



**Please Note:**  
**Item 22 includes items 25, 28, 30, 33  
and 34**

**BOARD OF COUNTY COMMISSIONERS**

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

# AGENDA

**Thursday, June 12, 2014 - 10:00 AM**  
**BOARD OF COUNTY COMMISSIONERS**

Beginning Board Order No. 2014-46

**I. CALL TO ORDER**

- Roll Call
- Pledge of Allegiance

**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 meeting. Testimony is limited to three (3) minutes. Comments shall be respectful and courteous to all.)*

**III. PREVIOUSLY APPROVED LAND USE ISSUE** *(No public testimony on this item)*

1. Board Order No. \_\_\_\_\_ Approving an Amendment to a Previously Approved Comprehensive Plan Map Amendment and Zone Change (Nathan Boderman, 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.)*

**North Clackamas Parks & Recreation District**

1. Board Order No. \_\_\_\_\_ Approving the Withdrawal or Merger and Formation Proposal of a New Parks and Recreation District (Gary Barth, NCPRD and Chris Storey, County Counsel)

**V. 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. Board Order No. \_\_\_\_\_ for a Public Hearing to Initiate the Formation of an ORS 266 Parks and Recreation Service District and Merge with or Remove Territory from North Clackamas Parks & Recreation District (NCPRD) (Gary Barth, NCPRD and Chris Storey, County Counsel)

2. Resolution No. \_\_\_\_\_ for a Clackamas County Supplemental Budget, Greater than 10% and Budget Reduction for Fiscal Year 2013-2014 (Diane Padilla, Budget Manager)

**VI. 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**

- 5 1. Approval of an Agency Service Contract with Alternative Services of Oregon, Inc. for Behavioral Consultation Services and Outpatient Mental Health Services – *Behavioral Health*
- 6 2. Approval of 2 HOME Loan Agreements with Ikoi So Terrace Renewal Limited Partnership – *Housing & Community Development*
- 7 3. Approval of a Change Order No. 2 with Housing & Community Development and JWC, LLC for the River Road Head Start, Kitchen Remodel Project – *Housing & Community Development*
- 8 4. Approval of a Construction Contract with Jim Smith Excavating for the NW Gladstone Infrastructure Improvements Project – *Housing & Community Development*
- 9 5. Approval of an Agreement with Tri-County Metropolitan Transportation District of Oregon for Operations and Capital for the Mt Hood Express Bus Service – *Social Services*
- 10 6. Approval of an Intergovernmental Agreement with Oregon Department of Transportation Rail and Public Transit Division for Operations for the Mt Hood Express Bus Service – *Social Services*

**B. Department of Transportation & Development**

- 11 1. Approval of Amendment No. 1 to Intergovernmental Agreement No. 29498 with Oregon Department of Transportation for the Clackamas County Active Transportation Plan

**C. Finance Department**

- 12 1. Approval of a Fiscal Year 2014-2015 Work and Financial Plan with United States Department of Agriculture, Animal and Plant Health Inspection Services and Wildlife Services for Predator Management (County Trapper)
- 13 2. Resolution No. \_\_\_\_\_ for a Clackamas County Supplemental Budget Less than 10% for Fiscal Year 2013-2014
- 14 3. Resolution No. \_\_\_\_\_ for Clackamas County for Budgeting of New Specific Purposed Revenue for Fiscal Year 2013-2014
- 15 4. Resolution No. \_\_\_\_\_ for Clackamas County for Transfer of Appropriations for Fiscal Year 2013-2014

**D. Elected Officials**

- 16 1. Approval of Previous Business Meeting Minutes – *BCC*

- 17 2. Approval of an Intergovernmental Agreement between North Clackamas School District and Clackamas County Sheriff's Office for a School Resource Officer for 2013-2014 - ccso
- 18 3. Approval of an Intergovernmental Agreement between Colton School District and Clackamas County Sheriff's Office for a School Resource Officer for 2013-2014 - ccso

**E. Community Corrections**

- 19 1. Approval of Amendment No. 1 to Intergovernmental Agreement 4800 between Clackamas County and the State of Oregon, Department of Corrections for the 2014-2015 Grant-in-Aid Funding
- 20 2. Approval of Amendment No. 1 to Intergovernmental Agreement 4855 between Clackamas County and the State of Oregon, Department of Corrections for the Measure 57 Supplemental Funds

**F. Department of Emergency Management**

- 21 1. Approval of Fiscal Year 2011 State Homeland Security Grant Program Agreement between Clackamas County and the State of Oregon

**G. County Counsel**

- 22 1. Approval of Amendments to Intergovernmental Agreements with County related Entities for Purposes of Clarifying Certain Accounting Practices

**VII. NORTH CLACKAMAS PARKS & RECREATION DISTRICT**

- 23 1. Resolution No. \_\_\_\_ Approval for Transfer of Appropriations for Fiscal Year 2013-2014
- 24 2. Approval of Amendment to the Memorandum of Understanding with the City of Damascus for the Construction of Trillium Creek Park
- 25 3. Approval of an Amendment to the Intergovernmental Agreement between North Clackamas Parks & Recreation District and Clackamas County for Purposes of Clarifying Certain Accounting Practices

**VIII. DEVELOPMENT AGENCY**

- 26 1. Resolution No. \_\_\_\_ Declaring a Public Necessity and Propose for Acquisition of Rights-of-Way and Easement for the Monterey Avenue Extension Project and Authorizing Negotiations and Eminent Domain Action
- 27 2. Approval of a Cost Recovery Agreement with the United States Forest Service for an Environmental Assessment of the Skibowl Waterline Extension Project in Government Camp
- 28 3. Approval of Amendments to Intergovernmental Agreements between the Development Agency and Clackamas County for Purposes of Clarifying Certain Accounting Practices

**IX. SERVICE DISTRICT NO. 5 (Street Lighting)**

- 29 1. Resolution No. \_\_\_\_\_ Authorizing the Transfer of Appropriations for Fiscal Year 2013-2014 for Clackamas County Service District No. 5
- 30 2. Approval of an Amendment to the Intergovernmental Agreement between Service District No. 5 and Clackamas County for Purposes of Clarifying Certain Accounting Practices

**X. WATER ENVIRONMENT SERVICES**

- 31 1. Approval of a 00500 Agreement between Clackamas County Service District No. 1 and Stettler Supply Company for the Kellogg Creek WPCP Aeration Basin Improvement Project.
- 32 2. Amendment No. 4 to the Agreement between Clackamas County Service District No.1 and the City of Johnson City for Wholesale Sanitary Sewer Services.
- 33 3. Approval of Amendments to the Intergovernmental Agreements between Clackamas County and Clackamas County Service District No. 1, Tri-City Service District and Surface Water Management of Clackamas County for Purposes of Clarifying Certain Accounting Practices

**XI. ENHANCED LAW ENFORCEMENT DISTRICT**

- 34 1. Approval of an Amendment to the Intergovernmental Agreement between the Enhanced Law Enforcement District and Clackamas County for Purposes of Clarifying Certain Accounting Practices

**XII. COUNTY ADMINISTRATOR UPDATE**

**XIII. 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.**

[www.clackamas.us/bcc/business.html](http://www.clackamas.us/bcc/business.html)



**OFFICE OF COUNTY COUNSEL**

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

June 12, 2014

Board of County Commissioners  
 Clackamas County

Members of the Board:

- Stephen L. Madkour**  
County Counsel
- Kimberley Ybarra**  
**Kathleen Rasfetter**  
Chris Storey
- Scott C. Ciecko  
Alexander Gordon  
Amanda Keller
- Nathan K. Boderman  
Christina Thacker  
Assistants

**A Board Order approving an amendment to a previously approved Comprehensive Plan Map Amendment and Zone Change Application**

<b>Purpose/Outcome</b>	<i>Adopt a board order approving a previously approved land use action</i>
<b>Dollar Amount and Fiscal Impact</b>	<i>None identified</i>
<b>Funding Source</b>	<i>N/A</i>
<b>Safety Impact</b>	<i>None anticipated</i>
<b>Duration</b>	<i>Indefinitely</i>
<b>Previous Board Action/Review</b>	<i>Board of County Commissioners (Board) held public hearings on February 26, 2014 and March 12, 2014. At the March 12 hearing, BCC voted 3-2 to approve the application with conditions, and directed staff to draft the board order and the findings of fact, both of which are included with this report.</i>
<b>Contact Person</b>	<i>Nate Boderman, 503-655-8364</i>
<b>Contract No.</b>	<i>None</i>

**BACKGROUND:**

On February 26, 2014 and March 12, 2014, the Board conducted land use hearings to consider a comprehensive plan map amendment and zone change application. The applicant is Bruce Goldson, Theta, LLC. The applicant specifically requested a Comprehensive Plan Amendment from Rural to Rural Industrial and a corresponding zoning map amendment from RRRF-5 (Rural Residential Farm Forest 5-Acre) to RI (Rural Industrial) on property described as T3S R2E Section 16D, Tax Lots 1000, 1001, 1002, 1100 and 1101, located approximately 0.20 miles south of the intersection of S. Highway 213 and S. Henrici Road and more commonly referred to as 20646 & 20666 S. Highway 213, Oregon City, Oregon 97045.

The Planning Staff, in a staff report dated January 20, 2014 analyzed the proposal and recommended approval of the application to the County Planning Commission with conditions of approval.

The Planning Commission conducted public hearings on this matter on January 27, 2014 and February 10, 2014. By a vote of 5-3, the Planning Commission recommended that the Board deny the application.

The Board conducted public hearings on this matter on February 26, 2014 and March 12, 2014. By a vote of 3-2, the Board voted to approve the application, limited to that area identified in

Exhibit B, which is attached to the Board Order included with your materials, and with additional conditions, as follows:

1. Future uses of the property are limited to those identified in Table 604-1: Permitted Uses in the RI District, paragraph "A. Construction and Maintenance Contractors," as of the effective date of this order; except that building movers shall not be a permitted use.
2. The applicant shall design and construct improvements that permanently close the existing southernmost driveway to Highway 213 in accordance with ODOT standards within six months of approval.
3. The applicant shall design and construct improvements that relocate the existing northernmost driveway to Highway 213 in accordance with ODOT standards to achieve adequate intersection sight distance within one year of approval.
4. With each future proposed phase of development, the applicant shall submit a traffic analysis to address the need for a southbound left turn lane at the intersection of Highway 213 and the site access. As recommended by ODOT and as warranted, the applicant shall design and construct a southbound left turn lane according to ODOT standards.
5. With each future proposed phase of development, the applicant shall submit a traffic analysis to address the need to widen their site access at Highway 213 to two outbound travel lanes. As warranted, the applicant shall design and construct a second outbound site access travel lane according to ODOT and County standards.
6. With each future proposed phase of development, the applicant shall submit a traffic analysis to address the need for improvements at the Highway 213/Henrici Road intersection. If a proposed phase generates any new traffic during the weekday PM peak hour, the applicant shall design and construct a two way left turn lane or acceleration lane on Highway 213 south of Henrici Road in accordance with ODOT standards. If a proposed phase does not generate new traffic during the weekday PM peak hour, the applicant shall not be required construct improvements to the Highway 213/Henrici Road intersection with that particular phase.

A copy of the Board Order and staff report with findings and conclusions adopted by the Board is attached.

**Recommendation:**

Staff recommends the Board approve the attached Board Order.

Respectfully submitted,



Nate Boderman  
Assistant County Counsel

For information on this issue or copies of attachments please contact Nate Boderman at (503) 742-8364

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

In the Matter of a Comprehensive Plan Amendment and Zone Map Amendment from Bruce Goldson, Theta, LLC, on property described as T3S R2E Section 16D, Tax Lots 1000, 1001, 1002, 1100 and 1101



ORDER NO.  
(Page 1 of 2)

File Nos.: Z0490-13-CP and Z0491-13-Z

This matter coming regularly before the Board of County Commissioners, and it appearing that Bruce Goldson, Theta, LLC made application for a Comprehensive Plan Amendment from Rural to Rural Industrial and a corresponding zoning map amendment from RRFF-5 (Rural Residential Farm Forest 5-Acre) to RI (Rural Industrial) on property described as T3S R2E Section 16D, Tax Lots 1000, 1001, 1002, 1100 and 1101, located approximately 0.20 miles south of the intersection of S. Highway 213 and S. Henrici Road and more commonly referred to as 20646 & 20666 S. Highway 213, Oregon City, Oregon 97045.

It further appearing that the planning staff, by its report dated January 20, 2014, recommended approval of the application with conditions of approval; and

It further appearing that after appropriate notice a public hearing was held before the Planning Commission on January 27, 2014, at which testimony and evidence was presented, and that the Commission, by the vote of 5-3, recommended denial of this request at their February 10, 2014 meeting; and

It further appearing that after appropriate notice a public hearing was held before the Board of County Commissioners on February 26, 2014 at which testimony and evidence were presented, and that a decision was made by the Board, by the vote of 3-2, on March 12, 2014 to approve the application, with the Comprehensive Plan Amendment and Zone Map Amendment limited to that area identified in Order Exhibit B, which is attached to this order and incorporated herein by reference.

Based on the evidence and testimony presented this Board makes the following findings and conclusions:

1. The applicant requests approval of a Comprehensive Plan Amendment from Rural to Rural Industrial and a corresponding zoning map amendment from RRFF-5 (Rural Residential Farm Forest 5-Acre) to RI (Rural Industrial).
2. This Board adopts as its findings and conclusions the *Findings and Conclusions* document attached hereto and incorporated herein as Order Exhibit A, which finds the application to be in compliance with the applicable criteria.

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

In the Matter of a Comprehensive  
Plan Amendment and Zone Map  
Amendment from Bruce Goldson,  
Theta, LLC, on property described  
as T3S R2E Section 16D, Tax Lots  
1000, 1001, 1002, 1100 and 1101



ORDER NO.  
(Page 2 of 2)

File Nos.: Z0490-13-CP and Z0491-13-Z

NOW THEREFORE, IT IS HEREBY ORDERED that the requested Comprehensive Plan Amendment and Zone Map Amendment is hereby APPROVED, limited to that area identified in Order Exhibit B, and subject to the conditions of approval as contained in Order Exhibit C, which is attached to this order and incorporated herein by reference.

DATED this 12th day of June, 2014

BOARD OF COUNTY COMMISSIONERS

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Chair

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Recording Secretary



## **Order Exhibit A - Findings and Conclusions**

### **File No. Z0490-13-CP and Z0491-13-Z**

#### **GENERAL INFORMATION:**

Applicant: Bruce Goldson, Theta LLC, PO Box 1345, Lake Oswego, OR 97035

Owner: Doris M. Hickman Trustee, 20666 S. Molalla Ave., Oregon City, OR 97045

Proposal: Comprehensive Plan Map Amendment from Rural to Rural Industrial.  
Corresponding zone change from RRFF-5 (Rural Residential Farm Forest 5-Acre) to RI (Rural Industrial).

