond Control. In the event PURCHASER is prevented by a cause or causes beyond reasonable control of PURCHASER from performing any obligation of this contract, such nonperformance shall not be deemed to be a breach of this contract such as to render PURCHASER liable in damages therefore or to give rise to the cancellation thereof; provided, that if and when such cause or causes shall cease to prevent such performance, PURCHASER shall exercise all reasonable diligence to resume and

complete performance of such obligation with the least possible delay. "Cause or causes beyond reasonable control," is defined as any one or more of the following causes affecting operations of PURCHASER: fire or other casualties and accidents; strikes, riots, and civil commotions; war and acts of public enemies; storms, floods, and other unusual climatic conditions, including droughts and low humidity, or orders of duly constituted public authorities; acts of God, and other similar circumstances beyond the control of PURCHASER.

Section 27. Extension of Time. An extension of time for performance of this contract may be made by COUNTY only upon written request from PURCHASER, and with the written consent of an extension of the security by the surety of PURCHASER. In addition to the cause or causes beyond the reasonable control of PURCHASER specified in Section 26, the extension under this section may be granted because of purchaser's participation in priority salvage operations on other COUNTY lands which did not exist prior to the date of this contract.

If none of the above conditions apply, COUNTY may, at its option, grant an extension of time when it is in the best interests of COUNTY. Market conditions shall not be considered a reason for extension under this section.

A written request must be received by COUNTY not later than 30 days prior to the expiration date of this contract, unless the cause for delay in performance occurred within the 30 days prior to the expiration of the contract; in which event, written application must be made prior to the expiration date. The written request for extension shall state the date to which the extension is desired, the area of the sale to be extended, and the reason(s) why the extension is necessary.

COUNTY will make the final determination as to whether the reasons given for nonperformance by PURCHASER shall be grounds for an extension. If COUNTY accepts the reason(s) for extension, COUNTY may grant an extension of time, not to exceed one year, subject to one or more of the following conditions:

- (a) COUNTY may require payment at the time of the extension of the full amount of the unpaid balance of the purchase price. In the case of scale or recovery sales, such payment will be an advance deposit, based on remaining volume, as estimated by COUNTY.
- (b) In lieu of full payment, if PURCHASER is not otherwise in arrears in required payments, COUNTY may grant additional time for payment of the unpaid balance. Such granting of additional time for payment shall require PURCHASER to make installment payments based on timber removal as required by Section 43 of the contract, and pay an interest charge on all payments received after the original expiration date.
- (c) COUNTY may require completion of certain requirements of the contract, such as fire trail construction, snag felling, slash preparation work on logged portions of the sale area, and road construction or maintenance.
- (d) Payment of an extension fee as determined by COUNTY. Such fee will be based upon the loss of production, extra reforestation costs, brush control costs, slash disposal costs, or other costs which may be caused by the extension. The extension fee will not be less than \$250.
- (e) COUNTY may waive requirement for full payment, or payment of interest charge on unpaid balance, when, in the opinion of COUNTY, extenuating circumstances warrant such waiver or the extension is of benefit to COUNTY.

Section 28. Contract Modifications. COUNTY reserves the right to make, at any time during the contract, such modifications as are necessary or desirable; provided such modifications shall not change the character of the work to be done nor increase the cost, unless such work or cost increase is approved in writing by PURCHASER. Any modifications so made shall be in writing and shall not invalidate this contract nor release PURCHASER of obligations under the performance bond. PURCHASER agrees to do the modified work as if it had been a part of the original contract.

Section 29. Adjustment of Contract. Notwithstanding any other provisions of this contract, COUNTY may, pursuant to Oregon law, make adjustments in the contract when major catastrophes materially affect the volume and value of timber, or work to be done under the contract. Examples of major catastrophes can be windstorms, floods, fire, or other acts of God, which are beyond the control of PURCHASER and in no way connected with negligent acts or omissions of PURCHASER, its officers, employees, agents, or subcontractors. Market conditions will not be considered a reason for contract adjustments. Such adjustments may be made to place the parties in their original status under the contract insofar as possible; provided, however, that any loss or cost to PURCHASER is in no way recoverable from third parties by PURCHASER and that PURCHASER make written application to COUNTY within 30 days after discovery of the damage done by the catastrophe.

If, prior to acceptance of project work, a catastrophe (as defined above) caused by a single event results in additional work for PURCHASER involving an additional estimated cost of more than:

- (a) \$500 for sales less than one-half million board feet;
- (b) \$1.00 per thousand (1000) board feet for sales of one-half million to three million board feet; or
- (c) \$3,000 for sales over three (3) million board feet, COUNTY may adjust the contract and become responsible for any additional estimated cost which exceeds the above amount. Adjustments by COUNTY will be based on advertised volumes and may be accomplished by adjusting stumpage prices or payment of such cost to PURCHASER or by performing its share of the necessary work. The estimated cost of additional work shall be calculated by COUNTY.

Section 30. Violations, Suspensions, and Cancellation. If PURCHASER violates any of the provisions of this contract, COUNTY may, after giving written notice, suspend any further operations of PURCHASER under this contract, except those operations necessary to remedy any violations.

If PURCHASER fails to remedy any violations of this contract within 10 days after receipt of the suspension notice given under this section, COUNTY may, by written notice, cancel this contract and take appropriate action to recover all damages and expenses suffered by COUNTY by reason of such violations, including application of any advance payments and any performance bonds toward payment of such damages.

If PURCHASER cuts or removes any of the timber under this contract during any period of suspension, or if PURCHASER cuts any of the timber after the expiration of the time for cutting or the cancellation of this contract, such cutting or removal shall be considered a willful trespass and render PURCHASER liable for treble damages in accordance with applicable Oregon law.

COUNTY shall have the authority to suspend the activities of PURCHASER and contractors of PURCHASER, wholly or in part, under this contract for such period or periods necessary due to fire hazard conditions or other severe weather occurrence.

Section 31. Settlement for T & E Species. In the event COUNTY determines this contract may jeopardize the continued existence of a species presently, or subsequently, listed as threatened or endangered pursuant to the Endangered Species Act of 1973, as amended (16 U.S.C. 1531-1536, 1538-1540), or ORS 496.172 to 496.192, COUNTY may terminate this contract in whole or in part.

In the event of termination or partial termination, PURCHASER agrees that its sole and exclusive remedy shall be the sum of:

- (a) The value of any project work completed but not yet credited through amortization;
- (b) The estimated expenditures for felling, bucking, lopping, skidding, and decking any products so processed, but not removed from the sale area; and
- (c) The actual expenses involved in acquiring and holding this contract.

Cost and expenditure estimates for items listed in (a) and (b) shall be based upon COUNTY'S appraisal for the sale. Actual expenses in (c) do not include lost profits, replacement costs of timber, or any other consequential damage suffered by PURCHASER. PURCHASER agrees to provide receipts or other documentation to COUNTY which clearly identify and verify actual expenditures.

In the event of termination of this contract, in whole or in part, by COUNTY, PURCHASER agrees that the liability of COUNTY shall be limited to the express remedies contained in this provision.

Section 32. Debt Limitation. To the extent COUNTY may incur any financial obligation under this Contract, 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 therefore.

Section 33. Default. Any default by PURCHASER in the performance of this contract shall be subject to the provision of Oregon Administrative Rule 629-32-000 through 070. The provisions of such rule are incorporated into this contract and made a permanent part hereof by their reference as though fully set forth herein. The following terms shall be substituted in said rule for it to apply to this contract: "The Clackamas County Forester" shall be substituted for "Forester", and "Clackamas County" shall be substituted for "Board of Forestry" and "State".

NOTICES, PLANS, AND INSPECTIONS

Section 34. Work Responsibility and Acceptance. For all purposes of this contract, "work" shall mean the furnishing of all labor, materials, equipment, and other incidentals necessary or convenient to the successful completion of the projects, duties, and obligations, including slash disposal, imposed on PURCHASER by this contract.

Prior to the completion and final acceptance of work, PURCHASER shall be held responsible for, and shall correct any injury or damage to, the work or any part of the work, from any cause whatsoever, unless adjustment is made pursuant to Section 27.

COUNTY shall make final inspection of work done by PURCHASER within ten (10) calendar days after written notification is received by COUNTY from PURCHASER stating that the work is completed. Following inspection, COUNTY will notify PURCHASER of acceptance in writing. If the work is not acceptable to COUNTY, COUNTY shall advise PURCHASER in writing of the particular defects to be remedied before final acceptance by COUNTY can be made.

Section 35. Notices. Any written notice to PURCHASER which may be required under this contract to be served on PURCHASER by the COUNTY may be served on to PURCHASER or designated representative(s) by mailing the notice to the address of PURCHASER as is given in this contract, or by leaving the notice at said address. Should PURCHASER be required to notify COUNTY concerning the progress of the work to be done, or concerning any matter or complaint which PURCHASER may have regarding the contract subject matter, or for any other reason, that notification is to be made in writing and delivered or mailed to the designated representative of COUNTY.

Section 36. Authorized Representative. During any period of logging operations or activity on the timber sale area, and during any period of work performance required by this contract on location, PURCHASER shall have a designated representative(s) available to COUNTY on the timber sale area or work location, or both, where such activity is separated. The representative(s) shall be authorized to receive any notice or instructions from COUNTY on behalf of PURCHASER and to take any action required in regard to performance of PURCHASER under this contract. COUNTY shall designate a field representative(s) who shall be authorized to receive notices, inspect progress of the work, and issue instructions in regard to performance under the terms of this contract. Authorized representatives of COUNTY and PURCHASER shall be designated in the Operations Plan required by Section 38.

Section 37. Inspection. COUNTY, through its authorized and designated representative, shall at all times be allowed access to all parts of the logging operations and work locations of PURCHASER, as may be required to make a complete and detailed inspection. COUNTY shall be furnished such information and assistance by PURCHASER, or the designated representative(s).

Section 38. Operations Plan. PURCHASER shall prepare an Operations Plan for all operations to be conducted under this contract and submit the plan to COUNTY at least five (5) calendar days prior to commencement of any work. This plan shall be prepared on a form provided by COUNTY, and shall be used for all types of operations, including project work, logging, and post harvest requirements. COUNTY may require an on-site meeting prior to approval of the Operations Plan, attended by PURCHASER, subcontractor, and COUNTY representatives. County's approval of the Operations Plan must be obtained prior to commencement of any operation, and PURCHASER must comply with this plan. PURCHASER shall notify COUNTY whenever operations will be inactive for more than three days, and again when operations will be resumed.

Upon approval by COUNTY, the Operations Plan will automatically be incorporated into, and made part of, this contract. PURCHASER'S strict compliance with the Operations Plan, as approved by COUNTY, is a material condition and covenant of this contract.

Any changes to the plan must have COUNTY approval in writing. PURCHASER shall comply with all provisions of the Written Plan in accordance with the Oregon Forest Practices Act.

TIMBER SALE AREA

Section 39. Timber Sale Area. The timber sale area is located on Exhibit "A" of this contract. For all purposes of this contract, "timber sale area" shall be understood to mean the area or the areas designated as such on Exhibit A and located on the ground by reference to legal subdivisions, monuments, natural land features, improvements, or sale boundary signs.

PURCHASER shall be exclusively responsible for any taking of timber, infliction of damage, or trespass beyond the boundaries of the timber sale area resulting from any activities of PURCHASER. Any trespass

resulting from the acts or omissions of PURCHASER will be deemed a breach of this contract. For said trespass and breach, PURCHASER shall pay the COUNTY the following damages:

- (a) Treble the contract value, as defined in Section 45, "Log Prices," for each species involved in the trespass, if purchaser's acts or omissions are willful or intentional or;
- (b) Double the contract value, as defined in Section 45, "Log Prices," for each species involved in the trespass, if purchaser's acts or omissions are not willful or intentional.

Section 40. Designated Timber. In accordance with Section 1, the following is designated timber.

- (a) All trees over eight inches (8") in diameter at breast height inside the timber sale area.
- (b) Trees marked with orange paint or posted with boundary signs or similar COUNTY signs are reserved from cutting, unless instructed otherwise by the COUNTY.

Section 41. Protection of Markings and Monuments. PURCHASER shall not remove, alter, damage, or destroy any signs, posters, markings, land survey corners, witness trees, or corner reference tags pertaining to the timber sale or land survey. Should such damage or disturbance occur, PURCHASER shall report it to COUNTY within 24 hours of the incident, and shall prevent any further damage or disturbance from occurring. PURCHASER shall be responsible for the re-establishment of legal subdivision markers or monuments damaged by purchaser's activities. COUNTY may reestablish such markers or monuments and bill PURCHASER for the expense incurred.

In the event it is necessary to disturb any legal land survey corner in order to conduct any activity under this contract, PURCHASER shall notify COUNTY. PURCHASER shall not disturb any corner until COUNTY has referenced or otherwise preserved the corner.

Section 42. Simultaneous Use of Area. COUNTY reserves the right to issue written authorization to others to use the timber sale area or access roads provided that, in the determination of COUNTY, such use will not materially interfere with the operations of PURCHASER. During the period of this contract, COUNTY reserves the right to sell any products or materials from the timber sale area, provided that the products or materials are not covered by this contract and that removal will not materially interfere with the operations of PURCHASER. PURCHASER shall not interfere with the use of roads by other authorized users. PURCHASER shall not be held liable for any acts, omissions, or neglect of authorized simultaneous users.

PAYMENTS AND ACCOUNTABILITY

Section 43. Payment Schedule. The purchase price for timber sold under this contract shall be paid in advance as follows:

The first payment shall be paid within 30 days of the sale award or before operating, whichever is first. First payment shall be 20 % of the total estimated bid value. The total estimated bid value will be the sum obtained by multiplying estimated timber volumes by the prices given in Section 45 (including the estimated value of no bid species). Cash bid deposits will be applied to the initial payment.

Subsequent payments shall be made in advance of timber removal, and as described in the payment schedule. The total estimated bid value is the sum obtained by multiplying estimated timber volumes by the prices given in Section 45 (including the value of hardwoods).

PAYMENT SCHEDULE:

- (a) Logging progress payments shall be made by PURCHASER for timber removed under this contract in a manner that maintains at all times a 20% reserve until the bid price is paid. Logging progress payments will be determined by scale reports as required in Section 47 of the Contract, or as determined by the County Forester.

- (b) Regardless of logging progress, the following payment schedule shall be met:
 - 1. Twenty percent (20%) of the bid price must be paid at the time of contract signing. The bid deposit, if cash or check, shall apply to this payment.

 - 2. An additional twenty percent (20%) of bid price, including logging progress payments, must be paid by June 30, 2013.

 - 3. The total bid price (based on the County cruise), must be paid by November 30, 2013.

Total purchase price shall be calculated **AFTER** all log scale is reported by multiplying prices in Section 45 by scaled volume. COUNTY will refund any advance payment in excess of total price, or PURCHASER shall pay any deficit within 10 days of notice.

Section 44. Payments and Interest. Payments required of PURCHASER by this contract or modifications of this contract shall be received by COUNTY within the time period stated on the instrument requesting payment from PURCHASER.

Payments received after the due date stated on the billing instrument may be subject to an interest charge. The interest rate applied to overdue payments will be the prime interest rate in effect on the day the payment became delinquent, as established by US Bank, Ladd and Bush Branch, plus four percent (4%). Interest will be calculated from the date of the original billing to the date payment is received by the COUNTY Forest Program Forester.

Section 45. Log Prices. The following price schedule shall apply for all designated timber; and payment shall be for NET log scale, unless noted.

Log prices shall be:

Douglas-fir	\$ 513.00
Hemlock, noble fir and grand fir	\$ 382.00
Red alder	\$ 200.00
Big leaf maple	\$ 50.00
Western red cedar	\$ 625.00
Utility logs, adjusted gross scale.	\$ 50.00
Pulp by weight	\$ 5.00 /ton
Conifer species not named will be the same price as hemlock.	
Hardwood species not named will be the same price as big leaf maple.	

Section 46. Log Removal. All logs defined below shall be removed as designated timber under this contract, at prices given in Section 45.

- (a) Any conifer log that conforms to grading rules for peeler or sawmill grades and meets or exceeds both of the following minimum requirements: five inches (5") in gross scaling diameter, containing ten (10) board feet (net).

- (b) Any conifer log that meets the specifications of utility grade or special cull grade.

- (c) Any hardwood log containing twenty or more (20) board feet.

For purposes of log removal requirements, minimum net log volume shall be determined by the net volume of the full log length rather than the volume of individual segments.

Other logs may be removed from designated timber sale area under this contract at prices given in Section 45.

Log grades are defined in the Official Log Scaling and Grading Rules published by the Northwest Log Rules Advisory Group in effect at the time logs are scaled.

PURCHASER shall not deliberately buck logs to reduce log sizes to less than minimum requirements for merchantable logs, and shall take reasonable precautions to prevent breakage losses in felling and yarding. Log lengths shall be adjusted to secure the most utilization of merchantable timber.

Section 47. Log Accountability By Log Load Receipts. PURCHASER shall completely and accurately fill out all portions of a multipart, serially numbered log load receipt before each truck leaves the landing area. PURCHASER shall require the truck driver of each load of logs to sign the woods receipt. PURCHASER shall staple the load receipt and scaler receipt parts to the load as instructed on the log load receipt directions and as directed by COUNTY. PURCHASER shall require the scaler to record the log load receipt number on the scale ticket that is signed by the scaler, and to attach the scaler receipt part to a copy of the scale ticket and mail to COUNTY on the date scaled.

COUNTY will issue PURCHASER sufficient books of serially numbered log load receipts to cover not over 30 days of operation, as determined by COUNTY. PURCHASER shall sign a receipt for each book of receipts and be fully accountable for all serially numbered woods and scaler receipts tickets. PURCHASER shall retain all woods receipts in each book and return to COUNTY as soon as all receipts in each book have been used. Unused books or portions of books shall be returned to COUNTY during sale inactivity over 30 days, and at the completion of timber removal from the sale area.

PURCHASER shall account for each and every serially numbered log load receipt, and shall pay damages to COUNTY for all log load receipts not accounted for by proof of scaling. Damages shall consist of full stumpage rate for each missing receipt, on the basis of average volume of the ten (10) largest loads of logs scaled from the sale area, charged at the highest species rate.

PURCHASER shall not intermingle COUNTY timber or logs designated by this contract with any other timber or logs before log scaling occurs, unless otherwise approved by COUNTY.

Section 48. Log Measurement.

Scaling Locations, Rules, and Organizations. All logs from timber sold under the terms and conditions of this contract shall be:

- (a) Scaled at the closest multiple scaling location to the timber sale area, unless otherwise approved by COUNTY;
- (b) Scaled at scaling locations approved by COUNTY;
- (c) Scaled by a third-party scaling organization with a current agreement with COUNTY; and

- (d) Scaled using the Official Log Scaling and Grading Rules (as adopted by the Northwest Log Rules Advisory Group) and COUNTY special service scaling instructions in effect at the time the logs are scaled. Utilization scale shall be handled in accordance with Section 52. Scaling of hardwood loads is required.

PURCHASER shall enter into a written agreement with a third-party scaling organization for the scaling of logs removed from the timber sale area. PURCHASER shall furnish COUNTY with a copy of the scaling agreement upon request. Logs shall not be delivered unless an authorized third-party scaling organization scaler is available to scale load.

PURCHASER shall provide COUNTY with remote check scaling opportunities for logs scaled under this contract.

In the event scaling is suspended for any reason, hauling operations shall be immediately suspended until approved alternate scaling services are provided, or service by the scaling organization is resumed.

Cost of Scaling. All costs of scaling and all costs in connection with reports furnished and delivered to COUNTY shall be paid by PURCHASER.

PURCHASER shall require the scaling organization to furnish copies each week to COUNTY of all scaled certificates showing gross and net volumes, by species and grade, of all logs scaled during the week. Upon request by COUNTY, PURCHASER shall also require the scaling organization to furnish and attach a log detail listing to each weekly scale certificate showing all COUNTY logs included on the certificate.

Scaling Instructions. PURCHASER agrees that COUNTY will provide instructions to the approved third-party scaling organization for the scaling practices to be used for timber removed from the timber sale area. Instructions will conform to the terms of this contract, including special scales as necessary. PURCHASER shall acknowledge and sign such instructions and will receive a copy.

Minimum Products Specifications and Special Scale information are shown in Section 46.

Logs Damaged During Handling. Mechanical damage to logs shall be prevented during log loading, unloading, and roll-out. Deductions for damage occurring during these operations will not be allowed.

Add-Back Volume. Scaling deduction for deterioration due to abnormal delay in removal of logs from the sale area will not be allowed in determining net volume. Volume of material deteriorated due to delay in removal will be reported to COUNTY and paid for at the contract price. Cost for separate reports shall be paid by PURCHASER.

Conversion Factors. COUNTY may approve the use of appropriate conversion factors, sample scaling techniques, and measurement by weight when such methods are a more practical means to measure the timber and logs sold by this contract. Measurement for converting factors, random sample determination, and weighing of the products shall be done by an approved independent third party or COUNTY employee.

Section 49. Log Branding. Every log removed from the timber sale area by PURCHASER shall be clearly branded using COUNTY Brand, CC 3, and painted with a minimum two inch (2") diameter spot of HIGHLY VISIBLE GREEN paint, (supplied by PURCHASER, brand of paint approved by the County), unless otherwise approved in writing by COUNTY. Paint should be applied on both ends of the logs if possible. COUNTY may issue PURCHASER one or more branding hammers registered to COUNTY. PURCHASER shall use only those brands issued or approved by COUNTY for timber sold under this contract. Only those brands issued by COUNTY for use on timber sold under this contract shall be allowed on the sale area at any time.

When branding and painting of all logs is impractical because of the small size of the logs and number per load, COUNTY may give written authorization for use of a combination of brands and paint. In this case, at least half of the logs shall be branded, and all logs shall be painted with a minimum two inch (2") diameter spot of HIGHLY VISIBLE GREEN paint.

In addition, PURCHASER shall brand and paint all logs left singly or in decks along rights-of-way, and shall brand and paint all logs yarded and left on landings after termination of operations each day. PURCHASER shall make every effort to remove logs from roads or landings within a reasonable period of time, and agrees to notify COUNTY in advance of intention to leave logs decked along roads or on landings for more than 96 hours. COUNTY may scale such decked logs, and PURCHASER shall be responsible for the costs of such scaling and for any loss due to theft or deterioration.

When the brand registered to COUNTY is issued, PURCHASER agrees to sign a receipt for those branding hammers and to return them in good condition within 14 calendar days of completion of log hauling. PURCHASER shall pay a fee of \$50 to COUNTY for each branding hammer returned to COUNTY in damaged and unusable condition, or \$100 for each branding hammer not returned within the time specified by COUNTY.

Section 50. Hauling and Operating Time Restrictions. PURCHASER shall not haul logs from the sale area on weekends, COUNTY-observed holidays, or outside the hours of 5:00 a.m. to 6:00 p.m. daily, without notification and approval by COUNTY. Trucks hauling logs through residential areas shall minimize the use of exhaust brakes, especially before 8 AM.

Section 51. Route of Haul. PURCHASER shall furnish to COUNTY, at the time of making request for scaling approval, a map showing the scaling location and the precise route of haul which will be used to haul logs from the sale area to the scaling location. Such route of haul will be the most direct haul route between the two points, unless another route is approved by COUNTY. The route of haul may be changed only with advance notice to and approval by COUNTY.

Upon loading at the sale area, a log load shall be directly hauled to an approved scaling location, if required to be scaled. No storing of log loads for delayed delivery will be allowed, without prior approval from COUNTY.

Section 52. Utilization Scale. COUNTY shall scale logs or portions of logs that are broken, wasted, or not removed by PURCHASER due to:

- (a) Improper felling or bucking of the logs;
- (b) Failure to remove the logs prior to deterioration; and
- (b) Logs remaining on the sale area after completion of logging, provided the logs were merchantable prior to breakage or wastage. PURCHASER shall pay for the logs at the contract price designated in Section 45. COUNTY shall notify PURCHASER of the volume of logs so scaled. Payment shall be considered due on such volume as if the logs were removed on the date of said notification.

In the event PURCHASER disagrees with the findings made by COUNTY under this section, PURCHASER may furnish scaling by a third-party scaling organization acceptable to COUNTY. Costs and expenses of such third party shall be paid for by PURCHASER, and the findings of the third party shall be final.

Section 53. Special Products. PURCHASER shall not sell special products from the sale area, or allow firewood, shake, or post cutting, or any other special product manufacturing on the sale area without prior written approval of COUNTY. If COUNTY grants approval for special product manufacturing, PURCHASER shall make

satisfactory arrangements for measurement of the products. Special products are any products not in log form manufactured from material having a price under the contract.

Section 54. Access. PURCHASER shall use the roads shown or indicated on Exhibit A for access to the timber sale area and project locations. If PURCHASER desires to use an alternative route, it will be Purchaser's responsibility to secure that access and obtain written COUNTY approval for the route. The use of access roads shall be limited to that necessary to carry out the terms and provisions of this contract. Except as otherwise provided for in this contract, PURCHASER shall have the right of access over, in, and through the timber sale area for the purpose of cutting and removing the timber or performing the work to be done. PURCHASER in so using, improving, or constructing roads shall at no time have an interest in the land, other than the right of access. PURCHASER shall comply with all applicable terms and conditions of any access documents described in the provisions of this contract, which are by this reference made a part of this contract.

Section 55. Road Maintenance. Purchaser's responsibility for normal road maintenance commences with Purchaser's first use of a road for any activity under the contract. Purchaser's responsibility will continue through any active periods until final acceptance of the road maintenance for this sale is made by COUNTY.

Normal road maintenance applies to all existing roads used for any activity under this contract. A road which is constructed or reconstructed by PURCHASER shall assume the status of an existing road upon acceptance in writing by COUNTY.

Normal maintenance includes work needed to protect the road from seasonal weather damage, restore damage caused by road use, and safeguard soil, water, and drainage structures, as follows:

- (a) PURCHASER shall maintain the existing cross section of dirt or graveled roads by blading and shaping the surface and shoulders. Banks shall not be undercut. Established berms shall be maintained. Additional berms shall be placed where needed to protect fills. COUNTY may require cross ditching on certain roads.
- (b) PURCHASER shall perform all cleanups including the removal of bank slough, minor slides, and fallen timber. This material shall be deposited at a location identified by COUNTY. PURCHASER shall replace material eroded from fill slopes and clean out drainage ditches and culverts.
- (c) PURCHASER shall patch and place additional rock on gravel road surfaces as necessary to repair damage and restore the road, as requested or directed by the COUNTY.
- (c) PURCHASER shall remove brush or tree growth which encroaches on the road and develops during the contract period. Herbicides may be used only with written authorization of COUNTY.

While performing normal road maintenance work, PURCHASER shall not contaminate gravel or bituminous road surfaces by covering or mixing earth or debris from ditches, slides, or other sources. PURCHASER shall not blade any of the surface road material from the roads.

While performing logging operations, PURCHASER shall minimize damage to ditches, cut banks, fill slopes, and road surfaces. Where damage does occur, PURCHASER shall restore the road to its original condition, as directed by COUNTY.

All roads in the sale area shall be kept free of obstructions and maintained in a condition that permits ongoing travel during the operation, unless otherwise approved by COUNTY.

Prior to any inactive periods, drainage systems on the roads and landings will be reestablished so that:

- (a) Exposed soil will not erode into waters of the STATE; and
- (b) Drainage water will not saturate fills.

During active periods, PURCHASER is responsible for maintenance needs that are caused by public use of the road and that can be accomplished under the terms of normal maintenance. Upon written approval from COUNTY, PURCHASER may restrict use of the roads by others. Measures may include signing, gating, or blocking off the road. Approval of measures by COUNTY does not relieve PURCHASER from normal maintenance responsibilities during active periods in the event that such measures do not restrict vehicular traffic.

Upon written acceptance of road maintenance at the end of the active period, PURCHASER will not be required to perform normal road maintenance during the inactive period. Upon resuming activity, PURCHASER shall resume maintenance.

HARVESTING OPERATIONS

Section 56. Felling. PURCHASER shall comply with the following requirements for felling:

- (a) Fell all trees within the sale area EXCEPT trees marked with fresh orange paint.
- (b) Tractor skid roads and loader roads will be designated on the unit prior to any felling. All skid roads and landings shall be marked on the setting by PURCHASER and approved by COUNTY PRIOR to felling of these skid-road and landing-marked trees. Rub trees shall be removed after logging of the setting has been approved by COUNTY.
- (d) Trees shall not be felled across timber sale boundaries, unless authorized in writing by COUNTY. Any trees that fall across sale boundaries shall be yarded back into the sale area prior to limbing or bucking.

Section 57. Protection of Soil. In those sale areas, or portions thereof, where ground yarding has been approved in the Operations Plan, PURCHASER may use ground yarding equipment, cable systems, or a combination of these for yarding logs, subject to the following restrictions.

- (a) When ground yarding is used, PURCHASER must use the type of ground yarding equipment as specified in SPECIAL CONDITIONS, Section 63. However, PURCHASER must limit skid roads and trails used to ten percent (10%) or less of the ground yarded area and restrict equipment operations to these skid roads and trails.
- (b) Preexisting openings within the stand, existing skid roads and/or trails shall be used whenever possible; and soil disturbance, or construction of new skid roads and trails shall be limited to that necessary to log the area. Total area of soil disturbance of old and new skid roads and trails used shall not exceed ten percent (10%) of the ground yarded area.
- (c) Ground yarding equipment shall not operate under conditions where soils are rutted or excavated to a depth of eight inches (8") or more.
- (d) Ground yarding equipment shall not operate on slopes greater than 35 % without written approval of COUNTY. Written approval may be granted on slopes exceeding 35 % when, in

the opinion of COUNTY, Purchaser has provided a ground logging plan that protects the site from damage..

- (e) Ground yarding will be permitted on haul roads, only when authorized by the COUNTY in writing.
- (f) Prior to the beginning of felling operations, PURCHASER shall mark the locations, on the ground, of all major skid roads, subject to COUNTY approval. Felling shall be "to lead" to those marked trails and those trail locations adhered to, unless otherwise approved in writing by COUNTY.

