



AGENDA

THURSDAY, APRIL 14, 2011 - 10:00 AM BOARD OF COUNTY COMMISSIONERS

Beginning Board Order No. 2011-22

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

1. Presentation of the Darlene Hooley Citizen Award and the Dee Wescott Community Organization Award (Barbara Smolak, Public & Government Affairs)

II. 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.)*

III. PUBLIC HEARINGS *(The following items will be individually presented by County staff or other appropriate individuals. Persons appearing shall clearly identify themselves and the organization they represent. In addition, a synopsis of each item, together with a brief statement of the action being requested shall be made by those appearing on behalf of an agenda item.)*

1. Public Hearing on the Proposed Housing and Community Development 2011 Action Plan (Chuck Robbins and Mark Sirois, Community Development)
2. First Reading of Ordinance No. _____ Amending Chapter 2.05 of the Clackamas County Code "Personnel Policies and Procedures for Clackamas County Employees (Nancy Drury, Employee Services, David Anderson, County Counsel)

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.)*

Finance Department

1. Presentation of the Clackamas County Fiscal Year 2010 Audit Results (Christa Bosserman Wolfe, Audit Manager)

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. Health, Housing & Human Services

1. Approval to Apply for Two AmeriCorps Hope Members to Assist in the Children, Youth & Families Division

B. Department of Transportation & Development

1. Board Order No. _____ Approving SE Bob Schumacher Road, Local Access Road No. L273, DTD File No. 12273, A County Road, Becoming County Road No. 3419
2. Approval of Supplemental Project Agreement No. 27472 between Clackamas County and the Oregon Department of Transportation to Design a Replacement Bridge for Pudding River (Whiskey Hill Rd.) Bridge No. 01559

C. Elected Officials

1. Approval of Previous Business Meeting Minutes – BCC
2. Annual Adoption of the Clackamas County Investment Policy - TREASURER

VI. WATER ENVIRONMENT SERVICES

1. Approval of an Agreement between Tri-City Service District and Tek Construction, Inc. for the Tri-City Water Pollution Control Plant Temporary Biosolids Dewatering Project

VII. 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/>



Elissa Gertler
Director

PUBLIC AND GOVERNMENT AFFAIRS

PUBLIC SERVICES BUILDING
2051 KAEN ROAD | OREGON CITY, OR 97045

April 14, 2011

Board of County Commissioners
Clackamas County

Members of the Board:

**Presentation of the Darlene Hooley Citizen Award and the Dee Wescott
Community Organization Award**

As a way to recognize and thank those citizens of Clackamas County for their dedication and leadership in making a difference in the community, the Board of County Commissioners in September 2009 established the Darlene Hooley Citizen Award and the Dee Wescott Community Organization Award to honor those citizens who contributed greatly to their community, county and state.

Hooley served as a member of the U.S. House of Representatives from 1997-2008, representing the 5th Congressional District. Prior to that she was elected to the West Linn City Council where she served for four years. Hooley went on to serve in the Oregon State Legislature and as a Clackamas County Commissioner.

The late Mayor Wescott helped organize the rural community of Damascus into a city in 2004 and served as its first mayor until 2007. He was a member of the Boring Fire District and over the years served in nearly every capacity including fire chief in the early 1960's.

The Darlene Hooley Citizen Award and the Dee Wescott Community Organization Award recognizes those citizens in Clackamas County who, through their dedication and leadership, have made a positive impact on the community.

The recipient of the **2011 Darlene Hooley Citizen Award is the honorable Judie Hammerstad** of Lake Oswego. Judie's political path almost mirrors Darlene Hooley's: both were teachers, state legislators and Clackamas County Commissioners. Judie was elected to the Lake Oswego School Board, then served as a State Representative followed by Clackamas County Commissioner for eight years. She was Mayor of Lake Oswego for eight years, retiring in 2009. Judie has served on state, regional and national committees, including Oregon Task on Land Use, the National Community Streetcar Coalition and the Metropolitan Policy Advisory Committee. In 2010, Judie was asked to chair the Clackamas County independent advisory committee reviewing best practices.

Judie leads in the example of Darlene Hooley – collaborative, responsive and resolute. She is most deserving of the Darlene Hooley Citizen Award.

The recipient of the **2011 Dee Wescott Community Organization Award is Eleanore Hunter, PhD of Oak Grove.** Eleanore is the current chair of the Oak Lodge Community Council/Community Planning Organization. She first served as secretary from 2007-2009, elected as chair for 2009-2011 and reelected chair for 2011-2013. During this time she has taken steps to strengthen, broaden and increase community involvement. Eleanore joined the McLoughlin Area Plan committee during Phase I and currently serves as the vice chair for Phase II. She and members of Urban Green engaged a group of graduate students from Portland State University to create plans to revitalize downtown Oak Grove and portions of McLoughlin Boulevard which was enthusiastically received by the community. Eleanore currently serves on the Public Art Advisory Board for the Portland-Milwaukie Light Rail project.

As a citizen leader, Eleanore gives her time and energy to make positive contributions to her neighbors, community and County. Eleanore exemplifies the spirit of volunteerism and is a worthy recipient of the Dee Wescott Community Organization Award being presented during National Volunteer week.

Sincerely,

Mary Schmitt for Elissa Gertler

Elissa Gertler
Director

For information on this issue, please contact Barbara Smolak at 503.655.8552
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April 14, 2011

Board of Commissioners
Clackamas County

Members of the Board:

**Public Hearing on the Proposed Housing and
Community Development 2011 Action Plan**

The Community Development Division of the Health, Housing and Human Services Department requests a Public Hearing before the Board of County Commissioners. This hearing will satisfy a U.S. Department of Housing and Urban Development requirement that the public annually be given an opportunity to review the past performance of the County's Housing and Community Development programs. The hearing also provides an opportunity to review the Proposed 2011 Housing and Community Development Action Plan.

The Action Plan determines how funds from the Community Development Block Grant (CDBG), HOME Investment Partnership Act (HOME), and Emergency Shelter Grant (ESG) programs will be allocated in the 2011-2012 program year.

The Proposed Action Plan reflects the goals and objectives contained in the 2009-2011 Consolidated Plan and consist of projects selected for funding in the third year of the 2009-2011 Three Year Project Summary. These projects have been reaffirmed through a public involvement process, which began in January and was completed at a Policy Advisory Board meeting held on March 15, 2011. The plan is open for public comment until Monday, April 25, 2011.

Submission of grant application materials will enable the County to receive \$2,078,300 in CDBG funds, \$1,002,360 in HOME funds, and \$83,858 in ESG funds during the 2011 program year.

The hearing is scheduled to be held during the BCC meeting at 10:00 a.m., April 14, 2010, and will consist of three parts:

- 1) A review by the Community Development Director, Chuck Robbins, of the past performance of the County's Housing and Community Development programs;
- 2) A review of the Proposed 2011 Housing and Community Development Action Plan;
and
- 3) An open discussion period during which citizens may testify on the plan or the County's housing and community development needs.

Recommendation

We recommend that the Board of County Commissioners take the following actions:

- 1) Hold a Public Hearing to review past performance of the County's Housing and Community Development program and to review the Proposed 2011 Action Plan;

Healthy Families. Strong Communities.