Location: Approximately 0.20 miles south of the intersection of S. Highway 213 and S. Henrici Road

Legal Description: T3S, R2E, Section 16D, Tax Lots 1000, 1001, 1002, 1100, & 1101

Site Address: 20646 & 20666 S. Highway 213, Oregon City, Oregon 97045

Comprehensive Plan Designation: Rural

Zone: RRFF-5

Total Area Involved: Approximately 8.15 acres

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#### **BACKGROUND INFORMATION, SITE AND AREA DESCRIPTION AND SERVICE PROVIDERS**

##### Background Information:

1. Site Description: The subject property is approximately 8.15 acres and consists of two "legal lots of record." Tax lots 1000 and 1101 combined form one legal lot of record. Tax lots 1100, 1001 and 1002 combined form one legal lot of record. The property is developed with two single family dwellings, three accessory buildings, a sport court, parking and circulation areas, two driveways to Hwy. 213, landscaping and large groves of trees. The property is fairly level. The property has approximately 440' of frontage on Hwy. 213, which is designated as a major arterial. A slatted cyclone fence borders the south side of the property adjacent to Quail Crest Lane.

2. Surrounding Conditions: All adjacent properties to the north, east, south and west on the west side of Highway 213 are zoned RRF-5. This area consists of parcels ranging from approximately 2 acres to 40 acres in size. Most of the parcels are developed with single-family dwellings, with large wooded areas.
3. Service Providers:
  - a. Sewer: The subject property is not located in a public or private sewer district. Sewage disposal is accommodated by an on-site sewage disposal system.
  - b. Water: The subject property is located within Clackamas River Water District.
  - c. Surface Water: The subject property is not located in surface water district. Surface and storm water is regulated pursuant to Section 1008 of the ZDO.
  - d. Fire Protection: Clackamas County RFPD #1.

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## HISTORY OF LAND USE APPLICATIONS

### 1. Prior Land Use Applications on Tax Lot 1000 and 1101:

- a. May 15, 1991 Letter (No Planning File) (See Record Exhibit 5 including 1991 aerial photo): Recognized "Kimes Specialties" business. A two person business to install, wire and weld hitches on RV's and trailers. The business was approved to be operated out of a 1,248 square foot building located behind the single family dwelling.
- b. File No. Z0629-91-E and Appeal File No. Z0841-91-A (See Record Exhibit 6): Planning Director approval of an Alteration of a Nonconforming Use. Planning Director approval recognized prior nonconforming use (Kimes Specialties) and authorized expansion to operate a construction business and storage of construction vehicles and equipment for a paving business. Allowed both businesses to operate on site. Application materials indicate the number of employees would increase from 2 to 22. Approved site plan makes reference to storing vehicles in a 110' x 270' area or about ½ acre. Application indicates parking area for vehicles and equipment will be improved. The application indicates the use will include 6 dump trucks, 3 trailers, rollers, back hoe, pickups and job trailers. The Planning Director decision include findings which state: "Large vehicles currently are stored on the property. There is sufficient area behind the house to store the equipment out of view." The decision recognized the existing access to Molalla Avenue (now Hwy. 213). The decision included two conditions:
  - i. *The construction vehicles shall be parked in an area where they are not visible from the highway.*
  - ii. *There shall be no access onto Quail Terrace.*

The Planning Director decision was appealed to the Land Use Hearings Officer. On appeal, the County Hearings Officer upheld the Planning Director decision with the same conditions, with the exception that the original Kimes Specialties use was modified to including welding hitches on RV's and trailers but not wiring hitches or construction of trailers.

- c. File No. Z0018-95-E/A (See Record Exhibit 7): Planning Director approval to expand a nonconforming uses to add a 4,200 square foot shop building to be used for the repair of construction vehicles and equipment and for minor welding of hitches on trailers and RV's.

The Planning Director decision was appealed. On appeal, the County Hearings Officer reversed the Planning Directors decision and denied the application. The Hearings Officer's reason for denial was that *"the application in File no. Z0629-91-E/Z0841-91-A requests approval only for the parking and storage of the construction vehicles and equipment, and makes no mention of repair or maintenance of those vehicles or equipment. Repair and maintenance cannot be considered inherent in, or accessory to, the parking and storage of construction vehicles and equipment, as the vehicle and equipment repair and maintenance creates the potential for significant additional adverse impacts to the neighborhood from noise, fumes and extended hours or operation."*

**2. Prior Land Use Applications on Tax Lot 1100, 1001 and 1002:**

- a. File No. Z0797-97-I (See Record Exhibit 8): Planning Director decision to determine if a nonconforming use has been established on the property and the nature and extent of the protected nonconforming use if established on the subject property. The Planning Director determined that:
  - i. A nonconforming use has been established and continued for auto, RV and light truck repair and incidental vehicle sales in conjunction with the shop constructed in 1963. The shop constructed in 1973 was built and used for the business without the proper land use permit and is therefore not a protected nonconforming use. The regular use of the property for the storage and repair of heavy trucks and construction equipment is not a part of the protected nonconforming use and was established without the proper land use permit.

The Planning Directors decision was appealed to the Land Use Hearings Officer. On appeal the Hearings Officer confirmed and in part approved the Planning Directors decision which found a protected nonconforming use for the following:

- i. The repair of automobiles and the installation of trailer hitches conducted solely in the small shop / garage on the subject property and was operated as a part-time

business by Kenneth Miller, without other employees.

ii. The second larger shop building was constructed after 1979 and is not protected as a nonconforming use or structure.

iii. There is no nonconforming use established for the sale of vehicles from the subject property.

iv. The current use of the subject property for the repair and maintenance of heavy construction vehicles and equipment represents an alteration or expansion of the protected nonconforming use, and is not protected.

- b. File No. Z0322-98-E (See Record Exhibit 9): Planning Director denial of an alteration / change of a nonconforming use to allow use of an existing shop building (30' x 72') for the maintenance and repair of heavy equipment and trucks used in a paving and construction business. The Planning Directors decision was appealed to the Land Use Hearings Officer. The Hearings Officer denied the appeal and upheld the Planning Directors denial. The Hearings Officer decision was appealed to the Land Use Board of Appeals (LUBA). At the request of the parties, LUBA remanded the decision back to the County (i.e. LUBA did not render an opinion). On remand, the County Hearings Officer again denied the appeal and upheld the Hearings Officers decision.

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**SECTION 1- COMPREHENSIVE PLAN MAP AMENDMENT  
FROM RURAL TO RURAL INDUSTRIAL**

**PART 1. COMPLIANCE WITH STATEWIDE PLANNING GOALS:**

- A. **Goal 1: Citizen Involvement:** *To develop a citizen involvement program that ensures the opportunity for citizens to be involved in all phases of the planning process.*

This is a quasi-judicial land use application. The Clackamas County Comprehensive Plan and Section 1300 of the Zoning and Development Ordinance (ZDO) contain adopted and acknowledged procedures for citizen involvement and public notice. This application has been processed consistent with the requirements in Section 1300 including notice to individual property owners within 500 feet of the subject property, notice in the local newspaper, and notice to affected agencies, dual interest parties and to the Hamlet of Beaver Creek. Two public hearings were conducted before the Clackamas County Planning Commission on January 27, 2014 and February 10, 2014 and two public hearings were conducted before the Board of County Commissioners on February 26, 2014 and March 12, 2014. The public notice to individual property owners, agencies and interested parties, the local neighborhood association and notice in the newspaper as well as the four public hearings before the Planning Commission and Board of County Commissioners provided an opportunity for citizen involvement

and input consistent with this Goal.

**This application is consistent with Goal 1.**

- B. **Goal 2; Land Use Planning:** *To establish a land use planning process and policy framework as a basis for all decision and actions related to use of land and to assure an adequate factual base for such decisions and actions.*

Goal 2 requires coordination with affected governments and agencies. Notice of this application was provided to the following agencies and governments for comments; City of Oregon City, Oregon City School District #62, Clackamas County RFPD #1, Clackamas River Water District, Oregon Dept. of Transportation (ODOT), and the Department of Land Conservation and Development (DLCD).

The subject property is not located within a Urban Growth Management Area (UGMA) of any city. The property is not located in a designated urban or rural reserve area. Therefore, this application will not affect the Comprehensive Plan of any city.

Goal 2 requires that all land use actions be consistent with the acknowledged Comprehensive Plan. The background information and findings provided by the applicant and within this report, and comments received from agencies and interested parties provide an adequate factual base for rendering a final decision consistent with the County Comprehensive Plan.

**This application is consistent with Goal 2.**

- C. **Goal 3; Agricultural Land:** *To preserve and maintain agricultural lands.*

The subject property is located within an acknowledged exception area designated Rural on the County Comprehensive Plan map. The subject property is not considered Agricultural land as defined in the Statewide Planning Goals or County Comprehensive Plan.

Testimony was received opining that an Exception to Statewide Goal 3 and 4 is required for this application. The Board disagrees and finds that a Goal 3 and / or Goal 4 Exception is not required for the following reasons:

1. The subject property is designated "Rural" on the Comprehensive Plan map. An Exception to the Statewide Planning Goals was completed by the County and acknowledged by LCDC to designate the property Rural when the County adopted the Comprehensive Plan in 1980.

2. The Rural Section of the Comprehensive Plan (page IV-57) states "Rural lands are exception lands."

3. The proposal is consistent with OAR 660-004-0018 because:

a. The Board has limited the uses of the site to the same as the existing land uses. See Order Exhibit C, condition no. 1. The applicant has proposed to continue the existing uses on the property. No new uses have been identified or proposed that require further analysis to determine if they are "rural" in nature.

b. The County's Rural Industrial Plan designation and implementing RI zoning district has recently been amended and acknowledged to be in compliance with the Statewide Planning Goals 11 and 14.

c. The findings addressing Statewide Planning Goals 11 and 14 demonstrate the rural uses, density and public facilities will maintain the land as rural land. The property is not located in a public sewer or surface water district. The Rural Industrial Plan designation will not require or allow the extension of public sewer to the property. The existing uses and limited future uses contemplated for the property will not require the provision of or extension of additional public services and facilities. The record demonstrates the rural uses, density and public facilities will not commit adjacent or nearby resource lands to other uses because there are no resource lands in adjacent to or close to the subject property.

4. The Board specifically adopts the additional findings in Record Exhibits 28, 29, 34 and 35 in support of this issue.

**Goal 3 is not applicable.**

- D. **Goal 4; Forest Land:** *To conserve forest lands by maintaining the forest land base and to protect the state's forest economy by making possible economically efficient forest practices that assure the continuous growing and harvesting of forest tree species as the leading use on forest land consistent with sound management of soil, air, water and fish and wildlife resources and to provide for recreational opportunities and agriculture.*

The subject property is located within an acknowledged exception area designated Rural on the County Comprehensive Plan map. The subject property is not considered Forest land as defined in the Statewide Planning Goals or County Comprehensive Plan.

See findings under Goal 3, addressing the need for an Exception to Statewide Planning Goal 4, which are specifically incorporated herein.

**Goal 4 is not applicable.**

- E. **Goal 5; Open Spaces, Scenic and Historic Areas, and Natural Resources:** *To conserve open space and protect natural and scenic resources.*

Goal 5 resources include open space areas, scenic and historic resources and other natural features. Chapter 3 (Natural Resources and Energy) and Chapter 9 (Open

Space, Parks and Historic Sites) of the Clackamas County Comprehensive Plan identifies significant Goal 5 resources within the County.

There are no outstanding cultural areas, historic areas or structures, natural areas, open space, scenic areas, wilderness areas, wetlands, habitat conservation areas, rivers or streams, natural hazards, potential or approved Oregon recreation trails or other significant Goal 5 resources identified in the Comprehensive Plan located on the subject property.

**Goal 5 is not applicable.**

- F. **Goal 6; Air, Water and Land Resources Quality:** *To maintain and improve the quality of the air, water and land resources of the state.*

The County Comprehensive Plan and ZDO include adopted implementing regulations to protect the air, water and land resources. The County also has implementing regulations to accommodate all waste and process discharges in order to protect watersheds, airsheds and land resources. These regulations will be applied to any future development proposals on the property and to ensure the protection of the affected air, water and land resources.

Opponents argued this proposal will increase surface water runoff to adjacent properties on the opposite (west side) of Hwy. 213. The applicant submitted evidence from a licensed engineer demonstrating that adequate surface water facilities, including DEQ approved treatment facilities are in place to accommodate surface water runoff and treatment. See Record Exhibit 1. The Board agrees with the testimony submitted from the licensed engineer.

**This application is consistent with Goal 6.**

- G. **Goal 7; Areas Subject to Natural Disasters and Hazards:** *To protect life and property from natural disasters.*

The subject property is not located within any designated floodplain area. According to the Department of Geology and Mineral Industries (DOGAMI) maps the property does not contain any steep slopes or natural hazards (landslide topography, local slump, earth flow, mudflow or debris flow areas).

**Goal 7 is not applicable.**

- H. **Goal 8; Recreational Needs:** *To satisfy the recreational needs of the citizens of the state and visitors and, where appropriate to provide for the siting of necessary recreational facilities including destination resorts.*

This proposal does not involve any designated recreational or open space lands, affect access to any significant recreational uses in the area, or involve the siting of a

destination resort. Opponents have argued this proposal will impact traffic access to the nearby County Golf Course (Stone Creek Golf Course). The Board finds there is substantial evidence in the record from ODOT and County Traffic Engineering which demonstrate, that this proposal, as conditioned, will not have a significant effect on the State or County transportation system. This proposal will have no impact on the recreational needs of the County or State.

**Goal 8 is not applicable.**

- I. **Goal 9; Economic Development:** *"To provide adequate opportunities throughout the state for a variety of economic activities vital to the health, welfare and prosperity of Oregon's citizens."*

This Goal is intended to ensure Comprehensive Plans contribute to a stable and healthy economy in all regions of the state. Goal 9 also requires the County to provide for an adequate supply of sites of suitable sizes, types, locations, and services for a variety of industrial and commercial uses consistent with plan policies.

OAR 660-009 (Industrial and Commercial Development) implements Goal 9. Pursuant to OAR 660-009-0010(1) the requirements and standards in OAR 660-009 are only applicable to areas within urban growth boundaries. Therefore OAR 660-009 is not applicable.