If the above conditions are not met by PURCHASER, COUNTY at its option reserves the right to require either or both of the following:

- (a) Suspend yarding, require PURCHASER to mark skid trails and roads on the ground, and obtain prior approval before resuming yarding activities.
- (b) Suspend yarding during portions of the year when soil moisture is critical as determined by the COUNTY.

Time lost while COUNTY exercises any of the above options shall be considered cause for contract extension.

Section 58. Damage to Reserved Trees. Reserved trees are those trees on the timber sale area, or on adjoining COUNTY property, which are not sold to nor are to be cut by PURCHASER. If damage to reserve trees occurs and is determined unavoidable by COUNTY, or results from activities approved in the Operations Plan, then no charge will be made for damage.

If Purchaser's activities result in avoidable damage to reserved trees as determined by COUNTY, PURCHASER shall pay for such trees at the following rates:

- (a) Single the contract value shall be paid when:
 - (1) "Minor damage" to reserve trees occurs during the course of normal logging. Minor damage is defined as bark removed down to the cambium layer of a tree, such removal affecting at least twenty-four (24) square inches, but less than damage defined as "major damage."
 - (2) Trees must be cut in order to facilitate contract operations, or for safety around landings, as approved in writing by COUNTY.
- (b) Double the contract value shall be paid when:
 - (1) "Major damage" to reserved trees is caused by operations of PURCHASER. Major damage is defined as bark removed down to the cambium layer over an area of the bole which has one dimension (height or circumference) greater than the diameter of the tree, or any visible bark removal on the tree roots.
 - (2) Tree top is knocked out.
 - (3) More than 50 % of live crown is removed.
- (c) Treble the contract value shall be paid when: *Not Applicable.*

For each species sold on a recovery basis, contract value is defined as the price per MBF listed in Section 45.

For species sold on a lump sum basis, the contract value for each species shall be determined by using county's timber appraisal value (prior to amortization of project costs), multiplied by the bid-up factor for the sale.

COUNTY may direct damaged trees to be left. In that case, payment for damage to reserved trees will be reduced by single the contract value of such trees.

The payment for reserved trees shall not release PURCHASER from liability for other damage to the property of COUNTY.

If more than ten percent (10%) of the conifer reserved trees suffer "minor damage," or if any conifer reserved trees suffer "major damage" as defined, COUNTY reserves the right to:

- (a) Suspend felling and/or yarding until corrective measures have been agreed upon by COUNTY and PURCHASER.
- (b) Require limitations on log length and/or the number of logs in each yarding turn.
- (c) Specify the size and type of equipment to be used.

Section 59. Damage to Reforested Areas. PURCHASER shall take all necessary precautions to minimize damage to reforested areas adjacent to, within, or nearby the sale area. Should purchaser's activities damage reforestation areas shown on Exhibit A, COUNTY shall determine the extent of the damage, and PURCHASER shall reimburse COUNTY \$1,200 per acre, or \$ 3.00 per tree for the damage.

Section 60. Fire Trails. NO fire trails are required for this sale.

Section 61. Project Work. PURCHASER shall complete the following projects in accordance with specifications provided and instructions from COUNTY. Project locations are shown on Exhibit A unless otherwise described. PURCHASER shall furnish all material unless otherwise specified.

- (a) Purchaser shall deliver 50 tons of firewood logs to Barton Park as required by Section 70.
- (b) Purchaser shall build a single lane, dirt road from the end of the 30 road to a point on the 45 road, as shown on Exhibit A and marked on the ground with blue ribbon on the centerline. The road shall be suitable for log truck traffic in an east to west direction (downhill). Trees that must be removed to construct the road shall be part of the volume to be removed under this contract.
- (c) Purchaser will be expected to build access roads from the 30 Road into the East Unit of this sale. The most likely route is shown on the Exhibit A but COUNTY will consider other routes should Purchaser chose to propose them. Trees that must be removed to construct such roads shall be part of the volume removed under this contract.

There are no other projects required by this contract.

PURCHASER shall comply with all applicable terms and conditions of any access documents set forth in the provisions of this contract, which are by this reference made a part of this contract. The following access documents pertain to this contract.

.....SPECIAL CONDITIONS.....

SECTION 62. Tractor Yarding. Tractor yarding shall not be used on slopes over 35 %. Unless approved by COUNTY.

SECTION 63. Yarding Equipment. **TRACTOR YARDING AREA:** PURCHASER will use a COUNTY APPROVED, track laying, shovel yarding system using machinery that is appropriate in size for the job. Tractors may be used for skidding only if approved by COUNTY.

WHEELED SKIDDER SPECIFICATIONS: Wheeled skidders are not desired and may be used only with written County approval, which is revocable if in the sole opinion of County the skidders are causing excessive damage to COUNTY property..

CABLE YARDER SPECIFICATIONS. If a cable yarder is necessary, Purchaser shall provide a cable yarding side that is appropriate for the size of the job and the size of existing landings. Cable can be hung outside the sale area in order to get proper deflection, however, at no time may Purchaser trespass upon the property of another owner unless a separate agreement is reached between said owner and Purchaser. Damage to areas outside the sale area shall be kept to a minimum and repaired by Purchaser to COUNTY satisfaction. Cable roads through stream buffers shall be kept to a reasonable minimum.

SECTION 64. Loading Equipment, Landing Location & Construction. A track mounted hydraulic loader is recommended for loading trucks on this sale. Construction of landings is not desired. Any trees cut outside the sale area other than a modest widening of the existing rights-of- way, as determined by the COUNTY, will be charged DOUBLE stumpage as determined by the COUNTY.

SECTION 65. Snag Felling, and Hardwood Tree Cutting. PURCHASER may ONLY fell snags located on COUNTY property, which are a direct safety threat to logging personnel, or are required to be felled for fire protection or fire hazard reduction. COUNTY, at its option, may require PURCHASER to fall conifer or hardwood whips in the units.

SECTION 66. Branding Hammers. If the COUNTY branding hammer is not returned in good usable condition, \$50 will be deducted from the performance bond prior to returning the bond after complete compliance by PURCHASER with the terms and conditions of this contract.

SECTION 67. Wood Cutting. NO "firewood" cutting, "shake", or "shake bolt" making will be allowed on COUNTY property by PURCHASER, or his representative, unless the PURCHASER, or employees of the operator have in their possession a valid CLACKAMAS COUNTY WOOD CUTTING PERMIT. All material not hauled off the sale area by the PURCHASER at the completion of sale is COUNTY property.

SECTION 68. Gate Closure. All gates accessing the COUNTY land will be closed and locked evenings, weekends, and any time there are no operations or use of the road under this contract.

SECTION 69. Post Sale Requirements. Where slopes allow, PURCHASER shall loader or shovel pile all slash and brush following harvest activities. Piles shall be free of dirt and rock. To the degree reasonably possible,

piles shall be few in number and tall so that they will burn well.. Except for landings, areas logged with cable yarding machines need not be piled.

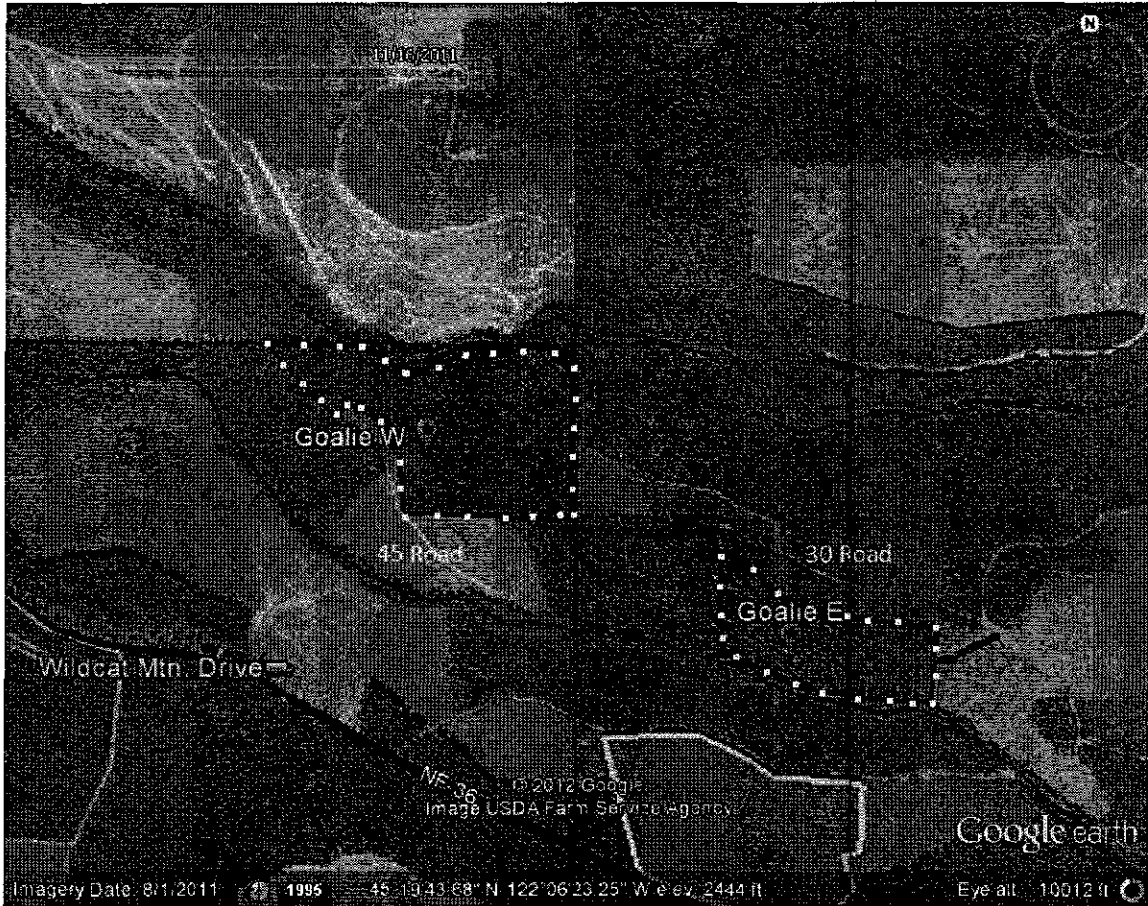
SECTION 70. Firewood PURCHASER shall deliver 50 tons of fir, hemlock, alder or maple logs to Barton Park for use as firewood. Logs may be of any length and size but shall be sound. Logs shall be set on the ground by PURCHASER at a location in Barton Park designated by COUNTY.

SECTION 71. Other Uses of Purchaser's Equipment. COUNTY may require PURCHASER to do other work in the general area of the sale using equipment already on site. COUNTY shall pay PURCHASER \$100 per hour for full-sized excavators or loaders and shall pay \$75 per hour for wheeled and tracked tractors, inclusive of operators.

Exhibit "A"
Goalie Timber Sale
Portions of Sections 7 & 8, Township 3 South, Range 6 East, W. M.
Clackamas County, Oregon

Scale: 1 inch equals 880 feet

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INVITATION TO BID

Notice is hereby given that Clackamas County, through its Board of County Commissioners, will receive sealed bids until **2:00 p.m., Thursday, February 14, 2013** in the Office of the Purchasing Manager, Clackamas County Public Service Building, 2051 Kaen Road, Oregon City, Oregon 97045, for the following:

"GOALIE TIMBER SALE -- #02-13"

as per specifications available at Clackamas County Purchasing, 2051 Kaen Road, Oregon City, Oregon, office hours 7 AM to 6 PM Monday through Thursday. No bids will be received or considered after that time.

Each bid must contain a statement as to whether the vendor is a resident vendor, as defined in ORS 279A.120. The Contractor or sub contractor is not required to be licensed under ORS 468A.720. This is not a public work contract subject to ORS 279C.800 to 279C.870 or the Davis-Bacon Act (40 U.S.C. 3141 et seq.). The bidder is not required to be licensed under ORS 468.883. No bid for construction contracts will be received or considered by the County unless the respondent is registered with the Construction Contractors Board or licensed by the State Landscape Contractors Board as required by ORS 671.530.

The County is selling 68 acres of timber in two units with approximately 2.3 million board feet (MMBF) of timber (1.4 MMBF Douglas-fir, 0.7 MMBF white wood, 0.12 MMBF cedar). The timber is in the Wildcat Mtn. area southeast of Sandy, Oregon.

Sealed bids are to be sent to Lane Miller - Purchasing Manager, Clackamas County Purchasing, Clackamas County Public Service Building, 2051 Kaen Road, Oregon City, Oregon 97045, (503) 742-5444.

The Clackamas County Board of County Commissioners reserves the right to reject any and all bids not in compliance with all prescribed public bidding procedures and requirements, and may reject for good cause any and all bids upon the finding that it is in the public interest to do so and to waive any and all informalities in the public interest. In the award of the contract, the Board of County Commissioners will consider the element of time, will accept the proposal or proposals which in their estimation will best serve the interests of Clackamas County and will reserve the right to award the contract to the contractor whose bid shall be best for the public good.

DATED this 16th day of January, 2013

Lane Miller, Purchasing Manager

NOTICE OF TIMBER SALE

The Clackamas County Forester will accept sealed bids for certain designated timber.

Time and Place of Bid Opening: 2:00 p.m. February 14, 2013 at the Clackamas County Purchasing Department office, Room 497, 2051 Kaen Road, Oregon City, OR 97045 Oregon

Sale Number: 02-13

Sale Name: Goalie Timber Sale

Located in: Portions of Sections 7 & 8, T. 3 S., R. 6 E., W.M.

Completion Date of Contract: November 30, 2013

BID SPECIES

		<u>Minimum Price</u>
Douglas Fir	1,410 MBF	\$375.00 per MBF
Hemlock/White fir	737 MBF	\$325.00 per MBF

NO BID SPECIES (non-negotiable)

Western Red Cedar	123 MBF	\$625.00 per MBF
Red Alder	Negligible	\$200.00 per MBF
Big Leaf Maple	Negligible	\$ 50.00 per MBF
Utility	Negligible	\$ 50.00 per MBF gross
Pulp	Negligible	\$ 5.00 per ton

How to Bid: Price per MBF for EACH bid species. Price for no-bid species will remain as shown. HIGH bid will be based on total price of all species based on the COUNTY cruise. Total contract price will include all species.

Bid Deposit: Bid deposit is \$85,000.00.

Bond: 20% (to the nearest \$1,000.00), of the total purchase price, based on the total price of all species according to the County cruise.

Insurance: Please see attached sheets.

Minor Project Work: Slash and brush on ground-yarded portions of all units will be loader piled after the harvest. 3000 feet of low-standard truck road will be built. 50 tons of firewood logs (no cottonwood) will be delivered to Barton Park.

Yarding and Logging Requirements:

Approximately 68 acres of total harvest. Perhaps all can be loader harvested but that will require a plan approved by County. The alternative is about 30 acres of cable harvest and 38 acres of loader harvest. Acreage is an estimate and Purchaser should make its own determination.

Contract provisions for this timber sale are enclosed for your study, and additional copies may be obtained at the Clackamas County Purchasing Department office at the address below.

Make sure that checks or money orders for bid deposits be made payable to "Clackamas County". The deposits are considered as evidence of good faith. The high bidder's deposit is applied to the first sale payment or retained as liquid damages in case of failure to qualify under terms of the contract within 30 days after sale award. Other deposits are returned.

If you are the successful bidder, the County Forester will send you a "Notice of Sale Award" and a contract shortly after the auction. To qualify for the sale, you must return four (4) copies of the contract with the proper signatures and also submit an insurance certificate and performance bond as specified in the contract, all within 30 days of the award notice. No operations are permitted on the sale area before the bond and insurance are accepted, and Clackamas County executes the Contract.

Clackamas County makes no guarantee as to the quantity, quality or value of the timber to be sold; it also reserves the right to waive minor technicalities and the right to reject any or all bids.

**NARRATIVE ROUTE TO TIMBER SALE # 02-13
"GOALIE TIMBER SALE"**

This sale is located southeast of Sandy, Oregon. Access to the area is from Wildcat Mtn. Drive, a county road. Other County-owned forest roads are available for Purchasers use.

From Sandy, OR travel approximately 2 miles east on U. S. Highway 26 to Shorty's Corner, the intersection of Hwy 26 and Firwood Road. Turn right on to Firwood Road and travel about 3 miles south to the intersection with Wildcat Mountain Drive. Turn left on to Wildcat Mtn. Drive. About 4.75 miles up Wildcat Mtn. Drive a small lake, Hope Lake, will be on the left.

To get to the sale area, go 3 miles past Hope Lake on Wildcat Mtn. Drive. Go through the yellow County gate #30 and travel another mile. The East unit is on the left, below the road. The West unit can be accessed by walking the flagged route of the truck road about ¼ mile or it can be accessed through Longview Timber's blue 45 gate.

Longview's blue 45 gate is located about 2 miles from Hope lake on the left side of the road. Go through the gate and follow the road to its end, about 1 mile. The West unit is to the left (north) of the road along the last ½ mile of the road. In order to get through the 45 or the 30 gate, you will need to obtain a "Timber Sale" or "S" key from the County Forest Program, on the fourth floor of the Development Services Building, 150 Beavercreek Road, Oregon City, OR 97045. If you have a County Timber Sale key from an earlier sale (not older than 2012), that key will work.

Look for blue and white candy stripe ribbon at the start of the unit. The harvest unit boundaries are marked with pink ribbons, pink paper tags, and white Timber Sale Boundary tags.

**II INFORMATION FOR TIMBER SALE # 02-13
"GOALIE TIMBER SALE"**

Prospective PURCHASER'S are strongly advised to review a copy of the CONTRACT for timber sale # 02-13. If you do not have one, copies are available at the office of the County Purchasing Manager, located on the fourth floor of the County's Public Service Building, 2051 Kaen Road, Oregon City, Oregon, 97045

YARDING EQUIPMENT: PURCHASER must use a County-approved logging systems to yard this sale.

This Timber Sale has 2 clear cut units of approximately 22 and 46 acres. About 3,000 feet of low-standard road construction is required, but it is expected that Purchaser will also want to build short spur roads to facilitate hauling. The gravel and dirt roads that access the units must be maintained to their existing condition and care should be taken to protect Wildcat Mountain road. New roads will need to be maintained to a similar condition. Unless otherwise approved by County, ground based yarding is only allowed from May 1 to November 1 in order to prevent soil and road damage. This may be waived if conditions warrant. Roads may be plowed to remove snow at Operator's expense. Slash must be loader-piled where the slope of the ground allows track-mounted shovels to work.

INSURANCE: PURCHASER shall furnish the COUNTY, at the time of Contract signature, evidence of Commercial General Liability insurance, not less than \$1,000,000; Loggers Broad Form, property "B", in the amount of not less than \$1,000,000; and \$1,000,000 of Automobile Liability, with a combined single limit for personal injury and property damage coverage for the protection of the COUNTY, its officers, commissioners and employees against liability for damages because of personal injury, death, damage to property, including loss of use thereof, in any way related to this contract.

PAYMENT SCHEDULE:

(1) Logging progress payments shall be made by PURCHASER for timber removed under this contract in a manner that maintains at all times a 20 percent reserve until the bid price is paid. Logging progress payments will be determined by scale reports as required in Section 47 of the Contract, or as determined by the County Forester.

(2) Regardless of logging progress, the following payment schedule shall be met:

a. Twenty percent (20%) of the bid price must be paid at the time of contract signing. The bid deposit shall apply to this

payment if it is Cash.

b. An additional twenty percent (20%) of bid price including any logging progress payments must be paid by June 30, 2013.

c. The total bid price (based on the County cruise) must be paid by November 30, 2013.

PAYMENT AND PERFORMANCE BOND REQUIREMENTS: PURCHASER shall furnish County with a performance bond in the amount of 20% (to nearest \$1,000) of the total purchase price, based on the total price of all species according to the COUNTY cruise. Bond may be in Cash (to be held by the County Treasurer), assignable savings account, irrevocable letters of credit, other securities determined acceptable by the County, or surety bond written by a surety company authorized to do business in the State of Oregon.

FEDERAL LAW CONCERNING LOG EXPORTS: The federal Forest Resource Conservation and Shortage Relief Act of 1990 applies to Clackamas County timber sales. The export of unprocessed timber from County land is prohibited pursuant to the CLACKAMAS COUNTY LOG EXPORT ORDINANCE, Board Order #92-484. Bidders must comply with the provisions of the CLACKAMAS COUNTY LOG EXPORT ORDINANCE in disposing of timber from this sale.

BIDS for this timber sale must be on the COUNTY BID FORM that is attached or available from the County Forester. Bids on any other form will not be considered.

SEALED BID FORM
SEALED BID FORM RECOVERY (CUT OUT) TIMBER SALE AGREEMENT
"Goalie" Timber Sale # 02-13

Ladies and Gentlemen;

The undersigned _____,

a _____, of _____

(corporation, partnership, individual, state) does hereby offer pursuant to your Prospectus, to purchase from CLACKAMAS COUNTY the timber designated for cutting and known as "Goalie Timber Sale, # 02-13" for the following prices:

SPECIES	ESTIMATED VOLUME (MBF)	STUMPAGE BID \$ per MBF	ESTIMATED VALUE
Douglas-fir	1410	\$ _____	\$ _____
Hemlock/White fir	737	\$ _____	\$ _____
No Bid Species			
Western Red Cedar	124 MBF	\$625.00	\$77,500.00
Red Alder	Negligible	\$200.00	\$ 0.00
Big Leaf Maple	Negligible	\$ 50.00	\$ 0.00
Pulp	Negligible	\$5.00 per ton	\$ 0.00
TOTAL ESTIMATED VALUE =			\$ _____

Enclosed is cash, certified check, cashiers check, money order, or surety bond, (Surety Bond must be executed on a standard form), in the amount of \$85,000.000.

Resident Contractor, as defined in ORS 279A.120 Non-Resident Contractor, Resident State: _____

I, the undersigned certify that the bidder has not discriminated against minority, women, or emerging small business enterprises, or a business enterprise that is owned or controlled by or that employs a disabled veteran, in obtaining subcontracts.

It is acknowledged that CLACKAMAS COUNTY reserves the right to reject any and all bids.

DATED this _____ day of February, 2013

By: _____

Title: _____

Address: _____

Phone: _____

Bids must be received at the Clackamas County Purchasing Office, 2051 Kaen Road, Oregon City, OR 97045, Prior To 2:00 PM February 14, 2013

Faxed Or Emailed Bids Cannot Be Accepted

TIMBER SALE CONTRACT

Fore Timber Sale Contract No. 03-13

This contract, made and entered into triplicate this _____ day of _____, 2013 by and between **CLACKAMAS COUNTY**, hereinafter called "COUNTY," and High Cascade Inc., hereinafter called "PURCHASER," which parties do hereby agree as follows:

Section 1. Sale of Timber. Under the terms and conditions of this contract, COUNTY sells to PURCHASER, and PURCHASER buys from COUNTY, that timber designated and described in Section 40, which timber for all purposes of this contract is hereinafter referred to as "timber." The location of designated timber is shown on Exhibit A. PURCHASER shall pay COUNTY the "purchase price for timber" set forth in Section 45. The purchase price shall be paid to COUNTY in accordance with the payment schedule in Section 43.

This is a sale of timber from "Public lands" as defined in ORS 526.801(5) and may not be exported. The Forest Resources Conservation Amendments Act of 1993 authorizes Oregon and other western States to prohibit the export of unprocessed timber from public lands. PURCHASER must comply with the provisions of the federal act, ORS 526.801-526.831, and Clackamas County Board of County Commissioners Board Order number 92-484 in disposing of COUNTY timber from this sale.

Section 2. Quality and Quantity of Timber. COUNTY makes no guarantee or warranty to PURCHASER as to the quality or quantity of the timber. PURCHASER shall be liable to COUNTY for the total purchase price even if the quantity or quality of timber actually cut, removed, or designated for taking is more or less than that estimated by COUNTY.

Further, COUNTY makes no representation, warranty, or guarantee of the accuracy of any information either provided by COUNTY or made available by COUNTY under the Public Records Law with respect to this contract. PURCHASER agrees to bear exclusive responsibility for, and to accept all risks associated with, the actual conditions on the timber sale area and Purchaser's computation of its bid for this contract. The Contractor agrees to perform the scope of work as described in the contract documents and meet the performance standards set forth therein.

THIS CONTRACT, AND ALL EXHIBITS AND ATTACHMENTS INCORPORATED HEREIN, CONSTITUTES THE ENTIRE CONTRACT BETWEEN THE PARTIES. NO WAIVER, CONSENT, MODIFICATION, OR CHANGE OF TERMS OF THIS AGREEMENT SHALL BIND EITHER PARTY, UNLESS IN WRITING AND SIGNED BY BOTH PARTIES. SUCH WAIVER, CONSENT, MODIFICATION, OR CHANGE, IF MADE, SHALL BE EFFECTIVE ONLY IN THE SPECIFIC PURPOSE GIVEN. THERE ARE NO UNDERSTANDINGS, AGREEMENTS, OR REPRESENTATIONS, ORAL OR WRITTEN, NOT SPECIFIED HEREIN REGARDING THIS AGREEMENT. PURCHASER, BY THE SIGNATURE BELOW OF ITS AUTHORIZED REPRESENTATIVE, HEREBY ACKNOWLEDGES THAT SHE/HE HAS READ THIS AGREEMENT, UNDERSTANDS IT, AND AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS.

CLACKAMAS COUNTY
By its Board of County Commissioners

John Ludlow, Chair

PURCHASER
High Cascade Inc.

By 

Recording Secretary

Attest: Dickson K. Chamberlain

Date

Approval as to Form
COUNTY COUNSEL

[Signature]

COUNTY COUNSEL

3/5/13

Date

Section 3. Definition of Terms.

Purchaser's Authorized Representatives means the representatives authorized by PURCHASER to receive any notice or instructions from the COUNTY on behalf of PURCHASER and to take any action required in regard to performance of PURCHASER under the contract. Purchaser's Authorized Representatives are identified in the Operations Plan.

Contract means the entire written agreement between the parties, including but not limited to the Notice of Timber Sale, Invitation to Bid or Request for Proposal, Instructions to Bidders, specifications, terms, and conditions, Exhibits, Operations Plan, change notices, if any, the accepted bid, and the purchase order or price agreement document.

Operations means all the activities conducted by PURCHASER under this contract, including project work, logging, or post harvest activities; or the furnishing of all materials, equipment, labor, and incidentals necessary to successfully complete any individual item or the entire contract. The CONTRACTOR shall meet the highest standards prevalent in the industry or business most closely involved in providing the appropriate goods or services.

Areas of Operations means the locations where PURCHASER performs the operations described in the contract.

Operations Plan means the document by which PURCHASER notifies COUNTY of the plans and schedule for completing the operations described in the contract. It also contains the names of the subcontractors, Purchaser's Authorized Representatives, and County's Authorized Representatives.

Permit means any permit required by a federal, county, or local government agency before operations under this contract may lawfully begin or continue. Permit includes an incidental take permit under the federal Endangered Species Act.

Project Location means the points or areas designated as such on Exhibit A and located on the ground by reference to points, stations, natural land features, improvements, or area boundary signs.

COUNTY means any duly Authorized Representative of Clackamas County. The Clackamas County Forester, and any designated sale inspector are duly Authorized Representatives of Clackamas County for all purposes associated with this Contract.

Timber Sale Area means the area or areas designated as such on Exhibit A and located on the ground by reference to legal subdivisions, monuments, natural land features, improvements, or sale boundary signs.

Section 4. Examination of Locations and Conditions. It is understood that PURCHASER, before signing this contract, has made a careful examination of all plans and specifications set forth in this contract; that PURCHASER has obtained full information as to the quality and quantity of materials and the character of the work required; and that PURCHASER has made a careful examination of the timber sale area and the location and conditions of work, including sources of supply for materials. COUNTY, in no case, will be responsible for any loss or cost that may be suffered by PURCHASER as a result of Purchaser's failure to be so informed.

Section 5. Title to Timber. During the period of this contract, and any extension, PURCHASER shall have the right to cut and remove the timber. That right shall automatically cease if PURCHASER defaults on the terms of this Contract in any way.

The ownership of and title to the timber shall pass to PURCHASER as the timber is paid for from the timber sale area. Any right of PURCHASER to cut and remove the timber shall expire and end at the time this contract, or any extension, terminates. All rights and interests of PURCHASER in and to the timber and logs remaining on the timber sale area shall, at that time, automatically revert to and revest in COUNTY, without compensation to PURCHASER.

Section 6. Purchase Price, Bond, and Time of the Essence. PURCHASER shall supply the performance bond, insurance, first payment, and fully executed contract to COUNTY within 30 days of the date of sale award. Failure to present the required documents within 30 days may be grounds for bid rejection. PURCHASER shall not commence work on the timber sale area until written notification has been received from COUNTY that the above requirements have been met.

- (a) Purchase price for timber: See Section 44
- (b) Performance bond: \$ 20% OF BID PRICE
- (c) Completion date of contract: NOVEMBER 30, 2013

Time is of the essence in this contract. PURCHASER shall complete and fully perform this contract within the time specified in this section, unless extended in accordance with Section 26. PURCHASER may be required to perform uncompleted contractual obligations at a time later than stated above or in Section 26. Notification of these obligations and their completion date will be made in writing by COUNTY.

Section 7. Assignment of Contract. PURCHASER agrees not to assign, transfer, convey, or otherwise dispose of this contract, or any portion thereof, or the right, title, interest, or the power of PURCHASER to execute or perform this contract, to any other person, firm, or corporation, without the previous written consent of COUNTY. Should the contract assignment be approved, it shall be in total, with no rights being retained by original PURCHASER, regardless of any assignment or delegation. COUNTY shall retain Purchaser's performance bond, and PURCHASER shall remain liable for claims as provided in Sections 9, 13, 14, and 15 of this contract.

Section 8. Subletting of Contract. It is understood and agreed that if all or any part of the logging operations or work to be done under this contract is subcontracted, such subcontracting done by PURCHASER shall in no way relieve PURCHASER of any responsibility under this contract. PURCHASER shall notify COUNTY in writing of the names and addresses of each subcontractor, prior to the commencement of any contract work by the subcontractor.

Section 9. Hold Harmless. PURCHASER shall defend and hold harmless the COUNTY, the COUNTY Commissioners, their officers, agents, employees, and members, from all claims, suits, or actions of any nature resulting from or arising out of the acts or omissions of PURCHASER or its subcontractors, agents, or employees under this contract. PURCHASER shall indemnify, and hold COUNTY harmless against any liability for premiums, contributions, or taxes payable under any Workers' Compensation, Disability Benefits, Old Age Benefits, including FICA, or tax withholding laws.