- 2) Direct the Community Development Division staff to make any changes necessary as a result of the Board's consideration of testimony to the Proposed Plan, and prepare for Board approval of the Final 2011 Action Plan and other materials necessary for applying for FY 2011 CDBG, HOME, and ESG funds; and
- 3) Place approval of the 2011 Action Plan on the Board of County Commissioners' consent agenda for adoption at the May 5, 2011 meeting.

Sincerely,



Cindy Becker
Director

Attachments:

- Proposed 2011 Housing and Community Development Action Plan
- Program Year 2011 Action Plan Summary
- Three Year Funding Recommendations

For information on this issue or copies of attachments
Please contact Chuck Robbins, # 503-650-5666



NANCY DRURY
DIRECTOR

DEPARTMENT OF EMPLOYEE SERVICES

PUBLIC SERVICES BUILDING
2051 KAEN ROAD | OREGON CITY, OR 97045

April 14, 2011

Board of County Commissioners
Clackamas County

Members of the Board:

**First Reading of an Ordinance Amending Chapter 2.05 of the County Code
"Personnel Policies and Procedures for Clackamas County Employees"**

The attached ordinance makes revisions to County Code Chapter 2.05, Personnel Policies and Procedures for Clackamas County Employees, relating to the County's recruitment and selection policy, specifically the selection procedures and eligibility registers. The additions are underlined and the deletions are struck through.

The amendments allow for increased flexibility in setting open eligibility register expiration periods. The amendments will also expand current selection options by introducing a new type of eligibility register to the existing selection process. The amendments also edit the existing ordinance to allow departments to request removal of applicants from further referral to the department after one referral, instead of three referrals. These amendments affect sections 2.05.070 and 2.05.080.

The first amendment would allow increased flexibility to set the period of eligibility for an open register to not less than three (3) months or more than one (1) year in length. Currently the registers are set at six (6) months and have prevented a new recruitment from being opened for additional applicants until the list expires. The shorter list life will allow *more flexibility* to reopen recruitments when needed.

The second amendment would add a definition for the term "banded register" and define applicant groups under this new term. It would also provide guidance on applying veterans' preference and affirmative action to the applicant groups.

The third amendment would provide a means for a department to request removal of applicants from an open eligible register who are considered, but not appointed, after one (1) referral. The person shall only be removed from the eligibility register for future referrals to the requesting department and shall remain on the master eligibility register, if applicable.

None of these amendments would be used if they conflict with the terms of a collective bargaining agreement or if there are qualified names on a layoff or promotional/internal register.

The proposed amendments have been reviewed by the Executive Management Team, Union Presidents and County Counsel.

RECOMMENDATION:

Staff respectfully recommends that the Board of County Commissioners read the ordinance by title only and set second reading of the ordinance for April 28, 2011.

Sincerely,



Nancy Drury
DES Director

For information on this issue or copies of attachments, please contact
JJ Peters, Recruitment Manager, at 503-742-5485.

ORDINANCE NO. _____

An Ordinance Amending Chapter 2.05, Personnel Policies and Procedures for Clackamas County Employees, of the Clackamas County Code.

WHEREAS, the Board finds that amendments to Chapter 2.05 of the County Code are necessary; now, therefore;

The Board of Commissioners of Clackamas County ordains as follows:

Section 1: Sections 2.05.030(V) and (HH) of the Clackamas County Code are hereby amended to read as follows:

V. **ELIGIBLE REGISTER** means a list of applicants for County employment or advancement in County employment who have successfully completed the selection process. In a banded recruitment, the eligible register consists of bands A, B and C, (if applicable) but not band D.

HH. **OPEN REGISTER** means an eligibility register consisting of all persons who have successfully completed an open competitive selection process. An open register may be a ranked open register, or an unranked open register, or a banded open register.

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Section 2: Section 2.05.070.9(B) of the Clackamas County Code is hereby amended to read as follows:

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B. If there are ten (10) or fewer applicants qualified for an open register following review by the Department of Employee Services, and there are no names on the layoff or promotional/internal register, an unranked open register will be developed. Except as provided below in this section, all applicants on the unranked open register will be referred and interviewed by the appointing authority.

Section 3: Section 2.05.080.1 of the Clackamas County Code is hereby amended to read as follows:

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2.05.080.1 Types Of Eligible Registers

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Eligible registers are maintained in accordance with the County's classification of jobs. The types of eligible registers are:

A. **Open:** A register which shall consist of persons who have successfully completed an open competitive selection process. The period of eligibility will normally be not less than ~~six (6)~~ three (3) months (unless the registers are exhausted) nor more than one (1) year. An open register may be a ranked open register, or an unranked open register, or a

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banded open register. _____

1. Ranked Register: A ranked register consists of applicants who have successfully completed an open competitive selection process and are listed in order of eligibility for hiring, with the highest scoring applicant at the top of the list, and other applicants ranked below in order of decreasing scores.
2. Unranked Register: An unranked register consists of 10 or fewer qualified applicants as described in section 2.05.070.9.
3. Banded Register: A banded register consists of applicants who have completed an open competitive selection process and are listed in up to four groups: band A, band B, band C, and band D. Applicants eligible for hiring consideration are listed in bands A, B or C. Applicants not eligible for hiring consideration are listed in band D.

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- a. "Band A" applicants are the top applicants for first referral to the appointing authority for hiring consideration, based on the job-related criteria and preferences established at the time of the solicitation. Band A applicants meet the minimum qualifications and also possess the job-related preferences expressed in the solicitation, such as additional relevant education, training, skills, professional certifications, or experience (especially experience with the particular type of job duties expected for the position, and recent experience).
- b. "Band B" applicants are the next group of applicants for secondary referral to the appointing authority for hiring consideration, based on the job-related criteria and preferences established at the time of the solicitation. Band B applicants meet the minimum qualifications and have some of the job-related preferences expressed in the solicitation, such as additional relevant education, training, skills, professional certifications, or experience (especially experience with the particular type of job duties expected for the position, and recent experience).
- c. "Band C" applicants are the last group of applicants for referral to the appointing authority for hiring consideration, based on the job-related criteria and preferences established at the time of the solicitation. Band C applicants meet the minimum qualifications and have a lesser level of the job-related preferences expressed in the solicitation, such as additional relevant education, training, skills, professional certifications, or experience (especially experience with the particular type of job duties expected for the position, and recent experience).

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- d. "Band D" applicants are those who are not competitive at the level required to advance in the selection process. This group will not be eligible for hiring consideration, based on the job-related criteria and preferences announced at the time of the solicitation.
- e. Banded registers will be used only upon request of the appointing authority and approval by the Director of Employee Services. Such approval will be granted only where sufficient job-related hiring criteria and job-related preferences have been developed to assure the job-related validity of the selection process. The hiring criteria and preferences must be established at the time the solicitation is made.
- f. When a banded register is developed, the Department of Employee Services will refer eligible candidates to the appointing authority only by referring all names within a band (whether band A, band B or band C). A single band or multiple bands may be referred at one time. An appointing authority must apply the same selection process in the consideration of all applicants within a band (whether band A, band B or band C) when considering applicants from a banded register for hiring.
- g. Veterans' preference as provided in section 2.05.070.17 will be applied to a banded register by moving an eligible veteran in Band C or Band B up one band, or by moving an eligible disabled veteran in Band C up two bands. As provided in ORS 408.230, veterans' preference is not a requirement that a veteran be appointed, but if the selection process applied by an appointing authority to members of a band after the preference has been applied results in an equal evaluation for a veteran and non-veteran, then the veteran shall be appointed.
- h. Affirmative action as provided in 2.05.090.2 (B) will be applied to a banded register, where there is a hiring goal contained in the current County Affirmative Action Plan for the category in which the job vacancy exists, by moving up by one band all applicants who are from that group for which hiring goals exist and who are in Band C or Band B; provided however that no applicants will be moved up into a band if there are already at least 5 applicants from that group present in that band.