For the area outside of the urban growth boundary, the Board finds this proposal will increase the inventory of land and the size, type and location of sites suitable for rural industrial uses.

**This application is consistent with Goal 9.**

- J. **Goal 10; Housing:** *"To provide for the housing needs of citizens of the state."*

This Goal requires local jurisdictions to provide for an adequate number of needed housing units and to encourage the efficient use of buildable land within urban growth boundaries. OAR 660-007 and 660-008 defines the standards for determining compliance with Goal 10. OAR 660-007 addresses the housing standards inside the Portland Metropolitan Urban Growth Boundary. OAR 660-008 addresses the general housing standards.

The subject property is located outside of the Portland Metropolitan Urban Growth Boundary. Therefore, OAR 660-007 is not applicable to this proposal. This proposal will have no affect on the inventory of rural housing because there are two existing dwellings on the site, one on Tax lot 1000 and the other on Tax lot 1100. The property is currently developed at the maximum density allowed under the existing RRF-5 zoning. The existing dwellings may be maintained on the property under the proposed RI zoning.



**This application is consistent with Goal 10.**

- K. **Goal 11; Public Facilities and Services:** *"To plan and develop a timely, orderly and efficient arrangement of public facilities and services to serve as a framework for urban and rural development."*

This Goal provides guidelines for cities and counties in planning for the timely, orderly and efficient arrangement of public facilities and services, such as sewer, water, solid waste and storm drainage. The Goal requires these public facilities and services to be provided at levels necessary and suitable for urban and rural uses, as appropriate. OAR 660-011 implements the requirements of Goal 11.

OAR 660-011-0060 and OAR 660-011-0065 regulates the provisions for, and the extension of sewer and water service to rural lands, respectively. The subject property is not located within a public sewer district. The subject property is located in the Clackamas River Water District which is currently providing water service to the site for residential and other business activities. The subject property is not located in a public or private surface water district.

The property is located within the service boundaries of Clackamas County RFPD #1, Oregon City Garbage Company and Clackamas County Sheriff's District.

This proposal will not require the extension of any new public facilities to support rural industrial uses. Sewage disposal will continue to be provided by an on-site sewage disposal system. Storm and surface water drainage is subject to the requirements in Section 1008 of the Clackamas County Zoning and Development Ordinance and will require on-site detention and treatment.

The County's Rural Industrial Plan designation and implementing RI zoning district has recently been amended and acknowledged (September 9, 2013) to be in compliance with Statewide Planning Goal 11 and Goal 14 (Urbanization). This demonstrates that the types and scale of allowed uses under the Rural Industrial Plan designation will maintain the rural character. In addition, the property is located outside the urban growth boundary, designated urban reserve area and has limited public facilities available to serve new uses.

Policy 7.0 in the Rural Section of the Plan supports the expansion or development of public facilities only when consistent with maintaining the rural character of the area. This Comprehensive Plan policy will ensure that the public facilities and services in the area will not commit adjacent or nearby lands to uses other than "Rural" uses and will be compatible with other adjacent and nearby resource uses.

**This application is consistent with Goal 11.**

- L. **Goal 12; Transportation:** *"To provide and encourage a safe, convenient and economic transportation system."*

1. Oregon Administrative Rule (OAR) 660-012 (Transportation Planning Rule) implements Statewide Planning Goal 12.
2. OAR 660-012-0060 applies to plan and land use regulations. OAR 660-012-0060(1) requires any amendments to a functional plan, acknowledged comprehensive plan or a land use regulation (including a zoning map) which would significantly affect an existing or planned transportation facility to put in place measures as provided in OAR 660-012-0060(2) unless the amendment is allowed under OAR 660-012-0060(3), (9) or (10).
3. Pursuant to OAR 660-012-0060(1) a plan or land use regulation amendment significantly affects a transportation facility if it would;
  - a. *Change the functional classification of an existing or planned transportation facility;*
  - b. *Change standards implementing a functional classification; or*
  - c. *Result in any of the effects listed in paragraphs (A) through (C) of this subsection based on projected conditions measured at the end of the planning period identified in the adopted TSP. As part of evaluating projected conditions, the amount of traffic projected to be generated within the area of the amendment may be reduced if the amendment includes an enforceable, ongoing requirement that would demonstrably limit traffic generation, including but not limited to, transportation demand management. This reduction may diminish or completely eliminate the significant effect of the amendment.*
    1. *Types or levels of travel or access that are inconsistent with the functional classification of an existing or planned transportation facility;*
    2. *Degrade the performance of an existing or planned transportation facility such that it would not meet the performance standards identified in the TSP or comprehensive plan or;*
    3. *Degrade the performance of an existing or planned transportation facility that is otherwise projected to not meet the performance standards identified in the TSP or comprehensive plan.*
4. Compliance with OAR 660-012-0060(1) can be achieved by one or a combination of the following;
  - a. *Adopting measures that demonstrate the allowed land uses are consistent with the planned function, capacity, and performance standards of the transportation facility.*

- b. *Amending the TSP or comprehensive plan to provide transportation facilities, improvements or services adequate to support the proposed land uses consistent with the requirements of this division; such amendments shall include a funding plan or mechanism consistent with section (4) or include an amendment to the transportation finance plan so that the facility, improvement, or service will be provided by the end of the planning period.*
  - c. *Amending the TSP to modify the planned function, capacity or performance standards of the transportation facility.*
  - d. *Providing other measures as a condition of development or through a development agreement or similar funding method, including transportation system management measures, demand management or minor transportation improvements. Local governments shall as part of the amendment specify when measures or improvements provided pursuant to this subsection will be provided.*
  - e. *Providing improvements that would benefit modes other than the significantly affected mode, improvements to facilities other than the significantly affected facility, or improvements at other locations, of the provider of the significantly affected facility provides a written statement that the system-wide benefits are sufficient to balance the significant effect, even though the improvements would not result in consistency for all performance standards.*
5. The applicant has submitted a Traffic Impact Analysis (TIA) (Part of Record Exhibit 1) addressing the impacts from this proposal. The impact area for this application includes the intersections of Hwy. 213 at Henrici Road and Hwy. 213 at the site access. Both these intersections are State facilities and under the jurisdiction of the State of Oregon (ODOT). Opponents raised a number of issues related to the scope of the TIA, assumptions regarding worst case scenario traffic, capacity and safety issues. In response, those issues were addressed in an addendum to the TIA by the applicant's traffic engineer. See Record Exhibit 32. The Board finds the addendum to the TIA and ODOT's response to the TIA demonstrates this proposal, with conditions, can satisfy the Oregon Highway Plan and the Transportation Planning Rule.
  6. The conditions of approval included in Order Exhibit C will ensure this proposal does not degrade the performance of an existing or planned transportation facility such that it would not meet the performance standards identified in the TSP or comprehensive plan.
  7. The DTD Traffic Engineering Division reviewed this proposal and found there are no County transportation facilities which will be impacted by this proposal.

**This application is consistent with Goal 12.**

M. **Goal 13; Energy Conservation:** *To conserve energy.*

This proposal will have no impact on any known or inventoried energy sites or resources. There are no planning or implementation measures under this Goal applicable to this application.

**Goal 13 is not applicable.**

N. **Goal 14; Urbanization:** *To provide for an orderly and efficient transition from rural to urban land uses.*

The subject property is located outside of the Metropolitan urban growth boundary (UGB), including the Oregon City UGB. This proposal does not involve a change in the location of the UGB, a conversion of rural land to urban land, or urbanizable land to urban land. The property is not located within a designated urban or rural reserve areas. There are no planning or implementation measures under this Goal applicable to this application. The findings under Statewide Planning Goal 11 also demonstrate that the proposed Rural Industrial Plan designation and limited public facilities and services will maintain the land as rural land.

**This application is consistent with Goal 14.**

O. **Goal 15: Willamette River Greenway:** *To protect, conserve, enhance and maintain the natural scenic, historical, agricultural, economic and recreational qualities of lands along the Willamette River as the Willamette River Greenway.*

The subject property is not located within the Willamette River Greenway.

**Goal 15 is not applicable.**

P. **Goal 16 (Estuarine Resources), Goal 17 (Coastal Shorelands), Goal 18 (Beaches and Dunes) and Goal 19 (Oceau Resources).**

**Goals 16, 17, 18 and 19 are not applicable in Clackamas County.**

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**PART 2 . COMPLIANCE WITH CLACKAMAS COUNTY COMPREHENSIVE PLAN POLICIES:**

A. **Chapter 1; Introduction:** This Chapter describes the purpose of the Comprehensive Plan and how to use the Plan.

This Chapter does not include any Goals or Policies applicable to a quasi-judicial land use application.

**Chapter 1 is not applicable.**

- B. **Chapter 2; Citizen Involvement:** The purpose of this Chapter is to promote citizen involvement in the governmental process and in all phases of the planning process.

There is one policy in this Chapter applicable to this application.

*Policy 1.0; Require provisions for opportunities for citizen participation in preparing and revising local land use plans and ordinances. Insure opportunities for broad representation, not only of property owners and County wide special interests, but also of those within the neighborhood or areas in question.*

The Clackamas County Comprehensive Plan and ZDO have adopted and acknowledged procedures for citizen involvement. This application has been processed consistent with those procedures. Specifically, the County provided notice to the Citizen's Planning Organization in the area (Hamlet of Beavercreek), to property owners within 500 feet of the subject property, and published public notices in the newspaper consistent with State law and Section 1302 of the ZDO. The Planning Commission and Board of County Commissioners held four public hearings to provide opportunities for citizen participation. The notification to property owners, public notices and hearings provided and opportunity for citizens to participate in the land use process.

**This application is consistent with Chapter 2.**

- C. **Chapter 3; Natural Resources and Energy:** The purpose of this Chapter is to provide for the planning, protection and appropriate use of the County's natural resources and energy.

This Chapter contains eight (8) Sections addressing; 1) Water Resources; 2) Agriculture; 3) Forests; 4) Mineral and Aggregate Resources; 5) Wildlife Habitats and Distinctive Resource Areas; 6) Natural Hazards; 7) Energy Sources and Conservation and; 8) Noise and Air Quality. Each of these Sections is addressed below.

1. **Water Resources:** This Section of the Chapter identifies policies applicable to River and Stream Corridors, Principal River Conservation Areas, Stream Conservation Areas, Habitat Conservation Areas, Water Quality Resource Areas, Wetlands and Groundwater.
  - a. **River and Stream Corridors and Principal River and Stream Conservation Area Policies:** There are no river or stream corridors identified on the River and Stream Conservation Area map located on the subject property.
  - b. **Habitat Conservation Areas:** The subject property is not located in a Habitat Conservation Area.

- c. Water Quality Resource Areas: The subject property is not located in a Water Quality Resource Area.
- d. Wetlands: There are no wetlands identified on the National Wetland Inventory or other adopted wetland inventories on the subject property.
- e. Groundwater: The subject property is not located in a Limited or Critical Groundwater Area.

There are no policies applicable to this proposal.

- 2. Agriculture: This application does not involve any land planned or zoned for agricultural uses. There are no policies applicable to this proposal.
- 3. Forests: This application does not involve any land planned or zoned for forest uses. There are no policies applicable to this proposal.
- 4. Mineral and Aggregate Resources: The subject property is not identified on the "Inventory of Mineral and Aggregate Resource Sites" in Table III-2 of the Comprehensive Plan. There are no policies applicable to this proposal.
- 5. Wildlife Habitats and Distinctive Resource Areas: There are no significant wildlife habitats or scenic areas identified on Map III-2 of the Comprehensive Plan located on or near the subject property. There are no policies applicable to this proposal.
- 6. Natural Hazards: This Section of the Chapter identifies policies applicable to floodplains, natural and geologic hazards, steep hillsides and areas with limiting soil characteristics such as shrink-swell soils, compressed soils, etc.

The subject property is not located within a designated floodplain. According to the DOGAMI maps, there are no natural or geologic hazards, steep slopes or other natural hazards located on the subject property. There are no policies applicable to this proposal.

- 7. Energy Sources and Conservation: There are no policies applicable to this application.
- 8. Noise and Air Quality: There are no policies applicable to this application.

**This application is consistent with Chapter 3.**

- D. **Chapter 4; Land Use**: *This Section of the Comprehensive Plan includes the definitions for urban and rural land use categories, and outlines policies for determining the appropriate Comprehensive Plan land use designation for all lands within the County.*

This Chapter contains three Sections addressing; 1) Urbanization; 2) Urban Growth Concepts; and 3) Land Use Policies for the each Land Use Plan designation. Each

Section is addressed below.

1. Urbanization Section. This Section of the Plan outlines policies guiding land use in Immediate Urban Areas, Future Urban Areas, Future Urban Study Areas, Urban Reserve Areas and Population Coordination.

The subject property is not within an urban growth boundary, immediate urban area, future urban area, future urban study area or urban reserve area. There are no policies applicable to this application.

**The Urbanization policies are not applicable.**

2. Urban Growth Concept Policies. The Urban Growth Concept policies in this Section of the Plan are intended to implement the Region 2040 Growth Concept Plan. The subject property is not located within the boundaries of the Region 2040 Concept Plan identified on Map IV-8 of the Comprehensive Plan.

**The Urban Growth Concept policies are not applicable.**

3. Land Use Plan Designations. The subject property is currently designated Rural on the Comprehensive Plan map. The proposed amendment is to change the land use plan designation to Rural Industrial. The Rural plan policies and Rural Industrial plan policies are applicable to this application.

The remaining policies pertaining to the Residential, Commercial, Industrial, Open Space and Floodplains, Unincorporated Communities, Rural Commercial, Agriculture and Forest land use plan designations in this Section of the plan are not applicable.

The Rural and Rural Industrial plan policies are evaluated in Part 3 of this report.

**Based on the findings in Part 3 and 4 of this report the Board finds the existing Rural plan designation is appropriate on a portion of the property and the proposed Rural Industrial plan designation is appropriate on a portion of the subject property. The site plan included in Order Exhibit B delineates the Rural and Rural Industrial plan designations adopted by the Board.**

- E. Chapter 5; Transportation: *This Chapter outlines policies addressing all modes of transportation.*

This Chapter contains six (6) Sections addressing; 1) Roadways; 2) Transportation Demand Management; 3) Parking; 4) Transit; 5) Pedestrian and Bicycle Facilities and; 6) Freight, Rail, Air, Pipelines and Water Transportation. Each of these Sections is addressed below.

1. Roadways. The purpose of this Section is to create and maintain a safe, continuous County-wide road system that accommodates movement by all modes. The adopted

County Roadway Standards are also used to ensure a safe and adequate road system.