Section 10. Severability. If any provision of this contract is declared by a court 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 provision held to be invalid.

Section 11. Waiver. Failure of COUNTY to enforce any provision of this contract shall not constitute a waiver or relinquishment by COUNTY of the right to such performance in the future, nor of the right to enforce any other provision of this contract.

Section 12. Jurisdiction. This contract shall be governed by and construed in accordance with the laws of the STATE of Oregon, as interpreted by the Oregon courts. Any litigation arising out of this contract shall be conducted in the courts of the STATE of Oregon.

Section 13. Attorney Fees. In the event a law suit of any kind is instituted on behalf of COUNTY to collect any payment due or to obtain performance of any kind under this contract, PURCHASER shall pay such additional sums as the court may adjudge for reasonable attorneys' fees plus all costs and disbursements at trial and on any appeal.

BONDING AND INSURANCE

Section 14. Performance Bond. PURCHASER shall furnish COUNTY with a performance bond which shall guarantee complete compliance by PURCHASER with the terms and conditions of this contract and the faithful performance of all required obligations. Bonds may be in the form of surety bonds, cash deposits, assignments of surety, irrevocable letters of credit, or other securities determined acceptable by COUNTY. Surety bonds must be written by a surety company authorized to do business in the STATE of Oregon.

Performance bonds, other than surety bonds, will be retained by COUNTY for a period of 120 days after all work has been accepted by COUNTY. Bonds will be released after 120 days, provided no claims are pending. Surety bonds will be released after all work is accepted by COUNTY. The surety company will be liable for any claim filed within the 120 day period.

Section 15. Payment Bond. PURCHASER may furnish an acceptable surety payment bond, blanket payment bond, or cash to COUNTY as guarantee for payment for timber. The bonds or cash shall be in an amount at least equal to the value of timber estimated to be removed during one-month plus 15 day billing period. In any event, the amount shall not be less than one installment payment as specified in Section 43. Under a payment bond, PURCHASER may then remove timber for a 30-day period, after which time, payment becomes due and owing. PURCHASER shall make cash payment within 15 days following the end of the monthly period. Upon payment for timber removed in the monthly period, the payment guarantee may be applied as a guarantee for a subsequent period.

A blanket payment bond shall be in an amount at least equal to the value of timber estimated to be removed from all contracts covered by the blanket payment bond during a one-month plus 15-day billing period. COUNTY may, at Purchaser's request, allocate the amount of such bond to the covered sales.

PURCHASER shall obtain and furnish COUNTY with written consent of surety on forms provided by COUNTY for coverage of any contracts to which the blanket payment bond may apply.

In no event shall PURCHASER remove timber with a value greater than the amount of the payment guarantee.

Section 16. Insurance. PURCHASER shall secure, at Purchaser's expense, and keep in effect during the term of this contract, the following insurance coverage, in a policy or policies issued by an insurance company or companies authorized to do business in the STATE of Oregon. The issuing company or companies shall indicate on the insurance certificates that COUNTY will be given not less than 30 days notice of any cancellation, material change, or intent not to renew such policy.

The coverage shall be as follows:

- (a) Commercial General Liability Insurance covering personal injury and property damage in an amount not less than \$1,000,000 combined single limit per occurrence with no more than \$5,000 deductible, with a contractual liability to include all contracts involving the work to be performed under this contract.
- (b) Automobile Liability Insurance in an amount not less than \$1,000,000 combined single limit per occurrence. This coverage can be provided by combining the Automobile Liability protection with the Commercial General Liability policy.
- (c) Loggers Broad Form coverage in an amount not less than \$1,000,000 with no more than \$5,000 deductible, for costs of fire control, losses or damage from fire, and other causes arising or resulting from activities of PURCHASER, employees, contractors, and others working or acting for PURCHASER.
- (d) Worker's Compensation insurance as statutory required for persons performing work under the contract.
- (e) The insurance policy or policies required under this section, excluding Loggers Broad Form, shall name the COUNTY of CLACKAMAS, the COUNTY Commissioners, their officers, agents, employees, and members as additional insured.
- (f) As evidence of the insurance coverage required by this contract, PURCHASER shall furnish a certificate or certificates of insurance including all of the foregoing coverage to COUNTY.
- (g) Contractor shall require that all of its subcontractors of any tier provide insurance coverage (including additional insured provisions) and limits identical to the insurance required of the Contractor under this Agreement, unless this requirement is expressly modified or waived by the County.

LAWS AND REGULATIONS

Section 17. Payments, Contributions, and Liens. Under the provisions of ORS 279B.220 PURCHASER shall:

- (a) 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.
- (b) Pay all contributions or amounts due the Industrial Accident Fund from such contractor or subcontractor incurred in the performance of the contract.
- (c) Not permit any lien or claim to be filed or prosecuted against the COUNTY, municipality, municipal corporation, or subdivision thereof, on account of any labor or material furnished.
- (d) Pay to the Department of Revenue all sums withheld from employees pursuant to ORS 316.167.

Section 18. Permits, Licenses, and Safety. PURCHASER shall procure all permits and licenses, pay all charges and fees, and give all notices necessary and incident to the due and the lawful prosecution of the work. In the performance of the work to be done under this contract, PURCHASER shall use every reasonable and practicable means to avoid damage to property and injury to persons. The responsibility of PURCHASER STATED herein shall cease upon the work being accepted as complete by COUNTY.

Section 19. Workers' Compensation Insurance. PURCHASER shall perform the work to be done under this contract in accordance with the requirements of the Workers' Compensation Law of the STATE of Oregon during the term of this contract. In addition, the PURCHASER, its subcontractors, if any, and all employers providing work, labor, or materials under this contract are subject employers under the Oregon Workers' Compensation Law and shall comply with ORS 656.017 and 656.029, which requires them to provide workers' compensation coverage that satisfies Oregon law for all their subject workers. Out-of-State employers must provide Oregon workers' compensation coverage for their workers who work at a single location within Oregon for more than 30 days in a calendar year. Contractors who perform the work without the assistance or labor of any employee need not obtain such coverage.

Section 20. Medical Care. PURCHASER shall promptly, as due, make payment to any person, co-partnership, association, or corporation, furnishing medical, surgical, and hospital care or other needed care and attention, incident to sickness or injury, to the employees of such PURCHASER, of all sums which PURCHASER agrees to pay for such services and all moneys and sums which PURCHASER collected or deducted from the wages of employees pursuant to any law, contract, or agreement for the purpose of providing or paying for such service.

Section 21. Labor Laws and Prevailing Wages. Insofar as applicable to the work to be done under this contract, PURCHASER shall pay prevailing wages and comply with all STATE and federal laws in the employment and payment of labor. Particular reference is made to the requirements of ORS Chapter 279B, which relates to wage rates to be paid on public works. No person shall be employed for more than ten (10) hours in any one day, or more than forty (40) hours in any one week, except in cases of necessity, emergency or where the public policy absolutely requires it, except in cases of contracts for personal services as defined in ORS 279A.055. The employee shall be paid at least time and one-half pay:

- (a) For all overtime in excess of eight (8) hours a day or 40 hours in any one week when the work week is five consecutive days, Monday through Friday; or
- (b) For all overtime in excess of 10 hours a day or 40 hours in any one week when the work week is four consecutive days, Monday through Friday; and

- (c) For all work performed on Saturday and on any legal holiday specified in ORS 279B.020. Employers must give written notice to employees of the days and hours of required work.

Section 22. Laws, Regulations, and Orders. PURCHASER shall at all times observe and comply with all federal and STATE laws, and lawful regulations issued hereunder, and local bylaws, ordinances, and regulations, which in any manner affect the activities of PURCHASER under this contract. PURCHASER shall observe and comply with all orders or decrees that exist at present and those which may be enacted later by bodies or tribunals having any jurisdiction or authority over such activities of PURCHASER.

PURCHASER shall comply with Oregon laws and with the rules and regulations of the Oregon Forest Practices Act, Oregon STATE Board of Health, and the Environmental Quality Commission relating to the protection of soil, air, and water resources.

MATERIALS AND IMPROVEMENTS

Section 23. Materials from COUNTY Property. PURCHASER shall not take, sell, use, remove, or otherwise dispose of any sand, gravel, rock, earth, or other material obtained or produced from within the limits of rights-of-way, gravel pits, rock quarries, or other property owned by or held by COUNTY, unless authorized by this contract or written consent of COUNTY.

Section 24. Materials and Improvements. Title to materials, improvements, and other property required of PURCHASER by this contract, shall vest in and become the property of the COUNTY at the time such are furnished by PURCHASER and accepted by the COUNTY. Only materials, improvements, and property free and clear of liens, claims, and encumbrances shall be furnished by PURCHASER.

All existing improvements located on COUNTY land, and any improvements placed on COUNTY land by PURCHASER which become the property of the COUNTY, including roads, shall be safeguarded by PURCHASER, and if injured or damaged by PURCHASER or by contractors of PURCHASER, shall be repaired as soon as possible under existing conditions by PURCHASER, without cost to the COUNTY.

Section 25. Removal of Equipment and Materials. Upon completion of the requirements of this contract, PURCHASER shall promptly remove from the timber sale area and work location, and other property owned or controlled by COUNTY, all equipment, materials, and other property PURCHASER has placed or caused to be placed thereon that is not to become the property of COUNTY. It is agreed that any such equipment, materials, and other property that are not removed, shall become the property of COUNTY and may be used or otherwise disposed of by COUNTY without notice or obligation to PURCHASER or to any party to whom PURCHASER may transfer title. Nothing in this section shall be construed as relieving PURCHASER from an obligation to clean up and to burn, remove, or dispose of debris, waste materials, and such, in accordance with the provisions of this contract.

EXTENSIONS, MODIFICATIONS, AND DEFAULT

Section 26. Causes Beyond Control. In the event PURCHASER is prevented by a cause or causes beyond reasonable control of PURCHASER from performing any obligation of this contract, such nonperformance shall not be deemed to be a breach of this contract such as to render PURCHASER liable in damages therefore or to give rise to the cancellation thereof; provided, that if and when such cause or causes shall cease to prevent such performance, PURCHASER shall exercise all reasonable diligence to resume and complete performance of such obligation with the least possible delay. "Cause or causes beyond reasonable control," is defined as any one or more of the following causes affecting operations of PURCHASER: fire or other casualties and accidents; strikes, riots, and civil commotions; war and acts of public enemies; storms, floods, and other unusual climatic conditions, including droughts and low humidity,

or orders of duly constituted public authorities; acts of God, and other similar circumstances beyond the control of PURCHASER.

Section 27. Extension of Time. An extension of time for performance of this contract may be made by COUNTY only upon written request from PURCHASER, and with the written consent of an extension of the security by the surety of PURCHASER. In addition to the cause or causes beyond the reasonable control of PURCHASER specified in Section 26, the extension under this section may be granted because of *purchaser's participation in priority salvage operations on other COUNTY lands which did not exist prior to the date of this contract.*

If none of the above conditions apply, COUNTY may, at its option, grant an extension of time when it is in the best interests of COUNTY. Market conditions shall not be considered a reason for extension under this section.

A written request must be received by COUNTY not later than 30 days prior to the expiration date of this contract, unless the cause for delay in performance occurred within the 30 days prior to the expiration of the contract; in which event, written application must be made prior to the expiration date. The written request for extension shall state the date to which the extension is desired, the area of the sale to be extended, and the reason(s) why the extension is necessary.

COUNTY will make the final determination as to whether the reasons given for nonperformance by PURCHASER shall be grounds for an extension. If COUNTY accepts the reason(s) for extension, COUNTY may grant an extension of time, not to exceed one year, subject to one or more of the following conditions:

- (a) COUNTY may require payment at the time of the extension of the full amount of the unpaid balance of the purchase price. In the case of scale or recovery sales, such payment will be an advance deposit, based on remaining volume, as estimated by COUNTY.
- (b) In lieu of full payment, if PURCHASER is not otherwise in arrears in required payments, COUNTY may grant additional time for payment of the unpaid balance. Such granting of additional time for payment shall require PURCHASER to make installment payments based on timber removal as required by Section 43 of the contract, and pay an interest charge on all payments received after the original expiration date.
- (c) COUNTY may require completion of certain requirements of the contract, such as fire trail construction, snag felling, slash preparation work on logged portions of the sale area, and road construction or maintenance.
- (d) Payment of an extension fee as determined by COUNTY. Such fee will be based upon the loss of production, extra reforestation costs, brush control costs, slash disposal costs, or other costs which may be caused by the extension. The extension fee will not be less than \$250.
- (e) COUNTY may waive requirement for full payment, or payment of interest charge on unpaid balance, when, in the opinion of COUNTY, extenuating circumstances warrant such waiver or the extension is of benefit to COUNTY.

Section 28. Contract Modifications. COUNTY reserves the right to make, at any time during the contract, such modifications as are necessary or desirable; provided such modifications shall not change the character of the work to be done nor increase the cost, unless such work or cost increase is approved in

writing by PURCHASER. Any modifications so made shall be in writing and shall not invalidate this contract nor release PURCHASER of obligations under the performance bond. PURCHASER agrees to do the modified work as if it had been a part of the original contract.

Section 29. Adjustment of Contract. Notwithstanding any other provisions of this contract, COUNTY may, pursuant to Oregon law, make adjustments in the contract when major catastrophes materially affect the volume and value of timber, or work to be done under the contract. Examples of major catastrophes can be windstorms, floods, fire, or other acts of God, which are beyond the control of PURCHASER and in no way connected with negligent acts or omissions of PURCHASER, its officers, employees, agents, or subcontractors. Market conditions will not be considered a reason for contract adjustments. Such adjustments may be made to place the parties in their original status under the contract insofar as possible; provided, however, that any loss or cost to PURCHASER is in no way recoverable from third parties by PURCHASER and that PURCHASER make written application to COUNTY within 30 days after discovery of the damage done by the catastrophe.

If, prior to acceptance of project work, a catastrophe (as defined above) caused by a single event results in additional work for PURCHASER involving an additional estimated cost of more than:

- (a) \$500 for sales less than one-half million board feet;
- (b) \$1.00 per thousand (1000) board feet for sales of one-half million to three million board feet; or
- (c) \$3,000 for sales over three (3) million board feet, COUNTY may adjust the contract and become responsible for any additional estimated cost which exceeds the above amount. Adjustments by COUNTY will be based on advertised volumes and may be accomplished by adjusting stumpage prices or payment of such cost to PURCHASER or by performing its share of the necessary work. The estimated cost of additional work shall be calculated by COUNTY.

Section 30. Violations, Suspensions, and Cancellation. If PURCHASER violates any of the provisions of this contract, COUNTY may, after giving written notice, suspend any further operations of PURCHASER under this contract, except those operations necessary to remedy any violations.

If PURCHASER fails to remedy any violations of this contract within 10 days after receipt of the suspension notice given under this section, COUNTY may, by written notice, cancel this contract and take appropriate action to recover all damages and expenses suffered by COUNTY by reason of such violations, including application of any advance payments and any performance bonds toward payment of such damages.

If PURCHASER cuts or removes any of the timber under this contract during any period of suspension, or if PURCHASER cuts any of the timber after the expiration of the time for cutting or the cancellation of this contract, such cutting or removal shall be considered a willful trespass and render PURCHASER liable for treble damages in accordance with applicable Oregon law.

COUNTY shall have the authority to suspend the activities of PURCHASER and contractors of PURCHASER, wholly or in part, under this contract for such period or periods necessary due to fire hazard conditions or other severe weather occurrence.

Section 31. Settlement for T & E Species. In the event COUNTY determines this contract may jeopardize the continued existence of a species presently, or subsequently, listed as threatened or endangered

pursuant to the Endangered Species Act of 1973, as amended (16 U.S.C. 1531-1536, 1538-1540), or ORS 496.172 to 496.192, COUNTY may terminate this contract in whole or in part.

In the event of termination or partial termination, PURCHASER agrees that its sole and exclusive remedy shall be the sum of:

- (a) The value of any project work completed but not yet credited through amortization;
- (b) The estimated expenditures for felling, bucking, lopping, skidding, and decking any products so processed, but not removed from the sale area; and
- (c) The actual expenses involved in acquiring and holding this contract.

Cost and expenditure estimates for items listed in (a) and (b) shall be based upon COUNTY'S appraisal for the sale. Actual expenses in (c) do not include lost profits, replacement costs of timber, or any other consequential damage suffered by PURCHASER. PURCHASER agrees to provide receipts or other documentation to COUNTY which clearly identify and verify actual expenditures.

In the event of termination of this contract, in whole or in part, by COUNTY, PURCHASER agrees that the liability of COUNTY shall be limited to the express remedies contained in this provision.

Section 32. Debt Limitation. To the extent COUNTY may incur any financial obligation under this Contract, 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 therefore.

Section 33. Default. Any default by PURCHASER in the performance of this contract shall be subject to the provision of Oregon Administrative Rule 629-32-000 through 070. The provisions of such rule are incorporated into this contract and made a permanent part hereof by their reference as though fully set forth herein. The following terms shall be substituted in said rule for it to apply to this contract: "The Clackamas County Forester" shall be substituted for "Forester", and "Clackamas County" shall be substituted for "Board of Forestry" and "State".

NOTICES, PLANS, AND INSPECTIONS

Section 34. Work Responsibility and Acceptance. For all purposes of this contract, "work" shall mean the furnishing of all labor, materials, equipment, and other incidentals necessary or convenient to the successful completion of the projects, duties, and obligations, including slash disposal, imposed on PURCHASER by this contract.

Prior to the completion and final acceptance of work, PURCHASER shall be held responsible for, and shall correct any injury or damage to, the work or any part of the work, from any cause whatsoever, unless adjustment is made pursuant to Section 27.

COUNTY shall make final inspection of work done by PURCHASER within ten (10) calendar days after written notification is received by COUNTY from PURCHASER stating that the work is completed. Following inspection, COUNTY will notify PURCHASER of acceptance in writing. If the work is not acceptable to COUNTY, COUNTY shall advise PURCHASER in writing of the particular defects to be remedied before final acceptance by COUNTY can be made.

Section 35. Notices. Any written notice to PURCHASER which may be required under this contract to be served on PURCHASER by the COUNTY may be served on to PURCHASER or designated

representative(s) by mailing the notice to the address of PURCHASER as is given in this contract, or by leaving the notice at said address. Should PURCHASER be required to notify COUNTY concerning the progress of the work to be done, or concerning any matter or complaint which PURCHASER may have regarding the contract subject matter, or for any other reason, that notification is to be made in writing and delivered or mailed to the designated representative of COUNTY.

Section 36. Authorized Representative. During any period of logging operations or activity on the timber sale area, and during any period of work performance required by this contract on location, PURCHASER shall have a designated representative(s) available to COUNTY on the timber sale area or work location, or both, where such activity is separated. The representative(s) shall be authorized to receive any notice or instructions from COUNTY on behalf of PURCHASER and to take any action required in regard to performance of PURCHASER under this contract. COUNTY shall designate a field representative(s) who shall be authorized to receive notices, inspect progress of the work, and issue instructions in regard to performance under the terms of this contract. Authorized representatives of COUNTY and PURCHASER shall be designated in the Operations Plan required by Section 38.

Section 37. Inspection. COUNTY, through its authorized and designated representative, shall at all times be allowed access to all parts of the logging operations and work locations of PURCHASER, as may be required to make a complete and detailed inspection. COUNTY shall be furnished such information and assistance by PURCHASER, or the designated representative(s).

Section 38. Operations Plan. PURCHASER shall prepare an Operations Plan for all operations to be conducted under this contract and submit the plan to COUNTY at least five (5) calendar days prior to commencement of any work. This plan shall be prepared on a form provided by COUNTY, and shall be used for all types of operations, including project work, logging, and post harvest requirements. COUNTY may require an on-site meeting prior to approval of the Operations Plan, attended by PURCHASER, subcontractor, and COUNTY representatives. County's approval of the Operations Plan must be obtained prior to commencement of any operation, and PURCHASER must comply with this plan. PURCHASER shall notify COUNTY whenever operations will be inactive for more than three days, and again when operations will be resumed.

Upon approval by COUNTY, the Operations Plan will automatically be incorporated into, and made part of, this contract. PURCHASER'S strict compliance with the Operations Plan, as approved by COUNTY, is a material condition and covenant of this contract.

Any changes to the plan must have COUNTY approval in writing. PURCHASER shall comply with all provisions of the Written Plan in accordance with the Oregon Forest Practices Act.

TIMBER SALE AREA

Section 39. Timber Sale Area. The timber sale area is located on Exhibit "A" of this contract. For all purposes of this contract, "timber sale area" shall be understood to mean the area or the areas designated as such on Exhibit A and located on the ground by reference to legal subdivisions, monuments, natural land features, improvements, or sale boundary signs.

PURCHASER shall be exclusively responsible for any taking of timber, infliction of damage, or trespass beyond the boundaries of the timber sale area resulting from any activities of PURCHASER. Any trespass resulting from the acts or omissions of PURCHASER will be deemed a breach of this contract. For said trespass and breach, PURCHASER shall pay the COUNTY the following damages:

- (a) Treble the contract value, as defined in Section 45, "Log Prices," for each species involved in the trespass, if purchaser's acts or omissions are willful or intentional or;
- (b) Double the contract value, as defined in Section 45, "Log Prices," for each species involved in the trespass, if purchaser's acts or omissions are not willful or intentional.

Section 40. Designated Timber. In accordance with Section 1, the following is designated timber.

- (a) All trees over eight inches (8") in diameter at breast height inside the timber sale area.
- (b) Trees marked with orange paint or posted with boundary signs or similar COUNTY signs are reserved from cutting, unless instructed otherwise by the COUNTY.

Section 41. Protection of Markings and Monuments. PURCHASER shall not remove, alter, damage, or destroy any signs, posters, markings, land survey corners, witness trees, or corner reference tags pertaining to the timber sale or land survey. Should such damage or disturbance occur, PURCHASER shall report it to COUNTY within 24 hours of the incident, and shall prevent any further damage or disturbance from occurring. PURCHASER shall be responsible for the re-establishment of legal subdivision markers or monuments damaged by purchaser's activities. COUNTY may reestablish such markers or monuments and bill PURCHASER for the expense incurred.

In the event it is necessary to disturb any legal land survey corner in order to conduct any activity under this contract, PURCHASER shall notify COUNTY. PURCHASER shall not disturb any corner until COUNTY has referenced or otherwise preserved the corner.

Section 42. Simultaneous Use of Area. COUNTY reserves the right to issue written authorization to others to use the timber sale area or access roads provided that, in the determination of COUNTY, such use will not materially interfere with the operations of PURCHASER. During the period of this contract, COUNTY reserves the right to sell any products or materials from the timber sale area, provided that the products or materials are not covered by this contract and that removal will not materially interfere with the operations of PURCHASER. PURCHASER shall not interfere with the use of roads by other authorized users. PURCHASER shall not be held liable for any acts, omissions, or neglect of authorized simultaneous users.

PAYMENTS AND ACCOUNTABILITY

Section 43. Payment Schedule. The purchase price for timber sold under this contract shall be paid in advance as follows:

The first payment shall be paid within 30 days of the sale award or before operating, whichever is first. First payment shall be 20 % of the total estimated bid value. The total estimated bid value will be the sum obtained by multiplying estimated timber volumes by the prices given in Section 45 (including the estimated value of no bid species). Cash bid deposits will be applied to the initial payment.

Subsequent payments shall be made in advance of timber removal, and as described in the payment schedule. The total estimated bid value is the sum obtained by multiplying estimated timber volumes by the prices given in Section 45 (including the value of hardwoods).

PAYMENT SCHEDULE:

- (a) Logging progress payments shall be made by PURCHASER for timber removed under this contract in a manner that maintains at all times a 20% reserve until the bid price is paid. Logging progress payments will be determined by scale reports as required in Section 47 of the Contract, or as determined by the County Forester.

- (b) Regardless of logging progress, the following payment schedule shall be met:
1. Twenty percent (20%) of the bid price must be paid at the time of contract signing. The bid deposit, if cash or check, shall apply to this payment.
 2. An additional twenty percent (20%) of bid price including logging progress payments, must be paid by June 30, 2013.
 3. The total bid price (based on the County cruise), must be paid by November 30, 2013.

Total purchase price shall be calculated **AFTER** all log scale is reported by multiplying prices in Section 45 by scaled volume. COUNTY will refund any advance payment in excess of total price, or PURCHASER shall pay any deficit within 10 days of notice.

Section 44. Payments and Interest. Payments required of PURCHASER by this contract or modifications of this contract shall be received by COUNTY within the time period stated on the instrument requesting payment from PURCHASER.

Payments received after the due date stated on the billing instrument may be subject to an interest charge. The interest rate applied to overdue payments will be the prime interest rate in effect on the day the payment became delinquent, as established by US Bank, Ladd and Bush Branch, plus four percent (4%). Interest will be calculated from the date of the original billing to the date payment is received by the COUNTY Forest Program Forester.

Section 45. Log Prices. The following price schedule shall apply for all designated timber; and payment shall be for **NET** log scale, unless noted.

Log prices shall be:

Douglas-fir	\$ 578.00
Hemlock, noble fir and grand fir	\$ 428.00
Red alder	\$ 200.00
Big leaf maple	\$ 50.00
Western red cedar	\$ 625.00
Utility (pulp) logs, adjusted gross scale.	\$ 50.00
Pulp by weight	\$5.00 /ton
Conifer species not named will be the same price as hemlock.	
Hardwood species not named will be the same price as big leaf maple.	

Section 46. Log Removal. All logs defined below shall be removed as designated timber under this contract, at prices given in Section 45.

- (a) Any conifer log that conforms with grading rules for peeler or sawmill grades and meets or exceeds both of the following minimum requirements: five inches (5") in gross scaling diameter, containing ten (10) board feet (net).
- (b) Any conifer log that meets the specifications of utility grade or special cull grade.
- (c) Any hardwood log containing twenty or more (20) board feet.

For purposes of log removal requirements, minimum net log volume shall be determined by the net volume of the full log length rather than the volume of individual segments.

Other logs may be removed from designated timber sale area under this contract at prices given in Section 45.

Log grades are defined in the Official Log Scaling and Grading Rules published by the Northwest Log Rules Advisory Group in effect at the time logs are scaled.

PURCHASER shall not deliberately buck logs to reduce log sizes to less than minimum requirements for merchantable logs, and shall take reasonable precautions to prevent breakage losses in felling and yarding. Log lengths shall be adjusted to secure the most utilization of merchantable timber.

Section 47. Log Accountability By Log Load Receipts. PURCHASER shall completely and accurately fill out all portions of a multipart, serially numbered log load receipt before each truck leaves the landing area. PURCHASER shall require the truck driver of each load of logs to sign the woods receipt. PURCHASER shall staple the load receipt and scaler receipt parts to the load as instructed on the log load receipt directions and as directed by COUNTY. PURCHASER shall require the scaler to record the log load receipt number on the scale ticket that is signed by the scaler, and to attach the scaler receipt part to a copy of the scale ticket and mail to COUNTY on the date scaled.

COUNTY will issue PURCHASER sufficient books of serially numbered log load receipts to cover not over 30 days of operation, as determined by COUNTY. PURCHASER shall sign a receipt for each book of receipts and be fully accountable for all serially numbered woods and scaler receipts tickets. PURCHASER shall retain all woods receipts in each book and return to COUNTY as soon as all receipts in each book have been used. Unused books or portions of books shall be returned to COUNTY during sale inactivity over 30 days, and at the completion of timber removal from the sale area.

PURCHASER shall account for each and every serially numbered log load receipt, and shall pay damages to COUNTY for all log load receipts not accounted for by proof of scaling. Damages shall consist of full stumpage rate for each missing receipt, on the basis of average volume of the ten (10) largest loads of logs scaled from the sale area, charged at the highest species rate.

PURCHASER shall not intermingle COUNTY timber or logs designated by this contract with any other timber or logs before log scaling occurs, unless otherwise approved by COUNTY.

Section 48. Log Measurement.

Scaling Locations, Rules, and Organizations. All logs from timber sold under the terms and conditions of this contract shall be:

- (a) Scaled at the closest multiple scaling location to the timber sale area, unless otherwise approved by COUNTY;
- (b) Scaled at scaling locations approved by COUNTY;
- (c) Scaled by a third-party scaling organization with a current agreement with COUNTY; and
- (d) Scaled using the Official Log Scaling and Grading Rules (as adopted by the Northwest Log Rules Advisory Group) and COUNTY special service scaling instructions in effect at the time the logs are scaled. Utilization scale shall be handled in accordance with Section 52. Scaling of hardwood loads is required.

PURCHASER shall enter into a written agreement with a third-party scaling organization for the scaling of logs removed from the timber sale area. PURCHASER shall furnish COUNTY with a copy of the scaling agreement

upon request. Logs shall not be delivered unless an authorized third-party scaling organization scaler is available to scale load.

PURCHASER shall provide COUNTY with remote check scaling opportunities for logs scaled under this contract.

In the event scaling is suspended for any reason, hauling operations shall be immediately suspended until approved alternate scaling services are provided, or service by the scaling organization is resumed.

Cost of Scaling. All costs of scaling and all costs in connection with reports furnished and delivered to COUNTY shall be paid by PURCHASER.

PURCHASER shall require the scaling organization to furnish copies each week to COUNTY of all scaled certificates showing gross and net volumes, by species and grade, of all logs scaled during the week. Upon request by COUNTY, PURCHASER shall also require the scaling organization to furnish and attach a log detail listing to each weekly scale certificate showing all COUNTY logs included on the certificate.

Scaling Instructions. PURCHASER agrees that COUNTY will provide instructions to the approved third-party scaling organization for the scaling practices to be used for timber removed from the timber sale area. Instructions will conform to the terms of this contract, including special scales as necessary. PURCHASER shall acknowledge and sign such instructions and will receive a copy.

Minimum Products Specifications and Special Scale information are shown in Section 46.

Logs Damaged During Handling. Mechanical damage to logs shall be prevented during log loading, unloading, and roll-out. Deductions for damage occurring during these operations will not be allowed.