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B. Promotional/Internal: A register which shall consist of employees who have successfully completed a promotional/internal selection process. Promotional/internal registers shall remain in effect for not less than eighteen (18) months or more than twenty-four (24) months.

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Promotional/internal registers for non-represented positions shall remain in effect a minimum of six (6) months and may be extended for up to twenty four (24) months upon approval of the Director of Employee Services.

- C. Layoff: A register which shall consist of previous employees who had attained regular status with the County and were displaced from their position due to layoff or reduction in force, current employees who exercised voluntary demotion in lieu of layoff, or employees who failed to pass the probationary period for a higher level position as a result of reclassification or trainee program. The period of eligibility will be two (2) years from the effective date of the action which placed the individual on the layoff register. [Codified by Ord. 05-2000, 7/13/00; Subsection A amended by Ord. 10-2004, 11/18/04; Amended by Ord. 07-2005, 11/3/05]

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Section 4: Section 2.05.080.3 of the Clackamas County Code is hereby amended to read as follows:

2.05.080.3 Removal Of Names From Open Eligible Register

Names shall be removed from any eligible register after appointment, or at the end of the eligibility period. The acceptance of temporary work by persons on eligible registers shall not affect their referral for regular positions. The Director of Employee Services may remove from an open eligible register the names of persons:

- A. Who have declined three (3) appointments from any one eligible register;
- B. Who are considered, but not appointed after ~~three (3)~~one (1) referrals; provided however that the person shall only be removed from the particular eligibility register sent to the requesting appointing authority and shall remain on the master eligibility list for that job classification (if applicable) with respect to other appointing authorities.
- C. Who fail to respond to the referral notice within seven (7) calendar days from date notifications were mailed;
- D. Who fail to appear for a job interview;
- E. Who have failed to answer an availability inquiry within seven (7) calendar days;
- F. Who have failed to keep the Department of Employee Services informed of their address;
- G. Whose reasons for waiving referral or appointment are not satisfactory as determined by the Director of Employee Services;
- H. Who are determined to be unqualified by the Director of Employee Services based on their previous employment record;
- I. Who fail to meet minimum requirements, employment related physical standards, background/criminal history check or for any valid cause relating to their character and ability to perform satisfactorily on the job; or,
- J. Who have failed to comply with conditions of employment as a County employee.

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All persons whose names are removed from an open eligible register for cause shall be so notified in writing and shall have the right of review by the Director of Employee Services. [Codified by Ord. 05-2000, 7/13/00; Amended by Ord. 07.2005, 11/3/05; Amended by Ord. 05-2009, 10/29/09]

Section 5: Section 2.05.090.2 of the Clackamas County Code is hereby amended to read as follows:

2.05.090.2 Referral From Eligible Registers

A. The order in which eligible registers shall be used for referrals is as follows:

1. Layoffs register;
2. Promotional/internal register;
3. ~~Ranked~~ Open register;
4. ~~Unranked open~~ register.

The combined number of names referred from all registers shall not exceed the number of vacancies plus four (4), except as provided in subsection B of this section.

B. Any regular employee who has submitted a written request for transfer or demotion may be referred for all regular openings, in addition to those normally referred.

When tied scores exist between persons referred and those remaining on the eligible list, all persons with tied scores shall be referred.

If eligibles fail to respond within seven (7) calendar days from notification, the appointing authority may request additional names to be referred.

The appointing authority may specify requirements of particular experience, education, skill or ability, when it is deemed that such requirements are necessary for the position. If, after a review of the duties and responsibilities of the position, the Director of Employee Services finds the requirements essential for successful performance, only the names of individuals possessing those qualifications will be referred.

Up to ten (10) names will be referred when an unranked open register is used pursuant to §2.05.070.9.

The Director of Employee Services will refer additional qualified applicants to be considered for employment if there is a required hiring goal(s) contained in the current County Affirmative Action Plan for the category in which the job vacancy exists, and there are no names on the layoff register or promotional/internal register for the position. In such cases, the Director of Employee Services shall refer enough names (if available) in addition to those referred according to normal register procedures to result in a referral of a total of five (5) applicants from all the protected groups

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collectively for which required hiring goals for that category exist. Referral of additional qualified applicants will not occur if it would conflict with the terms of applicable collective bargaining agreements.

If a banded register has been requested by the appointing authority and approved by the Director of Employee Services, names may be referred from the banded eligibility register as provided in section 2.05.080.1(A)(3).

[Codified by Ord. 05-2000, 7/13/00; Amended by Ord. 10-2004, 11/18/04; Amended by Ord. 07.2005, 11/3/05]

Section 6: Section 2.05.090.4 of the Clackamas County Code is hereby amended to read as follows:

2.05.090.4 Insufficient Names

When the total number of names on the available eligible register is fewer than five, (5), or a banded register has fewer than five (5) names on the A, B, and C bands, the appointing authority may elect to:

- A. Make a probationary appointment from those referred, or
- B. Accept referral of additional names from the most nearly appropriate eligible register as determined by the Director of Employee Services, or
- C. Request a provisional appointment, pending establishment of a new eligible register, and/or call for a new recruitment, or
- D. Accept referral of additional names from eligible registers of a lower grade classification in order to under fill the higher level position. [Codified by Ord. 05-2000, 7/13/00]

Section 7: Section 2.05.100.1 of the Clackamas County Code is hereby amended to read as follows:

2.05.100.1 Types Of Appointments

Any offer for employment must be made by the appointing authority or authorized representative to a person eligible under these rules Chapter 2.05. The types of appointments are:

- A. Probationary/Regular: All regular positions in the Classified Service when vacant shall be filled by appointment of an eligible applicant referred from an appropriate eligible register, except as otherwise provided in these rules. No regular appointment shall be complete until the applicant has successfully passed the probationary period.
- B. Unallocated (also known as "Temporary"): Selection procedures for unallocated appointments shall comply with the Federal Uniform Guidelines on Employee Selection Procedures. The appointing authority may make such an appointment with the authorization of the Director of Employee Services and a screening of the applicant's qualifications.

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However, when it is possible and practical, eligible registers shall be used in the appointment of unallocated employees.

Unallocated employees may be discharged at any time by the hiring manager and shall have no appeal rights within the County except for those involving allegations of illegal discrimination.

Employees working in unallocated positions are limited to working 1560 hours annually (in divisions using 40 hours/week schedules), or 1462.5 hours annually (in divisions using 37 ½ hours/week schedules), as provided in Section 2.05.040.5.