A. Policy 14.0, Access Standards are applicable to this application.

- i. Policy 14.0: *Plan and control access onto roads within the County, as shown on Table V-5, for urban areas and according to the American Association of State Highway and Transportation Officials (AASHTO) guidelines for rural areas, for both new and existing uses, and coordinate with the Oregon Department of Transportation for access control on state highways. Access standards need to be applied in a flexible manner that maintains reasonable access to property when access cannot be denied.*

The subject property has frontage on State Hwy. 213, which is classified as a major arterial. This highway is under the jurisdiction of the Oregon Department of Transportation (ODOT). Access to the property is subject to the requirements of ODOT and the Oregon Highway Plan. The subject property has two driveways which provide direct access to Hwy. 213. The record demonstrates that neither driveway meets minimum sight distance standards to the south of the subject property due to a horizontal curve. The applicant has identified an alternate location for the driveway to the north of the existing driveways which meets minimum sight distance standards and agreed to close the two existing driveways. The proposed driveway complies with minimum sight distance standards and the applicant has agreed to a condition to construct the new driveway within one year of final approval. A corresponding condition of approval is included requiring removal of the existing northerly and southerly driveways. This condition will ensure the access location to the subject property for both the rural residential and rural industrial uses satisfies AASHTO minimum safety guidelines.

**This policy can be met.**

2. Transportation Demand Management. This Section outlines strategies to achieve efficiency in the transportation system by reducing demand and vehicle miles traveled.

There are no policies applicable to this application.

3. Parking. This Section of the Chapter outlines policies for parking standards to meet the Region 2040 Growth Concept Plan, Transportation Planning Rule and DEQ's Air Quality Maintenance Plan.

There are no policies applicable to this application.

4. Transit. This Section of the Chapter outlines policies for accommodating transit services and facilities.



There are no policies applicable to this application.

5. Pedestrian and Bicycle Facilities. This Section of the Chapter outlines policies for providing pedestrian and bicycle facilities.

There are no policies applicable to this application.

6. Freight, Rail, Air, Pipelines and Water Transportation. This Section of the Chapter outlines policies applicable to these various travel modes of movement of people and goods.

There are no policies applicable to this application.

**This proposal is consistent with Chapter 5.**

- F. **Chapter 6; Housing:** *The purpose of the Housing element of the Plan is to, "Provide opportunities for a variety of housing choices, including low and moderate income housing, to meet the needs, desires, and financial capabilities of all Clackamas County residents to the year 2010."*

This Chapter includes a variety of policies regarding housing choices, affordable housing, neighborhood quality, urban infill, multifamily residential housing, common wall units, mobile homes and density bonuses for low cost housing and park dedication.

There are no policies applicable to this application.

**Chapter 6 is not applicable.**

- G. **Chapter 7; Public Facilities and Services:** *The goal of the Public Facilities and Services Chapter is to ensure an appropriate level of public facilities and services are necessary to support the land use designations in the Comprehensive Plan, and to provide those facilities and services at the proper time to serve the development in the most cost effective way.*

The Public Facilities Section of this Chapter includes policies regarding Sanitary Sewage Treatment, Water, Storm Drainage, Solid Waste and Street Lighting. The policies regarding Sanitary Sewage Treatment and Street Lighting are not applicable because the property is not located within a public sewer or street lighting district. (Sewage disposal is accommodated by an on-site sewage disposal system. The applicant will be required to demonstrate the property is suitable for an on-site sewage system to accommodate any future uses).

Policies 19.0 - 26.0 under the Storm Drainage Section include a number of policies requiring new development to provide storm drainage, water quality and erosion control plans. This proposal will not impact any public storm drainage facilities. The

subject property is not located within a public storm water / storm drainage district. Therefore, storm drainage, water quality and erosion control is regulated pursuant to Section 1008 of the Clackamas County Zoning and Development Ordinance. The standards in Section 1008 require all new development to maintain and improve water quality, minimize runoff and mitigate offsite impacts. These standards are adequate to ensure protection of groundwater, surface water and nearby Beaver Creek.

Opponents raised issues about off-site storm drainage impacts from the site on downstream properties across Hwy. 213. In response, the applicant provided a storm drainage analysis which indicates the storm water from the parking and roadway surfaces are collected in catch basins and directed to a DEQ approved utility vault to collect solids and oils from the site. The Board finds this is substantial evidence demonstrating this proposal does or can satisfy County surface water requirements.

Policy 17.0 requires water service purveyors to provide water services for non-urban areas at levels appropriate for non-urban uses. The subject property is currently located in the Clackamas River Water District which provides water service to existing uses on site.

The Public Services Section of this Chapter includes policies regarding Fire, Law Enforcement, Education and County Government. The property is located within Clackamas County Fire District #1. All new development will require review and approval by the Clackamas County Fire District #1 consistent with Policy 1.0. The Clackamas County Sheriff Department provides law enforcement services in the area. This proposal will have no additional impact on the schools district (educational facilities) because no new housing is proposed. The policies regarding County Government are not applicable to this proposal.

**This application is consistent with Chapter 7.**

- H. **Chapter 8; Economics:** *The goal of the Economics element of the Plan is to "Establish a broad-based, stable and growing economy to provide employment opportunities to meet the needs of the County residents."*

This Chapter contains 4 Sections related to; 1) Existing Industry and Business; 2) New Industry and Business; 3) Coordination; and 4) Target Industries.

There are no policies applicable to this application.

**Chapter 8 is not applicable.**

- I. **Chapter 9; Open Space, Parks, and Historic Sites:** *The purpose of this Chapter of the Plan is to protect the open space resources of the County, to provide land, facilities and programs which meet the recreation needs of County residents and visitors, and to preserve the historical, archaeological, and cultural resources of the County.*

The subject property is not designated as open space or park land. There are no Historic Landmarks, Historic Districts or Historic Corridors on or adjacent to the subject property.

**Chapter 9 is not applicable.**

- J. **Chapter 10; Community Plan and Design Plans:** *This Chapter of the Comprehensive Plan includes the Mt. Hood Community Design Plan, Kruse Way Design Plan, Sunnyside Village Plan, Clackamas Industrial Area and North Bank of the Clackamas River Design Plan, Clackamas Regional Center Area Design Plan, Sunnyside Corridor Community Plan, and McLoughlin Corridor Design Plan.*

The subject property is not located within the boundary of any Community Plan or Design Plan area.

**Chapter 10 is not applicable.**

- K. **Chapter 11; The Planning Process:** *The purpose of this Chapter is to establish a framework for land use decisions that will meet the needs of Clackamas County residents, recognize the County's interrelationships with its cities, surrounding counties, the region, and the state, and insure that changing priorities and circumstances can be met.*

In the City, Special District and Agency Coordination Section of this Chapter, Policy 1.0, is applicable. In the Amendments and Implementation Section of this Chapter, Policy 1.0 and 3.0 are applicable.

1. City, Special District and Agency Coordination Section

*Policy 1.0; Participate in interagency coordination efforts with federal, state, Metro, special purpose districts and cities. The County will maintain an updated list of federal, state and regional agencies, cities and special districts and will invite their participation in plan revisions, ordinance adoptions, and land use actions which affect their jurisdiction or policies.*

Notice of this application was provided to the following agencies and governments for comments; City of Oregon City, Oregon City School District #62, Clackamas County Fire District #1, ODOT, and DLCD. This notice and advertised public hearings before the Planning Commission and Board of County Commissioners provided an adequate opportunity for interagency coordination of this plan amendment and demonstrates compliance with this policy.

**This policy is met.**

2. Amendments and Implementation Section

- a. Policy 1.0; *Assure that the Comprehensive Plan and County ordinances meet the goals of LCDC, the Region 2040 Urban Growth Management Functional Plan and the Metro Framework Plan.*"

Based on the findings in Part 1 of this report this proposal is consistent with all of the LCDC Statewide Planning Goals. The Region 2040 Urban Growth Management Functional Plan and Metro Framework Plan are not applicable to this application because the property is located outside the Metro UGB and service district.

**This policy is met.**

- b. Policy 3.0; *Amend the Comprehensive Plan pursuant to the following procedures and guidelines (listed in subpolicies 3.1 through 3.6).*

This is a quasi-judicial Comprehensive Plan map amendment and is subject to subpolicies 3.1, 3.3 and 3.4.

1. Subpolicy 3.1; *A map amendment may be initiated only by the Board of County Commissioners, the Planning Commission, the Planning Director, or the owner of the property for which a change is requested.*

The property is currently owned by Doris M. Hickman Trustee. The Land Use Application form has been signed by Doris M. Hickman, authorizing filing of the application.

**This policy is met.**

2. Subpolicy 3.3; *All proposed Comprehensive Plan amendments are to be considered at advertised public hearings before the Planning Commission, in accordance with state law and County requirements.*

The Planning Commission and Board of County Commissioners considered this application through a series of four public hearings. Notice of the hearings were published in the local newspaper and advertised consistent with all ZDO notice requirements.

**This policy is met.**

3. Subpolicy 3.4; *If the proposed amendment is quasi-judicial, property owners will be notified as required. The Community Planning Organization in the affected area shall be notified at least 35 days prior to the first hearing.*

The property owners within 500 feet of the subject property were notified as required in Section 1303 of the ZDO. The Hamlet of Beavercreek was notified of the application on December 2, 2013, approximately 42 days prior to the first scheduled public hearing before the Planning Commission.

**This policy is met.**

**This application has been processed consistent with Chapter 11.**

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**PART 3. EVALUATION OF THE RURAL AND RURAL INDUSTRIAL COMPREHENSIVE PLAN POLICIES IN THE LAND USE CHAPTER (CHAPTER 4).**

The Land Use Chapter of the Comprehensive Plan contains specific policies for determining the appropriate Comprehensive Plan land use designation for property. The Board finds it is feasible and common for a particular property to meet the policies and criteria for more than one land use Plan designation. In order to determine the most appropriate Plan designation, an evaluation of the policies for both the Plan designation being requested (Rural Industrial) as well as the existing Plan designation policies (Rural) is appropriate in order to weigh and balance any competing policies. The Board adopts the following findings with respect to the Rural and Rural Industrial Plan policies:

- A. **Rural Plan Policies:** The Rural Section of the Land Use Chapter of the Plan identifies the criteria which must be satisfied in order for the Rural Plan designation to be applied to an area. *“Rural lands are exception lands, as defined in Oregon Administrative Rules 660-004-005(1), that are outside urban growth boundaries and Unincorporated Communities and are suitable for sparse settlement, such as small farms, woodlots, or acreage home sites. They lack public facilities or have limited facilities and are not suitable, necessary, or intended for urban, agricultural, or forest use.”*

The Goals of the Rural Section of the Plan are: 1) *To provide a buffer between urban and agricultural offforest use;* 2) *To perpetuate the rural atmosphere while maintaining and improving the quality of the air, water, and land resources;* and 3) *To conserve open space and protect wildlife habitat.*

1. Policy 1.0 in Chapter 4 of the Rural Section of the Land Use Chapter of the Plan identifies the criteria which must be satisfied in order for the Rural Residential Plan designation to be applied to an area.
  - i. Policy 1.0: *Areas may be designated Rural if they are presently developed, built upon or otherwise committed to sparse settlement or small farms with limited, if any, public services available.*

This policy does not identify what "Areas" should be used or how it should be defined in the evaluation of this plan policy or any other plan policies

where the word "Areas" is used. The word "Areas" is not defined in the Comprehensive Plan or Zoning and Development Ordinance (ZDO). The Planning Commission and Board of County Commissioners have made various interpretations of this word to include just the subject property, a more broadly defined area around the subject property or both. The determination has been made on a case-by-case basis considering the merits of each application. The record includes two LUBA cases (*Swyter* and *Guest*; see Record Exhibits 26 and 27) which clearly provide this Board broad discretion to identify the appropriate "area." In both LUBA cases, the Board determined the "subject property" to be the appropriate "area" for evaluating this application. The Board finds the same in this case.

- ii. The findings addressing the Rural Industrial Plan Policy 3.0 in paragraph B below are incorporated in addressing this policy.
- iii. A portion of the lot of record consisting of tax lots 1000 and 1101 is committed to industrial uses and the remainder of the property is committed to residential uses and accessory uses (septic tank / drain field and landscaping) consistent with this policy.
- iv. The lot of record consisting of tax lots 1100, 1001 and 1002 is developed with a single family dwelling, 1,000 square foot accessory building approved for a small auto repair business, 2,000 square foot accessory building, septic tank / drain field, driveway to Hwy. 213, landscaping and large grove of trees. With the exception of the driveway to Hwy. 213 which provides access to industrial uses on tax lots 1000 and 1101 and the 1,000 square foot building which has been used for the repair of automobiles, equipment and machinery, the existing Rural Residential plan designation is appropriate on this property.
- iv. Public facilities to both lots of record are limited to public water provided by Clackamas River Water District. The subject property is not located in a public sewer or water district.
- v. Based on the above findings, the Board finds the subject property is the appropriate "area" to consider in evaluating this policy because it is the property included in the application. There is substantial evidence in the record demonstrating that the property has a historical commitment to both residential and industrial uses. A portion of the property is developed and has historically been committed to single family residential uses and accessory uses. The subject property has limited public facilities and services. The property is not suitable, necessary, or intended for urban uses because urban services are not available or planned and the property is located outside the urban growth boundary. The property is not suitable, necessary or intended for agricultural or forest use because it is located in

an approved exception area and is substantially committed to residential and industrial uses.

**Policy 1.0 is met for a portion of the subject property committed to rural residential uses.**

- B. **Rural Industrial Plan Policies:** The Rural Industrial Section of the Land Use Chapter of the Plan identifies the criteria which must be satisfied in order for the Rural Industrial Plan designation to be applied to an area.

The Goals of the Rural Industrial Section of the Plan are: 1) *To provide for the continuation of industrial uses in non-urban areas having an historical commitment to such uses.* 2) *To provide for the industrial redevelopment of abandoned or diminished mill sites.* 3) *To implement the goals and policies of this Plan for industrial development in Unincorporated Communities.*

1. Policy 1.0: *"The Rural Industrial plan designation may be applied in non-urban areas to provide for industrial uses that are not labor-intensive and are consistent with rural character, rural development, and rural facilities and services."*

The subject property is located outside of the Metro UGB and service district boundary and is considered a non-urban area. The Rural Industrial Plan designation and implementing RI zoning district limits the type and scale of uses which are appropriate for rural development. Public services to the site are limited to public water provided by the Clackamas River Water District. The property is not located in a public sewer or surface water district. Those services are not proposed or necessary to support the proposed Rural Industrial plan designation. Services to the area include garbage service and sheriff patrol services. The public facilities and services are appropriate to maintain the rural character of the area.