Add-Back Volume. Scaling deduction for deterioration due to abnormal delay in removal of logs from the sale area will not be allowed in determining net volume. Volume of material deteriorated due to delay in removal will be reported to COUNTY and paid for at the contract price. Cost for separate reports shall be paid by PURCHASER.

Conversion Factors. COUNTY may approve the use of appropriate conversion factors, sample scaling techniques, and measurement by weight when such methods are a more practical means to measure the timber and logs sold by this contract. Measurement for converting factors, random sample determination, and weighing of the products shall be done by an approved independent third party or COUNTY employee.

Section 49. Log Branding. Every log removed from the timber sale area by PURCHASER shall be clearly branded using **COUNTY Brand, CC 4**, and painted with a minimum two inch (2") diameter spot of HIGHLY VISIBLE GREEN paint, (supplied by PURCHASER, brand of paint approved by the County), unless otherwise approved in writing by COUNTY. Paint should be applied on both ends of the logs if possible. COUNTY may issue PURCHASER one or more branding hammers registered to COUNTY. PURCHASER shall use only those brands issued or approved by COUNTY for timber sold under this contract. Only those brands issued by COUNTY for use on timber sold under this contract shall be allowed on the sale area at any time.

When branding and painting of all logs is impractical because of the small size of the logs and number per load, COUNTY may give written authorization for use of a combination of brands and paint. In this case, at least half of the logs shall be branded, and all logs shall be painted with a minimum two inch (2") diameter spot of HIGHLY VISIBLE GREEN paint.

In addition, PURCHASER shall brand and paint all logs left singly or in decks along rights-of-way, and shall brand and paint all logs yarded and left on landings after termination of operations each day. PURCHASER shall make

every effort to remove logs from roads or landings within a reasonable period of time, and agrees to notify COUNTY in advance of intention to leave logs decked along roads or on landings for more than 96 hours. COUNTY may scale such decked logs, and PURCHASER shall be responsible for the costs of such scaling and for any loss due to theft or deterioration.

When the brand registered to COUNTY is issued, PURCHASER agrees to sign a receipt for those branding hammers and to return them in good condition within 14 calendar days of completion of log hauling. PURCHASER shall pay a fee of \$50 to COUNTY for each branding hammer returned to COUNTY in damaged and unusable condition, or \$100 for each branding hammer not returned within the time specified by COUNTY.

Section 50. Hauling and Operating Time Restrictions. PURCHASER shall not haul logs from the sale area on weekends, COUNTY-observed holidays, or outside the hours of 5:00 a.m. to 6:00 p.m. daily, without notification and approval by COUNTY. Trucks hauling logs through residential areas shall minimize the use of exhaust brakes, especially before 8 AM.

Section 51. Route of Haul. PURCHASER shall furnish to COUNTY, at the time of making request for scaling approval, a map showing the scaling location and the precise route of haul which will be used to haul logs from the sale area to the scaling location. Such route of haul will be the most direct haul route between the two points, unless another route is approved by COUNTY. The route of haul may be changed only with advance notice to and approval by COUNTY.

Upon loading at the sale area, a log load shall be directly hauled to an approved scaling location, if required to be scaled. No storing of log loads for delayed delivery will be allowed, without prior approval from COUNTY.

Section 52. Utilization Scale. COUNTY shall scale logs or portions of logs that are broken, wasted, or not removed by PURCHASER due to:

- (a) Improper felling or bucking of the logs;
- (b) Failure to remove the logs prior to deterioration; and
- (b) Logs remaining on the sale area after completion of logging, provided the logs were merchantable prior to breakage or wastage. PURCHASER shall pay for the logs at the contract price designated in Section 45. COUNTY shall notify PURCHASER of the volume of logs so scaled. Payment shall be considered due on such volume as if the logs were removed on the date of said notification.

In the event PURCHASER disagrees with the findings made by COUNTY under this section, PURCHASER may furnish scaling by a third-party scaling organization acceptable to COUNTY. Costs and expenses of such third party shall be paid for by PURCHASER, and the findings of the third party shall be final.

Section 53. Special Products. PURCHASER shall not sell special products from the sale area, or allow firewood, shake, or post cutting, or any other special product manufacturing on the sale area without prior written approval of COUNTY. If COUNTY grants approval for special product manufacturing, PURCHASER shall make satisfactory arrangements for measurement of the products. Special products are any products not in log form manufactured from material having a price under the contract.

Section 54. Access. PURCHASER shall use the roads shown or indicated on Exhibit A for access to the timber sale area and project locations. If PURCHASER desires to use an alternative route, it will be Purchaser's responsibility to secure that access and obtain written COUNTY approval for the route. The use of access roads shall be limited to that necessary to carry out the terms and provisions of this contract. Except as otherwise

provided for in this contract, PURCHASER shall have the right of access over, in, and through the timber sale area for the purpose of cutting and removing the timber or performing the work to be done. PURCHASER in so using, improving, or constructing roads shall at no time have an interest in the land, other than the right of access. PURCHASER shall comply with all applicable terms and conditions of any access documents described in the provisions of this contract, which are by this reference made a part of this contract.

Section 55. Road Maintenance. Purchaser's responsibility for normal road maintenance commences with Purchaser's first use of a road for any activity under the contract. Purchaser's responsibility will continue through any active periods until final acceptance of the road maintenance for this sale is made by COUNTY.

Normal road maintenance applies to all existing roads used for any activity under this contract. A road which is constructed or reconstructed by PURCHASER shall assume the status of an existing road upon acceptance in writing by COUNTY.

Normal maintenance includes work needed to protect the road from seasonal weather damage, restore damage caused by road use, and safeguard soil, water, and drainage structures, as follows:

- (a) PURCHASER shall maintain the existing cross section of dirt or graveled roads by blading and shaping the surface and shoulders. Banks shall not be undercut. Established berms shall be maintained. Additional berms shall be placed where needed to protect fills. COUNTY may require cross ditching on certain roads.
- (b) PURCHASER shall perform all cleanups including the removal of bank slough, minor slides, and fallen timber. This material shall be deposited at a location identified by COUNTY. PURCHASER shall replace material eroded from fill slopes and clean out drainage ditches and culverts.
- (c) PURCHASER shall patch and place additional rock on gravel road surfaces as necessary to repair damage and restore the road, as requested or directed by the COUNTY.
- (c) PURCHASER shall remove brush or tree growth which encroaches on the road and develops during the contract period. Herbicides may be used only with written authorization of COUNTY.

While performing normal road maintenance work, PURCHASER shall not contaminate gravel or bituminous road surfaces by covering or mixing earth or debris from ditches, slides, or other sources. PURCHASER shall not blade any of the surface road material from the roads.

While performing logging operations, PURCHASER shall minimize damage to ditches, cut banks, fill slopes, and road surfaces. Where damage does occur, PURCHASER shall restore the road to its original condition, as directed by COUNTY.

All roads in the sale area shall be kept free of obstructions and maintained in a condition that permits ongoing travel during the operation, unless otherwise approved by COUNTY.

Prior to any inactive periods, drainage systems on the roads and landings will be reestablished so that:

- (a) Exposed soil will not erode into waters of the STATE; and
- (b) Drainage water will not saturate fills.

During active periods, PURCHASER is responsible for maintenance needs that are caused by public use of the road and that can be accomplished under the terms of normal maintenance. Upon written approval from COUNTY, PURCHASER may restrict use of the roads by others. Measures may include signing, gating, or blocking off the road. Approval of measures by COUNTY does not relieve PURCHASER from normal maintenance responsibilities during active periods in the event that such measures do not restrict vehicular traffic.

Upon written acceptance of road maintenance at the end of the active period, PURCHASER will not be required to perform normal road maintenance *during the inactive period*. Upon resuming activity, PURCHASER shall resume maintenance.

HARVESTING OPERATIONS

Section 56. Felling. PURCHASER shall comply with the following requirements for felling:

- (a) Fell all trees within the sale area EXCEPT trees marked with fresh orange paint.
- (b) Tractor skid roads and loader roads will be designated on the unit prior to any felling. All skid roads and landings shall be marked on the setting by PURCHASER and approved by COUNTY PRIOR to felling of these skid-road and landing-marked trees. Rub trees shall be removed after logging of the setting has been approved by COUNTY.
- (d) Trees shall not be felled across timber sale boundaries, unless authorized in writing by COUNTY. Any trees that fall across sale boundaries shall be yarded back into the sale area prior to limbing or bucking.

Section 57. Protection of Soil. In those sale areas, or portions thereof, where ground yarding has been approved in the Operations Plan, PURCHASER may use ground yarding equipment, cable systems, or a combination of these for yarding logs, subject to the following restrictions.

- (a) When ground yarding is used, PURCHASER must use the type of ground yarding equipment as specified in SPECIAL CONDITIONS, Section 63. However, PURCHASER must limit skid roads and trails used to ten percent (10%) or less of the ground yarded area and restrict equipment operations to these skid roads and trails.
- (b) Preexisting openings within the stand, existing skid roads and/or trails shall be used whenever possible; and soil disturbance, or construction of new skid roads and trails shall be limited to that necessary to log the area. Total area of soil disturbance of old and new skid roads and trails used shall not exceed ten percent (10%) of the ground yarded area.
- (c) Ground yarding equipment shall not operate under conditions where soils are rutted or excavated to a depth of eight inches (8") or more.
- (d) Ground yarding equipment shall not operate on slopes greater than 35 %. Written approval may be granted for short distances on slopes exceeding 35 % when, in the opinion of COUNTY, it would be unreasonable to yard by pulling line.
- (e) Ground yarding will be permitted on haul roads, only when authorized by the COUNTY in writing.
- (f) Prior to the beginning of felling operations, PURCHASER shall mark the locations, on the ground, of all major skid roads, subject to COUNTY approval. Felling shall be "to lead" to those

marked trails and those trail locations adhered to, unless otherwise approved in writing by COUNTY.

If the above conditions are not met by PURCHASER, COUNTY at its option reserves the right to require either or both of the following:

- (a) Suspend yarding, require PURCHASER to mark skid trails and roads on the ground, and obtain prior approval before resuming yarding activities.
- (b) Suspend yarding during portions of the year when soil moisture is critical as determined by the COUNTY.

Time lost while COUNTY exercises any of the above options shall be considered cause for contract extension.

Section 58. Damage to Reserved Trees. Reserved trees are those trees on the timber sale area, or on adjoining COUNTY property, which are not sold to nor are to be cut by PURCHASER. If damage to reserve trees occurs and is determined unavoidable by COUNTY, or results from activities approved in the Operations Plan, then no charge will be made for damage.

If Purchaser's activities result in avoidable damage to reserved trees as determined by COUNTY, PURCHASER shall pay for such trees at the following rates:

- (a) Single the contract value shall be paid when:
 - (1) "Minor damage" to reserve trees occurs during the course of normal logging. Minor damage is defined as bark removed down to the cambium layer of a tree, such removal affecting at least twenty-four (24) square inches, but less than damage defined as "major damage."
 - (2) Trees must be cut in order to facilitate contract operations, or for safety around landings, as approved in writing by COUNTY.
- (b) Double the contract value shall be paid when:
 - (1) "Major damage" to reserved trees is caused by operations of PURCHASER. Major damage is defined as bark removed down to the cambium layer over an area of the bole which has one dimension (height or circumference) greater than the diameter of the tree, or any visible bark removal on the tree roots.
 - (2) Tree top is knocked out.
 - (3) More than 50 % of live crown is removed.
- (c) Treble the contract value shall be paid when: *Not Applicable.*

For each species sold on a recovery basis, contract value is defined as the price per MBF listed in Section 45.

For species sold on a lump sum basis, the contract value for each species shall be determined by using county's timber appraisal value (prior to amortization of project costs), multiplied by the bid-up factor for the sale.

COUNTY may direct damaged trees to be left. In that case, payment for damage to reserved trees will be reduced by single the contract value of such trees.

The payment for reserved trees shall not release PURCHASER from liability for other damage to the property of COUNTY.

If more than ten percent (10%) of the conifer reserved trees suffer "minor damage," or if any conifer reserved trees suffer "major damage" as defined, COUNTY reserves the right to:

- (a) Suspend felling and/or yarding until corrective measures have been agreed upon by COUNTY and PURCHASER.
- (b) Require limitations on log length and/or the number of logs in each yarding turn.
- (c) Specify the size and type of equipment to be used.

Section 59. Damage to Reforested Areas. PURCHASER shall take all necessary precautions to minimize damage to reforested areas adjacent to, within, or nearby the sale area. Should purchaser's activities damage reforestation areas shown on Exhibit A, COUNTY shall determine the extent of the damage, and PURCHASER shall reimburse COUNTY \$1,200 per acre, or \$ 3.00 per tree for the damage.

Section 60. Fire Trails. NO fire trails are required for this sale.

Section 61. Project Work. PURCHASER shall complete the following projects in accordance with specifications provided and instructions from COUNTY. Project locations are shown on Exhibit A unless otherwise described. PURCHASER shall furnish all material unless otherwise specified.

Purchaser shall deliver 50 tons of firewood logs to Barton Park as required by Section 70. Purchaser shall pile slash and brush as required by Section 69. There are no other projects required by this contract.

PURCHASER shall comply with all applicable terms and conditions of any access documents set forth in the provisions of this contract, which are by this reference made a part of this contract. The following access documents pertain to this contract.

.....SPECIAL CONDITIONS.....

SECTION 62. Tractor Yarding. Tractor yarding shall not be used on slopes over 35 %.

SECTION 63. Yarding Equipment. **TRACTOR YARDING AREA:** PURCHASER will use a COUNTY APPROVED, track laying, shovel yarding system using machinery that is appropriate in size for the job. Tractors may be used for skidding only if approved by COUNTY.

WHEELED SKIDDER SPECIFICATIONS: Wheeled skidders are not desired and may be used only with written County approval, which is revocable if in the sole opinion of County the skidders are causing excessive damage to COUNTY property.

CABLE YARDER SPECIFICATIONS. If a cable yarder is necessary, Purchaser shall provide a cable yarding side that is appropriate for the size of the job and the size of existing landings. Cable can be hung outside the sale area in order to get proper deflection, however, at no time may Purchaser trespass upon the property of another owner unless a separate agreement is reached between said owner and Purchaser. Damage to areas outside the sale area shall be kept to a minimum and repaired by Purchaser to COUNTY satisfaction. Cable roads through stream buffers shall be kept to a reasonable minimum.

SECTION 64. Loading Equipment, Landing Location & Construction. A track mounted hydraulic loader is recommended for loading trucks on this sale. Construction of landings is not desired. Any trees cut outside the sale area other than a modest widening of the existing rights-of-way, as determined by the COUNTY, will be charged DOUBLE stumpage as determined by the COUNTY.

SECTION 65. Snag Felling, and Hardwood Tree Cutting. PURCHASER may ONLY fell snags located on COUNTY property, which are a direct safety threat to logging personnel, or are required to be felled for fire protection or fire hazard reduction. COUNTY, at its option, may require PURCHASER to fall conifer or hardwood whips in the units.

SECTION 66. Branding Hammers. If the COUNTY branding hammer is not returned in good usable condition, \$50 will be deducted from the performance bond prior to returning the bond after complete compliance by PURCHASER with the terms and conditions of this contract.

SECTION 67. Wood Cutting. NO "firewood" cutting, "shake", or "shake bolt" making will be allowed on COUNTY property by PURCHASER, or his representative, unless the PURCHASER, or employees of the operator have in their possession a valid CLACKAMAS COUNTY WOOD CUTTING PERMIT. All material not hauled off the sale area by the PURCHASER at the completion of sale is COUNTY property.

SECTION 68. Gate Closure. All gates accessing the COUNTY land will be closed and locked evenings, weekends, and any time there are no operations or use of the road under this contract.

SECTION 69. Post Sale Requirements. Where slopes allow, PURCHASER shall loader or shovel pile all slash and brush following harvest activities. Piles shall be free of dirt and rock. To the degree reasonably possible, piles shall be few in number and tall so that they will burn well.. Except for landings, areas logged with cable yarding machines need not be piled.

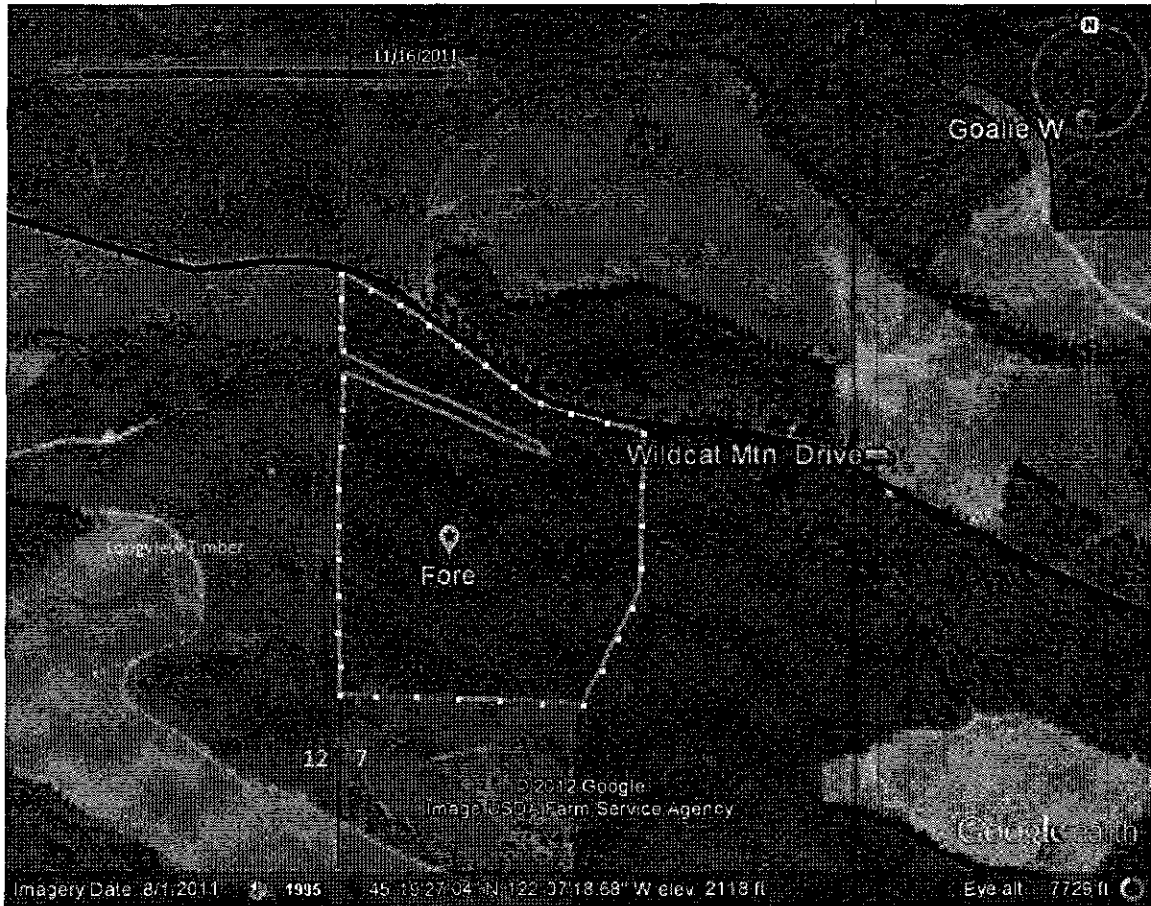
SECTION 70. Firewood PURCHASER shall deliver 50 tons of fir, hemlock, alder or maple logs to Barton Park for use as firewood. Logs may be of any length and size but shall be sound. Logs shall be set on the ground by PURCHASER at a location in Barton Park designated by COUNTY.

SECTION 71. Other Uses of Purchaser's Equipment. COUNTY may require PURCHASER to do other work in the general area of the sale using equipment already on site. COUNTY shall pay PURCHASER \$100 per hour for full-sized excavators or loaders and shall pay \$75 per hour for wheeled and tracked tractors, inclusive of operators.

Exhibit "A"
Fore Timber Sale
Portions of Sections 7, Township 3 South, Range 6 East, W. M.
Clackamas County, Oregon

Scale: 1 inch equals 880 feet

A
NC



The timber sale area lies within the area marked with the green and white line.

INVITATION TO BID

Notice is hereby given that Clackamas County, through its Board of County Commissioners, will receive sealed bids until **2:30 p.m., Thursday, February 14, 2013** in the Office of the Purchasing Manager, Clackamas County Public Service Building, 2051 Kaen Road, Oregon City, Oregon 97045, for the following:

"FORE TIMBER SALE -- #03-13"

as per specifications available at Clackamas County Purchasing, 2051 Kaen Road, Oregon City, Oregon, office hours 7 AM to 6 PM Monday through Thursday. No bids will be received or considered after that time.

Each bid must contain a statement as to whether the vendor is a resident vendor, as defined in ORS 279A.120. The Contractor or sub contractor **is not** required to be licensed under ORS 468A.720. This **is not** a public work contract subject to ORS 279C.800 to 279C.870 or the Davis-Bacon Act (40 U.S.C. 3141 et seq.). The bidder is not required to be licensed under ORS 468.883. No bid for construction contracts will be received or considered by the County unless the respondent is registered with the Construction Contractors Board or licensed by the State Landscape Contractors Board as required by ORS 671.530.

The County is selling approximately 3.0 million board feet (MMBF) of timber (2.4 MMBF Douglas-fir, 0.58 MMBF Hemlock). The timber is in the Wildcat Mtn. area southeast of Sandy, Oregon.

Sealed bids are to be sent to Lane Miller - Purchasing Manager, Clackamas County Purchasing, Clackamas County Public Service Building, 2051 Kaen Road, Oregon City, Oregon 97045, (503) 742-5444.

The Clackamas County Board of County Commissioners reserves the right to reject any and all bids not in compliance with all prescribed public bidding procedures and requirements, and may reject for good cause any and all bids upon the finding that it is in the public interest to do so and to waive any and all informalities in the public interest. In the award of the contract, the Board of County Commissioners will consider the element of time, will accept the proposal or proposals which in their estimation will best serve the interests of Clackamas County and will reserve the right to award the contract to the contractor whose bid shall be best for the public good.

DATED this 16th day of January, 2013

Lane Miller, Purchasing Manager

NOTICE OF TIMBER SALE

The Clackamas County Forester will accept sealed bids for certain designated timber.

Time and Place of Bid Opening: 2:30 p.m. February 14, 2013 at the Clackamas County Purchasing Department office, Room 497, 2051 Kaen Road, Oregon City, OR 97045 Oregon

Sale Number: 03-13

Sale Name: Fore Timber Sale

Located in: Portions of Sections 7, T. 3 S., R. 6 E., W.M.

Completion Date of Contract: November 30, 2013

BID SPECIES

		<u>Minimum Price</u>
Douglas Fir	2,364 MBF	\$400.00 per MBF
Hemlock/White fir	587 MBF	\$350.00 per MBF

NO BID SPECIES (non-negotiable)

Western Red Cedar	Negligible	\$625.00 per MBF
Red Alder	Negligible	\$200.00 per MBF
Big Leaf Maple	Negligible	\$ 50.00 per MBF
Utility	Negligible	\$ 50.00 per MBF gross
Pulp	Negligible	\$ 5.00 per ton

How to Bid: Price per MBF for EACH bid species. Price for no-bid species will remain as shown. HIGH bid will be based on total price of all species based on the COUNTY cruise. Total contract price will include all species.

Bid Deposit: Bid deposit is \$115,000.00.

Bond: 20% (to the nearest \$1,000.00), of the total purchase price, based on the total price of all species according to the County cruise.

Insurance: Please see attached sheets.

Minor Project Work: Slash and brush will be loader-piled after the harvest. 50 tons of firewood logs (no cottonwood) will be delivered to Barton Park.

Yarding and Logging Requirements:

Approximately 64 acres of tractor or loader harvest. Acreage is an estimate and Purchaser should make their own determination.

Contract provisions for this timber sale are enclosed for your study, and additional copies may be obtained at the Clackamas County Purchasing Department office at the address below.

Make sure that checks or money orders for bid deposits be made payable to "Clackamas County". The deposits are considered as evidence of good faith. The high bidder's deposit is applied to the first sale payment or retained as liquid damages in case of failure to qualify under terms of the contract within 30 days after sale award. Other deposits are returned.

If you are the successful bidder, the County Forester will send you a "Notice of Sale Award" and a contract shortly after the auction. To qualify for the sale, you must return four (4) copies of the contract with the proper signatures and also submit an insurance certificate and performance bond as specified in the contract, all within 30 days of the award notice. No operations are permitted on the sale area before the bond and insurance are accepted, and Clackamas County executes the Contract.

Clackamas County makes no guarantee as to the quantity, quality or value of the timber to be sold; it also reserves the right to waive minor technicalities and the right to reject any or all bids.

NARRATIVE ROUTE TO TIMBER SALE # 03-13
"FORE TIMBER SALE"

This sale is located southeast of Sandy, Oregon. Access to the area is from Wildcat Mtn. Drive, a county road. Other County-owned forest roads are available for Purchasers use.

From Sandy, OR travel approximately 2 miles east on U. S. Highway 26 to Shorty's Corner, the intersection of Hwy 26 and Firwood Road. Turn right on to Firwood Road and travel about 3 miles south to the intersection with Wildcat Mountain Drive. Turn left on to Wildcat Mtn. Drive. About 4.75 miles up Wildcat Mtn. Drive a small lake, Hope Lake, will be on the left.

To get to the sale area, go 2.25 miles past Hope Lake on Wildcat Mtn. Drive. The unit is on the right hand side of the County road opposite the County's yellow Number 10 gate. If you wish to drive on forest roads near the unit, you will need to obtain a "Timber Sale" or "S" key from the County Forest Program, on the fourth floor of the Development Services Building, 150 Beaver Creek Road, Oregon City, OR 97045. If you have a County Timber Sale key from an earlier sale (not older than 2012), that key will work.

Look for blue and white candy stripe ribbon at the start of the unit. The harvest unit boundaries are marked with pink ribbons, red paper tags, orange (or white) Timber Sale Boundary tags. The stream buffers are marked with blue flagging.

INFORMATION FOR TIMBER SALE # 03-13
"FORE TIMBER SALE"

Prospective PURCHASER'S are strongly advised to review a copy of the CONTRACT for timber sale # 03-13. If you do not have one, copies are available at the office of the County Purchasing Manager, located on the fourth floor of the County's Public Service Building, 2051 Kaen Road, Oregon City, Oregon, 97045

YARDING EQUIPMENT: PURCHASER must use a County-approved logging systems to yard this sale.

This Timber Sale has 1 clear cut unit of approximately 64 acres. No road construction is required, but it is expected that Purchaser will want to build spur roads to facilitate hauling. The gravel and dirt roads that access the units must be maintained to their existing condition and care should be taken to protect Wildcat Mountain road. New roads will need to be maintained to a similar status. Unless otherwise approved by County, ground based yarding is only allowed from May 1 to November 1 in order to prevent soil and road damage. This may be waived if conditions warrant. Roads may be plowed to remove snow at Operator's expense. Slash must be loader-piled where the slope of the ground allows track-mounted shovels to work.

INSURANCE: PURCHASER shall furnish the COUNTY, at the time of Contract signature, evidence of Commercial General Liability insurance, not less than \$1,000,000; Loggers Broad Form, property "B", in the amount of not less than \$1,000,000; and \$1,000,000 of Automobile Liability, with a combined single limit for personal injury and property damage coverage for the protection of the COUNTY, its officers, commissioners and employees against liability for damages because of personal injury, death, damage to property, including loss of use thereof, in any way related to this contract.

PAYMENT SCHEDULE: (1) Logging progress payments shall be made by PURCHASER for timber removed under this contract in a manner that maintains at all times a 20 percent reserve until the bid price is paid. Logging progress payments will be determined by scale reports as required in Section 47 of the Contract, or as determined by the County Forester.

(2) Regardless of logging progress, the following payment schedule shall be met:

- a. Twenty percent (20%) of the bid price must be paid at the time of contract signing. The bid deposit shall apply to this payment if it is Cash.
- b. An additional twenty percent (20%) of bid price including any logging progress payments must be paid by June 30, 2013.
- c. The total bid price (based on the County cruise) must be paid by November 30, 2013.

PAYMENT AND PERFORMANCE BOND REQUIREMENTS: PURCHASER shall furnish County with a performance bond in the amount of 20% (to nearest \$1,000) of the total purchase price, based on the total price of all species according to the COUNTY cruise.

Bond may be in Cash (to be held by the County Treasurer), assignable savings account, irrevocable letters of credit, other securities determined acceptable by the County, or surety bond written by a surety company authorized to do business in the State of Oregon.

FEDERAL LAW CONCERNING LOG EXPORTS: The federal Forest Resource Conservation and Shortage Relief Act of 1990 applies to Clackamas County timber sales. The export of unprocessed timber from County land is prohibited pursuant to the CLACKAMAS COUNTY LOG EXPORT ORDINANCE, Board Order #92-484. Bidders must comply with the provisions of the CLACKAMAS COUNTY LOG EXPORT ORDINANCE in disposing of timber from this sale.

BIDS for this timber sale must be on the COUNTY BID FORM that is attached or available from the County Forester. Bids on any other form will not be considered.

SEALED BID FORM
SEALED BID FORM RECOVERY (CUT OUT) TIMBER SALE AGREEMENT
"Fore" Timber Sale # 03-13

Ladies and Gentlemen;

The undersigned _____

a _____, of _____

(corporation, partnership, individual, state) does hereby offer pursuant to your Prospectus, to purchase from CLACKAMAS COUNTY the timber designated for cutting and known as "Fore Timber Sale, # 02-10" for the following prices:

SPECIES	ESTIMATED VOLUME (MBF)	STUMPAGE BID \$ per MBF	ESTIMATED VALUE
Douglas-fir	2364	\$ _____	\$ _____
Hemlock/White fir	587	\$ _____	\$ _____
No Bid Species			
Western Red Cedar	Negligible	\$625.00	\$ 0.00
Red Alder	Negligible	\$200.00	\$ 0.00
Big Leaf Maple	Negligible	\$ 50.00	\$ 0.00
Pulp	Negligible	\$5.00 per ton	\$ 0.00
TOTAL ESTIMATED VALUE =			\$ _____

Enclosed is cash, certified check, cashiers check, money order, or surety bond, (Surety Bond must be executed on a standard form), in the amount of \$115,000.00.