- C. Provisional: Unless otherwise provided by these rules, appointment of a person not on an eligible register to a classified position for a limited duration is provisional. A provisional appointment is eliminated after ninety (90) calendar days or when the Department of Employee Services establishes an appropriate eligibility register, refers eligibles, or an appointment is made for the position, whichever occurs first. Provisional appointments may be renewed or extended by the Director of Employee Services prior to the appointment of a probationary status employee. A provisional appointment may be made under either of the following conditions:
1. There is not an existing eligible register for the classification; or
 2. The eligible register contains less than five (5) names.
- The appointing authority may make such a provisional appointment with the authorization of the Director of Employee Services and a screening of the applicant's qualifications.
- D. Limited Term: The appointment to a position which has been budgeted and allocated for a limited duration not to exceed two (2) years, but which is in excess of the time requirements for a temporary position, is a limited term appointment.

A limited term employee will not be eligible for placement on a layoff register, nor be eligible to "bump" a regular status employee, nor have any other recourse for re-employment rights, when the duration of the limited term position expires. The appointing authority may make such a limited term appointment with the authorization of the Director of Employee Services and establishment of a budgeted limited term position. The applicant must also undergo screening of qualifications by either the Director of Employee Services or the appointing authority.

E. Unclassified. Employment in the unclassified service is not subject to the terms of Chapter 2.05 except as specifically provided in section 2.05.040.4. [Codified by Ord. 05-2000, 7/13/00; Amended by Ord. 05-2009, 10/29/09]

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ADOPTED this _____ day of _____ 2011.

BOARD OF COUNTY COMMISSIONERS

Chair

Recording Secretary

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MARC GONZALES
DIRECTOR

DEPARTMENT OF FINANCE

PUBLIC SERVICES BUILDING
2051 KAEN ROAD | OREGON CITY, OR 97045

April 14, 2011

Board of County Commissioners
Clackamas County

Members of the Board:

**Presentation of Fiscal Year 2010 Audit Results
by Clackamas County Finance**

Each year after completion of the Clackamas County annual audit, the independent audit firm contracted to perform the work provides the Clackamas County Audit Committee with a report of audit results. The Chair of the Audit Committee has asked that these results also be presented at the regularly scheduled Board of County Commissioners meeting.

The fiscal year ended June 30, 2010 was audited by the independent audit firm of Talbot, Korvola, and Warwick LLP. The documents produced and presented for review include:

- 2010 Clackamas County Comprehensive Annual Financial Report (CAFR)
- 2010 Clackamas County Audit of Federal Awards
- 2010 Clackamas County Response to Findings

These documents have been posted online and can be viewed in electronic format on the Clackamas County website at <http://www.clackamas.us/finance/finance.htm>.

The Clackamas County Audit Manager will provide a brief summary of audit results which include:

AUDIT ACCOMPLISHMENTS

- The audit was completed January 28, 2011 and the County received an unqualified or "clean" opinion.
- The CAFR was issued Friday, January 28, 2011 and submitted timely (per previously approved time extension) to the Secretary of State.
- Audit of Federal Awards (Single Audit) report was issued Friday, January 28, 2011 and submitted timely to the Federal Audit Clearinghouse.
- The CAFR was submitted for the Government Finance Officers Association Certificate of Excellence in Financial Reporting review and we expect that the County will receive the award.
- The external auditors were pleased with County's effort to resolve previous findings, expand collaboration between departments, and complete the audit in a timelier manner.

AUDIT ACTION PLAN

- There were new findings noted in the Audit of Federal Awards. The County has held collaborative meetings with certain County departments to develop correction action plans. Some of the plans were implemented mid-year and others will be implemented beginning July 1, 2011.
- The County prepared a formal Response to the Findings.

Sincerely,



Christa Bosserman Wolfe, CPA
Audit Manager

For more information contact Christa Bosserman Wolfe, CPA (503) 742-5407

April 14, 2011

Board of County of Commissioners
Clackamas County

Members of the Board:

**Approval to Apply for Two AmeriCorps Hope Members
for Children , Youth & Families Division**

The Children, Youth & Families Division (CYF) of the Health, Housing & Human Services Department requests approval to apply for the opportunity to Host Two AmeriCorps members. The Two AmeriCorps members would assist CYF staff to expand the existing Teen Pregnancy Prevention and Underage Drinking Prevention programs throughout the County. The member's role is to provide 1,700 service hours to recruit, motivate and organize high school students to train evidence-based, state approved curriculums to middle school students. The program seeks to reach over 5,000 students throughout the project period.

There is no grant amount being requested in this application. CYF will use state general funds to cover Host Site cash match costs of \$5,800 required by the state. No County General Funds are involved, and no County regular status positions will be created nor affected by the addition of these AmeriCorps members. The AmeriCorps HOPE program will begin September 1, 2011 and terminate July 31, 2012.

Recommendation

We recommend approval to apply for this application and acceptance of the two AmeriCorps members. We ask that Cindy Becker be authorized to sign all documents necessary on behalf of the Board of Commissioners.

Respectfully submitted,



Cindy Becker
Director

For additional information on this issue or copies of attached,
Please contact Rodney Cook at Children, Youth & Families 503-650-5677

Healthy Families. Strong Communities.



COPY

Campbell M. Gilmour
Director

DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT

April 14, 2011

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

Board of Commissioners
Clackamas County

Members of the Board:

**A BOARD ORDER MAKING SE BOB SCHUMACHER ROAD,
LOCAL ACCESS ROAD NO. L273, DTD FILE NO. 12273, A COUNTY ROAD,
BECOMING COUNTY ROAD NUMBER 3419.**

The attached board order changes the status of SE Bob Schumacher from a Local Access Road, with full County maintenance, to a County Road. SE Bob Schumacher was constructed in the Monterey Avenue Overcrossing I-205 and Frontage Road Project, Development Agency project number DA-55. A significant portion of this road lies within the right of way of the I-205 Freeway. As a result of an agreement with the State of Oregon the County has permanent maintenance responsibility of this section of road. To assure continuity of jurisdiction for the management and maintenance of SE Bob Schumacher Road a County Road Status is required, which eliminates an automatic jurisdictional removal from the County, if annexed within a city boundary.

This board order has been reviewed and approved by County Counsel.

RECOMMENDATION:

Staff respectfully recommends that the Board approve the attached board order, establishing SE Bob Schumacher Road as a County Road.

Sincerely,

Mike Bezner, PE
Transportation Engineering Manager

For information on this issue or copies of attachments
please contact Greg Petersen at 503-742-4672.