Opponents raised issues about the compatibility of rural industrial uses and conflicts with the rural character of the area. The Board finds the Rural Industrial plan designation is a rural zone. The existing industrial uses of the property, which have existed for over 45 years is part of the rural character of this area. Furthermore, the Rural Industrial Plan policies contemplate rural industrial uses in rural areas of the County because the policies are intended to recognize areas historically committed to industrial uses.

**This policy is met.**

2. Policy 2.0: *"The Rural Industrial (RI) zoning district implements the Rural Industrial plan designation."*

The Board finds that the Rural Industrial Plan designation is appropriate on a portion of the subject property. The RI zoning district is the only zone designation that can be applied to the property to implement the Rural Industrial plan

designation. The findings in this report, demonstrate the Rural Industrial plan designation is appropriate on the portion of the subject property identified in Order Exhibit B because that area is historically committed to rural industrial uses. Therefore the RI zoning district should be applied to that same area to implement the Rural Industrial plan designation.

**This policy can be met.**

3. Policy 3.0: *"Areas may be designated Rural Industrial when the first, the second, or both of the other criteria are met."*
  - a. Policy 3.0(a): *"Areas shall have an historical commitment to industrial uses."*
    - i. The Board finds that the subject property is the appropriate "area" of consideration for evaluating this policy for the same reasons identified under Policy 1.0 in the Rural Section of the Comprehensive Plan. The term "areas" includes the parcels / property which are this application. Opponents argued that the effect of defining the subject property as the "area" result in illegal "spot zoning" and is inconsistent with the comprehensive plan. The Board finds the purpose of Policy 3.0(a) is in fact to recognize the historical use of properties and apply the appropriate plan and zone designations.
    - ii. The subject property was originally zoned R-20 on December 14, 1967. The current RRF-5 zoning was applied to the subject property on June 19, 1980.
    - iii. The information in the background section of this report titled "HISTORY OF LAND USE APPLICATIONS" provides a basis for evaluating this policy.
    - iv. The lot of record consisting of tax lot 1000 and 1101 is 3.84 acres. This property is developed with a single family dwelling built in 1958, a sport court, 1,248 square foot building, paved and graveled parking and circulation areas, and a driveway to Hwy. 213 (south driveway). The remainder of the site consists of landscaping and groves of trees along the west, south and eastern edges of the property.

The 1,248 square foot building has been used and approved for industrial uses for over 45 years. The rear portion of the property, located behind the 1,248 square foot building, has been used and approved for a construction / paving business for the storage of construction equipment and vehicles for approximately 22 years. The paving / construction business is considered an industrial use. The driveway to Hwy. 213 provides access to the single family dwelling, both industrial businesses and the industrial use (auto repair, etc) authorized in the small building on tax lot 1100. Approximately 1.5 to 2 acres of the 3.84 acre site is developed and committed to industrial



uses.

- v. The lot of record consisting of tax lot 1100, 1001 and 1002 is 4.31 acres. This property is developed with a single family dwelling built in 1955, a small shop building (approx. 1,000 square feet constructed in 1963) and a large shop building (approx. 2,000 square feet constructed sometime after 1979), paved parking area behind these two buildings (used for employee parking for the industrial uses on tax lot 1000), graveled parking and circulation areas on the rear of the property (used for storage of equipment and materials used for the industrial uses on tax lot 1000), a driveway to Hwy. 213 (north driveway). The remainder of the site consists of landscaping and large groves of trees. Approximately 8 RVs and vehicles are stored and listed for rent or sale along the frontage of Hwy. 213.

The 1,000 square foot accessory building has been used and approved for a part-time auto repair business for over 45 years. Although the building occupies only a small portion of the subject property, the Board finds the building is recognized as a nonconforming use for the repair of automobiles which represents a historical industrial use of the property. The existing northerly driveway on the property is currently and has historically been used for access to the business in this building.

- vi. Opponents argued that the property has a history of land use violations and those uses cannot be used to justify a “historical commitment” of the property. However, the Board is not relying on the history of violations or alleged violations, rather on evidence in previous approved land use decisions recognizing legal nonconforming use and other evidence in the record.
- vii. Additionally, the Board finds that the criteria for a noneonforming use application is different than the approval criteria for a Comprehensive Plan amendment. While the prior decisions approving or denying nonconforming use applications are evidence in this matter, those decisions are not the sole basis for determining whether or not the property has a historical commitment to industrial uses.
- viii. Based on the above findings, the Board finds subject property is the appropriate “area” to consider in evaluating this policy. The findings demonstrate that a portion of a portion of the subject property has an historical commitment to industrial uses.
- j. Policy 3.0(b): *“The site shall be an abandoned or diminished mill site, as defined in the Zoning and Development Ordinance, provided that only the portion of the site that was improved for the processing or manufacturing of wood products may be designated Rural Industrial.”*

There is no evidence in the record of an abandoned or diminished mill site on any portion of the subject property.

**This policy is not met.**

- k. Policy 3.0(c): *"Areas shall be located within an Unincorporated Community; and"*

The subject property is not located within the boundaries of an Unincorporated Community.

**This policy is not met.**

- l. Policy 3.0(d): *"The site shall have direct access to a road of at least an arterial classification."*

The subject property has frontage on State Highway 213, which is designated as a major arterial road. Both lots of record have direct access to an arterial road.

**This policy is met.**

4. Summary: The Board finds that a portion of the subject property satisfies Policy 3.0(a) because the site has been historically committed to an industrial use. The remaining Policies (3.0 b, c and d) do not have to be met because Policy 3.0(a) is satisfied.

**Policy 3.0 is met for a portion of the subject property which has an historical commitment to industrial uses.**

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#### **PART 4. SUMMARY OF FINDINGS AND CONCLUSIONS FOR THE COMPREHENSIVE PLAN AMENDMENT**

- A. Parts 1-3 in Section 1 of this report address all the policies, standards and criteria found to be applicable to this proposal. These policies and standards range from being very general (i.e. Statewide Planning Goals) to more specific in nature (i.e. Plan Designation Policies). The Board has weighed and balanced all these policies to determine most appropriate plan designation on the subject property and finds:
- B. The Rural Industrial Plan designation is the most appropriate plan designation on a **portion** of the site (as depicted in Order Exhibit B) for the following reasons:
1. The findings in Part 1 demonstrate the Rural Industrial Plan designation complies with the Statewide Planning Goals and in particular:
    - a. Goal 9 because it will add to the supply, size, type and location of land for rural

- industrial uses.
- b. Goal 10 because it will not reduce the amount of land for rural housing in the County.
  - c. Goal 11 because the property has limited public services and facilities which will ensure the property is maintained as “rural” land and;
  - d. Goal 12 because the capacity and safety of the transportation system is adequate with conditions imposed on this approval to construct certain capacity and safety improvements.
2. A portion of the subject property meets Rural Industrial Plan Designation Policy 3.0(a) because the property is historically developed with industrial uses.
    - a. The property includes three recognized nonconforming uses, two established prior to 1967 the other in 1991.
    - b. In combination, the nonconforming uses authorize a range of industrial uses including auto repair in a 1,000 square foot building, a 1,248 square foot building for welding and trailer repair and the outside storage of equipment and vehicles for a construction and paving business.
    - c. The 1991 approval authorized a broad range of construction vehicles and equipment, paving of the parking and circulation areas and up to 22 employees.
  3. The property has two existing driveways which provide direct access to Hwy. 213 a major arterial road, which have historically provided access to the industrial uses on the subject property.
  4. A condition of approval will require removal of both existing driveways and construction of a new driveway in conformance with ODOT and AASHTO standards. This will improve access to the site by increasing driveway spacing along Hwy. 213, improve sight distance to minimum ODOT standards and improve the new driveway to accommodate two way traffic and truck movements. This will result in a safer transportation system.
  5. The existing public facilities and services are adequate to support the Rural Industrial Plan designation. No new public facilities or services are proposed or required to support rural industrial development on the property.
  6. There are no wetlands, floodplains, rivers or streams or other natural environmental features located on the property. The physical characteristics of the site are suitable for rural industrial uses.
- 

## **SECTION 2- ZONE CHANGE FROM RRF5-5 TO RI**

### **PART 1: COMPLIANCE WITH SECTION 1202 OF THE ZDO**

- A. The zone change criteria are listed in Section 1202 of the Clackamas County Zoning

and Development Ordinance (ZDO). Section 1202.01 states that the Hearings Officer (Board of County Commissioners) shall allow a zone change, after a hearing conducted pursuant to Section 1300, if the applicant provides evidence substantiating the following criteria:

1. **Section 1202.01(A)**: *Approval of the zone change is consistent with the Comprehensive Plan.*

Based on the findings in Parts 1-3 and as summarized in Part 4 of this report, the Rural Industrial plan designation is consistent with the Comprehensive Plan on a portion of the subject property. The proposed RI zoning district (Section 604 of the ZDO) implements the Rural Industrial Plan designation. Therefore, the proposed RI zoning district is consistent with the Comprehensive Plan designation. The Board finds all the other applicable Comprehensive Plan policies are addressed in these findings and on balance support the Rural Industrial Plan designation on a portion of the property.

**This criterion is met.**

2. **Section 1202.01(B)**: *If development under the new zoning district designation has a need for public sanitary sewer, surface water management, and/or water service, it can be accommodated with the implementation of service providers' existing capital improvement plans. The cumulative impact of the proposed zone change and development of other properties under existing zoning designations shall be considered.*

The subject property is not located in a public sanitary sewer, or surface water district, nor is there a need to extend these services to support the proposed RI zoning district. Sewer service will be accommodated by an on-site sewage disposal system. Surface water will be accommodated by on-site detention or other facilities approved under Section 1008 of the ZDO as administered by the DTD, Engineering Division.

The property is located within the Clackamas River Water District which currently provides adequate public water to the subject property.

**This criterion is met.**

3. **Section 1202.01(C)**: *The transportation system is adequate, as defined in Subsection 1007.09(D), and will remain adequate with approval of the zone change. Transportation facilities that are under the jurisdiction of the State of Oregon are exempt from Subsection 1202.01(C). For the purpose of this criterion:*
  - a. **Section 1202.01(C)(1)**: *The evaluation of transportation system adequacy shall include both the impact of the proposed zone change and growth in background traffic for a 20-year period beginning with the year that a complete land use application is submitted.*

- b. Section 1202.01(C)(2): *It shall be assumed that all improvements identified in the Clackamas County 20-Year Capital Improvement Plan, the Statewide Transportation Improvement Plan, and the capital improvement plans of other local jurisdictions are constructed*
- c. Section 1202.01(C)(3): *It shall be assumed that the subject property is developed with the primary use, allowed in the proposed zoning district, with the highest motor vehicle trip generation rate.*
- d. Section 1202.01(C)(4): *Transportation facility capacity shall be calculated pursuant to Subsection 1007.09(E).*
- e. Section 1202.01(C)(5): *A determination regarding whether submittal of a transportation impact study is required shall be made based on the Clackamas County Roadway Standards, which also establish the minimum standards to which a transportation impact study shall adhere.*

The adequacy of the transportation system has been addressed under the discussion of Statewide Planning Goal 12 and the implementing Transportation Planning Rule. The impacts from this proposal on the transportation system are limited to Hwy. 213 which is a State transportation facility. Transportation facilities under the jurisdiction of the State of Oregon are exempt from this criteria. The DTD, Traffic Engineering Division has submitted comments in the record indicating this proposal will not affect the capacity of any County transportation facilities. The Board adopts the findings of the DTD Engineering Division as set forth in Record Exhibit 39.

**This criterion is not applicable.**

- 4. Section 1202.01(D): *The proposal, as it relates to transportation facilities under the jurisdiction of the State of Oregon, complies with the Oregon Highway Plan.*

The adequacy of the State transportation system has been addressed under the discussion of Statewide Planning Goal 12 and the implementing Transportation Planning Rule. Based on those findings, there is substantial evidence in the record demonstrating this proposal complies with the Oregon Highway Plan. Those findings are adopted by reference to address this criterion. The Board finds that conditions of approval related to capacity and safety improvements at the Henrici Road / Hwy. 213 intersection and site access / Hwy. 213 intersection recommended by the Oregon Department of Transportation are warranted to comply with the minimum requirements of the Oregon Highway Plan.

**This criterion can be met.**

- 5. Section 1202.01(E): *Safety of the transportation system is adequate to serve the level of development anticipated by the zone change.*

The subject property has two driveways which provide direct access to State Hwy. 213. Both driveways have inadequate sight distance to the south on Hwy. 213. The inadequacy of the site distance was raised by opponents as an issue. The applicant has proposed to remove both driveways and construct one new driveway further north. ODOT has determined that there is a suitable location to construct a driveway and meet minimum sight distance standards. See record Exhibit 34. The report from Lancaster Engineering (Record Exhibit 32) demonstrates that if the south driveway is closed and the north driveway is moved approximately 100 feet, adequate sight distance will be met consistent with ODOT standards. A condition is included in this approval requiring removal of the existing driveways and construction of one new driveway meeting ODOT standards. The specific location of the single driveway is identified in the plan in Order Exhibit B. Order Exhibit B demonstrates the minimum sight distance of 610 feet is met at the proposed driveway location, which is consistent with the Lancaster Engineering recommendations and ODOT safety standards to accommodate safety for all types and levels of traffic associated with the conditional zone change.