Resident Contractor, as defined in ORS 279A.120 Non-Resident Contractor, Resident State: _____

I, the undersigned certify that the bidder has not discriminated against minority, women, or emerging small business enterprises, or a business enterprise that is owned or controlled by or that employs a disabled veteran, in obtaining subcontracts.

It is acknowledged that CLACKAMAS COUNTY reserves the right to reject any and all bids.

DATED this _____ day of February, 2013

By: _____

Title: _____

Address: _____

Phone: _____

Bids must be received at the Clackamas County Purchasing Office, 2051 Kaen Road, Oregon City, OR 97045, Prior To 2:30 PM February 14, 2013

Faxed Or Emailed Bids Cannot Be Accepted



3 COPY

CAMPBELL M. GILMOUR
DIRECTOR

DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT

DEVELOPMENT SERVICES BUILDING

150 BEAVERCREEK ROAD | OREGON CITY, OR 97045

March 14, 2013

Board of County Commissioner
Clackamas County

Members of the Board:

**Approval of Intergovernmental Agreement No. 28806 with the
Oregon Department of Transportation for the
Construction of the Highway 212/Lawnfield Road Connection Project, Phase 3**

Purpose/Outcomes	This IGA will provide funding for the construction of the Highway 212/Lawnfield Road Connection Project, Phase 3.
Dollar Amount and Fiscal Impact	The IGA value is \$ 4,760,000. This IGA is fully funded by the Oregon Department of Transportation through the Jobs and Transportation Act of 2009 (JTA) Program.
Funding Source	Oregon Department of Transportation - no County funds are involved.
Safety Impact	Road reconstruction will provide improved safety for both vehicular and pedestrian traffic along Lawnfield Rd between 97 th Ave and 98 th Ct as well as through each intersection.
Duration	Terminates upon completion of the Project, final payment, and transfer of the potential 2015-2018 MTIP Regional Economic Opportunity Fund to the Sunrise project or December 31st, 2016, whichever is sooner.
Previous Board Action	10/04/10: BCC approved funding (\$815,000 from CCDA) for design of Lawnfield Phase 3. 05/16/12: ODOT/County Right of Way IGA (No. 27820) executed. 02/05/13: Lawnfield Phase 3 Project Study Session
Contact Person	Terry Mungenast, Project Manager – DTD Engineering 503-742-4656

BACKGROUND:

On January 11, 2011, ODOT and Clackamas County entered into a Memorandum of Understanding (MOU) R1#00699 to address collaboration in the overall development and construction of the Sunrise system that was funded as part of the 2009 Oregon Jobs and Transportation Act (JTA). The Highway 212/Lawnfield Road Connection Project, Phase 3 is a part of that system and is included in the Memorandum.

The Lawnfield project design was funded by the Clackamas County Development Agency at a cost of \$815,000 and is nearly complete. The project will reconstruct Lawnfield Rd from 98th Ct to 97th Ave. Improvements will include new curbs, sidewalks, bike lanes, signalization of the Lawnfield Rd/97th Ave intersection, street lighting, stormwater drainage improvements and a truck priority system to help keep truck traffic moving efficiently through the area. Also, the current maximum road grade of 14% will be reduced to a consistent 8.75% making travel safer for all users.

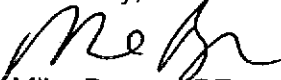
This IGA has been reviewed and approved by County Counsel.

YQ

RECOMMENDATION:

Staff respectfully recommends that the Board of County Commissioners approves Intergovernmental Agreement No. 28806 with the Oregon Department of Transportation for the Construction of the Highway 212/Lawnfield Road Connection Project, Phase 3.

Sincerely,



Mike Bezner, PE

Transportation Engineering Manager

**Oregon Jobs and Transportation Act of 2009
Local Agency Agreement for Fund Distribution
SE Lawnfield Road: SE 97th – SE 98th Section
Clackamas County**

THIS AGREEMENT is made and entered into by and between THE STATE OF OREGON, acting by and through its Department of Transportation, hereinafter referred to as "State"; and Clackamas County, acting by and through its elected officials, hereinafter referred to as "Agency", both herein referred to individually or collectively as "Party" or "Parties."

RECITALS

1. Oregon Jobs and Transportation Act of 2009 (JTA) Program, hereinafter referred to as the "JTA of 2009 Program", provides funding for preservation and modernization projects chosen by the Oregon Transportation Commission (OTC).
2. Projects named in Section 64 of 2009 Legislative Assembly, Oregon House Bill (HB) 2001, as well as projects approved by the OTC pursuant to Section 64(3), were amended into the Statewide Transportation Improvement Program (STIP), including the project identified below.
3. Governor Kulongoski signed HB 2001 on July 29, 2009, Chapter 865, Oregon Laws 2009. This legislation also known as the Oregon Jobs and Transportation Act, is the transportation funding plan for accountability, innovation and environmental stewardship; highway, road and street funding; and, multimodal funding. On October 21, 2009 the OTC approved projects relating to this legislation.
4. By the authority granted in Oregon Revised Statute (ORS) 190.110, 366.572 and 366.576, state agencies may enter into cooperative agreements with counties, cities, and units of local government for the performance of any or all functions and activities that a party to the Agreement, its officers, or agents have the authority to perform.
5. SE Lawnfield Road is a part of the Clackamas County road system under the jurisdiction and control of Clackamas County.
6. The Parties entered into a Memorandum of Understanding (MOU) R1#00699 on January 11, 2011. Said MOU addressed mutual collaboration of both Parties in the overall development and construction of the Sunrise JTA Project and Associated Projects which are comprised of seven separate project components, including the SE Lawnfield Road project described herein, being mutually funded and constructed. The first two Associated Projects have been fully funded and completed.

*Clackamas County/State
Agreement No. 28806*

7. The Parties also entered into a Right of Way Services Agreement No. 27820 on May 16, 2012. Said Agreement addresses State's services to obtain right of way on behalf of the Agency for the SE Lawnfield Project and allows for an estimated \$4,000,000 in right of way costs.
8. The Agency has performed the Preliminary Engineering portion of the SE Lawnfield Project at its own expense of \$815,000.

NOW THEREFORE, the premises being in general as stated in the foregoing Recitals, it is agreed by and between the Parties hereto as follows:

TERMS OF AGREEMENT

1. Agency shall reconstruct SE Lawnfield Road including construction, construction engineering and inspection, from approximately SE 97th Avenue to SE 98th Court, hereinafter referred to as "Project". A Project description, budget and map showing the location and approximate limits of the Project are shown on "Exhibit A", attached hereto and by this reference made a part hereof.
2. The Project was approved by the OTC on October 21, 2009.
3. The total Project cost is estimated at \$4,760,000, which is subject to change. The JTA of 2009 Program funds are limited to \$4,760,000. State shall reimburse Agency 100 percent of eligible, actual costs incurred up to the maximum amount of JTA funds committed for the Project.
4. If the Project exceeds the cost estimate of \$4,760,000 by not more than ten percent (10%), then the Agency will pay that additional cost. If greater than ten percent (10%), Agency will negotiate with State for additional funds. Any increase in the State funds will require an amendment to this Agreement.
5. This Agreement shall become effective on the date all required signatures are obtained and shall terminate on completion of the Project, final payment, and transfer of the 2015-2018 Metropolitan Transportation Improvement Program (MTIP) Regional Economic Opportunity Fund (REOF) to STIP Key #15555 or December 31st, 2016, whichever is sooner. Only work begun after the effective date of this Agreement is eligible for reimbursement with funds available under the JTA of 2009 Program.
6. The funds available under the JTA of 2009 Program are State Highway Funds. To be eligible for reimbursement under the JTA of 2009 Program, expenditures must comply with the requirements of Article IX, Section 3a of the Oregon Constitution.
7. The JTA of 2009 Program Funds are expected to become available on or before January 1, 2011 by way of increases in gas taxes and other fees under HB 2001, 2009 Legislative Assembly (Oregon Laws 2009, Chapter 865), and through the issuance and sale by the State Treasurer, of the bonds authorized by Section 61 of

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HB 2001, in an amount sufficient to fund this Project. The Agreement is effective and work may begin upon execution of this Agreement, but State's obligation to make project payments is contingent upon State determining that sufficient funds are available for the Project. State will notify Agency when such funds are available; and State shall begin payments for invoiced work pursuant to this Agreement from such date.

8. Agency and State have a joint obligation to ensure timely expenditure of the JTA of 2009 Program funds and to comply with the provisions of the bonds that finance the JTA of 2009 Program.
9. Agency agrees to make all funds allocated through the 2015-2018 MTIP Regional Economic Opportunity Fund available to State for construction of the Sunrise Project Key #15555. The Lawnfield Road Project was originally one of the various projects that make up Sunrise Project Key #15555.
10. If the Project cost exceeds the amount of MTIP funding made available to State under Terms of Agreement, Paragraph No. 9, currently estimated to be \$8,267,000, then the State will negotiate with Agency for additional funds. If mutually agreeable terms cannot be reached by Agency and State prior to December 31st, 2016, then State reserves its right to review projects programmed in the STIP at that time and seek the reprogramming of funds as State deems necessary.

AGENCY OBLIGATIONS

1. Agency shall perform the work described in Exhibit A.
2. Agency shall present invoices for the eligible, actual costs incurred by Agency on behalf of the Project directly to State's Project Liaison for review and approval. Such invoices shall be submitted in the form as shown on "Exhibit B", JTA of 2009 Program fund Progress Billing Form, attached hereto and by this reference made a part hereof. Invoices will identify the Project and Agreement number, and shall itemize and explain all expenses for which reimbursement is claimed. Invoices shall be presented for periods of not greater than one month, based on actual expenses incurred, and must clearly specify the percentage of completion of the Project. Upon completion of the Project, Agency shall submit a final invoice and letter indicating that the Project is complete.
3. Agency shall be responsible for any and all costs of Project which are not covered by the JTA of 2009 Program funds, including costs of the Project when the maximum amount of the JTA of 2009 Program funds obligated under this Agreement have been expended.
4. Agency shall provide engineering design documents to ODOT for approval if the design affects the state highway.

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5. Agency shall advertise for construction of the Project by March 2013, commence construction in the spring of 2013, and complete construction to reopen SE Lawnfield Road to traffic by January of 2014. This date assumes ODOT has acquired all project Right of Way not later than May 1, 2013.
6. The Project shall be developed in conformance with Agency's standards. If Agency has not adopted standards of its own, the Project shall be developed in conformance with the current edition of "A Policy on Geometric Design of Highways and Streets" by the American Association of State Highway and Transportation Officials (AASHTO). Agency shall provide State with sufficient information to complete a project prospectus.
7. Agency shall comply with all federal, state, and local laws, regulations, executive orders and ordinances applicable to the work under this Agreement, including, without limitation, the provisions of ORS 279C.505, 279C.515, 279C.520, 279C.530 and 279B.270 incorporated herein by reference and made a part hereof. Without limiting the generality of the foregoing, Agency expressly agrees to comply with (i) Title VI of Civil Rights Act of 1964; (ii) Title V and Section 504 of the Rehabilitation Act of 1973; (iii) the Americans with Disabilities Act of 1990 and ORS 659A.142; (iv) all regulations and administrative rules established pursuant to the foregoing laws; and (v) all other applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations.
8. Agency shall perform the service under this Agreement as an independent contractor and shall be exclusively responsible for all costs and expenses related to its employment of individuals to perform the work under this Agreement including, but not limited to, retirement contributions, workers compensation, unemployment taxes, and state and federal income tax withholdings.
9. All employers, including Agency, that employ subject workers who work under this Agreement in the State of Oregon shall comply with ORS 656.017 and provide the required Workers' Compensation coverage unless such employers are exempt under ORS 656.126. Employers Liability insurance with coverage limits of not less than \$500,000 must be included. Agency shall ensure that each of its subcontractors complies with these requirements.
10. Agency will maintain the improvements made as a result of the Project at the same level as other similar facilities owned by Agency.
11. Agency agrees that the Project will be on the public right of way and will serve general transportation needs.
12. Utility relocation or reconstruction may or may not be an eligible Project expense according to the following standard:
 - a. The expense is an eligible expense if the owner of the utility facility possesses a property right for its location on the public right of way.

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- b. The expense is not an eligible expense if the owner of the utility facility does not possess a property right for its location, but the facility exists on the public right of way solely under the permission of the Agency or other road authority, whether that permission is expressed or implied, and whether written or oral.
13. Agency shall require its contractor(s) and subcontractor(s) that are not units of local government as defined in ORS 190.003, if any, to indemnify, defend, save and hold harmless the State of Oregon, Oregon Transportation Commission and its members, Department of Transportation and its officers, employees and agents from and against any and all claims, actions, liabilities, damages, losses, or expenses, including attorneys' fees, arising from a tort, as now or hereafter defined in ORS 30.260, caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Agency's contractor or any of the officers, agents, employees or subcontractors of the contractor ("Claims"). It is the specific intention of the Parties that State shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the State, be indemnified by the contractor and subcontractor from and against any and all Claims.
14. Any such indemnification shall also provide that neither Agency's contractor and subcontractor nor any attorney engaged by Agency's contractor and subcontractor shall defend any claim in the name of the State of Oregon or any agency of the State of Oregon, nor purport to act as legal representative of the State of Oregon or any of its agencies, without the prior written consent of the Oregon Attorney General. The State of Oregon may, at anytime at its election assume its own defense and settlement in the event that it determines that Agency's contractor is prohibited from defending the State of Oregon, or that Agency's contractor is not adequately defending the State of Oregon's interests, or that an important governmental principle is at issue or that it is in the best interests of the State of Oregon to do so. The State of Oregon reserves all rights to pursue claims it may have against Agency's contractor if the State of Oregon elects to assume its own defense.
15. Agency certifies, at the time this Agreement is executed, that sufficient funds are available and authorized for expenditure to finance costs of this Agreement within Agency's current appropriation or limitation of the current budget. Agency further agrees that they will only submit invoices to State for reimbursement on work that has been performed and paid for by Agency.
16. Agency shall place signs that identify Project as "Oregon Jobs and Transportation Act" (State approved design). Agency may affix additional signage that identifies local funds used for the Project.
17. Agency shall provide progress information, appropriate links from Agency's web sites related to their JTA of 2009 Projects, and photographs in a suitable format directly to the State's Project Liaison for posting on the State's JTA of 2009 Program web site.
18. Agency agrees to provide State with name of the contractor and subcontractors

doing work on the Project along with total dollars contracted to those listed.

19. If Agency enters into a construction contract for performance of work on the Project, then Agency will require its contractor to provide the following:

- a. Contractor and Agency shall name State as a third party beneficiary of the resulting contract.
- b. Contractor shall indemnify, defend and hold harmless State from and against all claims, suits, actions, losses, damages, liabilities, costs and expenses of any nature whatsoever resulting from, arising out of, or relating to the activities of Contractor or its officers, employees, sub-contractors, or agents under the resulting contract.
- c. Commercial General Liability. Contractor shall obtain, at Contractor's expense, and keep in effect during the term of the resulting contract, Commercial General Liability Insurance covering bodily injury and property damage in a form and with coverages that are satisfactory to State. This insurance shall include personal and advertising injury liability, products and completed operations. Coverage may be written in combination with Automobile Liability Insurance (with separate limits). Coverage shall be written on an occurrence basis. If written in conjunction with Automobile Liability the combined single limit per occurrence shall not be less than \$1,000,000 for each job site or location. Each annual aggregate limit shall not be less than \$2,000,000.
- d. Automobile Liability. Contractor shall obtain, at Contractor's expense, and keep in effect during the term of the resulting contract, Commercial Business Automobile Liability Insurance covering all owned, non-owned, or hired vehicles. This coverage may be written in combination with the Commercial General Liability Insurance (with separate limits). Combined single limit per occurrence shall not be less than \$1,000,000.
- e. Additional Insured. The liability insurance coverage, except Professional Liability, Errors and Omissions, or Workers' Compensation, if included, required for performance of the resulting contract will include State and its divisions, officers and employees as Additional Insured but only with respect to the Contractor's activities to be performed under the resulting contract. Coverage shall be primary and non-contributory with any other insurance and self-insurance.
- f. Notice of Cancellation or Change. There shall be no cancellation, material change, potential exhaustion of aggregate limits or non-renewal of insurance coverage(s) without thirty (30) days written notice from the Contractor or its insurer(s) to State. Any failure to comply with the reporting provisions of this clause shall constitute a material breach of the resulting contract and shall be grounds for immediate termination of the resulting contract and this Agreement.

20. Agency acknowledges and agrees that State, the Oregon Secretary of State's Office,

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and their duly authorized representatives shall have access to the books, documents, papers, and records of Agency which are directly pertinent to the specific Agreement for the purpose of making audit, examination, excerpts, and transcripts during the course of the Project and for a period of six (6) years after final payment. Copies of applicable records shall be made available upon request. Payment for costs of copies is reimbursable by State.

21. Agency certifies and represents that the individual(s) signing this Agreement has been authorized to enter into and execute this Agreement on behalf of Agency, under the direction or approval of its governing body, commission, board, officers, members or representatives, and to legally bind Agency.
22. Agency's Project Manager for this Project is Terry Mungenast, Technical Services Coordinator, Clackamas County, 150 Beaver Creek Road, Oregon City, OR 97045; 503-742-4656, terrymun@co.clackamas.or.us, or assigned designee upon individual's absence. Agency shall notify the other Party in writing of any contact information changes during the term of this Agreement.

STATE OBLIGATIONS

1. In consideration for the services performed, State agrees to pay Agency within ten (10) days of receipt by State of the Project invoice and Exhibit B. State shall reimburse Agency 100 percent of eligible, actual costs incurred up to the maximum amount of JTA funds committed for the Project and as specified in Terms of Agreement, Paragraph No. 2. Under no conditions shall State's total obligation exceed \$4,760,000, including all expenses. Travel expenses will be reimbursed.
2. State shall review the documentation provided by Agency to ensure that the Project undertaken by Agency is the Project approved by the OTC at the October 21, 2009 meeting.
3. State shall not be required to approve Agency's selection of contractors, right of way purchase, or engineering design documents, unless the Project design affects the state highway system or as required by the conditions of approval adopted by the OTC.
4. State's Project Manager for this Project is Nathan Potter, ODOT – Region 1, Consultant Project Manager, 123 NW Flanders St., Portland, OR 97209; 503-731-3344, Nathan.K.Potter@odot.state.or.us or assigned designee upon individual's absence. State shall notify the other Party in writing of any contact information changes during the term of this Agreement.

GENERAL PROVISIONS

1. If ODOT fails to obtain all Project Right of Way on behalf of the County by May 1, 2013, then the Parties agree to negotiate and agree on a new Project construction completion date and enter into an amendment to this Agreement for said new

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- completion date.
2. This Agreement may be terminated by mutual consent of both Parties.
 3. State may terminate this Agreement effective upon delivery of written notice to Agency, or at such later date as may be established by State, under any of the following conditions:
 - a. If Agency fails to provide services called for by this Agreement within the time specified herein or any extension thereof.
 - b. If Agency fails to perform any of the other provisions of this Agreement or so fails to pursue the work as to endanger performance of this Agreement in accordance with its terms, and after receipt of written notice from State fails to correct such failures within ten (10) days or such longer period as State may authorize.
 - c. Because of legislative or other legal action, including but not limited to initiative petitions, there is failure to approve, reduction, elimination, or other interference with appropriations of state expenditure limitation to the extent that legal authority is insufficient to enable State, in its reasonable discretion, to continue making payments under this Agreement.
 - d. State, the Department of Justice, or a court of competent jurisdiction determines that state law, rules, regulation or guidelines are modified, changed, repealed or interpreted in such a way that the activities described in this Agreement are no longer allowable or no longer eligible for funding proposed by this Agreement.
 - e. If State fails to receive funding, appropriations, limitations or other expenditure authority sufficient to allow State, in the exercise of its reasonable administrative discretion, to continue to make payments for performance of this Agreement.
 - f. If federal or state laws, regulations or guidelines are modified or interpreted in such a way that either the work under this Agreement is prohibited or if State is prohibited from paying for such work from the planned funding source.
 4. If State terminates this Agreement for the reasons described in General Provisions 2, "a" or "b" above, Agency must reimburse State for all JTA of 2009 Program funds expended. If Agency fails to reimburse State, State may withhold Agency's proportional share of State Highway Fund distribution necessary to reimburse State for costs incurred by such Agency breach.
 5. Any termination of this Agreement shall not prejudice any rights or obligations accrued to the Parties prior to termination.
 6. If any third party makes any claim or brings any action, suit or proceeding alleging a tort as now or hereafter defined in ORS 30.260 ("Third Party Claim") against State or Agency with respect to which the other Party may have liability, the notified Party

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must promptly notify the other Party in writing of the Third Party Claim and deliver to the other Party a copy of the claim, process, and all legal pleadings with respect to the Third Party Claim. Each Party is entitled to participate in the defense of a Third Party Claim, and to defend a Third Party Claim with counsel of its own choosing. Receipt by a Party of the notice and copies required in this paragraph and meaningful opportunity for the Party to participate in the investigation, defense and settlement of the Third Party Claim with counsel of its own choosing are conditions precedent to that Party's liability with respect to the Third Party Claim.

7. With respect to a Third Party Claim for which State is jointly liable with Agency (or would be if joined in the Third Party Claim), State shall contribute to the amount of expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by Agency in such proportion as is appropriate to reflect the relative fault of State on the one hand and of Agency on the other hand in connection with the events which resulted in such expenses, judgments, fines or settlement amounts, as well as any other relevant equitable considerations. The relative fault of State on the one hand and of Agency on the other hand shall be determined by reference to, among other things, the Parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines or settlement amounts. State's contribution amount in any instance is capped to the same extent it would have been capped under Oregon law, including the Oregon Tort Claims Act, ORS 30.260 to 30.300, if State had sole liability in the proceeding.
8. With respect to a Third Party Claim for which Agency is jointly liable with State (or would be if joined in the Third Party Claim), Agency shall contribute to the amount of expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by State in such proportion as is appropriate to reflect the relative fault of Agency on the one hand and of State on the other hand in connection with the events which resulted in such expenses, judgments, fines or settlement amounts, as well as any other relevant equitable considerations. The relative fault of Agency on the one hand and of State on the other hand shall be determined by reference to, among other things, the Parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines or settlement amounts. Agency's contribution amount in any instance is capped to the same extent it would have been capped under Oregon law, including the Oregon Tort Claims Act, ORS 30.260 to 30.300, if it had sole liability in the proceeding.
9. The Parties shall attempt in good faith to resolve any dispute arising out of this Agreement. In addition, the Parties may agree to utilize a jointly selected mediator or arbitrator (for non-binding arbitration) to resolve the dispute short of litigation.
10. State and Agency are the only Parties to this Agreement and, as such, are the only Parties entitled to enforce its terms. Nothing in this Agreement gives or shall be construed to give or provide any benefit, direct, indirect or otherwise to third persons.

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unless such third persons are expressly identified by name and specifically described as intended to be beneficiaries of its terms.

11. This Agreement may be executed in several counterparts (facsimile or otherwise) all of which when taken together shall constitute one agreement binding on all Parties, notwithstanding that all Parties are not signatories to the same counterpart. Each copy of this Agreement so executed shall constitute an original.
12. This Agreement, MOU R1#00699, Right of Way Services Agreement #27820 and attached exhibits constitute the entire agreement between the Parties on the subject matter hereof. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement. No waiver, consent, modification or change of terms of this Agreement shall bind either Party unless in writing and signed by both Parties and all necessary approvals have been obtained. Such waiver, consent, modification, or change, if made, shall be effective only in the specific instance and for the specific purpose given. The failure of either Party to enforce any provision of this Agreement shall not constitute a waiver by that Party of that or any other provision.

THE PARTIES, by execution of this Agreement, hereby acknowledge that its signing representatives have read this Agreement, understand it, and agree to be bound by its terms and conditions.

This Project is in the 2010-2013 Statewide Transportation Improvement Program, (Key #18167) that was approved by the Oregon Transportation Commission on December 16, 2010 (or subsequently approved by amendment to the STIP).

Signature page to follow

Clackamas County/State Agreement No. 28806

CLACKAMAS COUNTY, by and through its elected officials

By _____
Chair

Date _____

By _____
Recording Secretary

Date _____

APPROVED AS TO LEGAL SUFFICIENCY

By 
Agency Legal Counsel

Date 2/28/13

Agency Contact:
Terry Mungenast, Technical Services Coordinator, Clackamas County
150 Beaver Creek Road
Oregon City, OR 97045
Phone: 503-742-4656
Email: terrymun@co.clackamas.or.us

State Contact:
Nathan Potter, ODOT – Region 1, Consultant Project Manager
123 NW Flanders St.
Portland, OR 97209
Phone: 503-731-3344
Email: Nathan.K.Potter@odot.state.or.us

STATE OF OREGON, by and through its Department of Transportation

By _____
Highway Division Administrator

Date _____

APPROVAL RECOMMENDED

By _____
Technical Services Manager/Chief Engineer

Date _____

By _____
State Right of Way Manager

Date _____

By _____
Region 1 Manager

Date _____

By _____
Region 1 Right of Way Manager

Date _____

By _____
District 2B Manager

Date _____

APPROVED AS TO LEGAL SUFFICIENCY

By _____
Assistant Attorney General

Date _____

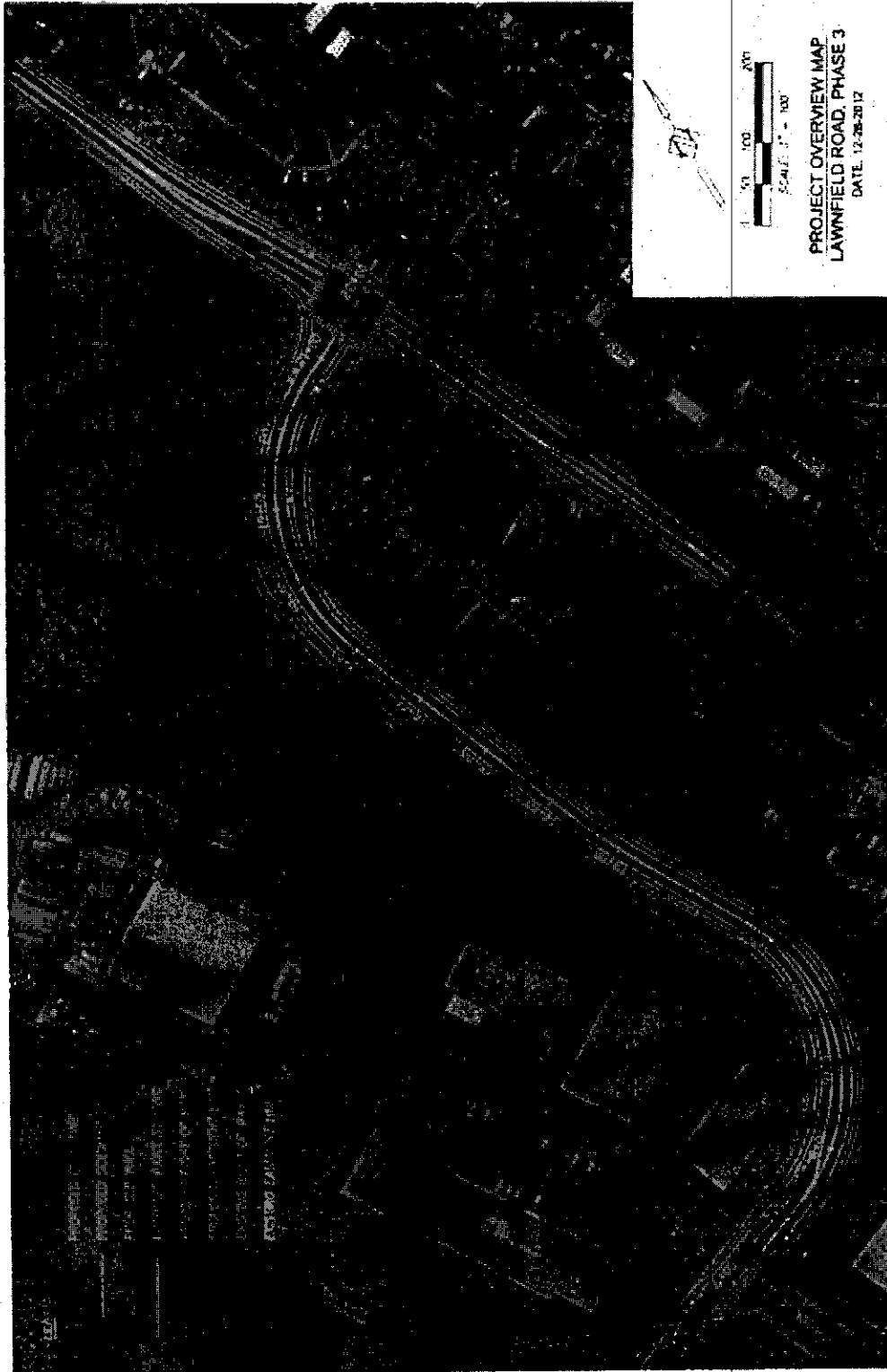
Exhibit A –PROJECT DESCRIPTION
 Clackamas County
 SE Lawnfield Road: SE 97th to SE 98th

Construction, Construction Engineering and inspection services for the section of SE Lawnfield Road from SE 97th Avenue to SE 98th Court.

Project Cost Estimate		Project Financing	
Construction	\$4,760,000	Agency Contribution \$	PE and Design
Total Project Cost	\$4,760,000	JTA of 2009 Program	\$4,760,000
		Total Funds	\$4,760,000

Agency/State
Agreement No.

Exhibit A – Map



Agency/State
Agreement No.

**Exhibit B – Progress Billing Form
Oregon Jobs and Transportation Act of 2009
Progress Billing Form**

Agency: _____
Project: _____
Agreement No: _____
Billing Period: _____ to _____

	Costs Incurred This Period	Costs Billed Previously	Total Cost To Date	Participation Rate	Total Amount Claimed	Prior Total Claimed	Amount Claimed This Period	Percent Complete This Phase
Planning								
Engineering Design								
Right of Way								
Construction								
Total								

Submission of this request certifies that, in accordance with the laws of the State of Oregon and under the conditions of approval for the Project identified above, actual costs claimed have been incurred and are eligible pursuant to the Intergovernmental Agreement between Agency and State. Also, no other claims have been presented to, or payment made by, the State of Oregon for those costs claimed for reimbursement.