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

In The Matter of Making SE Bob Schumacher Road, Local Access Road No. L274, DTD File No. 12273, a County Road, Becoming **SE Bob Schumacher Road, County Road No. 3419**, DTD File No. 12273, Located in the **SE 1/4 and SW 1/4 of Sec. 28**, and the **SE 1/4 and NE 1/4 and NW 1/4 of Sec.33, T1S, R2E, WM.**

Board Order No. _____

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This matter coming before the Board of Clackamas County Commissioners (the "Board"), at this time and it appearing to the Board that, SE Bob Schumacher Road, DTD File No. 12273, was retained as Local Access Road No. L274, on the 28th day of February, 2002, by Board Order No. 2002-035, with full County maintenance, and which road is more particularly described as follows:

That public road, as depicted on Exhibit "A" attached herewith and by this reference made a part hereof, lying within Clackamas County jurisdiction in the SE 1/4 and SW 1/4 of Section 28, and the SE 1/4 and NE 1/4 and NW 1/4 of Section 33, Township 1 South, Range 2 East of the Willamette Meridian and being comprised of the following parcels and/or portions of parcels recorded in the Deed Records of Clackamas County, Oregon ("Deed Record") or Circuit Court Records for Clackamas County, Oregon ("Court Record"), as labeled:

Deed Record 2011-007382 for Right of Way Easements,
Deed Record 2011-007383 Public Utility and Slope Easements, Public Utility Easements, and Slope Easements.

EXCEPT THEREFROM, that portion of the above easements that is described in Deed Record 1999-091731 and lies North of a line parallel with and 13.500 meters (44.29 feet) North of the "FR" Centerline and East of a line parallel with and 26.048 meters (85.46 feet) West of the "SR" Centerline, with said "FR" and "SR" Centerlines being described in said Deed Record 1999-91731 and, **ALSO EXCEPT THEREFROM**, that portion of the above easements lying North of the Westerly extension of the South line of that Permanent Road Easement described in that easement to Clackamas County Development Agency, recorded September 14, 1999, as Document No. 1999-90230, Clackamas County Deed Records.

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

In The Matter of Making SE Bob Schumacher Road, Local Access Road No. L274, DTD File No. 12273, a County Road, Becoming **SE Bob Schumacher Road, County Road No. 3419**, DTD File No. 12273, Located in the SE 1/4 and SW 1/4 of Sec. 28, and the SE 1/4 and NE 1/4 and NW 1/4 of Sec.33, T1S, R2E, WM.

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Deed Record 2008-080165 - Permanent Right of Way Easement for Road Purposes.

EXCEPT THEREFROM, that portion lying North of the Westerly extension of the South line of that Permanent Road Easement described in that easement to Clackamas County Development Agency, recorded September 14, 1999, as Document No. 1999-90230, Clackamas County Deed Records.

Deed Record 2008-080170 - Permanent R/W Easement for road Purposes,
Deed Record 2008-080171 - Permanent Public Utility and Slope Easement,
Deed Record 2008-080172 - Permanent Slope Easement.

EXCEPT THEREFROM, those portions of the above referenced three easements lying North of a line parallel with and 13.500 meters (44.29 feet) North of the "FR" Centerline and East of a line parallel with and 26.048 meters (85.46 feet) West of the "SR" Centerline, with said "FR" and "SR" Centerlines being described in said Deed Records.

Deed Record 2008-080162 - Right of Way Easement.

Deed Record 2008-080166 - Right of Way Easement,
Deed Record 2008-080167 - Slope and Drainage Easement.

Deed Record 2005-112075 - Sign, Slope, Public Utility and Sidewalk Easement.

Court Record CCV 007532 - Stipulated Judgment for:

Right of Way Easement,
Public Utility and Slope Easement,
Slope Easement,
Drainage Easement.

ALSO, EXCEPT THEREFROM any portion of any of the above listed easements lying within the boundary of Interstate Highway 205; and,

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

In The Matter of Making SE Bob Schumacher Road, Local Access Road No. L274, DTD File No. 12273, a County Road, Becoming **SE Bob Schumacher Road, County Road No. 3419, DTD File No. 12273**, Located in the SE 1/4 and SW 1/4 of Sec. 28, and the SE 1/4 and NE 1/4 and NW 1/4 of Sec.33, T1S, R2E, WM.

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It further appearing to the Board that, the County has permanent ongoing maintenance obligations through that Intergovernmental Agreement ("IGA") with the State of Oregon, through its Department of Transportation ("ODOT"), filed in ODOT records as Miscellaneous Contracts and Agreements No. 12522, including Supplement Nos. 1 and 2, filed as Clackamas County Agreement and Contract ("A&C") Nos. 2000-3206 and 2000-4082, respectively; and,

It further appearing to the Board that, pursuant to ORS 368.016(1) & (2)(b) and ORS 368.031, when a Local Access Road is annexed within a city, the County no longer has jurisdiction over the Local Access Road, but, in this case, the County would still be obligated to maintain SE Bob Schumacher Road and be responsible to monitor and control certain aspects of the SE Bob Schumacher Road System, as outlined in the above mentioned IGA No. 12522 and Supplement Nos. 1 and 2; and,

It further appearing to the Board that, it is in the best interest of Clackamas County to maintain full jurisdiction over SE Bob Schumacher Road; and,

It further appearing to the Board that, pursuant to ORS 368.016(2)(c), the County may by resolution or order make any public road within its jurisdiction a county road; now therefore,

IT IS HEREBY ORDERED that, SE Bob Schumacher Road, Local Access Road No L-274, DTD File No. 12273, is to be, SE Bob Schumacher Road, County Road No. 3419, DTD File No. 12273; and,

IT IS FURTHER ORDERED that the parcels listed and described above be accepted as part of the County Road System, SE Bob Schumacher Road, County Road No. 3419, DTD File No. 12273; and,

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

In The Matter of Making SE Bob Schumacher Road, Local Access Road No. L274, DTD File No. 12273, a County Road, Becoming **SE Bob Schumacher Road, County Road No. 3419, DTD File No. 12273**, Located in the SE 1/4 and SW 1/4 of Sec. 28, and the SE 1/4 and NE 1/4 and NW 1/4 of Sec.33, T1S, R2E, WM.

Board Order No. _____

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IT IS FURTHER ORDERED that this Board Order and its Exhibit "A" be recorded free of charge with the Clackamas County Clerk when presented; and,

IT IS FURTHER ORDERED that copies of this Board Order and its Exhibit "A" be distributed electronically by the Transportation Engineering Division to appropriate County departments, divisions, and/or offices; and,

IT IS FURTHER ORDERED that a reference to County Road No. 3419 be entered in the County Road Register for Local Access Road No. L-274 and this Order be indexed in the County Road Register for County Roads under Road No. 3419; and,

IT IS FURTHER ORDERED that 5.85 acres of land, more or less, be included in the Finance Office/Fixed Asset Accounts for road right-of-way of SE Bob Schumacher County Road No. 3419.

ADOPTED this _____ day of _____, 2011.

BOARD OF COUNTY COMMISSIONERS

Chair

Recording Secretary



COPY

Campbell M. Gilmour
Director

DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT

DEVELOPMENT SERVICES BUILDING

150 BEAVERCREEK ROAD | OREGON CITY, OR 97045

April 14, 2011

Board of County Commissioners
Clackamas County

Members of the Board:

**APPROVAL OF SUPPLEMENTAL PROJECT AGREEMENT No. 27472
BETWEEN CLACKAMAS COUNTY AND THE OREGON
DEPARTMENT OF TRANSPORTATION TO DESIGN A REPLACEMENT BRIDGE FOR
PUDDING RIVER (WHISKEY HILL RD) BRIDGE No. 01559**

As part of the Highway Bridge Program (HBP), Clackamas County is eligible to receive funding for bridges that are structurally deficient or functionally obsolete. Staff has identified the Pudding River (Whiskey Hill Rd) Bridge as a project which meets these criteria. This project is expected to provide a design for replacement of the existing bridge with a new structure which meets current design standards. The estimated total cost of the project is \$1,000,000. HBP funds are limited to \$897,300 and the County will be responsible for the remaining \$102,700.