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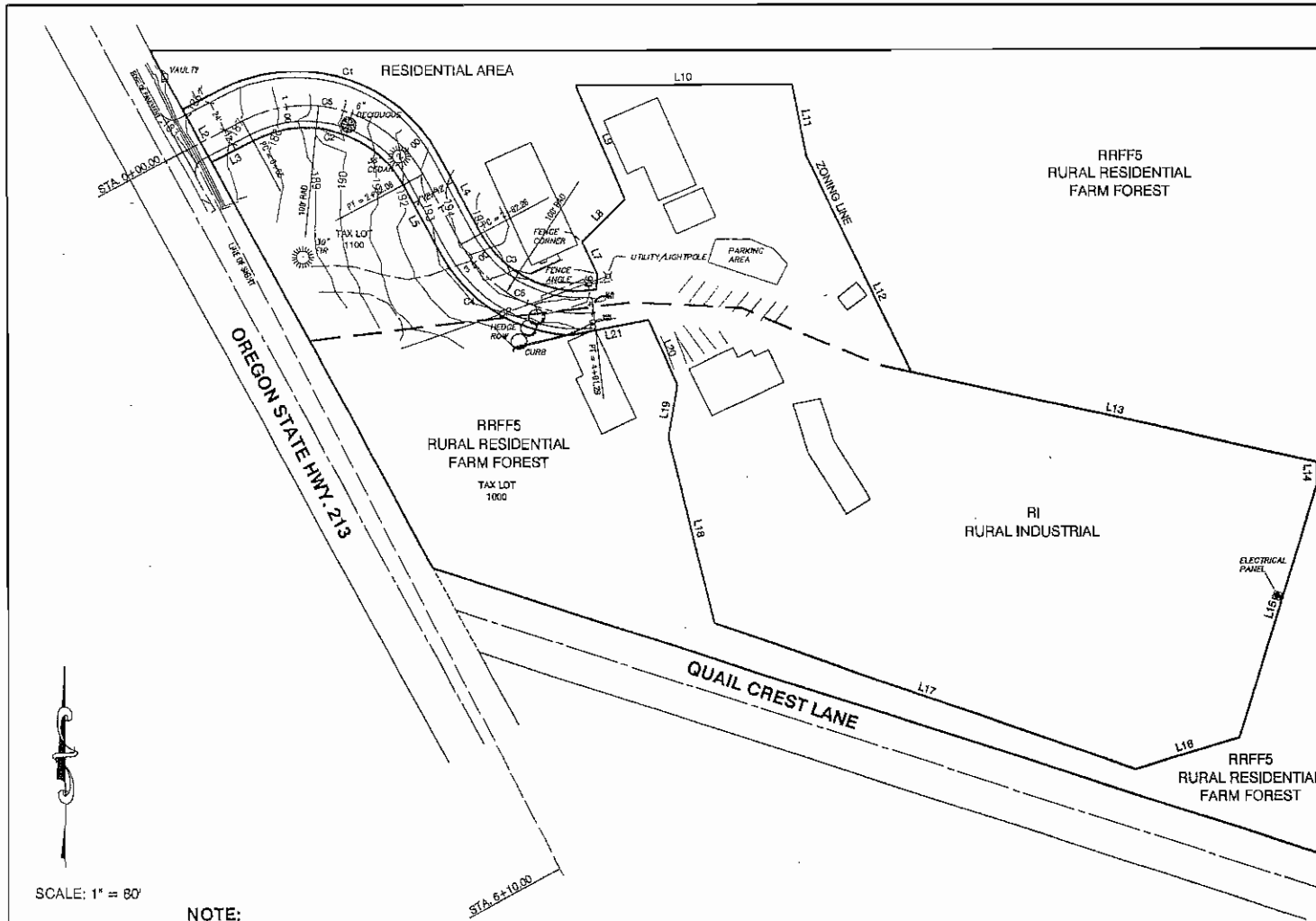
**This criterion can be met.**

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## **PART 2. SUMMARY OF ZONE CHANGE CRITERIA:**

This application satisfies or can satisfy all the criteria in Section 1202.01 of the ZDO with a condition of approval requiring timely closure of the existing driveways and construction of new driveway in compliance with ODOT standards.

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LINE TABLE		
LINE	LENGTH	BEARING
L1	32.00	N61°43'00"E
L2	46.00	S28°17'00"E
L3	35.00	N61°43'00"E
L4	69.18	N28°17'00"W
L5	60.18	N28°17'00"W
L6	11.61	S04°31'08"W
L7	27.48	S24°50'49"E
L8	45.40	S45°09'09"W
L9	94.02	S23°10'37"E
L10	162.00	N89°20'00"E
L11	56.04	S10°54'01"E
L12	182.04	S25°23'30"E
L13	309.65	S77°20'17"E
L14	16.73	N00°15'18"W
L15	199.96	N16°57'49"E
L16	81.50	N73°05'35"E
L17	332.17	S70°29'50"E
L18	143.43	S13°45'28"E
L19	40.42	S09°45'09"W
L20	53.49	S23°51'22"E
L21	59.87	N78°44'16"E

CURVE TABLE		
CURVE	LENGTH	RADIUS
C1	188.50	120.00
C2	130.38	83.00
C3	102.69	83.00
C4	119.61	117.00
C5	157.08	100.00
C6	119.03	100.00

REGISTERED  
PROFESSIONAL  
LAND SURVEYOR  
*Bruce D. Goldson*  
OREGON  
JULY 12, 1966  
BRUCE D. GOLDSON  
851  
EXPIRES: 06/30/2015

SCALE: 1" = 80'

**NOTE:**

- BOUNDARY BASED ON RECORD SURVEY PS 25399, JULY 1993.

2011-54

**EXHIBIT B**

DESIGNED:	BDG
DRAWN:	BJS
SCALE:	1" = 80'
DATE:	April, 2014
FILE:	Hals Const Exhibit D

**Theta, llc**

ENGINEERING - SURVEYING - PLANNING  
PD Box 1345  
Lake Oswego, Oregon 97035  
503/481-8622  
email: thetaeng@comcast.net

Hals Construction  
20666 Highway 213  
Oregon City, Oregon

Clackamas County Land Use Application  
Z0490-13-CP, Z0491-13-Z

## **Exhibit C- Conditions of Approval**

### **File No. Z0490-13-CP and Z0491-13-Z**

1. Future uses of the property are limited to those identified in Table 604-1: Permitted Uses in the RI District, paragraph "A. Construction and Maintenance Contractors," as of the effective date of this order; except that building movers shall not be a permitted use.
2. The applicant shall design and construct improvements that permanently close the existing southernmost driveway to Highway 213 in accordance with ODOT standards within six months of approval.
3. The applicant shall design and construct improvements that relocate the existing northernmost driveway to Highway 213 in accordance with ODOT standards to achieve adequate intersection sight distance within one year of approval.
4. With each future proposed phase of development, the applicant shall submit a traffic analysis to address the need for a southbound left turn lane at the intersection of Highway 213 and the site access. As recommended by ODOT and as warranted, the applicant shall design and construct a southbound left turn lane according to ODOT standards.
5. With each future proposed phase of development, the applicant shall submit a traffic analysis to address the need to widen their site access at Highway 213 to two outbound travel lanes. As warranted, the applicant shall design and construct a second outbound site access travel lane according to ODOT and County standards.
6. With each future proposed phase of development, the applicant shall submit a traffic analysis to address the need for improvements at the Highway 213/Henrici Road intersection. If a proposed phase generates any new traffic during the weekday PM peak hour, the applicant shall design and construct a two way left turn lane or acceleration lane on Highway 213 south of Henrici Road in accordance with ODOT standards. If a proposed phase does not generate new traffic during the weekday PM peak hour, the applicant shall not be required construct improvements to the Highway 213/Henrici Road intersection with that particular phase.





2

North Clackamas Parks and Recreation District  
Development Services Building  
150 Beaver Creek Road  
Oregon City, OR 97045

Board of Commissioners  
Clackamas County

June 12, 2014

Members of the Board:

**BOARD DISCUSSION REGARDING WITHDRAWAL AND  
FORMATION PROPOSAL OF  
NORTH CLACKAMAS PARKS AND RECREATION DISTRICT**

<b>Purpose/Outcome</b>	To hold a public discussion on the initiation of formation proceedings for a new ORS 266 District and merger with or withdrawal of territory from NCPRD
<b>Dollar Amount and Fiscal Impact</b>	No general fund impact. Would have an impact on NCPRD budget based on the permanent rate to be determined at the public hearing.
<b>Funding Source</b>	None
<b>Safety Impact</b>	None
<b>Duration</b>	Permanent
<b>Previous Board Action/Review</b>	Study sessions in March, May and June.
<b>Contact Person</b>	Gary Barth, NCPRD Director – 742-4299
<b>Contract No.</b>	n/a

**BACKGROUND:**

The North Clackamas Parks and Recreation District (“NCPRD”) has been exploring the idea of increasing its permanent rate to better provide services to district residents and changing its governance structure through a master planning update of its 2004 Master Plan which made those recommendations. The update process began in May 2012 and in June 2013 the NCPRD Board voted unanimously to have NCPRD pursue the “aspirational” path forward in finalizing a Master Plan for Board of County Commissioners, acting as the governing body of NCPRD (“Board”) review and adoption in the spring of 2014. Consistent with that Board direction, the District returned in May with the final recommendations. The Master Plan has been published and gone through a vetting process but is not yet adopted. A copy of the final recommendations of the Master Plan is attached.

The original timeline presented in June 2013 considered the potential of a vote of District residents to implement the higher funding level necessary to support an aspirational Master Plan as early as November 2014, if approved by the Board. The only way to change NCPRD’s governance structure and set a new permanent rate is to form a new district.

The Board met on March 25, 2014 where District staff presented information about a possible change in governance. Included was a formal recommendation from the

District Advisory Board which voted 8-0 with one abstention in support of the District seeking voter approval to reform NCPRD as a Special Park & Recreation District under Oregon Revised Statutes ("ORS") Chapter 266 at a higher permanent rate (the "New District") to be determined by additional research. The Milwaukie City Council voted 5-0 in support of a reformation effort at a higher permanent rate consistent with the DAB recommendation. The City of Happy Valley expressed some concerns and provided a list of issues that it would like to have addressed. Staff continues to work with the City on those issues.

At the May 13, 2014 study session, the Board received polling results indicating a desire for the matter to be taken to a vote and directed staff to continue pursuing reformation of the District as a special district under ORS 266. A study session is scheduled for June 11<sup>th</sup> to present information to discuss what permanent rate should be included in the formation proposal.

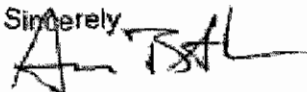
As part of the formation process, the Board must offer its approval of the proposal. At the time of this staff report, the city of Milwaukie has adopted a resolution supporting formation of the New District and consenting to inclusion of their territory in the New District on June 3<sup>rd</sup>, 2014. The City of Damascus is scheduled to take up the question at their June 5<sup>th</sup> council meeting. The City of Happy Valley has indicated they will be discussing the matter, but have not yet set the date of that discussion.

Therefore the proposed approval order on behalf of NCPRD approves moving forward under two scenarios, that of a majority but not all of NCPRD being within the proposed boundaries of the new district or all of NCPRD being within the boundaries of the new district.

#### RECOMMENDATION

Staff respectfully recommends that the Board of County Commissioners, acting as the governing body of the North Clackamas Parks and Recreation District, approve the proposal of forming a new parks and recreation district under ORS 266 at a higher permanent rate as being in the best interests of district residents.

Sincerely,



Gary Barth  
Director, NCPRD

For information on this issue or copies of attachments,  
please contact Chris Storey at 503-742-4623

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

In the Matter of Endorsement of  
Petition for Formation of a New  
Parks and Recreation District with  
the Same Boundaries or Containing  
Territory of North Clackamas Parks  
And Recreation District

ORDER NO. \_\_\_\_\_

This matter comes before the Board of County Commissioners, acting as the governing body of North Clackamas Parks and Recreation District, organized and existing under the provisions of ORS Chapter 451 ("NCPRD").

NCPRD has received recommendations as part of its Master Planning process began in 2012 to consider a higher permanent tax rate and change in governance structure. The only way to implement these recommendations under current law is to reform NCPRD as a new parks and recreation district organized under the provisions of ORS Chapter 266 (the "New District"). The reformation of NCPRD may be initiated by the Board of County Commissioners as the governing body of Clackamas County as part of their statutory authority regarding boundary changes within the County. Cities currently within NCPRD must affirmatively consent to the inclusion of affected territory within their limits.

It appearing that ORS Chapter 198 provides that the Board acting as the governing body of NCPRD must take a position on such a petition for it to go forward; and

It further appearing that this petition for formation of the New District is consistent with NCPRD's Master Plan recommendations and the District Advisory Board's recommendations, and reflects an opportunity to deliver improved parks and recreation services to its residents;

THEREFORE, IT IS HEREBY RESOLVED THAT this Board endorses the petition for formation of the New District and either merger of NCPRD into the New District or withdrawal of territory from NCPRD into the New District, subject to approval by the voters of NCPRD.

DATED this 12<sup>th</sup> day of June, 2014.

\_\_\_\_\_  
Chair

\_\_\_\_\_  
Clerk



June 12, 2014

Board of Commissioners  
Clackamas County

Members of the Board:

**A Public Hearing to Initiate the Formation of an  
ORS 266 Parks and Recreation Service District  
And Merge With or Remove Territory from  
North Clackamas Parks and Recreation District**

<b>Purpose/Outcome</b>	To hold a public hearing on the initiation of formation proceedings for a new ORS 266 District and merger with or withdrawal of territory from NCPRD
<b>Dollar Amount and Fiscal Impact</b>	No general fund impact. Would have an impact on NCPRD budget based on the permanent rate to be determined at the public hearing.
<b>Funding Source</b>	None
<b>Safety Impact</b>	None
<b>Duration</b>	Permanent
<b>Previous Board Action/Review</b>	Study sessions in March, May and June.
<b>Contact Person</b>	Gary Barth, NCPRD Director – 742-4299
<b>Contract No.</b>	n/a

**BACKGROUND:**

The Board of County Commissioners, as the elected body of Clackamas County, is vested with responsibility over boundary changes by special districts within the County pursuant to Oregon Revised Statutes ("ORS") Chapter 198. North Clackamas Parks and Recreation District ("NCPRD") has been considering as part of its Master Planning process recommendations to increase its permanent rate and change of governance structure. The only available means of accomplishing this is through the formation of a new parks and recreation district that will be organized under ORS 266 ("New District"). The recommendation of NCPRD's advisory board and constituent cities was to proceed with the process of forming the New District.

Under ORS 198.720(1), territory within a city may not be included in the proposed boundaries of a district unless the city council consents to allow such territory to be included. Staff has made presentations regarding the New District to each of the city councils of Damascus, Happy Valley and Milwaukie. The City of Milwaukie adopted a resolution supporting formation of the New District and consenting to inclusion of their territory in the New District on June 3<sup>rd</sup>, 2014. The City of Damascus is scheduled to take up the question at their June 5<sup>th</sup> council meeting. The City of Happy Valley has indicated they will be discussing the matter but have not yet set the date of that discussion. Please note that the City of Johnson City, while completely surrounded by NCPRD, is not annexed into the district at this time.

This staff report is submitted on June 4<sup>th</sup>, and therefore actions by the cities regarding the process will take place after its submission and publication. Therefore this staff

report includes an explanation and supporting documents relating to the two possible scenarios for the process. Each are described below for clarity.