Agency Project Liaison

Date

(for State use)

I have reviewed the above Project and related costs and, in my opinion, subject to audit, the costs reflect the progress to date and are eligible for reimbursement in the amount of \$ _____.

State Project Liaison

Date



ELLEN CRAWFORD
DIRECTOR

JUVENILE DEPARTMENT

JUVENILE INTAKE AND ASSESSMENT CENTER
2121 KAEN ROAD | OREGON CITY, OR 97045

March 14, 2013

Board of County Commissioners
Clackamas County

Members of the Board:

Approval to Submit Application for Mental Health and Substance Abuse Grant
Through US Department of Justice

Purpose/Outcomes	Funding of a mental health specialist to work in the Juvenile Intake and Assessment Center to provide immediate mental health crisis assessments and diagnosis to youth charged with law violations who are identified as having mental health concerns. These assessments will enable our staff to prioritize youth with serious mental health needs and provide them with specific services to address their emotional and psychological functioning. Follow up counseling with youth and their families would also be provided by this mental health specialist to bridge the gap between intake and when services would be available through Behavioral Health or their private insurance.
Dollar Amount and Fiscal Impact	This is a two year grant in the amount of \$200,000. There is a 25% match requirement which would be shared by Behavioral Health and the Juvenile Department by way of in kind services. In kind services from Behavioral Health would include clinical supervision of the mental health therapist and training for staff. The Juvenile Department's in kind would include supervision of case management and coordination of services with Behavioral Health. This would amount to \$12,500 annually for each department. Sustainability for these services will be through the development of a billing system for Medicaid reimbursement. This model is currently implemented in our Juvenile Drug Court with the Medicaid reimbursements paying for two full time contacted therapists. The application is due on March 25 th
Funding Source	US Department of Justice
Safety Impact	Having the ability to identify mental health disorders for delinquent youth and providing appropriate treatment reduces the potential risk of acting out behavior in the community and potentially has the impact of reducing further law violating behavior.
Duration	Effective October 1, 2013 through September 30, 2015
Previous Board Action/Review	None

Contact Person	Ellen Crawford, Director
Contract No.	

BACKGROUND:

The Juvenile Department would like your approval to apply for a US Department of Justice Grant. The grant specifically focuses on increasing public safety through cross-system collaborations for individuals with mental illness or co-occurring mental health and substance abuse disorder who come into contact with the justice system. The Juvenile Department currently processes over 1500 youth annually. Of this population over 20% are indicated to have mental health conditions such as depression, difficulty eating or sleeping and social isolation and suicidal ideation. The only existing resource currently are Behavioral Health specialists who conduct 4 assessments on a monthly basis. The waiting list is long to schedule these appointments for juveniles and it does not secure mental health follow up treatment. This grant allows for the expansion of a collaboration with Clackamas County Behavioral Health to fund a mental health specialist 30 hours a week, housed in the juvenile department 5 days a week. This position would provide crisis mental health assessments and diagnosis for youth assessed to have mental health conditions. This assessment will enable our staff to provide appropriate intervention and treatment for the mental health needs of our clients. In addition, follow up counseling would be available to the youth and family to bridge the gap between the initial time a youth is taken in to custody and when services actually can be received from Behavioral Health or their private insurance. This is a critical time when youth remain in the community, posing a higher risk to reoffend. This will be a contract position, and not recruited as an employee.

RECOMMENDATION:

Staff recommends the Board grant approval to submit an application for this grant.

Respectfully submitted,



Ellen Crawford, Director
Juvenile Department



The U.S. Department of Justice (DOJ), Office of Justice Programs (OJP), Bureau of Justice Assistance (BJA) is seeking applications for funding for the Justice and Mental Health Collaboration Program. This program furthers the Department's mission by increasing public safety through innovative cross-system collaboration for individuals with mental illness who come into contact with the criminal justice system.

Justice and Mental Health Collaboration Program FY 2013 Competitive Grant Announcement

Eligibility

Applicants are limited to states, units of local government, federally recognized Indian tribes (as determined by the Secretary of the Interior), and tribal organizations. BJA will only accept applications that demonstrate that the proposed project will be administered jointly by an agency with responsibility for criminal or juvenile justice activities and a mental health agency. Only one agency is responsible for the submission of the application in Grants.gov. This lead agency must be a state agency, unit of local government, federally recognized Indian tribe, or tribal organization.

Per Pub. L. 108-414, a "criminal or juvenile justice agency" is an agency of state or local government or its contracted agency that is responsible for detection, arrest, enforcement, prosecution, defense, adjudication, incarceration, probation, or parole relating to the violation of the criminal laws of that state or local government (sec. 2991(a)(3)). A "mental health agency" is an agency of state or local government or its contracted agency that is responsible for mental health services or co-occurring mental health and substance abuse services (sec. 2991(a)(5)). A substance abuse agency is considered an eligible applicant if that agency provides services to individuals suffering from co-occurring mental health and substance abuse disorders.

Note: BJA may elect to make awards for applications submitted under this solicitation in future fiscal years, dependent on the merit of the applications and on the availability of appropriations.

Deadline

Applicants must register with Grants.gov prior to submitting an application. (See "How To Apply," page 26.) All applications are due by 11:59 p.m. eastern time on March 25, 2013. (See "Deadlines: Registration and Application," page 4.)

Contact Information

For technical assistance with submitting an application, contact the Grants.gov Customer Support Hotline at 800-518-4726 or 606-545-5035 or via e-mail to support@grants.gov.

Note: The Grants.gov Support Hotline hours of operation are 24 hours a day, 7 days a week, except federal holidays.

For assistance with any other requirement of this solicitation, contact the BJA Justice Information Center at 1-877-927-5657, via e-mail at JIC@telesishq.com, or via live web chat at www.justiceinformationcenter.us. The BJA Justice Information Center hours of operation are 8:30 a.m. to 5:00 p.m. eastern time, Monday through Friday, and 8:30 a.m. to 8:00 p.m. eastern time on the solicitation close date.

Grants.gov number assigned to announcement: BJA-2013-3493

Release date: January 24, 2013

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Justice and Mental Health Collaboration Program (CFDA #16.745)

Overview

The Justice and Mental Health Collaboration Program seeks to increase public safety through innovative cross-system collaboration for individuals with mental illnesses or co-occurring mental health and substance abuse disorders who come into contact with the justice system. BJA is seeking applications that demonstrate a collaborative project between criminal justice and mental health partners from eligible applicants to plan, implement, or expand a justice and mental health collaboration program. This program is authorized by the Mentally Ill Offender Treatment and Crime Reduction Act of 2004 (MIOTCRA) (Pub. L. 108-414) and the Mentally Ill Offender Treatment and Crime Reduction Reauthorization and Improvement Act of 2008 (Pub. L. 110-416).

Deadlines: Registration and Application

Applicants must register with Grants.gov in order to submit an application. OJP encourages applicants to **register several weeks before** the application submission deadline. In addition, OJP urges applicants to submit applications at least 72 hours prior to the application due date. The deadline to apply for funding under this announcement is 11:59 p.m. eastern time on March 25, 2013. See the "How To Apply" section on page 26 for more details. Note that while the deadline for submission is 11:59 p.m. eastern time on March 25, 2013, staff assistance through the BJA Justice Information Center is only available until 8:00 p.m. eastern time (see "Contact Information" on the title page for more information about BJA's Justice Information Center).

Eligibility

Refer to the title page for eligibility under this program.

Justice and Mental Health Collaboration Program—Specific Information

The Justice and Mental Health Collaboration Program seeks to increase public safety by facilitating collaboration among the criminal justice and mental health and substance abuse treatment systems to increase access to mental health and other treatment services for individuals with mental illnesses or co-occurring mental health and substance abuse disorders. The program encourages early intervention for these multisystem-involved individuals; maximizes diversion opportunities for multisystem-involved individuals with mental illnesses or co-occurring mental health and substance abuse disorders; promotes training for justice and treatment professionals; and facilitates communication, collaboration, and the delivery of support services among justice professionals, treatment and related service providers, and governmental partners.

Goals, Objectives, and Deliverables

Grant funds may be used to:

- Plan, create, or expand programs that promote public safety and public health by providing appropriate services for multisystem-involved individuals with mental illnesses or co-occurring mental health and substance abuse disorders.
- Plan, create, or expand specialized training programs for criminal justice and mental health and substance abuse treatment personnel.
- Plan, create, or expand law enforcement strategies to provide response options that are tailored to the needs of people with mental illnesses.
- Plan, create, or expand mental health courts, other court-based programs, pre-trial services, use of court-appointed mental health advocates and case managers, and mandatory treatment as part of probation/parole, and diversion and alternative prosecution and sentencing programs.
- Plan, create, or expand specialized community corrections initiatives.
- Promote and provide mental health and co-occurring disorders treatment and transitional services for those incarcerated or transitional reentry programs for those released from a correctional institution.

Evidence-Based Programs or Practices

OJP places strong emphasis on the use of data and evidence in policy making and programming in criminal justice. OJP is committed to:

- Improving the quantity and quality of evidence OJP generates;
- Integrating evidence into program, practice, and policy decisions within OJP and the field; and
- Improving the translation of evidence into practice.

OJP considers programs and practices to be evidence-based when their effectiveness has been demonstrated by causal evidence, generally obtained through one or more outcome evaluations. Causal evidence documents a relationship between an activity or intervention (including technology) and its intended outcome, including measuring the direction and size of a change, and the extent to which a change may be attributed to the activity or intervention. Causal evidence depends on the use of scientific methods to rule out, to the extent possible, alternative explanations for the documented change. The strength of causal evidence, based on the factors described above, will influence the degree to which OJP considers a program or practice to be evidence-based. OJP's CrimeSolutions.gov web site is one resource that applicants may use to find information about evidence-based programs in criminal justice, juvenile justice, and crime victim services.

Priority Consideration for Evidence-Based Practices

BJA intends to fund programs that have a demonstrated evidence base and that are appropriate for the target population. Priority consideration will be given to applicants that incorporate the following evidence-based practices in the development or enhancement of their program:

1. Screening and Assessment Tools

Applicants are strongly encouraged to use screening and assessment tools that have a demonstrated evidence base and that are appropriate for the target population.

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Screening and Assessment Resources:

- Screening and Assessment of Co-Occurring Disorders in the Justice System—Provides an overview of screening and assessment of persons with co-occurring disorders involved in the criminal justice system and includes an extensive list of screening and assessment instruments for different target populations.
- Mental Health Screening within Juvenile Justice: The Next Frontier—Provides an overview of new issues and offers policy clarification on mental health screening in the juvenile justice system.
- Brief Jail Mental Health Screen—Booking tool developed by the University of Maryland School of Medicine and Policy Research Associates to screen incoming detainees in jails and detention centers for the need for further mental health assessment

2. Targeting Criminogenic Needs and Functional Impairment

Applicants are strongly urged to tailor treatment interventions to specific criminogenic needs and functional impairments of people with mental illnesses to improve public safety and public health outcomes. While offenders have a variety of treatment and behavioral needs, which are themselves risk factors for future offending, criminogenic needs are risk factors closely associated with offending behavior and responsive to targeted interventions. Criminogenic risk and needs factors include history of anti-social behavior, anti-social personality pattern, anti-social cognition, anti-social associates, family and/or marital, school and/or work, leisure and/or recreation, and substance abuse.

3. Mental Health Treatment Services

Applicants are strongly encouraged to provide mental health treatment practices that have a demonstrated evidence base and that are appropriate for the target population. The following evidence-based mental health treatment practices have been shown to improve clinical outcomes for people with serious mental illnesses:

- Assertive Community Treatment (ACT)
- Illness Management and Recovery (IMR)
- Integrated Mental Health and Substance Abuse Services
- Supported Employment (SE)
- Psychopharmacology

Other promising practices:

- Forensic ACT (FACT)
- Cognitive Behavioral Therapy

Applicants can also find information on evidence-based practices in the Substance Abuse and Mental Health Services Administration's (SAMHSA) *Guide to Evidence-Based Practices* available at www.samhsa.gov/ebpwebguide. The *Guide* provides a short description and a link to dozens of web sites with relevant evidence-based practices information—either specific interventions or comprehensive reviews of research findings. Please note that SAMHSA's *Guide to Evidence-Based Practices* also references the National Registry of Evidence-Based Programs and Practices (NREPP), a searchable database of interventions for the prevention and treatment of mental and substance use disorders. NREPP is intended to serve as a decision support tool, not as an authoritative list of effective interventions.

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Being included in NREPP, or in any other resource listed in the Guide, does not mean an intervention is "recommended" or that it has been demonstrated to achieve positive results in all circumstances. Applicants must document that the selected practice is appropriate for the specific target population and purposes of your project.

4. Housing, Supported Employment, and Supported Education

Applicants are strongly encouraged to utilize other evidence-based practices based on the needs of the target population. Supported Employment is an evidence-based practice that is designed to help the individual find and keep competitive work. Housing programs for persons with mental illness should take into consideration the demands of the criminal justice system and ensure that a range of options are available. Supported Education interventions have also been found to be a promising practice. The Center for Psychiatric Rehabilitation at Boston University has developed the Higher Education Support Toolkit that can be used as a resource.

Target Population Considerations

Applicants are encouraged to take into consideration additional targeted responses when making decisions about the appropriate service response for justice-involved individuals with mental illnesses:

- **Provision of Services for Justice System-Involved Females**—Consistent with the Mentally Ill Offender Treatment and Crime Reduction Reauthorization and Improvement Act of 2008 (Sec. 3 (c)(c)(2)), priority will be given to applications that promote effective strategies for identification and treatment of justice system-involved females with mental illness or co-occurring mental health and substance abuse disorders. ✱
- **Trauma-Informed Care (TIC)** is the framework for the practice of implementing trauma screening, assessment, and recovery support. Within the TIC framework, services are organized and delivered in a manner that meets the unique needs of consumers who have survived traumatic events, and safety, as identified by the service recipient, is the primary concern. The practice approach emphasizes the consumer empowerment and the consumer as driver of services, adopts universal precautions in asking about trauma, builds organizational capacity and knowledge of TIC through ongoing training, and policy review to ensure do no harm practices. For more information, visit SAMHSA's National Center for Trauma-Informed Care.
- **Co-occurring disorders** are prevalent in many behavioral health settings and program planning should address how to treat the co-occurring disorders. Applicants can find additional information on evidence-based practices for people with mental illnesses or co-occurring disorders on Substance Abuse and Mental Health Services Administration's web site: www.coce.samhsa.gov/ and on the Center for Mental Health Services' National GAINS Center web site: gainscenter.samhsa.gov/html/resources/publications.asp. ✱

Target Population Requirements:

Grant funds must be used to support a target population that includes adults and/or juveniles who:

- Have been diagnosed as having a mental illness or co-occurring mental health and substance abuse disorders; and

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yet diagnosed??

- Have faced, are facing, or could face criminal charges for a misdemeanor or felony that is a nonviolent offense.

Per MIOTCRA, a nonviolent offense is an offense that does not have as an element the use, attempted use, or threatened use of physical force against the person or property of another or is not a felony that by its nature involves a substantial risk that physical force against the person or property of another may be used in the course of committing the offense.

An individual's past criminal history has no effect on present eligibility for JMHCP programs.

Applicants may review Pub. L. 108-414 and Pub. L. 110-416 for supporting information related to this solicitation.

Amount and Length of Awards

Justice and Mental Health Collaboration Program grants are available in three categories: Planning, Planning and Implementation, and Expansion. An application should be submitted under the category that best fits the phase of the proposed project. All applications must demonstrate that the proposed project will be administered jointly by an agency with responsibility for criminal or juvenile justice activities and a mental health agency.

All awards are subject to the availability of appropriated funds and any modifications or additional requirements that may be imposed by law.

CATEGORY 1: PLANNING. Grant amount: Up to \$50,000. Project period: 12 months. Competition ID: BJA-2013-3494.

Category 1 applicants will *design* a strategic, collaborative plan to initiate systemic change for the identification and treatment of system-involved individuals with mental illnesses or co-occurring mental health and substance abuse disorders. Key to the planning category is the development of an effective collaboration representing support from all levels of government, justice, mental health and substance abuse treatment services, transportation, housing, advocates, consumers, victims, and family members. This collaboration will form the basis for a problem-solving model, or strategic plan, to intercept and improve outcomes for individuals in the system while promoting public safety. Category 1 grantees will receive intensive technical assistance from BJA to support their planning efforts.

CATEGORY 2: PLANNING AND IMPLEMENTATION. Grant amount: Up to \$250,000. Project period: 24 months. Competition ID: BJA-2013-3495.

Category 2 applicants will *complete* an already-initiated collaboration plan for their criminal justice and mental health or co-occurring collaboration, and then *begin* implementation of the plan during the project period. Planning and Implementation grants can support law enforcement response programs; mental health courts, pretrial services, and diversion/alternative prosecution and sentencing programs; treatment accountability services; specialized training for justice and treatment professionals; corrections/community corrections; transitional and reentry services; treatment; and non-treatment recovery support services coordination and delivery including case management, housing placement and supportive housing, job training and placement, education, primary and mental health care, and family supportive services. Up to six months of the total project period can be used to complete plan details, with the remaining months used for implementation of the program. During this planning

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stage, grantees will receive intensive technical assistance and will be required to complete and submit a *Planning and Implementation Guide*¹ (to be provided by the BJA training and technical assistance provider). Grantees will receive approval from BJA to begin the implementation phase of their grant once they have submitted a complete guide.

Additional allowable uses for programs focused on law enforcement responses to people with mental illnesses can include planning for and implementing:

- Training programs that offer law enforcement personnel specialized and comprehensive training in procedures to identify and respond appropriately to incidents in which the unique needs of individuals with mental illnesses are involved.
- Development of specialized receiving centers for individuals in custody of law enforcement to assess for suicide risk and mental health and substance abuse treatment needs and refer to or provide appropriate treatment services.
- Computerized information systems to provide timely information to law enforcement personnel and criminal justice system personnel to improve the response to incidents involving people with mental illnesses.
- Programs that offer campus security personnel training in procedures to identify and respond appropriately to incidents involving people with mental illnesses.

CATEGORY 3: EXPANSION. Grant amount: Up to \$200,000. Project period: 24 months. Competition ID: BJA-2013-3496.

Category 3 applicants will *expand* upon or improve their well-established collaboration plan. Category 3 grants can support the expansion of law enforcement response programs; mental health courts, pretrial services, and diversion/alternative prosecution and sentencing programs; treatment accountability services; specialized training for justice and treatment services professionals; corrections/community corrections; transitional and reentry services; and treatment; and non-treatment recovery support services coordination and delivery including housing placement and supportive housing, job training and placement, education, primary and mental health care, and family supportive services. Category 3 funding must clearly demonstrate an expansion to the current functioning of an existing program.

Additional allowable uses for programs focused on law enforcement responses to people with mental illnesses may include the expansion of:

- Training programs that offer law enforcement personnel specialized and comprehensive training in procedures to identify and respond appropriately to incidents involving persons with mental illness or mental health needs.
- Development of specialized receiving centers for individuals in custody of law enforcement to assess for suicide risk and mental health and substance abuse treatment needs and refer to or provide appropriate treatment services.
- Computerized information systems to provide timely information to law enforcement personnel and criminal justice system personnel to improve the response to incidents involving people with mental illnesses.

¹ A *Planning & Implementation Guide* has been developed for grantees that will direct and assist with training and technical assistance. We encourage all applicants to use the guide as a resource when crafting the project design and implementation section of the application.

- Programs that offer campus security personnel training in procedures to identify and respond appropriately to incidents involving people with mental illnesses.

*Collaboration
with
Schools*

Budget Information

Limitation on Use of Award Funds for Employee Compensation; Waiver:

With respect to any award of more than \$250,000 made under this solicitation, recipients may not use federal funds to pay total cash compensation (salary plus bonuses) to any employee of the award recipient at a rate that exceeds 110 percent of the maximum annual salary payable to a member of the federal government's Senior Executive Service (SES) at an agency with a Certified SES Performance Appraisal System for that year. The 2012 salary table for SES employees is available at www.opm.gov/oca/12tables/indexSES.asp. Note: A recipient may compensate an employee at a higher rate, provided the amount in excess of this compensation limitation is paid with non-federal funds. (Any such additional compensation will not be considered matching funds where match requirements apply.)

The Assistance Attorney General (AAG) for OJP may exercise discretion to waive, on an individual basis, the limitation on compensation rates allowable under an award. An applicant requesting a waiver should include a detailed justification in the budget narrative of its application. Unless the applicant submits a waiver request and justification with the application, the applicant should anticipate that OJP will request the applicant to adjust and resubmit its budget.

The justification should include: the particular qualifications and expertise of the individual, the uniqueness of the service being provided, the individual's specific knowledge of the program or project being undertaken with award funds, and a statement explaining that the individual's salary is commensurate with the regular and customary rate for an individual with his/her qualifications and expertise, and for the work that is to be done.

Minimization of Conference Costs

OJP encourages applicants to review the OJP guidance on conference approval, planning, and reporting that is available on the OJP web site at www.ojp.gov/funding/confcost.htm. This guidance sets out the current OJP policy, which requires all funding recipients that propose to hold or sponsor conferences (including meetings, trainings, and other similar events) to minimize costs, requires OJP review and prior written approval of most conference costs for cooperative agreement recipients (and certain costs for grant recipients), and generally prohibits the use of OJP funding to provide food and beverages at conferences. The guidance also sets upper limits on many conference costs, including facility space, audio/visual services, logistical planning services, programmatic planning services, and food and beverages (in the rare cases where food and beverage costs are permitted at all).

Prior review and approval of conference costs can take time (see the guidance for specific deadlines), and applicants should take this into account when submitting proposals. Applicants also should understand that conference cost limits may change and that they should check the guidance for updates before incurring such costs.

Note on food and beverages: OJP may make exceptions to the general prohibition on using OJP funding for food and beverages, but will do so only in rare cases where food and beverages are not otherwise available (e.g., in extremely remote areas); the size of the event

and capacity of nearby food and beverage vendors would make it impractical to not provide food and beverages; or a special presentation at a conference requires a plenary address where conference participants have no other time to obtain food and beverages. Any such exception requires OJP's prior written approval. The restriction on food and beverages does not apply to water provided at no cost, but does apply to any and all other refreshments, regardless of the size or nature of the meeting. Additionally, this restriction does not affect direct payment of per diem amounts to individuals in a travel status under your organization's travel policy.

Costs Associated with Language Assistance (if applicable)

If an applicant proposes a program or activity that would deliver services or benefits to individuals, the costs of taking reasonable steps to provide meaningful access to those services or benefits for individuals with limited English proficiency may be allowable. Reasonable steps to provide meaningful access to services or benefits may include interpretation or translation services where appropriate.

For additional information, see the "Civil Rights Compliance" section of the OJP "Other Requirements for OJP Applications" web page at www.ojp.gov/funding/other_requirements.htm.

Match Requirement (cash or in-kind)

Federal funds awarded under this program may not cover more than 80 percent of the total costs of the project being funded. Applicants must identify the source of the 20 percent non-federal portion of the total project costs and how they will use match funds. If a successful applicant's proposed match exceeds the required match amount, and OJP approves the budget, the total match amount incorporated into the approved budget becomes mandatory and subject to audit. (Match is restricted to the same uses of funds as allowed for the federal funds.) Applicants may satisfy this match requirement with either cash or in-kind services. The formula for calculating the match is:

$$\frac{\text{Federal Award Amount}}{\text{Federal Share Percentage}} = \text{Adjusted (Total) Project Costs}$$

$$\text{Required Recipient's Share Percentage} \times \text{Adjusted Project Cost} = \text{Required Match}$$

Example: 80%/20% match requirement: for a federal award amount of \$50,000, match would be calculated as follows:

$$\frac{\$50,000}{80\%} = \$62,500 \quad 20\% \times \$62,500 = \$12,500 \text{ match}$$

Example: 80%/20% match requirement: for a federal award amount of \$250,000, match would be calculated as follows:

$$\frac{\$250,000}{80\%} = \$312,500 \quad 20\% \times \$312,500 = \$62,500 \text{ match}$$

Example: 80%/20% match requirement: for a federal award amount of \$200,000, match would be calculated as follows:

$$\frac{\$200,000}{80\%} = \$250,000 \quad 20\% \times \$250,000 = \$50,000 \text{ match}$$

Performance Measures

To assist the Department in fulfilling its responsibilities under the Government Performance and Results Act of 1993 (GPRA), Public Law 103-62, and the GPRA Modernization Act of 2010, Public Law 111-352, applicants that receive funding under this solicitation must provide data that measure the results of their work done under this solicitation. BJA will require any award recipient, post award, to provide the relevant data by submitting quarterly performance metrics through BJA's online Performance Measurement Tool (PMT) located at www.bjaperformancetools.org. Performance measures for this solicitation are as follows:

For Grantees in Planning Stages:

Objectives	Performance Measures	Data Grantee Provides
Objective : Establish a collaborative structure to guide the strategic, collaborative planning process for the design of a problem-solving model to intercept and improve outcomes for system-involved individuals with mental illness or co-occurring mental health and substance abuse disorders.	Percent of task force components addressed	Number of <u>task force formation</u> components completed: <ul style="list-style-type: none"> Established planning task force that includes members from multiple constituencies and systems Established a schedule for task force and subcommittee meetings Defined relationships among task force members and their responsibilities through interagency agreements, memoranda of understanding, etc.
	Percent of mission and work plan components addressed	Number of <u>mission and work plan</u> components completed: <ul style="list-style-type: none"> Established long-term and short-term goals Secured personnel and financial resources needed to achieve stated goals Inventoried existing services and identified gaps in service provision
	Percent of program design components addressed	Number of <u>program design</u> components completed: <ul style="list-style-type: none"> Established criteria to determine program eligibility Established a policy for addressing co-occurring substance use disorders Defined the age range of the target population Defined the legal status of the target population (e.g., pre- or post-arrest, pre- or post-trial) Established criteria for determining eligible criminal charges/offenses Established terms of participation, including length of participation and criteria for involuntary termination

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	Percent of eligibility and assessment components addressed	<p>Number of <u>eligibility and assessment</u> components completed:</p> <ul style="list-style-type: none"> • Established a process to screen potential participants for eligibility • Established requirements for the development or selection of screening instruments • Established procedure to be used for screening, including location used and staff involved • Established a plan to use assessment results to inform treatment plan
	Percent of service provision components addressed	<p>Number of <u>service provision</u> components completed:</p> <ul style="list-style-type: none"> • Identified interventions, including range, intensity, and duration of services and supports provided • Established terms for the supervision of participants by criminal or juvenile justice agencies • Established plan for interaction between the supervising agency and the service provider
	Percent of data collection and analysis components addressed	<p>Number of <u>data collection and analysis</u> components completed:</p> <ul style="list-style-type: none"> • Identified process and outcome data to be collected • Established data collection plan • Identified resources needed for data collection, including staff, funding, technology, and academic partnerships • Evaluation and monitoring plan established to monitor the impact of the initiative on the target population
	Percent of program outcome components addressed	<p>Number of <u>program outcome</u> components completed:</p> <ul style="list-style-type: none"> • Identified how the initiative will reduce recidivism of persons with mental illnesses in the criminal justice system • Identified how the initiative will increase the number of criminal justice personnel trained in or using law enforcement based diversion strategies • Identified how the initiative will increase the number of court based diversion programs and alternative jail diversion strategies • Identified how the initiative will increase the number of juvenile justice

		<p>collaborations with other systems, agencies, and programs</p> <ul style="list-style-type: none"> • Identified how the initiative will increase the number of corrections based transition programs for offenders with mental illnesses • Identified how the initiative will increase the mental health and/or substance abuse support services in your community
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For Grantees in Implementation and Expansion Stages:

Objectives	Performance Measures	Data Grantee Provides
<p>✓ Improve mental health and substance abuse treatment outcomes by promoting and providing courts with appropriate mental health and substance abuse treatment options.</p>	<p>Percent increase in the number of police service calls involving persons with mental illness that were responded to by specially trained officers</p> <p>Number of people receiving field screenings for mental illness</p> <p>✓ Average amount of time participants are confined to a jail, prison, or hospital due to mental health crisis</p>	<p>A. Number of calls for police services received during the reporting period</p> <p>B. Number of calls for police services received involving persons with mental illness events?</p> <p>C. Of these, how many were responded to by someone trained to provide a specialized police-based response to people with mental illness</p> <p>Number of people receiving a field assessment or screening administered by someone trained to provide a specialized police-based response to people with mental illness</p> <p>Number of days program participants spent in jail, prison or a hospital during the reporting period as a result of administrative violations of their condition of supervision, new offenses, or a mental health crisis</p>
<p>✓ Increase capacity to assist offenders with mental illness by promoting communication, collaboration, training, and intergovernmental partnerships with respect to mentally ill offenders.</p>	<p>✓ Number of criminal justice system staff available to respond to incidents involving persons with mental illness</p> <p>✓ Number of different types of agencies participating in mental health and criminal justice issues training</p>	<p>Number of criminal justice system staff and partners trained to respond to mental illness and criminal justice incidents</p> <p>Number of agencies represented in training sessions conducted during the reporting period (Judges, law enforcement, community corrections officers, attorneys, probation and parole officers, program evaluators, other</p>

<p>Reduce recidivism and unnecessary confinement of nonviolent offenders with mental illness by maximizing the use of diversion from prosecution and alternative sentencing through community supervision and graduated sanctions.</p>	<p>Percent of participants successfully completing alternative sentencing or diversion from prosecution programs</p>	<p>For each type of diversion program offered (court-based, in-facility corrections-based, community corrections programs, or Reentry programs):</p> <ul style="list-style-type: none"> A. The number of participants who successfully completed the program <i>during the reporting period</i> B. The number of participants who did not complete the program due to court or criminal involvement, lack of engagement, absconding, relocation or case transfer, or death or serious illness
	<p>The rate of recidivism for participants in alternative sentencing or diversion from prosecution programs</p>	<p>For each type of diversion program offered (court-based, in-facility corrections-based, community corrections programs, or Reentry programs):</p> <p>Number of current participants arrested or sent to jail or prison during the reporting period for administrative violations of their condition of supervision or new offenses</p> <p>Number of days participants spent in jail or prison during the reporting period for administrative violations of their condition of supervision or new offenses</p>
	<p>Recidivism rate of participants who have completed alternative sentencing or diversion programs</p>	<ul style="list-style-type: none"> A. Total number of participants who successfully completed the program <i>within the past 12 months</i> B. Of those, the number arrested during the reporting period for the first time since program completion for administrative violations of their condition of supervision or a new offense charge
	<p>Number of people treated for mental illness, substance abuse, or co-occurring disorders</p>	<p>For each type of treatment (mental illness, substance abuse, or co-occurring disorders) offered during the reporting period, the number of individuals:</p> <ul style="list-style-type: none"> A. Assessed for mental illness, substance abuse, or co-occurring disorders B. Treated for mental illness, substance abuse, or co-occurring disorders C. Referred to an outside agency for mental health treatment, substance abuse, or co-occurring disorders.
	<p>Number of people receiving employment, education, or housing services</p>	<p>For each type of service (employment, education, or housing) offered during the reporting period, the number of individuals:</p> <ul style="list-style-type: none"> A. Assessed for services B. Received services C. Referred to an outside agency
	<p>Percent of people obtaining and maintaining employment after receiving services</p> <p>Percent of people obtaining and maintaining housing after</p>	<p>For each type of service (employment or housing) offered during the reporting period, the number of individuals who received services and subsequently:</p> <ul style="list-style-type: none"> A. Obtained employment B. Obtained housing C. Maintained employment for 3 or more months

	receiving services	D. Maintained housing for 3 or more months E. Maintained employment for 6 or more months F. Maintained housing for 6 or more months
	Percent of people earning degrees or certifications after receiving education services	The number of individuals who received education services and subsequently earned a GED certificate, high school diploma, vocational certificate, or higher education degree

OJP does not require applicants to submit performance measures data with their applications. Instead, applicants should discuss in their application their proposed methods for collecting data for performance measures. Refer to the section "What an Application Should Include" on page 17 for additional information.