Clackamas County is currently participating in the Local Agency Certification Program addressed in the Master Agreement (No. 24,688). Through this program, the County is given the authority to enter into this Supplemental Project Agreement (No. 27,472) with the State. This Supplemental Agreement allows the County to develop the design for replacement of an existing bridge with a new structure that meets current design standards. This project is one of the required test projects for Local Agency Certification.

This agreement has been reviewed and approved by County Counsel.

RECOMMENDATION

Staff respectfully recommends that the Board approves the Supplemental Project Agreement (No. 27,472) to design a replacement bridge for Pudding River (Whiskey Hill Rd) Bridge No. 01559.

Sincerely,

Mike Bezner, PE
Transportation Engineering Manager

For information on this issue or copies of attachments
please contact Joel Howie at 503-742-4658.

BOARD OF COUNTY COMMISSIONERS BUSINESS MEETING MINUTES

A complete video copy and packet including staff reports, of this meeting can be viewed at <http://www.clackamas.us/bcc/business/>

Thursday, March 31, 2011 – 10:00 AM

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

PRESENT: Commissioner Charlotte Lehan
Commissioner Jim Bernard
Commissioner Ann Lininger
Commissioner Paul Savas

~Pledge of Allegiance~

I. PRESENTATION

1. Proclaiming April 2011 as Earthquake Awareness Month in Clackamas County
Dana Robinson and Jay Wilson, Department of Emergency Management, presented the staff report. Dana read the proclamation.

Chair Lehan asked for a motion.

MOTION:

Commissioner Bernard: I move we proclaim April 2011 as Earthquake Awareness Month in Clackamas County.

Commissioner Lininger: Second.

~Board Discussion~

Chair Lehan – all those in favor:

Commissioner Savas: Aye.

Commissioner Lininger: Aye.

Commissioner Bernard: Aye.

Chair Lehan: Aye.

Chair Lehan – all those opposed: - The Ayes have it and the motion is approved.

Chair Lehan announced the Board is sitting as the Housing Authority Board for this next item and Housing Authority Commissioner Erica Allison will not be in attendance. She then asked the Clerk to read the Housing Authority Consent Agenda item by title.

II. HOUSING AUTHORITY CONSENT AGENDA

1. Final Approval of the Housing Authority of Clackamas County FY 2011 Annual Plan, FY 2011 Capital Fund, the Five-Year FY 2011-2015 Capital Fund and 2007, 2008, 2009 and 2010 Performance and Evaluation Reports

MOTION:

Commissioner Savas: I move we approve the Housing Authority Consent Agenda.

Commissioner Bernard: Second.

Chair Lehan – all those in favor:

Commissioner Savas: Aye.

Commissioner Lininger: Aye.

Commissioner Bernard: Aye.

Chair Lehan: Aye.

Chair Lehan – all those opposed: - The Ayes have it and the motion is approved.

III. CITIZEN COMMUNICATION

Charles Ormsby, 170 SW Birdshill Road, representing the Birdshill CPO – would like the Board to attend the Birdshill CPO meetings. Also would like their CPO to have a vote for the Lake Oswego Transit Projecting and requested a list of projects that affect the Birdshill CPO area.

IV. DISCUSSION ITEM

County Counsel

1. Resolution No. **2011-19** Supporting the Wilsonville Urban Renewal Agency's SW 95th Avenue Urban Renewal Plan

Scot Sideras, County Counsel, presented the staff report. He introduced Jenna Troha, Gary Wallis and Stefan Lashbrook from the City of Wilsonville who spoke in favor of this resolution.

~Board Discussion~

Chair Lehan announced this is a discussion item and asked if anyone wished to speak, seeing none she asked for a motion.

MOTION:

Commissioner Lininger: I move we approve the Resolution Supporting the Wilsonville Urban Renewal Agency's SW 95th Ave. Urban Renewal Plan.

Commissioner Bernard: Second.

Chair Lehan – all those in favor:

Commissioner Savas: Aye.

Commissioner Lininger: Aye.

Commissioner Bernard: Aye.

Chair Lehan: Aye.

Chair Lehan – all those opposed: - The Ayes have it and the motion is approved.

V. CONSENT AGENDA

Chair Lehan asked the Clerk to read the Consent Agenda by title, then asked for a motion.

MOTION:

Commissioner Bernard: I move we approve the consent agenda.

Commissioner Savas: Second.

Chair Lehan – all those in favor:

Commissioner Savas: Aye.

Commissioner Lininger: Aye.

Commissioner Bernard: Aye.

Chair Lehan: Aye.

Chair Lehan – all those opposed: - The Ayes have it and the motion is approved.

A. Health, Housing & Human Services

1. Approval of an Intergovernmental Agreement with the City of Damascus to Provide Janitorial Services – *Community Solutions*

B. DEVELOPMENT AGENCY

1. Resolution No. **2011-20** Authorizing the Submission of a Grant Application for the Oregon Parks and Recreation Department Local Government Grant Program

C. Finance Department

1. Approval of Contract Documents with the State of Oregon Military Department, Office of Emergency Management for Federal Disaster Funds through the Public Assistance Program for Winter Storm Damage (FEMA-1956-DR-OR)
2. Approval to Purchase Striping Paint from Washington State Department of Transportation, State Agency Contract with Ennis Paint, Inc.

D. Elected Officials

1. Approval of Previous Business Meeting Minutes – BCC

E. Public and Government Affairs

1. Approval of Board Order No. **2011-21** Granting a Cable Television Franchise Agreement for the Use of County Right-of-Way by Wavedivision VII, LLC – CABLE COMMUNICATIONS

VI. WATER ENVIRONMENT SERVICES

1. Acceptance of an Easement on behalf of Clackamas County Service District No. 1 for the Intertie #2 Diversion Pipeline Project – Oregon Conference Adventist Churches

VII. COMMISSIONERS COMMUNICATION

MEETING ADJOURNED – 10:52 AM

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/>



SHARI A. ANDERSON, CPA
TREASURER

OFFICE OF COUNTY TREASURER

PUBLIC SERVICES BUILDING
2051 KAEN ROAD, #430 | OREGON CITY, OR 97045

April 14, 2011

Board of Commissioners
Clackamas County

Members of the Board:

Annual Adoption of the Clackamas County Investment Policy

The Clackamas County Investment Policy requires annual adoption by the Board. There are no current changes to the policy.

RECOMMENDATION:

The staff respectfully recommends that the Board adopt the Clackamas County Investment Policy as submitted.

Sincerely,

Shari Anderson
County Treasurer

Clackamas County

Office of the Treasurer

Investment Policy

2051 Kaen Rd, #430

Oregon City, Oregon 97045

503-742-5995 FAX 503-742-5996

shariand@co.clackamas.or.us

Clackamas County Investment Policy

I. Objectives:

The primary objectives of investment activities shall be safety, liquidity, and yield:

Safety:

Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.