Scenario 1: Consents are received from all affected cities. Under this scenario, the City Councils of Damascus and Happy Valley adopt the consents necessary to allow the inclusion of territory within their respective cities into the proposed boundaries. The Board may initiate formation of the New District with boundaries that are the same as those of NCPRD. The proposal under consideration would be, if approved by voters in November 2014, the formation of the New District and simultaneous merger of NCPRD into the New District. This would assign all contractual and other obligations to the New District by operation of law and the New District would continue to provide parks and recreation service to all residents currently within NCPRD. A draft board order consistent with this scenario is attached hereto for reference.

Scenario 2: Consents are received from some but not all affected cities. Under this scenario, one or both of the City Councils of Damascus or Happy Valley decline to adopt the consents necessary to allow the inclusion of territory within their respective cities into the proposed boundaries. The City of Milwaukie has already consented to and endorsed formation of the New District. The Board may initiate formation of the New District with boundaries that would be NCPRD's current boundaries excepting therefrom either or both of the current territory of Happy Valley or that portion of Damascus currently within NCPRD. The proposal under consideration would be, if approved by voters in November 2014, the formation of the New District and simultaneous withdrawal of the affected territory from NCPRD. If passed, the portions of NCPRD that were not included in the proposed boundaries of the New District (i.e. that portion of Damascus and/or Happy Valley) would remain within a smaller NCPRD and a division of assets and obligations would take place between NCPRD and the New District. Cities retain their unilateral ability to withdraw from any service district at any time, and could withdraw from the remainder NCPRD boundaries if desired. The New District would provide park and recreation services to those citizens within its boundaries at a higher level than those provided by NCPRD. A draft board order consistent with this scenario is attached hereto for reference.

Staff will provide updates to the Board as the Cities take action and are able to deliver signed copies of their resolutions as required by law.

This area of law is governed by ORS 198, a murky statute that has not been updated for several decades. It seems clear that the ultimate goal or desire articulated by the proposed board order is permitted by the statute, but the path is not entirely clear. The Board of County Commissioners has the unilateral power to initiate formation of a new district and/or to initiate annexation of territory into a district. The merger portion of the statute is primarily focused on the merger of two existing, neighboring entities rather than the reformation by merger of a district. The withdrawal portion of the statute contemplates single parcel petitions by the owner to withdraw from an existing district. To ensure clarity to all affected parties and to ensure due public notice on the issue, staff has highlighted in public documents and will communicate in public meetings that the issue at hand is both the formation of the New District and either the merger of NCPRD into the New District or the withdrawal from NCPRD and annexation of that territory into the New District, accomplished all in a single public vote. The question of which scenario applies will be known by the June 12<sup>th</sup> public meeting due to the statutory requirement of the consents. The uncertainty on the path is a result of the timing of city council votes. Once the process is initiated, communications will clearly define the single choice that

will be placed before voters in November if sent there by the Board. The effect of a no vote would be to leave the territory annexed into NCPRD with its current permanent rate. The effect of a yes vote would be to create the New District with the ability to levy a permanent rate and either (i) merger of NCPRD with the New District or (ii) withdraw the territory from NCPRD (so properties would not be double taxed for park services) and annex it into the New District.

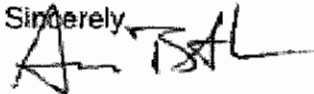
Documents that will be generated and made available to the public and the Board when available or known due to city actions will be the consents of the participating cities and a map and boundary description of the New District. The Board is meeting on June 11<sup>th</sup> to give staff direction regarding a proposed permanent rate for the New District and staff will use that direction to generate an economic feasibility report to be published at or immediately after the June 12<sup>th</sup> hearing.

By signing the attached order the Board would initiate the process for formation of the New District. After due notice, there would be a future public hearing on July 17, 2014 addressing whether the formation should be approved, denied, or modified, and making certain determinations about the governance model of the New District. If the Board approves proceeding with formation at that meeting, a second hearing would be held on the matter three weeks later, on August 7, 2014. If final approval is granted, the matter is then referred to the November 2014 ballot.

RECOMMENDATION

The staff respectfully recommends that the Board initiate the formation of an ORS 266 Parks and Recreation District with territory consistent with city consents received by June 12<sup>th</sup>, 2014.

Sincerely,



Gary Barth  
Director, NCPRD

For information on this issue or copies of attachments,  
please contact Chris Storey at 503-742-4623

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

[DRAFT: Scenario 2: Some But Not All Territory Included In New District Proposal]

In the Matter of the Initiation of  
Formation of an Independent Parks  
and Recreation District and Removing  
Territory from North Clackamas Parks  
and Recreation District



ORDER NO. \_\_\_\_\_

The Clackamas County Board of County Commissioners, as the responsible jurisdiction for boundary issues under Oregon Revised Statutes (“ORS”) Chapter 198, have received a request from the governing body of North Clackamas Parks and Recreation District, a county service district organized pursuant to ORS 451 (“NCPRD”) to initiate formation of a new parks and recreation district organized under ORS 266 at a higher rate (a “New District”) within Clackamas County that would replace NCPRD as the designated service provider within a subset of NCPRD’s current boundaries; and

This matter coming before the Board at this time and it appearing that the City of Milwaukie has consented to the inclusion of some or all of their boundaries within the New District, the consents of which is attached hereto as Exhibit A; and

It further appearing that the [City of Damascus] [City of Happy Valley] has elected to not allow the citizens and territory within its jurisdiction to be included in the proposed boundary of the New District; and

It further appearing that withdrawal of the affected territory from NCPRD and annexation of it into the New District is an appropriate mechanism of changing the governance and permanent tax rate of the affected residents of the inhabited territories of NCPRD while ensuring continued service provision to the residents thereof; and

It further appearing that the formation of the New District may be in the best interests of the residents of the area, and is worthy of further consideration by this Board;

NOW, THEREFORE, IT IS HEREBY ORDERED that pursuant to its powers under ORS 198 this Board initiates formation of a parks and recreation service district organized pursuant to ORS 266 with five directors, to be known as the “Three Creeks Park and Recreation District,” with a permanent tax rate of \$\_\_\_\_ per thousand assessed value and a boundary as shown on the attached Exhibit B

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



which includes all of the current North Clackamas Parks and Recreation District excepting therefrom those portions included within the boundaries of the [City of Damascus][City of Happy Valley] as of the date hereof, with the territory currently with NCPRD to be withdrawn therefrom and annexed into the new Three Creeks Park and Recreation District; and

IT IS FURTHER ORDERED that a public hearing on the formation of the New District will be held by this Board at 6:00 p.m. on July 17, 2014, in the Commissioners' hearing room, Fourth Floor, 2051 Kaen Road, Oregon City, Oregon.

DATED June 12, 2014.

BOARD OF COUNTY COMMISSIONERS

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Chair

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Recording Secretary





**CITY OF MILWAUKIE**  
*"Dogwood City of the West"*

**Resolution No. 53-2014**

**A resolution of the City Council of the City of Milwaukie, Oregon, approving a Clackamas County Order to Initiate the Formation of a new Parks and Recreation District under ORS 266.**

**WHEREAS**, Clackamas County intends to form a parks and recreation district under the authority of ORS 266 ("266 District"). This District would replace the current North Clackamas Parks and Recreation District ("NCPRD") The 266 District would have authority to fund, support and provide park, open space and recreational opportunities for residents within its boundaries; and

**WHEREAS**, Clackamas County may initiate the formation of a 266 District by adopting an order under authority of ORS 198.835. Clackamas County would like to include the City of Milwaukie within the proposed boundary; and

**WHEREAS**, the Board of Clackamas County Commissioners is planning to adopt an Order on June 12, 2014, initiating the formation of the 266 District; and

**WHEREAS**, The territory of the City of Milwaukie may only be included within the boundaries of the 266 District if the City Council adopts a resolution approving the County order initiating the formation of the 266 District.

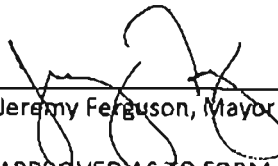
**WHEREAS**, The City Council believes a 266 District at a new, higher permanent rate will be better positioned to provide park and recreational services throughout our community.

**Now, Therefore, be it Resolved** that The City of Milwaukie hereby consents to the inclusion of all the territory of the City within the proposed boundaries of a new 266 District at a new permanent rate not to exceed \$0.99/1000 of assessed value, and supports and approves the Clackamas County order initiating the formation of said district.

Introduced and adopted by the City Council on 6/3/14.

This resolution is effective on 6/3/14.

ATTEST:

  
\_\_\_\_\_  
Jeremy Ferguson, Mayor

APPROVED AS TO FORM:  
Jordan Ramis PC

  
\_\_\_\_\_  
FOR Pat DuVal, City Recorder

  
\_\_\_\_\_  
City Attorney



**CITY OF DAMASCUS  
RESOLUTION NO. 14-381**

**Resolution Approving a Clackamas County Order to Initiate the  
Formation of a New Parks and Recreation District under ORS 266**

**WHEREAS**, Clackamas County intends to form a parks and recreation district under the authority of ORS 266 ("266 District"). This District would replace the current North Clackamas Parks and Recreation District ("NCRPD"). The 266 District would have authority to fund, support and provide park, open space and recreational opportunities for residents within its boundaries. The main difference would be that the 266 District would assess at a higher rate if passed by the voters;

**WHEREAS**, Clackamas County may initiate the formation of a 266 District by adopting an order under authority of ORS 198.835. Clackamas County would like to include that portion of the City of Damascus already within NCRPD within the proposed boundary of the 266 District;

**WHEREAS**, That portion of the territory of the City of Damascus may only be included within the boundaries of the 266 District if the City Council adopts a resolution approving the County order initiating the formation of the 266 District;

**WHEREAS**, The City Council believes the affected voters should have an opportunity to vote on the formation of the proposed 266 District.

**NOW, THEREFORE, THE CITY OF DAMASCUS RESOLVES AS FOLLOWS:**

The City of Damascus hereby consents to the inclusion of all the territory of the City within the proposed boundaries of a new 266 District at a new permanent rate not to exceed \$0.99/1000 of assessed value, and supports and approved the Clackamas County order initiating the formation of said district.

**INTRODUCED AND ADOPTED** this 5<sup>th</sup> day of June, 2014.

Steve Spinnett, Mayor

ATTEST:

Theresa Nation, City Recorder

**Independent North Clackamas Parks and Recreation District**

*Economic Feasibility Statement*

Prepared for the Clackamas County Board of County Commissioners

June 9, 2014

## **I. Background leading to the proposal**

### ***A. District Formation and Initial Funding***

The North Clackamas Parks and Recreation District (NCPRD) was created in 1990 by a citizen-led effort to increase the focus on parks and recreation in North Clackamas County.

When the District was formed, it served residents of:

- City of Milwaukie
- four subareas of unincorporated Clackamas County:
  - Oak Lodge
  - Oatfield
  - Southgate
  - Sunnyside

Damascus incorporated as a city in 2004 and included a small portion of the District (previously unincorporated) in its boundaries.

### **Initial Responsibilities and Goals:**

When the District was formed, it assumed responsibility for 10 parks owned by the City of Milwaukie, including North Clackamas Park which had been deeded to the city by the county in 1977, as well as two parks owned by the county, Risley and Riverville. The District did not take ownership of the parks, just responsibility for their enhanced maintenance and operation, and for the operation of the Milwaukie Senior Center.

In addition to assuming responsibility for the initial 12 parks, there were specific goals set out in the ballot measure creating the District and articulated in its first Master Plan, which was developed by a citizen task force and Clackamas County planners.

Goals for the District included:

- the development of an aquatic park
- 10 new neighborhood parks
- two riverfront parks
- 75 acres of natural area
- 9 miles of trails
- new sports fields

North Clackamas Parks & Recreation District  
Economic Feasibility Statement  
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- sports field improvements
- management of the Milwaukie Center
- new recreational programs

The original funding set for the District was approximately \$0.68 per \$1,000 of assessed value. The tax base system rate varied each year depending on the changes in the market value of property. This tax base system changed to a rate based system in 1997 as a result of property tax limitation legislation. The permanent tax rate set for NCPRD was \$0.5382 per \$1,000 of assessed property value.

In order to begin delivering on the initial goals stated in the ballot measure and NCPRD's initial master plan, a \$12 million revenue bond was issued in 1993. Proceeds were used to develop the North Clackamas Aquatic Park, many new neighborhood parks, and make renovations to existing parks. That debt was refunded in 2000 and again in 2010 to take advantage of favorable interest rates and help support District operations. The debt will mature in 2024/2025.

Annual debt service of approximately \$500,000 is paid by the property tax revenues. After paying debt service, the remaining tax revenues, and other proceeds from fees and concessions, go to support District operations. Today, the growing operating costs are outpacing incoming revenues.

When Measure 47/50 passed in May 1997, it limited assessed value growth on properties to three percent and while, personnel and other operating costs are increasing at a higher rate than three percent. Only when the economy is strong and construction is robust does the District realize property tax revenue increases greater than 3 percent. In addition, the District is not able to keep up with the increasing costs of repairing and replacing existing capital assets. The District is able to partially fund the repair and replacement of existing assets but not able to fully fund the program.

***B. Additional Goals and Additional Funding Needs***

In 2000, NCPRD embarked on a Master Plan update to help map the future of the District. That plan was completed in 2004. It identified priorities for the District based on extensive review and analysis of its offerings and input from the community. It included a significant list of capital projects desired in the community, and also provided recommendations for additional funding and governance changes.

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**2004 Master Plan recommendations:**

Needs:

- Renovate existing parks
- Develop land in the District's inventory
- Develop trails in partnership with Metro and other partners
- Renovate sports fields on local school property
- Enhance programs and services

Proposed Funding Solutions:

- Pass a General Obligation Bond to fund capital projects
- Increase the permanent tax rate for the new District to secure long-term funding for District operations
- Create a new Special Parks District, formed under ORS 266, to increase the permanent rate

The 2004 plan was adopted by the Board of County Commissioners, in their role as the NCPRD Board. However, the funding recommended as part of the Master Plan was not approved. As a result, the District had inadequate funding to implement the Master Plan.

**Happy Valley Annexation and IGA**

Through a vote of its citizens the City of Happy Valley annexed into the District in 2006. As a result, additional capital project priorities and goals were set for parks and services in and around Happy Valley, subject to additional funding. Those priorities were identified in an intergovernmental agreement between the city and NCPRD. One of the top priorities identified was the addition of a large community park, which led to the development of Hood View Community Park in 2008 at a cost of \$18 million. Funding was provided by a variety of sources including contributions from the City of Happy Valley, Clackamas County and Metro, System Development Charges and the NCPRD general fund. A funding gap of \$8 was closed through issuance of an \$8 million revenue bond, with a combination of future System Development Charges and general fund revenue projected as its repayment source. The debt will be retired in 2027/2028.