Note on Project Evaluations

Applicants that propose to use funds awarded through this solicitation to conduct project evaluations should be aware that certain project evaluations (such as systematic investigations designed to develop or contribute to generalizable knowledge) may constitute "research" for purposes of applicable DOJ human subjects protection regulations. However, project evaluations that are intended only to generate internal improvements to a program or service, or are conducted only to meet OJP's performance measure data reporting requirements likely do not constitute "research." Applicants should provide sufficient information for OJP to determine whether the particular project they propose would either intentionally or unintentionally collect and/or use information in such a way that it meets the DOJ regulatory definition of research.

Research, for the purposes of human subjects protections for OJP-funded programs, is defined as, "a systematic investigation, including research development, testing, and evaluation, designed to develop or contribute to generalizable knowledge" 28 C.F.R. § 46.102(d). For additional information on determining whether a proposed activity would constitute research, see the decision tree to assist applicants on the "Research and the Protection of Human Subjects" section of the OJP "Other Requirements for OJP Applications" web page (www.ojp.usdoj.gov/funding/other_requirements.htm). Applicants whose proposals may involve a research or statistical component also should review the "Confidentiality" section on that Web page.

Notice of Post-Award FFATA Reporting Requirement

Applicants should anticipate that OJP will require all recipients (other than individuals) of awards of \$25,000 or more under this solicitation, consistent with the Federal Funding Accountability and Transparency Act of 2006 (FFATA), to report award information on any first-tier subawards totaling \$25,000 or more, and, in certain cases, to report information on the names and total compensation of the five most highly compensated executives of the recipient and first-tier subrecipients. Each applicant entity must ensure that it has the necessary processes and systems in place to comply with the reporting requirements should it receive funding. Reports regarding subawards will be made through the FFATA Subaward Reporting System (FSRS), found at www.fsr.gov.

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Note also that applicants should anticipate that no subaward of an award made under this solicitation may be made to a subrecipient (other than an individual) unless the potential subrecipient acquires and provides a Data Universal Numbering System (DUNS) number.

What an Application Should Include

Applicants should anticipate that if they fail to submit an application that contains all of the specified elements, it may negatively affect the review of their application; and, should a decision be made to make an award, it may result in the inclusion of special conditions that preclude the recipient from accessing or using award funds pending satisfaction of the conditions.

Moreover, applicants should anticipate that applications that are determined to be nonresponsive to the scope of the solicitation, or that do not include the applications elements that BJA has designated to be critical, will neither proceed to peer review nor receive further consideration. Under this solicitation, BJA has designated the following application elements to be critical: Program Narrative and Budget Detail Worksheet and Budget Narrative. Applicants may combine the Budget Narrative and the Budget Detail Worksheet in one document. However, if an applicant only submits one document, it must contain **both** narrative and detail information.

OJP strongly recommends that applicants use appropriately descriptive file names (e.g., "Program Narrative," "Budget Detail Worksheet and Budget Narrative," "Timelines," "Memoranda of Understanding," "Resumes") for all attachments. Also, OJP recommends that applicants include resumes in a single file.

1. Information to complete the Application for Federal Assistance (SF-424)

The SF-424 is a standard form required for use as a cover sheet for submission of pre-applications, applications, and related information. Grants.gov and GMS take information from the applicant's profile to populate the fields on this form. When selecting "type of applicant," if the applicant is a for-profit entity, please select "For-Profit Organization" or "Small Business" (as applicable).

2. Program Abstract

Applications should include a high-quality "Project Abstract" that summarizes the proposed project in 400 words or less. Project abstracts should be—

- Written for a general public audience.
- Submitted as a separate attachment with <Project Abstract> as part of its file name.
- Single-spaced, using a standard 12-point font (Times New Roman) with 1-inch margins.

The abstract must clearly identify the funding category (i.e., Planning, Planning and Implementation, or Expansion); the names of the lead applicant and the collaborating agency; a description of the target population; the proposed number of individuals the applicant plans to serve (for Planning and Implementation and Expansion applicants); the jurisdiction's population; a brief description of how the applicant plans to address the problem; and the amount of federal funding requested.

For all categories, please also indicate in the Program Abstract whether the applicant is a previous recipient of JMHCP grant funds and include the award number.

As a separate attachment, the project abstract will **not** count against the page limit for the program narrative.

All project abstracts should follow the detailed template available at www.ojp.usdoj.gov/funding/Project_Abstract_Template.pdf.

Permission to Share Project Abstract with the Public: It is unlikely that BJA will be able to fund all promising applications submitted under this solicitation, but it may have the opportunity to share information with the public regarding promising but unfunded applications, for example, through a listing on a web page available to the public. The intent of this public posting would be to allow other possible funders to become aware of such proposals.

In the project abstract, applicants are asked to indicate whether they give OJP permission to share their project abstract (including contact information) with the public. Granting (or failing to grant) this permission will not affect OJP's funding decisions, and, if the application is not funded, granting permission will not guarantee that abstract information will be shared, nor will it guarantee funding from any other source.

Note: OJP may choose not to list a project that otherwise would have been included in a listing of promising but unfunded applications, should the abstract fail to meet the format and content requirements noted above and outlined in the project abstract template.

3. Program Narrative

The program narrative must respond to the solicitation and the Selection Criteria (1–5) in the order given. The program narrative must be double-spaced, using a standard 12-point font (Times New Roman is preferred) with 1-inch margins, and must not exceed 15 pages. Please number pages "1 of 15," "2 of 15," etc. If the program narrative fails to comply with these length-related restrictions, noncompliance may be considered in peer review and in final award decisions.

The following sections should be included as part of the program narrative:

- a. Statement of the Problem
- b. Project Design and Implementation
- c. Capabilities and Competencies
- d. Plan for Collecting the Data Required for this Solicitation's Performance Measures and Other Outcomes
BJA does not require applicants to submit performance measures data with their application. Performance measures are included as an alert that BJA will require successful applicants to submit specific data as part of their reporting requirements. For the application, the applicant should indicate an understanding of these

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requirements and discuss how the applicant will gather the required data, should the applicant receive funding.

- e. Plan for Measuring Program Success to Inform Plan for Sustainment

Further information is available under the Selection Criteria section, page 21.

4. Budget Detail Worksheet and Budget Narrative


a. Budget Detail Worksheet

A sample Budget Detail Worksheet can be found at www.ojp.gov/funding/forms/budget_detail.pdf. If the budget is submitted in a different format, the budget categories listed in the sample budget worksheet should be included.

For questions pertaining to budget and examples of allowable and unallowable costs, please see the OJP Financial Guide at www.ojp.usdoj.gov/financialguide/index.htm.

b. Budget Narrative

The Budget Narrative should thoroughly and clearly describe every category of expense listed in the Budget Detail Worksheet. OJP expects proposed budgets to be complete, cost effective, and allowable (e.g., reasonable, allocable, and necessary for project activities).

 Applicants should demonstrate in their budget narratives how they will maximize cost effectiveness of grant expenditures. Budget narratives should demonstrate cost effectiveness in relation to potential alternatives and the goals of the project. For example, a budget narrative should detail why planned in-person meetings are necessary, or how technology and collaboration with outside organizations could be used to reduce costs, without compromising quality.

The narrative should be mathematically sound and correspond with the information and figures provided in the Budget Detail Worksheet. The narrative should explain how the applicant estimated and calculated all costs, and how they are relevant to the completion of the proposed project. The narrative may include tables for clarification purposes but need not be in a spreadsheet format. As with the Budget Detail Worksheet, the Budget Narrative should be broken down by year to reflect the entire grant period for Categories 2 and 3; however, the budget summary page totals should reflect the entire grant period.

Additional budget requirements:

- For all applicants, include funding to support attendance to a grantee orientation meeting. Plan for up to four staff to attend the meeting and participants should include a representative from the criminal justice partner, a representative from the mental health partner, and staff responsible for the management of the grant. For cost estimates, plan for this to be a two-day meeting in Washington, D.C.
- For all applicants, include the amount and source of match funding (see page 11).
- For Category 2 and 3 applicants, additional travel costs should be included to attend a BJA-sponsored national meeting. Plan for at least two staff to attend a three-day meeting in Washington, DC.

Handwritten notes:
\$3927
2 staff
2760

- 000
- Category 2 and 3 applicants must set aside at least 5 percent of the federal funds requested in order to implement a data collection plan. The plan should be described in the program narrative under Selection Criteria 4.

5. Indirect Cost Rate Agreement (if applicable)

Indirect costs are allowed only if the applicant has a federally approved indirect cost rate. (This requirement does not apply to units of local government.) Attach a copy of the federally approved indirect cost rate agreement to the application. Applicants that do not have an approved rate may request one through their cognizant federal agency, which will review all documentation and approve a rate for the applicant organization or, if the applicant's accounting system permits, costs may be allocated in the direct cost categories. If DOJ is the cognizant federal agency, obtain information needed to submit an indirect cost rate proposal at www.ojp.gov/financialguide/part3/part3chap17.htm.

6. Tribal Authorizing Resolution (if applicable)

Tribes, tribal organizations, or third parties proposing to provide direct services or assistance to residents on tribal lands should include in their applications a resolution, a letter, affidavit, or other documentation, as appropriate, that certifies that the applicant has the legal authority from the tribe(s) to implement the proposed project on tribal lands. In those instances when an organization or consortium of tribes applies for a grant on behalf of a tribe or multiple specific tribes, then the application should include appropriate legal documentation, as described above, from all tribes that would receive services/assistance under the grant. A consortium of tribes for which existing consortium bylaws allow action without support from all tribes in the consortium (i.e., without an authorizing resolution or comparable legal documentation from each tribal governing body) may submit, instead, a copy of its consortium bylaws with the application.

7. Additional Attachments: Project Timeline and Memoranda of Understanding/Letters of Support

Attach a *Project Timeline* (with an estimated start date of October 1, 2013) with each project goal, related objective, activity, expected completion date, and responsible person or organization; and *Memoranda of Understanding* or *Letters of Support* from co-applicants and collaborative partners (signed copies should be scanned and submitted with the electronic submission of the application). Do not include materials not requested in this attachment; additional material will not be reviewed.

8. Additional Attachments: Applicant Disclosure of Pending Applications

Applicants are to disclose whether they have pending applications for Federally funded assistance that include requests for funding to support the same project being proposed under this solicitation and will cover the identical cost items outlined in the budget narrative and worksheet in the application under this solicitation. The disclosure should include both direct applications for federal funding (e.g., applications to federal agencies) and indirect applications for such funding (e.g., applications to state agencies that will be subawarding federal funds).

OJP seeks this information to help avoid any inappropriate duplication of funding. Leveraging multiple funding sources in a complementary manner to implement comprehensive programs or projects is encouraged and is not seen as inappropriate duplication.

Applicants that have pending applications as described above are to provide the following information about pending applications submitted within the last 12 months:

- the federal or state funding agency
- the solicitation name/project name
- the point of contact information at the applicable funding agency

Federal or State Funding Agency	Solicitation Name/Project Name	Name/Phone/E-mail for Point of Contact at Funding Agency
DOJ/COPS	COPS Hiring Program	Jane Doe, 202/000-0000; jane.doe@usdoj.gov
HHS/ Substance Abuse & Mental Health Services Administration	Drug Free Communities Mentoring Program/ North County Youth Mentoring Program	John Doe, 202/000-0000; john.doe@hhs.gov

Applicants should include the table as separate attachment, with the file name "Disclosure of Pending Applications," to their application. Applicants that do not have pending applications as described above are to include a statement to this effect in the separate attachment page. (e.g. "[Applicant Name] does not have pending applications within the last 12 months for Federally funded assistance that include requests for funding or support the same project being proposed under this solicitation and will cover the identical cost items outlined in the budget narrative and worksheet in the application under this solicitation.")

9. Other Standard Forms

Additional forms that may be required in connection with an award are available on OJP's funding page at www.ojp.usdoj.gov/funding/forms.htm. For successful applicants, receipt of funds may be contingent upon submission of all necessary forms. Please note in particular the following forms.

- Standard Assurances*
Applicants must read, certify and submit this form in GMS prior to the receipt of any award funds.
- Certifications Regarding Lobbying; Debarment, Suspension and Other Responsibility Matters; and Drug-Free Workplace Requirements*
Applicants must read, certify, and submit in GMS prior to the receipt of any award funds.
- Accounting System and Financial Capability Questionnaire
Any applicant (other than an individual) that is a non-governmental entity and that has not received any award from OJP within the past 3 years, must download, complete, and submit this form.

*These OJP Standard Assurances and Certifications are forms which applicants accept in GMS. They are not additional forms to be uploaded at the time of application submission.

Selection Criteria

The following six selection criteria will be used to evaluate each application, with the different weight given to each based on the percentage value listed after each individual criteria. For

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example, the first criteria, "Statement of the Problem," is worth 20 percent of the entire score in the application review process.

1. Statement of the Problem (20 percent of 100)

All applicants must describe the nature and scope of the problem in the jurisdiction, and provide any local/state data and a trend analysis to support the discussion.

Planning Applicants (Category 1)

- Discuss the efforts that have been made to date in planning for improved responses to individuals with mental illnesses or co-occurring mental health and substance abuse disorders who come into contact with the justice system.

Planning and Implementation Applicants (Category 2)

- Detail the need for the program by describing the problems with the current response to individuals with mental illnesses or co-occurring mental health and substance abuse disorders who come into contact with the justice system and explain how the current response is insufficient to meet the needs of this population.
- Discuss the decision-making process involved in selecting the proposed intervention point. Discuss the assessment of existing resources and how gaps in services were identified. Applicants can refer to the Sequential Intercept Model to describe which intervention point the project will focus on.
- Discuss the related agency programs and services already in place in the community and note any components of the program that may already exist.
- Describe what components will be needed to fully implement the program and why federal funding is required for the proposed program.

Expansion Applicants (Category 3)

- Discuss the current status of the program to include the number of people served and/or trained and detail the need for the expansion of the program to include the weaknesses of the program.
- Describe any completed program analyses or evaluations of the program that support the need for expansion. Identify gaps in resources, describe what components will be needed to fully expand the program, and why federal funding is required for the expansion of the program.

2. Project Design and Implementation (40 percent of 100)

Planning Applicants (Category 1)

- Describe proposed planning activities and expected outcomes.
- Planning activities should include establishing a collaborative structure, with agreements between collaborative partners in place that address the organization and composition of the planning/oversight body; developing a statement of the program's goals, objectives, and work plan agreed upon by collaborative partners; identifying a list of services and resources in the jurisdiction that can support the proposed project; defining the target population including operational guidelines and assessment and referral tools, for identifying and enrolling eligible program participants; and developing a data-driven strategy to inform programmatic strategies and monitor the impact of proposed programs.

Planning and Implementation Applicants (Category 2) and Expansion Applicants (Category 3)

Discuss the efforts that have been made to date in planning for the program. Describe the proposed program implementation or expansion and the project's purpose, goals, and objectives. Applicants should address priority considerations and requirements discussed/listed on pages 5-8 throughout their response to this section.

For programs offering direct services to individuals with mental illnesses or co-occurring mental health and substance abuse disorders:

- Provide an analysis of the target population, including the projected number of individuals to be served through this grant program with federal and matching funds, and operational guidelines for identifying eligible program participants which should include a plan to screen potential participants, conduct needs and strengths-based assessments, and the process for how individuals will be referred to the program. Address the target population considerations (if applicable) and the target population requirements on pages 7-8.
- Discuss the responsibilities of each collaborating agency and how resources will support the delivery of needed services to the target population. Describe how the collaboration relates to existing state and local justice and mental health plans and programs, outlining how any existing recovery support services in the community will be coordinated.
- Describe the plan for staffing to include how the workforce will be selected, trained, supported, and developed on an ongoing basis to deliver the services.
- Describe the role consumers will play in designing, providing, monitoring, and evaluating the services.
- Describe the process for how individuals will be linked to treatment and other recovery support services. Applicants should identify the evidence-based treatment and support practices being used or proposed and identify and discuss the evidence that shows that the practice(s) is/are effective. Describe any modifications/adaptations you will need to make to this practice to meet the goals of your project and why the changes will improve the outcomes.²
- Describe the mechanisms that will be put in place to ensure the accountability of the service delivery system on an ongoing basis.

For programs that will offer training to criminal justice professionals (e.g., law enforcement response programs):

- Describe the strategies (e.g., training programs, receiving centers, information sharing, or campus security training) to identify and respond to incidents involving individuals with mental illnesses.
- Discuss the responsibilities of each collaborating agency and how resources will support the delivery of training and meet the needs of individuals with mental illnesses or co-occurring mental health and substance abuse disorders who come into contact with the justice system. Describe how the collaboration relates to existing state and local justice

² BJA recognizes that some evidence-based practices may not exist for all populations and/or service settings. Applicants proposing to serve a population with an intervention that has not been formally evaluated with that population are required to provide other forms of evidence that the practice(s) they propose is appropriate for the target population such as unpublished studies, preliminary evaluation results, clinical guidelines, findings from focus groups with community members, etc.

and mental health plans and programs, outlining how any existing ancillary social services in the community will be coordinated.

- Discuss what response protocols will be utilized for incidents involving persons with mental illnesses or mental health needs.
- Describe how systems will be put in place to provide timely information to criminal justice system personnel to improve the response to incidents involving people with mental illnesses.
- Describe the mechanisms that will be put in place to ensure the accountability of the service delivery system on an ongoing basis.

3. Capabilities and Competencies (20 percent of 100)

- Discuss the capacity of the proposed or current staffing. *- org chart*
- Describe the project collaboration structure and how it will ensure successful project planning, implementation, and/or expansion. Identify stakeholders and their respective roles. The application should also include letters of support from collaborating partners.
- Indicate each project goal, related objective, activity, expected completion date, and responsible person or organization in the attached Project Timeline.
- Describe any potential barriers to implementing the project and strategies to overcome them.

4. Plan for Collecting the Data Required for this Solicitation's Performance Measures and Other Outcome Measures (10 percent of 100)

Planning Applicants (Category 1)

- Identify a plan for responding to BJA performance measures and who will be responsible for data collection.

Planning and Implementation Applicants (Category 2) and Expansion Applicants (Category 3)

- Describe the plan for collecting data and any other state or local outcomes to measure project effectiveness.
- Category 2 and 3 applicants must set aside at least 5 percent of the budget in order to implement a data collection plan. The plan should include the process for data collection and reporting for the BJA performance measures, a list of the outcome measures that will be used by the program, a description of how these measures will be used to show program effectiveness and inform program implementation or expansion, and who is responsible for data collection and analysis.

5. Plan for Measuring Program Success to Inform Plans for Sustainment (5 percent of 100)

- Discuss how variables like stakeholder support and service coordination will be defined and measured.
- Describe how evaluation and collaborative partnerships will be leveraged to build long-term support and resources to sustain the project when the federal grant ends.
- Describe the policies, statutes, and regulations that will need to be put in place to support and sustain service delivery.

6. Budget (5 percent of 100)

Provide a proposed budget that is complete, cost effective, and allowable (e.g., reasonable, allocable, and necessary for project activities). Budget narratives should demonstrate how applicants will maximize cost effectiveness of grant expenditures. Budget narratives should demonstrate cost effectiveness in relation to potential alternatives and the goals of the project.³ See the additional budget and budget narrative requirements on page 19.

Review Process

OJP is committed to ensuring a fair and open process for awarding grants. BJA reviews the application to make sure that the information presented is reasonable, understandable, measurable, and achievable, as well as consistent with the solicitation.

Peer reviewers will review the applications submitted under this solicitation that meet basic minimum requirements. BJA may use either internal peer reviewers, external peer reviewers, or a combination to review the applications. An external peer reviewer is an expert in the field of the subject matter of a given solicitation who is NOT a current DOJ employee. An internal reviewer is a current DOJ employee who is well-versed or has expertise in the subject matter of this solicitation. A peer review panel will evaluate, score, and rate applications that meet basic minimum requirements. Peer reviewers' ratings and any resulting recommendations are advisory only. In addition to peer review ratings, considerations for award recommendations and decisions may include, but are not limited to, underserved populations, geographic diversity, strategic priorities, past performance, and available funding.

The Office of the Chief Financial Officer (OCFO), in consultation with BJA, conducts a financial review of applications for potential discretionary awards to evaluate the fiscal integrity and financial capability of applicants; examines proposed costs to determine if the Budget Detail Worksheet and Budget Narrative accurately explain project costs; and determines whether costs are reasonable, necessary, and allowable under applicable federal cost principles and agency regulations.

Absent explicit statutory authorization or written delegation of authority to the contrary, all final award decisions will be made by the Assistant Attorney General, who may consider factors including, but not limited to, underserved populations, geographic diversity, strategic priorities, past performance, and available funding when making awards.

Additional Requirements

Applicants selected for awards must agree to comply with additional legal requirements upon acceptance of an award. OJP encourages applicants to review the information pertaining to these additional requirements prior to submitting an application. Additional information for each requirement can be found at www.ojp.usdoj.gov/funding/other_requirements.htm.

- Civil Rights Compliance

³ Generally speaking, a reasonable cost is a cost that if, in its nature or amount, does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the costs.

- Civil Rights Compliance Specific to State Administering Agencies
- Faith-Based and Other Community Organizations
- Confidentiality
- Research and the Protection of Human Subjects
- Anti-Lobbying Act
- Financial and Government Audit Requirements
- National Environmental Policy Act (NEPA)
- DOJ Information Technology Standards (if applicable)
- Single Point of Contact Review
- Non-Supplanting of State or Local Funds
- Criminal Penalty for False Statements
- Compliance with Office of Justice Programs Financial Guide
- Suspension or Termination of Funding
- Nonprofit Organizations
- For-profit Organizations
- Government Performance and Results Act (GPRA)
- Rights in Intellectual Property
- Federal Funding Accountability and Transparency Act of 2006 (FFATA)
- Awards in Excess of \$5,000,000 – Federal Taxes Certification Requirement
- Policy and Guidance for Conference Approval, Planning, and Reporting
- OJP Training Guiding Principles for Grantees and Subgrantees

How To Apply

Applicants must submit applications through Grants.gov. Applicants must first register with Grants.gov in order to submit an application through Grants.gov, a "one-stop storefront" to find federal funding opportunities and apply for funding. Find complete instructions on how to register and submit an application at www.Grants.gov. Applicants that experience technical

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difficulties during this process should call the Grants.gov Customer Support Hotline at **800-518-4726** or **606-545-5035**, 24 hours a day, 7 days a week, except federal holidays. Registering with Grants.gov is a one-time process; however, **processing delays may occur, and it can take several weeks** for first-time registrants to receive confirmation and a user password. OJP encourages applicants to **register several weeks before** the application submission deadline. In addition, OJP urges applicants to submit applications at least 72 hours prior to the application due date to allow time to receive validation messages or rejection notifications from Grants.gov, and to correct in a timely fashion any problems that may have caused a rejection notification.

Note: BJA encourages all prospective applicants to sign up for Grants.gov email notifications regarding this solicitation. If this solicitation is cancelled or modified, individuals who sign up with Grants.gov for email updates will be notified.

All applicants are required to complete the following steps:

1. **Acquire a Data Universal Numbering System (DUNS) number.** In general, the Office of Management and Budget requires that all applicants (other than individuals) for federal funds include a DUNS number in their applications for a new award or a supplement to an existing award. A DUNS number is a unique nine-digit sequence recognized as the universal standard for identifying and differentiating entities receiving federal funds. The identifier is used to for tracking purposes and to validate address and point of contact information for federal assistance applicants, recipients, and subrecipients. The DUNS number will be used throughout the grant life cycle. Obtaining a DUNS number is a free, one-time activity. Call Dun and Bradstreet at 866-705-5711 to obtain a DUNS number or apply online at www.dnb.com. A DUNS number is usually received within 1-2 business days.
2. **Acquire registration with the System for Award Management (SAM).** SAM replaces the **Central Contractor Registration (CCR) database** as the repository for standard information about federal financial assistance applicants, recipients, and subrecipients. OJP requires all applicants (other than individuals) for federal financial assistance to maintain current registrations in the SAM database. Applicants must be registered in SAM to successfully register in Grants.gov. (Previously, organizations that had submitted applications via Grants.gov were registered with CCR, as it was a requirement for Grants.gov registration. SAM registration replaces CCR as a pre-requisite for Grants.gov registration.) Applicants must **update or renew their SAM registration annually** to maintain an active status.

Applicants that were previously registered in the CCR database must, at a minimum:

- Create a SAM account;
- Log in to SAM and migrate permissions to the SAM account (all the entity registrations and records have already been migrated).

Applicants that were not previously registered in the CCR database must register in SAM prior to registering in Grants.gov. Information about SAM registration procedures can be accessed at www.sam.gov.

3. **Acquire an Authorized Organization Representative (AOR) and a Grants.gov username and password.** Complete the AOR profile on Grants.gov and create a username and password. The applicant organization's DUNS number must be used to complete this

step. For more information about the registration process, go to www.grants.gov/applicants/get_registered.jsp.

4. **Acquire confirmation for the AOR from the E-Business Point of Contact (E-Biz POC).** The E-Biz POC at the applicant organization must log into Grants.gov to confirm the applicant organization's AOR. Note that an organization can have more than one AOR.
5. **Search for the funding opportunity on Grants.gov.** Use the following identifying information when searching for the funding opportunity on Grants.gov. The Catalog of Federal Domestic Assistance (CFDA) number for this solicitation is 16.745, titled "Criminal and Juvenile Justice and Mental Health Collaboration Program," and the funding opportunity number is BJA-2013-3493.
6. **Select the correct Competition ID.** Some OJP solicitations posted to Grants.gov contain multiple purpose areas, denoted by the individual Competition ID. If applying to a solicitation with multiple Competition IDs, select the appropriate Competition ID for the intended purpose area of the application.
7. **Complete the Disclosure of Lobbying Activities.** All applicants must complete this information. An applicant that expends any funds for lobbying activities must provide the detailed information requested on the form, *Disclosure of Lobbying Activities*, (SF-LLL). Applicants that do not expend any funds for lobbying activities should enter "N/A" in the required highlighted fields.
8. **Submit an application consistent with this solicitation by following the directions in Grants.gov.** Within 24–48 hours after submitting the electronic application, the applicant should receive an e-mail validation message from Grants.gov. The message will state whether OJP has received and validated the application, or rejected it, with an explanation. **Important:** OJP urges applicants to submit applications at least 72 hours prior to the application due date to allow time to receive the validation messages or rejection notifications from Grants.gov, and to correct in a timely fashion any problems that may have caused a rejection notification.

Note: Grants.gov only permits the use of specific characters in names of attachment files. Valid file names may only include the following characters: A-Z, a-z, 0-9, underscore (_), hyphen (-), space, and period. Grants.gov will forward the application to OJP's Grants Management System (GMS). GMS does not accept executable file types as application attachments. These disallowed file types include, but are not limited to, the following extensions: ".com," ".bat," ".exe," ".vbs," ".cfg," ".dat," ".db," ".dbf," ".dll," ".ini," ".log," ".ora," ".sys," and ".zip."

Note: Duplicate Applications

If an applicant submits multiple versions of an application, BJA will review the most recent version submitted.

Experiencing Unforeseen Grants.gov Technical Issues

Applicants that experience unforeseen Grants.gov technical issues beyond their control that prevent them from submitting their application by the deadline must e-mail the BJA Justice

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Information Center (see page 1 for contact information) **within 24 hours after the deadline** and request approval to submit their application. The e-mail must describe the technical difficulties, and include a timeline of the applicant's submission efforts, the complete grant application, the applicant DUNS number, and any Grants.gov Help Desk or SAM tracking number(s). **Note: BJA does not automatically approved requests.** After the program office reviews the submission, and contacts the Grants.gov or SAM Help Desks to validate the reported technical issues, BJA will inform the applicant whether the request to submit a late application has been approved or denied. If the technical issues reported cannot be validated, BJA will reject the applications as untimely.

The following conditions are not valid reasons to permit late submissions: (1) failure to register in sufficient time, (2) failure to follow Grants.gov instructions on how to register and apply as posted on its web site, (3) failure to follow all of the instructions in the OJP solicitation, and (4) technical issues with the applicant's computer or information technology environment, including firewalls.

Notifications regarding known technical problems with Grants.gov, if any, are posted at the top of the OJP funding web page at www.ojp.usdoj.gov/funding/solicitations.htm.