Credit Risk: Clackamas County will minimize credit risk, the risk of loss due to the financial failure of the security issuer or backer, by:

- Limiting exposure to poor credits and concentrating the investments in the safest types of securities.
- Pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisors with which Clackamas County will do business.
- Diversifying the investment portfolio so that potential losses on individual securities will be minimized.
- Actively monitoring the investment portfolio holdings for ratings changes, changing economic/market conditions, etc.

Interest Rate Risk: Clackamas County will minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates, by:

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.
- Investing operating funds primarily in shorter-term securities or short-term investment pools.
- Diversifying the portfolio by maturity dates to mitigate the impact of reinvestment risk.

Liquidity:

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity).

Yield:

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of lesser importance compared to the safety and liquidity objectives described above. The majority of the portfolio is limited to highly rated/low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities are generally held to maturity unless declining credit or liquidity needs warrant a pre-maturity sale.

II. Scope:

This policy applies to the investment of both short-term operating funds and long-term capital funds including bond proceeds and bond reserve funds. This policy applies to all component units of Clackamas County unless specific, written exclusion has been granted by the County Treasurer and the unit has a policy which has been adopted by the Board of Commissioners and submitted to the Oregon Short Term Fund Board.

Investments of employees' retirement funds, deferred compensation plans, and other funds are not covered by this policy.

III. Standards of Care:

Prudence:

The standard of care to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

Ethics and Conflicts of Interest:

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees, officers and their families shall refrain from undertaking personal investment transactions with the same individual with which business is conducted on behalf of Clackamas County. Officers and employees shall, at all times, comply with the State of Oregon Government Standards and Practices code of ethics set forth in ORS 244.

Delegation of Authority:

Treasurer: Authority to manage the investment program is granted to the publicly elected County Treasurer, and derived from the following: ORS 294.035 to 294.053, 294.125 to 294.145, and 294.810. The Treasurer shall be responsible for all transactions undertaken and with the Investment Manager, shall establish a system of controls to regulate the activities of subordinate officials. No person may engage in an investment transaction without approval of the Treasurer

Investment Manager: Administration of the investment program is hereby delegated to the Investment Manager, who under the direction of the Treasurer shall act in accordance with established written procedures and internal controls for the operation of the investment program consistent with this investment policy.

IV. Safekeeping and Custody:

Purchased investment securities will be delivered by Fed book entry, DTC, or physical delivery and to the extent feasible, held in third party safekeeping with a designated custodian. The trust department of a bank may be designated as custodian for safekeeping specific securities. The custodian shall issue a safekeeping receipt to Clackamas County listing the specific instrument, selling broker/dealer, issuer, coupon, maturity, CUSIP number, purchase or sale price, transaction date, and other pertinent information.

V. Accounting Method:

Accounting Standards:

Clackamas County Department of the Treasurer shall comply with required legal provisions and Generally Accepted Accounting Principles (GAAP). The accounting principles are those contained in the pronouncements of authoritative bodies including, but not necessarily limited to, the American Institute of Certified Public Accountants (AICPA); the Financial Accounting Standards Board (FASB); and the Government Accounting Standards Board (GASB).

Investment Return:

Investment returns are calculated as total return, including interest earned, premiums, discounts and appreciation or depreciation of investment values. Investment return for purposes of benchmarking against performance indicators will be compared on a total portfolio basis.

Investment Costs:

Investments will be carried at par. Losses on the sale of investments will be recognized at time of sale. Premiums or discounts on securities will be amortized or accreted over the life of the securities.

Investment Fee:

Where allowable, an investment fee of .01% of portfolio par value may be deducted from interest earned and credited to the County General Fund each month. After deducting the investment fee, interest earnings will be credited as of the last day of each month to the funds from which the investment was made based on the average daily balance in the fund.

VI. Internal Controls:

The Treasurer is responsible for establishing and maintaining an adequate internal control structure designed to reasonably protect the assets of Clackamas County from loss, theft or misuse. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuations of costs and benefits require estimates and judgments by management.

The internal controls shall address, at a minimum, the following points:

- Control of collusion.
- Separation of transaction authority from accounting and record keeping.
- Custodial safekeeping.
- Avoidance of physical delivery of securities whenever possible and address control requirements for physical delivery where necessary.
- Clear delegation of authority to subordinate staff members.
- Written confirmation of transactions for investments and wire transfers.
- Wire transfer and ACH agreements.
- Compliance and oversight with investment parameters including diversification and maximum maturity.

VII. Reporting Requirements:

Reports to Governing Body:

The Clackamas County Treasurer will provide a monthly report to the County Commissioners, the County Administrator, and the directors of all component units. This report will include but not necessarily be limited to: Portfolio activity, instruments held, market valuation, as well as any narrative necessary for adequate clarification.

Management Reports:

The investment officer shall maintain up-to-date computer reports of portfolio activity providing reports which are timely and available both daily and weekly.

VIII. Investment Policy Adoption:

This Investment Policy will be formally adopted by the Clackamas County Board of Commissioners, and will be readopted annually even if there are no changes.

Maximum investment maturity under this policy exceeds 18 months. As required, this investment policy was submitted to the OSTF Board for comment prior to its approval by the Clackamas County Board of Commissioners, and complies with the requirements of ORS 294.135.

IX. Qualified Financial Institutions:

Providers of Investment Services:

The Treasurer will maintain a list of all authorized Broker/Dealers and Financial Institutions authorized to provide investment services. To qualify for the list they must be an approved security Broker/Dealer selected by credit worthiness that is authorized to provide investment services in the State of Oregon.

These may include "primary" dealers or regional dealers that qualify under Securities & Exchange Commission Rule 15C3-1 (uniform net capital rule). No public deposits exceeding federal insurance limits shall be made except in a qualified public depository as established by the State of Oregon.

Broker/Dealer Questionnaire:

All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the Treasurer with the following information:

- Audited financial statement
- Proof of National Association of Security Dealers certification
- Proof of state registration.
- Completed Broker/Dealer Questionnaire.
- Certification of having read and understood the Clackamas County Investment Policy

Firm Approval:

After due consideration and approval, the firm may be added to the list. The Treasurer will conduct a periodic review of the financial condition and registration requirements of qualified Broker/Dealers. Preferably, firms shall have a local office and Registered Representative in Oregon. However, the County will not exclude Broker/Dealers located outside the state as long as they are licensed in Oregon and meet all other qualifications.

An updated Broker/Dealer Questionnaire will be mailed to each firm periodically, and should be completed and returned to the Treasurer's office. Failure to complete the update questionnaire may lead to removal from the approved list.

Additions or deletions to the list will be made at the Treasurer's discretion.

X. Suitable and Authorized Investments

The following investments will be permitted by this policy, ORS 294.035 and 294.810:

- U.S. Treasury Obligation (bills, notes and bonds)
- U.S. Government Agency Securities and Instruments of Government Sponsored Corps
- Banker's Acceptances (BA's) from qualified institutions
- State of Oregon Investment Pool
- Certificates of Deposits (CD's)
(Subject to ORS 295 collateralization)
- Repurchase Agreements
- State and Local Government Securities
- Corporate Indebtedness

XI. Portfolio Diversification

Diversification will be sought within the following guidelines with the purpose of reduction of overall portfolio risk while attaining market average rates of return. The investments shall be diversified by investment type, issuer and maturity.