Provide Feedback to OJP on This Solicitation

To assist OJP in improving its application and award processes, we encourage applicants to provide feedback on this solicitation, the application submission process, and/or the application review/peer review process. Feedback may be provided to OJPSolicitationFeedback@usdoj.gov.

IMPORTANT: This email is for feedback and suggestions only. Replies are **not** sent from this mailbox. If you have specific questions on any program or technical aspect of the solicitation, **you must** directly contact the appropriate number or email listed on the front of this solicitation document. These contacts are provided to help ensure that you can directly reach an individual who can address your specific questions in a timely manner.

If you are interested in being a reviewer for other OJP grant applications, please email your resume to ojppeerreview@imbps.com. The OJP Solicitation Feedback email account cannot forward your resume. **Note:** Neither you nor anyone else from your organization can be a peer reviewer in a competition in which you or your organization have submitted an application.

Application Checklist

FY 2013 Justice and Mental Health Collaboration Program

This application checklist has been created to assist in developing an application.

Eligibility Requirement:

- Applicant is a state, unit of local government, Indian tribe, or tribal organization.
- Proposal demonstrates that project is a collaboration between a criminal justice agency and a mental health agency.
- The federal amount requested is within the allowable limit(s) of: Category 1: \$50,000; Category 2: \$250,000; or Category 3: \$200,000.

What an Application Should Include:

- Application for Federal Assistance (SF-424) (see page 17)
- Program Abstract (see page 17)
- Program Narrative* (see page 18)
- Budget Detail Worksheet* (see page 19)
- Budget Narrative* (see page 19)
- Disclosure of Lobbying Activities (SF-LLL) (see page 28)
- Indirect Cost Rate Agreement (if applicable) (see page 20)
- Tribal Authorizing Resolution (if applicable) (see page 20)
- Project Timeline (see page 20)
- Applicant Disclosure of Pending Applications (see page 20)
- Memorandum/Letters of Support (see page 20)
- Other Standard Forms as applicable (see page 20), including:
 - Accounting System and Financial Capability Questionnaire (if applicable)

*These elements are the basic minimum requirements for applications. Applications that do not include these elements shall neither proceed to peer review nor receive further consideration by BJA.



March 14, 2013

Board of County Commissioners
Clackamas County

Members of the Board:

Board Order Adopting a resolution in the matter of participation in
funding activities Oregon Office for Community Dispute Resolution

Purpose/Outcome	The purpose of this Board Order is to formally approve the County's participation in the Community Dispute Resolution program through the Oregon Office for Community Dispute Resolution.
Dollar Amount and Fiscal Impact	Clackamas County is projected to receive approximately \$93,469 in grant funding.
Funding Source	The State of Oregon, acting by and through the State Board of Higher Education on behalf of the University of Oregon for the University of Oregon School of Law. No County General fund is required.
Safety Impact	Community Dispute Resolution is an important tool in resolving disputes – such as neighbor to neighbor conflicts – to reduce the likelihood of escalating issues to a level that could potentially involve law enforcement intervention.
Duration	July 1, 2013 to June 30, 2015
Previous Board Action/Review	The Clackamas County Board of Commissioners has opted to participate in this program since its inception. The Community Dispute Resolution program has received funding since 1992.
Contact Person	Nancy Newton, Deputy County Administrator – (503) 742-5918
Contract No.	n/a at this time

BACKGROUND:

The Oregon Legislature created the Oregon Dispute Resolution Commission in the early 1990s with the intent to promote alternative dispute resolution through the Community Dispute Resolution Program (CDRP) rather than the use of litigation to resolve conflicts. A role was created for County Commissioners, if they chose to participate, in the selection of service providers to receive grant funds. The Clackamas County Board of Commissioners has opted to participate in this program since its inception.

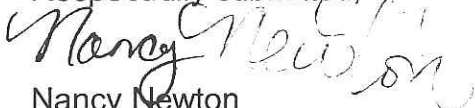
The Oregon Legislature has charged the State of Oregon, acting by and through the State Board of Higher Education on behalf of the University of Oregon for the University of Oregon School of Law, to act as Grantor for the CDRP with the responsibility to foster the development of community mediation programs by making grant monies available to participating counties. The funding for these grants will be allocated as provided for in OAR 571-100. Contracts for the provision of services are made directly between the selected service providers and the Oregon Office for Community Dispute Resolution.

Assuming that funding for 2013 – 2015 is reauthorized by the 2013 Legislature at the same level as the prior biennium, Clackamas County is projected to receive approximately \$93,469 in grant funding for the period July 1, 2013 to June 30, 2015. As in prior years, the County's obligation is to solicit Requests for Applications (RFAs) and select service providers. The Oregon Office for Community Dispute Resolution is responsible for determining the eligibility of the selected providers, entering into the contracts, reviewing the providers' quarterly reports and disbursing funds.

RECOMMENDATION:

Staff respectfully recommends adoption of a resolution stating the County's intent to participate in the selection and expenditure of funds for dispute resolution programs within Clackamas County as an entity capable of and willing to provide dispute resolution services in accordance with Oregon Administrative Rule Chapter 571, Division 100.

Respectfully submitted,

A handwritten signature in cursive script that reads "Nancy Newton". The signature is written in dark ink and is positioned above the typed name.

Nancy Newton
Deputy County Administrator

In the Matter of Participation
In Funding Activities of the
Oregon Office for Community
Dispute Resolution

This matter coming regularly before the Board of County Commissioners, and it appearing that the settlement of disputes by mediation is supported by this Board; and

It further appearing that the Oregon Legislature has charged the State of Oregon acting by and through the State Board of Higher Education on behalf of the University of Oregon for the University of Oregon School of Law (Grantor) with the responsibility to foster the development of community mediation programs by making grant monies available to participating Counties; and

It further appearing that any County wishing to participate in the selection and allocation process must formally notify the Grantor of its intent to participate as an entity capable of and willing to provide dispute resolution services in accordance with Oregon Administrative Rule Chapter 571, Division 100.

NOW, THEREFORE IT IS HEREBY ORDERED that this resolution serve as notification to the Grantor of Clackamas County's desire to be a participant in the selection and expenditure of funds for community dispute resolution funds within the County and that Clackamas County agrees to engage in a selection process and to select as funding recipients those entities both qualified by the standards and guidelines adopted by the Grantor and capable and willing to provide community dispute resolution services according to the rules adopted by the Grantor.

DATED this 14th day of March, 2013.

BOARD OF COUNTY COMMISSIONERS

John Ludlow, Chair

Recording Secretary



**WATER
ENVIRONMENT
SERVICES**

Beyond clean water.

Water Quality Protection
Surface Water Management
Wastewater Collection & Treatment

Michael S. Kuenzi, P.E.
Director

March 14, 2013

Board of Commissioners
Clackamas County

Members of the Board:

Approval of an Agreement to Furnish Engineering Services to Clackamas County
Service District No. 1 for the
Carli Creek Regional Water Quality Treatment Facility 30% Design

Purpose/Outcomes	Design and construct a regional water quality treatment facility on Clackamas County Service District No. 1 owned property to protect adjacent potable water supply intakes and support development of industrial land within the Hwy 212 business corridor.
Dollar Amount and Fiscal Impact	The maximum contract value is \$191,658.60. The contract is funded through the Clackamas County Service District No. 1 Surface Water Management 2012-2013 capital construction fund.
Funding Source	Clackamas County Service District No. 1 Surface Water Capital Construction Fund - no County General Funds are involved.
Safety Impact	None
Duration	Effective March 1, 2013 and terminates on September 30, 2013
Previous Board Action	The acquisition of the property was approved by the Board on January 5, 2012 – agenda item 010512 VI.1.
Contact Person	Carol Murdock, Surface Water Program Manager – WES – 503-742-4581
Contract No.	

BACKGROUND:

In the early 90's localized flooding and water quality degradation in the Clackamas River that was partially attributed to the development of the Hwy 212 industrial corridor popped up on the District radar. Three forces drove Clackamas County Service District No. 1 (District) to focus on the Cow and Carli Creek watersheds and seek solutions to mitigate the challenges. These included: the poor condition of the local infrastructure, the

requirements in the MS4 permit, and the rules governing future discharges into the Clackamas River to protect it as a potable water source.

The area is currently served by infrastructure that conveys stormwater flows from the area's impervious surfaces to three existing outfalls, all of which discharge directly to the Clackamas River. This system drains approximately 762 acres of industrial development south of the Hwy 212 corridor. Two of these outfalls drain directly through the Carli property. All three outfalls discharge untreated stormwater directly upstream of the intakes for most of the region's water supply. The downstream water treatment plants are primary potable water sources for Clackamas River Water (CRW), Sunrise Water Authority, Oak Lodge, South Fork Water and Lake Oswego. CRW and Sunrise's water intake is located directly at the mouth of Carli Creek where two of the area's stormwater outfalls are located.

After investigating options, the District identified the 15 acre Carli property as the best potential site in its 1994 Stormwater Master Plan to provide a regional water quality treatment facility to protect the Clackamas River water quality and serve future development in the Hwy 212-Jennifer Street commercial/industrial area. Unfortunately, staff efforts to secure the property failed and the mitigation efforts were placed on hold. This property has remained in the District's plans but the decision was made to not to condemn the property. Industrial development in the area has continued its historical practice of setting aside a portion of their land for localized water quality detention.

Last winter, the County's Development Agency was approached by the property owner, Mr. Carli, to explore whether the County had interest in purchasing the property. The Development Agency owns the adjacent Capps Road property. The Agency had no interest in the property as a potential industrial/commercial site and referred Mr. Carli to WES. WES representatives met with the Carli family to discuss the property and performed an appraisal in January 2011 prior to entering into preliminary negotiations. Attached are maps of the property and surrounding area.

WES staff had numerous internal discussions to weigh the long-term cost-benefit of moving forward with the purchase of the property. The appraisal set the value of the property at \$290,000. Through protracted discussions with the Carli family both parties reached a tentative deal for the procurement of the property at \$500,000 contingent on approval by the District's governing board. Staff supported a purchase price greater than the assessed value based on the strategic importance of the site as outlined herein and the fact that if the District utilized condemnation proceedings to acquire the property, the total award and legal expenditures would likely reach the same \$500,000 figure. The per-acre price of \$33,300 is consistent with adjacent property purchases in this industrial/commercial area for raw land. The Board of Commissioners approved the purchase on January 5, 2012.

In addition to the regional water quality development, staff identified two non-District economic development efforts could directly benefit from the District's acquisition of the property: (i) the Development Agency's re-development of the Capps Road area and (ii)

ODOT's Sunrise Corridor project. During both efforts these agencies will need to reduce and/or mitigate their impacts on the water quality of the Clackamas River. The Carli property potentially provides a means for mitigating the impacts of these efforts on a regional basis, directly increasing the developable land at the Capps Road site, and reducing any additional industrial land that may be taken out of the inventory with the Sunrise Corridor construction. The District has also been exploring whether the industrial zoned portion of the Carli site could one day serve as the new home for its sanitary and storm water maintenance operation which is currently housed and paying rent at the Tri-City Treatment plant.

Staff solicited proposals for the design of the Carli water quality facility early this year. Greenworks, P.C. was selected based on their experience and proven track record with similar regional efforts. Staff intends to award design contract in phases; 30% design, 90% design and construction support. The first phase (30% design) is an award of \$191,658. Each successive phase will be brought back to the Board for approval upon successful completion of the previous phase.

Staff originally budgeted \$2.8 million for this effort including land purchase, design and construction. Earlier this year, the District received a grant from PGE in the amount of \$370,000 to support the effort. The grant was awarded based on conceptual plan, and final grant payment is contingent on staff completing the 30% design. The scope of this first phase of effort includes the hydraulic/hydrologic modeling, selection of final site elements, layout and design (including 30% design drawings), and preliminary cost estimate.

This contract has been reviewed and approved by County Counsel.

RECOMMENDATIONS:

Staff respectfully recommends:

1. The Board of County Commissioners, acting as the governing board of Clackamas County Service District No. 1, a county service district ("District") approve the agreement to furnish engineering services for the Carli Water Quality Facility Design effort between the District and Greenworks, P.C., and
2. Authorize the Director of Water Environment Services to execute the agreement between the District and Greenworks, P.C. for the first phase of work in an amount not to exceed \$191,658.60 without further Board action.

Respectfully submitted,



Michael S. Kuenzi, PE
Director

**AGREEMENT TO FURNISH ENGINEERING SERVICES
TO
CLACKAMAS COUNTY SERVICE DISTRICT NO. 1
FOR
CARLI CREEK WATER QUALITY AND HABITAT ENHANCEMENT PROJECT**

THIS AGREEMENT TO FURNISH ENGINEERING SERVICES (this "Agreement"), made and entered into on this _____ day of _____ in the year 2013 by and between CLACKAMAS COUNTY SERVICE DISTRICT NO. 1, a county service district formed under Oregon Revised Statutes ("ORS") 451 (the "DISTRICT") and **Greenworks, P.C. Landscape Architects** (the "CONSULTANT").

RECITALS

WITNESSETH: That whereas the DISTRICT intends to engage the CONSULTANT to perform the professional services described on Exhibit A, on the schedule set forth on Exhibit B, each as attached hereto and incorporated by reference, hereinafter called the "PROJECT."

The PROJECT services include development of a habitat restoration and stormwater engineering concept and drawings for the Carli Creek Water Quality and Habitat enhancement Project. Tasks include Site Field Work, Stormwater Analysis, Alternative Analysis, and Preliminary (30%) Design development.

NOW, THEREFORE, the DISTRICT and the CONSULTANT for the considerations hereinafter set forth agree as follows:

ARTICLE 1 - SERVICES OF THE CONSULTANT

The CONSULTANT agrees to perform, in accordance with applicable District, local, state and federal laws, statutes, ordinances, rules and regulations, professional services in connection with the PROJECT as stated and defined in Exhibit A (the "Services").

ARTICLE 2 - DISTRICT'S RESPONSIBILITIES

Unless otherwise specifically modified in Exhibit A the DISTRICT will:

- 2.1 Provide adequate information to the CONSULTANT regarding the DISTRICT's requirements for the PROJECT.
- 2.2 Assist the CONSULTANT by making available all reasonably available information and technical data pertinent to the PROJECT.
- 2.3 Obtain approvals and permits from governmental authorities having jurisdiction over the PROJECT, and such approvals and consents from others as may be necessary for completion of the PROJECT (excepting any personal qualifications or certifications required

ARTICLE 4 - AUTHORIZATION AND PROJECT MANAGER

4.1 Specific authorization to proceed with the Services shall be granted in writing by the DISTRICT within a reasonable time after the execution of this Agreement. The CONSULTANT shall not proceed with the work without such authorization. The DISTRICT's Project Manager shall have authority to give such authorizations.

4.2 This Agreement shall be effective as of the CONSULTANT's receipt of the written authorization to proceed and shall be completed as set forth in the Schedule.

4.3 DISTRICT's Project Manager

The DISTRICT's Project Manager is authorized to approve work and billings hereunder, approve subconsultants, give notices referred to herein, terminate this Agreement as provided herein and carry out any other DISTRICT actions referred to herein. The DISTRICT's Project Manager shall be Leah Johanson.

ARTICLE 5 - PAYMENTS TO CONSULTANT

In accordance with the terms and conditions of this Agreement, the DISTRICT shall compensate the CONSULTANT as follows:

5.1 Compensation

5.1.1 The DISTRICT agrees to pay the CONSULTANT an amount equal to one hundred ninety one thousand six hundred fifty eight 60/100 Dollars (\$191,658.60) for the Services as billed monthly. Notwithstanding anything else to the contrary herein, the total compensation under this Agreement shall not exceed one hundred ninety one thousand six hundred fifty eight 60/100 Dollars (\$191,658.60) without prior written approval of the DISTRICT.

5.1.2 The CONSULTANT is entitled to no compensation for the correction or revision of any errors or deficiencies in the services provided.

5.1.3 The DISTRICT may withhold from payments due the CONSULTANT such sums as are necessary, in the DISTRICT's sole and absolute discretion, to protect the DISTRICT against any loss or damage which may result from negligence or unsatisfactory work by the CONSULTANT, the failure of the CONSULTANT to perform as required under this Agreement, or claims filed against the CONSULTANT or the DISTRICT relating to the CONSULTANT's services or work under this Agreement.

5.2 Billing and Payment Procedure

5.2.1 The CONSULTANT will provide monthly percentage complete invoices to the

6.2.4 In the event of early termination, all of the CONSULTANT's work product will become and remain property of the DISTRICT.

6.3 Remedies

6.3.1 In the event of termination under Paragraph 6.1.3 by the DISTRICT due to a breach by the CONSULTANT, then the DISTRICT may complete the work either itself, or by agreement with another consultant or by a combination thereof. In the event the cost of completing the work exceeds the remaining unpaid balance of the compensation provided under Paragraph 5.1.1 hereof, then the CONSULTANT shall promptly pay to the DISTRICT the amount of the excess.

6.3.2 The remedies provided to the DISTRICT under Paragraph, 6.1, 6.2, and 6.3 hereof for a breach by the CONSULTANT shall not be exclusive. The DISTRICT also shall be entitled to any other equitable and legal remedies that may be available.

6.3.3 In the event of breach of this Agreement by the DISTRICT, then the CONSULTANT's remedy shall be limited to termination of the Agreement and receipt of payment as provided in Paragraphs 6.1 and 6.2 hereof.

6.4 Indemnification and Insurance

6.4.1 The CONSULTANT agrees to indemnify, save harmless and defend the DISTRICT, its officers, commissioners, agents and employees from and against all costs, losses, damages, claims or actions and all expenses incidental to the investigation and defense thereof (including legal and other professional fees) arising out of or based upon damages or injuries to persons or property caused by the negligent or willful acts, errors, or omissions of the CONSULTANT or CONSULTANT's officers, owners, employees, agents, or its subcontractors or anyone over which CONSULTANT has a right to control.

6.4.2 The CONSULTANT agrees to furnish the DISTRICT evidence of comprehensive general (including contractual liability) and automobile liability insurance in the amount of not less than \$1,000,000 combined single limit for personal injury and property damage for the protection of the DISTRICT, its officers, commissioners, agents, and employees against liability for damages because of personal injury, bodily injury, death or damage to property, including loss of use thereof, in any way related to the CONSULTANT's, or any subcontractors, in the performance of this Agreement. The insurance shall include the DISTRICT, its officers, commissioners, agents and employees, as additional insureds and refer to and support the CONSULTANT's obligation to hold harmless the DISTRICT, its officers, commissioners, agents, and employees.

6.4.3 The CONSULTANT agrees to furnish the DISTRICT evidence of professional liability insurance coverage (errors and omissions, on a claims-made basis) in the amount of not less than \$1,000,000 because of personal injury, bodily injury, death

subcontractor to agree, as to the portion subcontracted, to fulfill all obligations of the CONSULTANT as specified in this Agreement. Notwithstanding DISTRICT approval of a subcontractor, the CONSULTANT shall remain obligated for full performance hereunder, and the DISTRICT shall incur no obligation other than its obligations to the CONSULTANT hereunder. The CONSULTANT agrees that if subcontractors are employed in the performance of this Agreement, the CONSULTANT and its subcontractors are subject to the requirements of the Workers' Comp Law.

6.8 Assignment

The CONSULTANT shall not assign this Agreement, in whole or in part, or any right or obligation hereunder, without the prior written approval of the DISTRICT which may be granted or withheld in its sole and absolute discretion. The DISTRICT may assign this Agreement at any time and shall provide CONSULTANT with notice of such assignment within thirty (30) days of such assignment.

6.9 Notice

Any notice provided for under this Agreement shall be sufficient if in writing and delivered personally to the following addressee or deposited in the United States Mail, postage prepaid, certified mail, return receipt requested, addressed as follows, or to such other address as the receiving party hereafter shall specify in writing with such notice deemed delivered either upon actual receipt or three (3) days after deposit in U.S. Mail, whichever shall first occur:

If to the DISTRICT: Clackamas County Service District No. 1
c/o Water Environment Services
150 Beaver Creek Road, 4th Floor
Oregon City, Oregon 97045
ATTN: Leah Johanson

Copy to: County Counsel
c/o Water Environment Services
150 Beaver Creek Road
Oregon City, Oregon 97045
ATTN: Chris Storey

If to the CONSULTANT: Mike Faha, ASLA, LEED
Principal Landscape Architect
GreenWorks P.C. Landscape Architects
24 NW 2nd Avenue – Suite 100
Portland, OR 97209

- 6.14.3 Any use the DISTRICT makes of the materials referred to in Paragraph 6.14.1 hereof, except for purposes of the work contemplated by this Agreement, shall be at the DISTRICT's risk.

6.15 Commencement of Work

The CONSULTANT agrees that work being done pursuant to this Agreement will not be commenced until after:

- 6.15.1 Workers' compensation insurance is obtained, as specified in Paragraph 6.6.
- 6.15.2 This Agreement is fully executed by all parties and approved by the Board and/or Director when applicable.
- 6.15.3 The receipt of a written authorization to proceed from the Project Manager.

6.16 Release of Information

No information relative to the PROJECT shall be released by the CONSULTANT for publication, advertising, communication with the media, the public, other clients of the CONSULTANT, or any other person for any other purpose, without prior written approval of the DISTRICT.

6.17 Maintenance of Records

The CONSULTANT shall maintain books and accounts of payroll costs, travel, subsistence, field contracted services of others and reimbursable expenses pertaining to each PROJECT in accordance with generally accepted professional practices, appropriate accounting procedures and applicable local, state or federal laws, statutes, ordinances, or rules and regulations. The DISTRICT or its authorized representative shall have the authority to inspect, audit and copy, on reasonable notice and from time to time, any records of the CONSULTANT regarding its billings or any record arising from or related to this Agreement. Records shall be maintained and available until three (3) years after the date of final PROJECT billing or until three (3) years after the date of resolution of any litigation or claim.

6.18 Audit of Payments

- 6.18.1 The DISTRICT, either directly or through a designated representative, may audit the records of the CONSULTANT at any time during the three (3) year period established by Paragraph 6.17.
- 6.18.2 If an audit discloses that payments to the CONSULTANT were in excess of the amount to which the CONSULTANT was entitled, then the CONSULTANT shall immediately repay the amount of the excess to the DISTRICT.

6.19 Public Contracting Law

time and a half for all overtime worked in excess of 40 hours in any one week, except for individuals under these contracts who are excluded under ORS 653.010 to 653.261 or under 29 U.S.C. sections 201 to 209 from receiving overtime.

- 6.19.5 The CONSULTANT shall promptly, as due, make payment to any person, partnership, association, corporation, or other entity furnishing medical, surgical and hospital care or other needed care and attention, incident to sickness or injury, to the employees of the CONSULTANT, of all sums which the CONSULTANT agrees to pay for such services and all moneys and sums which the CONSULTANT collected or deducted from the wages of employees pursuant to any law, contract or agreement for the purpose of providing or paying for such services.
- 6.19.6 The CONSULTANT and all employers working under this Agreement are subject employers under ORS 656.017.
- 6.19.7 The CONSULTANT shall demonstrate that an employee drug testing program is in place before commencing work on the Project.

6.20 Equal Employment Opportunity

During the performance of this Agreement, the CONSULTANT agrees as follows:

- 6.20.1 The CONSULTANT will not discriminate against any employee or applicant for employment because of race, color, religion, sex, marital status, age, mental or physical handicap or a national origin. The CONSULTANT agrees that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, marital status, age, mental or physical handicap, or national origin. The CONSULTANT agrees to post in conspicuous places, available to employees and applicants for employment notices to be provided setting forth the provisions of this Equal Opportunity Clause.
- 6.20.2 The CONSULTANT will, in all solicitations or advertisements for employees placed by or on behalf of the CONSULTANT state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, marital status, age, physical or mental handicap or national origin.
- 6.20.3 The CONSULTANT will send to each labor union or representative of workers with which CONSULTANT has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the labor union or workers' representative of the CONSULTANT's commitments under this Equal Opportunity Clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

6.21 Survival

6.23.7 Substantive Law. The arbitrators shall be bound by and shall strictly enforce the terms of this Agreement and may not limit, expand or otherwise modify its terms. The arbitrators shall make a good faith effort to apply substantive applicable law, but an arbitration decision shall not be subject to review because of errors of law. The arbitrators shall be bound to honor claims of privilege or work-product doctrine recognized at law, but the arbitrators shall have the discretion to determine whether any such claim of privilege or work product doctrine applies.

6.23.8 Decision. The arbitrators' decision shall provide a reasoned basis for the resolution of each dispute and for any award. The arbitrators shall not have power to award damages in connection with any dispute in excess of actual compensatory damages and shall not multiply actual damages or award consequential or punitive damages.

6.23.9 Expenses. Each party shall bear its own fees and expenses with respect to the arbitration and any proceeding related thereto and the parties shall share equally the fees and expenses of the American Arbitration Association and the arbitrators.

6.23.10 Remedies; Award. The arbitrators shall have power and authority to award any remedy or judgment that could be awarded by a court of law in the State of Oregon. The award rendered by arbitration shall be final and binding upon the parties, and judgment upon the award may be entered in any court of competent jurisdiction in the United States.

6.24 Amendments

The DISTRICT and the CONSULTANT may amend this Agreement at any time only by written amendment executed by the DISTRICT and the CONSULTANT. Any amendment that increases the amount of compensation payable to the CONSULTANT in excess of the amounts authorized in prior Board approvals shall be subject to approval by the Board. The Director or person designated by Board order may execute amendments to the Agreement to increase compensation within the limits of the authority established by the DISTRICT's Contract Review Board Rules and within the limits authorized by prior Board approvals. The Project Manager may agree to and execute any other amendment on behalf of the DISTRICT.

6.25 Waiver

The DISTRICT and the CONSULTANT shall not be deemed to have waived any breach of this Agreement by the other party except by an express waiver in writing. An express written waiver as to one breach shall not be deemed a waiver of any other breach not expressly identified, even though the other breach be of the same nature as that waived.

6.26 Notice of Cancellation

There shall be no cancellation, material change, exhaustion of aggregate limits or intent not to renew insurance coverage without 60 days written notice by the CONSULTANT to the DISTRICT.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in duplicate by their duly authorized officers or representatives as of the day and year first above written.

CONSULTANT:

CLACKAMAS COUNTY SERVICE
DISTRICT NO. 1

GreenWorks

Company
24 NW 2nd Ave

Address
Portland OR 97209

City, State, Zip Code

F. M. F. F.

Authorized Signature

Principal

Title

91-1747559

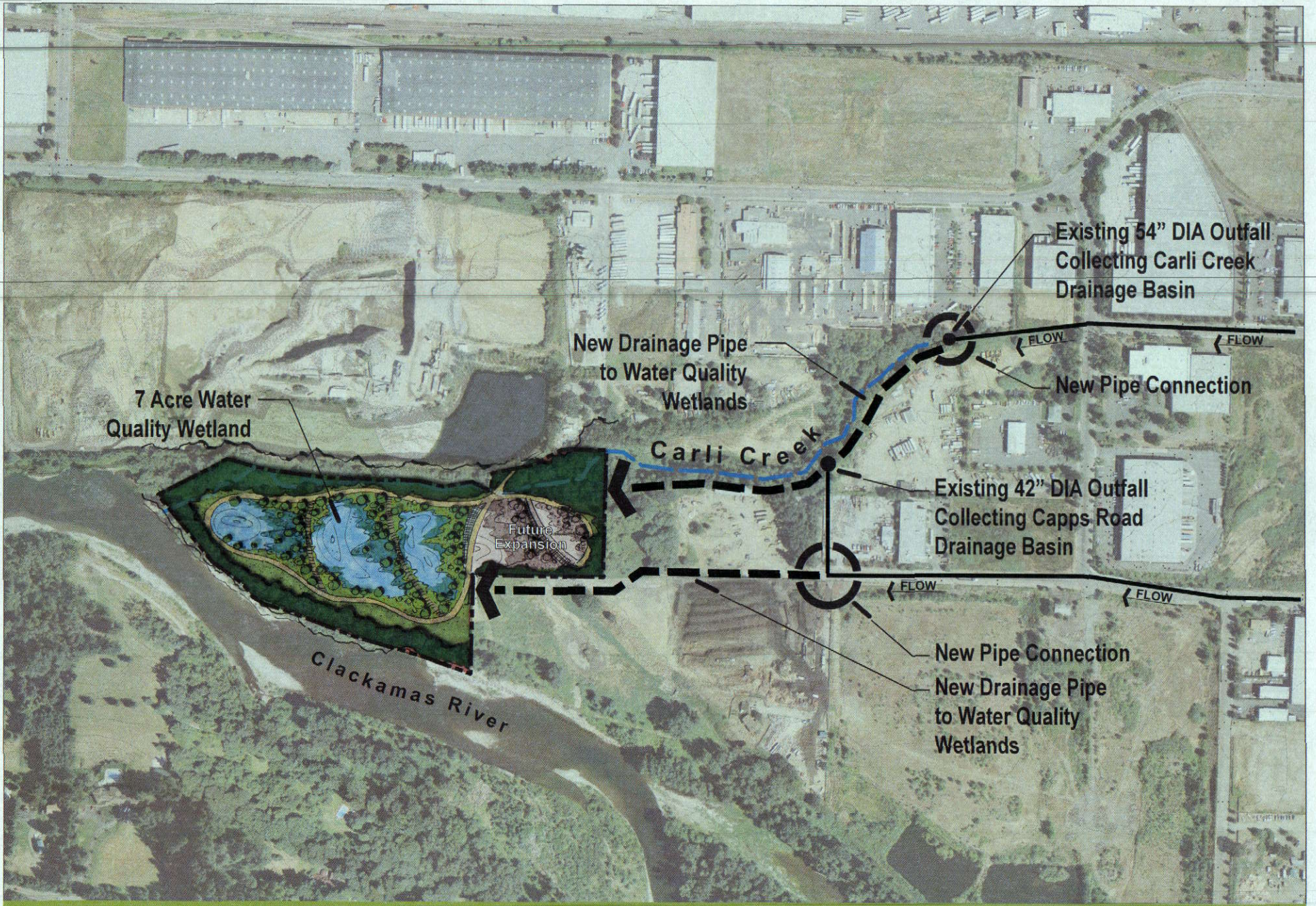
Federal Tax ID Number

MAR 5 2013

Date

Michael S. Kuenzi, Director

Date



CARLI WATER QUALITY WETLANDS

October 11th, 2011