Diversification will be measured on a total portfolio basis. Diversification within individual portfolios may deviate from the total portfolio requirements due to liquidity requirements.

Due to fluctuations in the aggregate surplus funds balance, maximum percentages for a particular issuer, investment type or maturity may be exceeded at a point in time subsequent to the purchase of a particular security. Securities need not be liquidated to realign the portfolio; however, consideration should be given to this matter when future liquidations are made.

Diversification by Type and Issuer:

<i>Security</i>	<i>% limitation of total portfolio</i>
US Treasury	No Limit
US Government Agencies	No limit 50% in any single Government Sponsored Enterprise
State of Oregon Investment Pool	50% of total portfolio, or the maximum imposed by statute
Certificates of Deposit	50% of total portfolio 25% in any single qualified financial institution
Banker's Acceptances	50% of total portfolio 25% in any single qualified financial institution
Commercial Paper and Corporate Notes	35% of total portfolio, per ORS 294.035 5% in any one corporation, their subsidiaries or affiliates
State and Local Government Securities	25% of total portfolio
Repurchase Agreements	25% of total portfolio 10% in any single qualified financial institution

Diversification by Maturity:

Maturity limitations shall depend upon whether the funds being invested are considered short term or long term funds. All funds shall be considered short term except those reserved for capital projects (i.e., bond sale proceeds) and special assessment repayments being held for debt retirement.

- **Short Term Portfolio (maturity up to 3 years):**

Investment maturity for operating funds shall be scheduled to coincide with projected cash flow needs and timed to comply with the following guidelines:

Maturity will be laddered to provide for interest rate fluctuations and to minimize investment interest rate risk. Careful monitoring of interest rate fluctuation will provide a basis for evaluating risk and return.

1 to 90 day maturity	Minimum of 25% of total portfolio
1 to 365 day maturity	No limit
12 months to 24 months maturity	Maximum of 40% of total portfolio
24 months to 36 months maturity	Maximum of 30% of total portfolio

- **Long Term Portfolio (Capital Projects and Special Assessment Repayments):**

Maturity scheduling shall be timed according to anticipated need. For example, investment of capital project funds shall be timed to meet projected contractor payments. Investment of prepaid assessment funds shall be tied to bond payment dates, after cash flow projections are made using a forecasting model which considers prepayment rate, delinquency rate, interest on bonds, and income on investments.

The investments of bond proceeds are restricted under bond covenants that may be more restrictive than the investment parameters included in this policy. Bond proceeds shall be invested in accordance with the most restrictive parameters of this policy and the applicable bond covenants and tax laws.

This investment policy has been submitted for review by the OSTF Board as specified above and in accordance with ORS 294.135(1) (a), debt service reserves may be invested to a maturity date not exceeding five years. Otherwise debt service reserves shall not be invested to a maturity date exceeding one year.

XII. Bids and Offers

Before any security purchase or sale is initiated, the Investment Officer shall first determine the appropriateness of seeking competitive bids or offers. Such factors to consider include where the securities are held, the size of the transaction, and the term to maturity. When required by tax laws or bond covenants competitive bids and offers shall always be sought for security purchases and sales of bond funds.

XIII. Collateralization:

All bank deposits shall be held in qualified Oregon depositories in accordance with ORS Chapter 295.

Certificates of Deposit are considered investments under this policy, and are subject to the collateral requirements of ORS Chapter 295, except those specifically exempted under ORS 295.027.

ORS 294.035 (11) requires repurchase agreement collateral to be limited in maturity to three years and priced according to percentages prescribed by written policy of the Oregon Investment Council or the Oregon Short-Term Fund Board. On March 12, 1996, the OSTF Board adopted the following margins:

US Treasury Securities: 102%

US Agency Discount and Coupon Securities: 102%

Mortgage Backed and other: 103%

*Limited to those securities described in ORS 294.035(1)

XIV. Performance Indicators:

The performance of the County's portfolio shall be measured against the performance of the Oregon Local Government Investment Pool and the 90-day Treasury bill rate. It is the goal of the County to maintain an annualized yield that is not more than ½ percent (.5%) lower than the Oregon Local Government Investment Pool and is not less than ¼ percent (.25%) higher than the 90 day Treasury Bill yield. The County may also benchmark against any other indices it deems appropriate.

XV. Securities Lending:

Pursuant to a formal securities lending policy, the Treasurer may enter into agreements to lend, for compensation, certain investments under a formal security lending agreement. At this time, the Treasurer has no agreements for security lending services, and no Clackamas County Securities Lending Policy is in place.

XVI. Additional Documents

Other documents are used in conjunction with this policy, and are available from the Treasurer's office upon request.



Beyond clean water.

Water Quality Protection
Surface Water Management
Wastewater Collection & Treatment

Michael S. Kuenzi, P.E.
Director

April 14, 2011

Board of County Commissioners
Clackamas County

Members of the Board:

AGREEMENT BETWEEN TRI-CITY SERVICE DISTRICT AND TEK CONSTRUCTION, INC.
FOR THE
TRI-CITY WATER POLLUTION CONTROL PLANT
TEMPORARY BIOSOLIDS DEWATERING PROJECT

The Tri-City Service District is facing challenges with long-term biosolids management which has been further complicated with the economic downturn. Water Environment Services (WES) has been evaluating short-term options that address the most critical challenges such as: lack of redundancy, limited ability to land apply cake locally, and the lack of cake storage in the event land application is delayed for a period of time due to weather or other uncontrollable events. This agreement is for the construction/installation of a temporary biosolids dewatering system located on the permitted Tri-City Water Pollution Control Plant site.

The District has publicly advertised and opened bids for the Temporary Biosolids Dewatering Project. In addition, the District held a pre-bid meeting with bidders, allowing extensive interaction of District personnel with primary bidders. The District also confirmed the successful bidder is eligible to perform work in the State of Oregon and is not on the State's ineligible list. Of the bids received, it has been determined that TEK Construction, Inc., is the low responsive bidder for a not-to-exceed amount of \$2,083,900.00.

The District budgeted capital improvement funds in the 2011/2012 fiscal year for biosolids dewatering.

RECOMMENDATION:

Staff respectfully recommends that:

- 1) The Board of County Commissioners, acting as the governing body of the Tri-City Service District, a county service district ("District"), and as the Local Contract Review Board, make a finding that advertisements for bids were properly published, that written bids were timely received by the District, and that bids were opened publicly at the designated time; and
- 2) The Board approve the contract for the Temporary Biosolids Dewatering Project between the Tri-City Service District and TEK Construction, Inc., for an amount not to exceed \$2,083,900.00; and

Agreement Between TCSD and TEK Construction, Inc.
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- 3) The Director of Water Environment Services be authorized to execute the agreement between TEK Construction, Inc., and the Tri-City Service District without further Board action.

Sincerely,



Michael Kuenzi, PE
WES Director

For information on this issue or copies of attachments,
please contact Kathy Frasier at (503) 742-4566