Today the District serves a 36 square mile area bordered by the Multnomah County line on the North, the Willamette River on the West, the Clackamas River on the south, excepting the City of Gladstone and Johnson City, and Happy Valley city limits on the East.

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**2014 Master Plan Key Findings and Recommendations:**

Today, the District operates and maintains more than 38 parks, 25 natural areas, 15 miles of trails, as well as the North Clackamas Aquatic Park, the Milwaukie Center, North Clackamas Park and the Hood View Community Park.

With more than two decades as a parks district, the District initiated its second master plan update. The master planning process included significant outreach to the community including many public meetings, stakeholder interviews, and statistically valid surveys. Together with extensive analyses of operations and current levels of service, the outreach helped solidify the issues that are the most important to consider when planning the District's future.

The key findings of this master planning process were consistent with those identified in the 2004 plan, but have grown in significance along with the District's size and changing needs of its residents.

*Key Findings:*

- While there is a high degree of satisfaction with the parks and recreation services that are currently provided by NCPRD, there are unmet needs and strong desires for additional parks, trails, natural areas, and recreational programming.
- Given the growing number of parks and facilities, increasing operations and maintenance costs, and relatively fixed operating revenue, NCPRD's current funding sources are inadequate to maintain the current level of service throughout the District, and/or support additional growth.
- Funding for capital investments in new parks and facilities, and for improvements to existing facilities, is not adequate for meeting the needs.

*Master Plan Recommendations:*

- Adopt an aspirational Capital Improvement Plan to meet the needs of residents and balance levels of service throughout the District.
- Identify funding sources for the aspirational Capital Improvement Plan; explore a bond for capital.
- Review and update System Development Charges zones, rates and methodology.

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- Identify funding sources for additional recreational programming and operations and maintenance; consider increasing the District's permanent tax rate.
- If re-forming the District to increase the permanent tax rate, consider re-forming as a Special Parks and Recreation District under ORS 266 in order to get the benefits of representative governance and the agility of a special purpose board.

## **II. Independent North Clackamas Parks and Recreation District**

### ***A. Introduction***

A Park and Recreation District is a classified Special District defined by Oregon Revised Statute Chapter 266. It is specially designed for the development, management, and operation of parks and recreation programs. It is governed by a specially elected board of directors, made up of District residents, and is solely focused on the parks and recreation needs of its residents.

Special District Boards have the authority to make decisions related to the utilization of revenues generated from the dedicated tax base, issue revenue bonds, and when authorized by a majority of voters, borrow money by issuing general obligation bonds.

Re-forming NCPRD as an independent parks district at \$0.64 per \$1,000 of assessed value would be a strong step in enabling it to meet its 2014 Master Plan goals. It would provide approximately \$1 million of additional revenue a year to support its growing operations and maintenance needs, and would provide greater flexibility in exploring alternative funding scenarios to respond to residents needs as opportunities and demand warrant.

### ***B. Services to be provided by the proposed district:***

At formation, the independent parks and recreation district proposed for the residents of North Clackamas Parks and Recreation District would offer the same services currently provided.

- Operation and maintenance of District parks, open spaces, natural areas and trails
- Recreational programming for youth, adults and seniors
- Meals and transportation programs for seniors and the disabled
- Sports league programming
- Operation of the North Clackamas Aquatic Park, Hood View Community Park, North Clackamas Park and the Milwaukie Center

As additional funding is available, the District would expand its offerings as outlined in its 2014 Master Plan.



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***C. A review of the relationship between District services and other existing or needed government services:***

- A robust parks and recreation system reduces public costs in many areas. It has a positive impact on:
  - public health by promoting health and wellness
  - crime prevention and juvenile delinquency by providing youth with positive, healthy activities
  - ecology and environmental sustainability, by preserving natural areas and connecting people with nature
  - senior services by keeping seniors socially active
- Parks and open spaces contribute to the livability of a community, raise property values, promote economic development, and provide important environmental stewardship.
- The impact of the health and social benefits make parks and recreational programs a positive and cost-effective public service.

**III. Proposed First Year Line Item Operating Budget And A Projected Third Year Line Item Operating Budget For The New District That Demonstrates Its Economic Feasibility**

***A. Budget Overviews:***

Budgets for the proposed new North Clackamas Parks and Recreation District's first and third years of operation, as required, are attached as Appendix A.

As reflected in these budgets, a full property tax assessment of \$0.64 per \$1,000 assessed value is adequate to fund current operations and begin to fund the 2014 aspirational Master Plan to begin to repair, replace and refurbish existing assets, maintain and enhance various programs and services and fund targeted new capital asset development.

***B. Projected Property Tax Revenue:***

The proposed \$0.64 per \$1,000 permanent property tax rate on the county's assessed value would generate approximately \$7,298,077 in property tax revenue in the first year of the new District, based on current FY 2013-2014 figures provided by the Clackamas County Assessor's office. In addition, the Assessor's office suggests incrementing these projected tax revenues between 3-5% per year to reflect increased assessed value on existing and new properties. A conservative 3% annual budget increment has been used in the projections provided in Appendix A.

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Compression in the District is currently negligible (approximately \$3,243 per year) and is not expected to be an issue in the coming years, assuming (i) market property values rise at a modest rate; (ii) the long-term demand for housing continues as the population grows in the county; and (iii) the differential between real market and assessed values remains about the same as today's levels. Total budget losses due to compression are estimated to be \$8,018 in the first year and \$8,506 in the third year, based upon projected revenue forecasts provided by the Clackamas County Assessor's office.

Finally, the first and third year tax revenues provided from a voter-approved District are assumed to have an average 94% collection rate. This rate includes an averaged amount for delinquent taxes collected in subsequent years after the first year of the district.

***C. Projected Expenditures:***

Projected expenditures assume all existing NCPRD assigned staff move to the new District. Personnel expenditure increases are projected to include a 2.7% COLA, a 3.5% merit increase and a 5% medical increase. A PERS reserve and unemployment reserve have also been added. The District would continue to contract with the County for internal services such as payroll, technology services and human resources in the first and second year and would transition to independently providing those internal services in the third year. Material & Services expenditures are projected to increase at 2% per year. One-time capital outlay expenditures are projected to include a new financial management system, various software purchases, software licenses, and technology infrastructure.

***D. Summary:***

The budgets for Year 1 and Year 3 (Appendix A) demonstrate the economic feasibility of the proposed Parks District and its funding up to a maximum permanent tax rate of \$0.64 per \$1,000 of assessed valuation. Based on current assessed value figures, approximately \$7,298,077 in property tax revenues would be used to fund current operations and begin to fund the 2014 aspirational Master Plan to begin to repair, replace and refurbish existing assets, maintain and enhance various programs and services and begin to fund targeted new capital asset development. But more importantly, a stable and long-term dedicated source of funding will be provided to begin to support aspirational levels of high-quality Parks services for the all citizens of the District.

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Projected Line Items	First Year Budget FY 2015-2016	Third Year Budget FY 2017-2018
<b>General Fund</b>		
<b>Resources</b>		
Beginning Fund Balance	\$ 2,549,276	\$ 2,330,105
Property Taxes	\$ 7,298,077	\$ 7,742,529
<i>Property Taxes Imposed for District (\$0.64)</i>	\$ 7,771,929	\$ 8,245,239
<i>Compression Reduction</i>	\$ (8,018)	\$ (8,506)
<i>Taxes Collected (est. average @ 94%)</i>	\$ 7,298,077	\$ 7,742,529
Delinquent Taxes	\$ 147,460	\$ 150,424
Fees & Charges (Misc Revenue/Interest)	\$ 2,046,992	\$ 2,088,137
Grants	\$ 70,830	\$ 70,830
Concessions	\$ 60,600	\$ 61,818
Contributions & Donations	\$ 24,000	\$ 24,000
Transfers in	\$ 278,598	\$ 282,044
<b>Total Resources</b>	<b>\$ 12,475,833</b>	<b>\$ 12,749,887</b>
<b>Requirements</b>		
Personnel	\$ 5,221,770	\$ 5,936,801
Materials & Services	\$ 2,732,262	\$ 3,103,646
Allocated Costs	\$ 348,032	\$ -
Capital Outlay	\$ 827,500	\$ 700,000
<i>Software &amp; Conversion</i>	\$ 127,500	\$ -
<i>Capital Repair &amp; Replacement</i>	\$ 700,000	\$ 700,000
Special Payments	\$ 256,084	\$ 271,679
Debt Service	\$ 500,000	\$ 500,000
Transfers out	\$ 395,000	\$ 380,000
Contingency	\$ 2,195,185	\$ 1,857,761
<b>Total Requirements</b>	<b>\$ 12,475,833</b>	<b>\$ 12,749,887</b>
<b>Total General Fund</b>	<b>\$ 0</b>	<b>\$ 0</b>



## Exhibit "A"

June 5, 2014

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### NORTH CLACKAMAS REGIONAL PARKS AND RECREATION DISTRICT BOUNDARY, 2014

Beginning at a point on the Clackamas County and Multnomah County Line where it intersects the center of the Willamette River;

Thence, Easterly along said County Line, also being the south line of the "Town of Sellwood", Plat Number 21, Clackamas County Plat Records, to the southeast corner of said plat;

Thence, continuing along said County Line and along the east line of said plat, Northerly to the section line common to Sections 23 and 26, Township 1 South, Range 1 East, Willamette Meridian;

Thence, continuing along said County Line, Easterly, Seven (7) miles, more or less, to the northeast corner of Section 25, Township 1 South, Range 2 East, Willamette Meridian;

Thence, leaving said County Line, and along the east line of said Section 25, Southerly, 960 feet, more or less to the southwest corner of that tract of land described in Deed Document Number 1994-073651, Clackamas County Deed Records;

Thence, along the south line of said tract, Easterly, 1202 feet, more or less to the southeast corner thereof, said point also being on the west line of that tract of land described in Deed Document Number 2013-028017, Clackamas County Deed Records;

Thence, along the west line of said tract, Southerly, 191 feet, more or less to the north line of "Pleasant Valley Heights", Plat Number 1072, Clackamas County Plat Records;

Thence, along said north line, Westerly, 1205 feet, more or less, to the northwest corner of said plat, said point also being on the east line of said Section 25;

Thence, along the west line of said plat and the east line of said section 25, Southerly, 181 feet, more or less, to the south line of said plat, also being the centerline of Sager Road, County Road No. 1200;

Thence, along the centerline of said road, Easterly, 2017 feet, more or less to the southeast corner of that tract of land described Deed Document Number 1995-048989, Clackamas County Deed Records;

Thence, along the east line of said tract, Northerly, 250 feet, more or less to the northeast corner thereof;

Thence, along the north line of said tract, Westerly, 110 feet, more or less, to an angle point in the east boundary of that tract of land described in Deed Document Number 2011-054123, Clackamas County Deed Records;

Thence, along the most easterly line of said tract, Northerly, 199 feet, more or less, to the northeast corner thereof, said point also being on the south line of that tract of land described in Deed Document Number 2001-087232, Clackamas County Deed Records;

Thence, along the south line of said tract, and the south line of that tract of land described in Deed Document Number 2014-020636, Clackamas County Deed Records, Easterly, 744 feet, more or less, to the southeast corner of said Document Number 2014-020636 tract, said point also being on the centerline of 172<sup>nd</sup> Avenue, County Road No. 738;

Thence, along the centerline of said road, Northerly, 240 feet, more or less, to the northwest corner of the Moses Noble Donation Land Claim, Number 70;

Thence, along the north line of said Donation Land Claim, Easterly, 1518 feet, more or less to the northwest corner of that tract of land described in Deed Document Number 2014-001400, Clackamas County Deed Records;

Thence, along the west line of said tract and the west line of that tract of land described in Deed Document Number 2013-080777, Clackamas County Deed Records, Southeasterly, 410 feet, more or less, to the northwest corner of that tract of land described in Deed Document Number 1991-002878, Clackamas County Deed Records;

Thence, along the west line of said tract, Southerly, 140 feet, more or less to the southwest corner thereof;

Thence, along the south line of said tract, Easterly, 317 feet, more or less, to the southeast corner thereof, said point also being on the centerline of Foster Road, Market Road Number 18;

Thence, along the centerline of said road, Southeasterly, 741 feet, more or less, to the northeast corner of that tract of land described in Deed Document Number 2006-051750, Clackamas County Deed Records;

Thence, along the north line of said tract, Southwesterly, 615 feet, more or less, to the northwest corner thereof;

Thence, along the west line of said tract, Southerly, 135 feet, more or less, to the southwest corner thereof;

Thence, along the south line of said tract, Northeasterly, 627 feet, more or less to the southeast corner thereof, said point also being on the centerline of said Foster Road;

Thence, along the centerline of said road, Southeasterly, 359 feet, more or less to the northeast corner of that tract of land described in Deed Document Number 2012-020078, Clackamas County Deed Records;

Thence, along the north line of said tract, Westerly, 1069 feet, more or less to the northwest corner thereof;

Thence, along the west line of said tract, and the west line of that tract of land described in Deed Document Number 2012-020079, Clackamas County Deed Records, and the west line of that tract of land described in Deed Document number 1993-066336, Clackamas County Deed Records, Southerly, 1000 feet, more or less to the most westerly southwest corner of said Document Number 1993-066336 tract;

Thence, along the most westerly south line of said tract, Easterly, 203 feet, more or less to an angle point on the west line of said tract;

Thence, along the most southerly west line of said tract, and the west line of that tract of land described in Deed Document Number 2009-074910, Clackamas County Deed Records, and the west line of that tract of land described in Deed Document Number 1998-037473, Clackamas County Deed Records, and along the west line of that tract of land described in Deed Document Number 2010-016038, Clackamas County Deed Records, and the west line of that tract of land described in Deed Document Number 2007-066304, Clackamas County Deed Records, Southerly, 973 feet, more or less, to the northeast corner of that tract of land described in Deed Document Number 2002-051176, Clackamas County Deed Records;

Thence, along the north line of said tract, Westerly, 422 feet, more or less, to the northwest corner thereof;

Thence, along the west line of said tract, Southerly, 309 feet, more or less, to the southwest corner thereof;

Thence, along the south line of said tract, Easterly, 422 feet, more or less, to the southeast corner thereof, said point also being on the west line of that tract of land described in Deed Document Number 1972-032778, Clackamas County Deed Records;

Thence, along the west line of said tract and the west line of that tract of land described in Deed Document Number 2010-052274, Clackamas County Deed Records, Southerly, 329 feet, more or less to the northeast corner of that tract of land described in Deed Document Number 2004-059781, Clackamas County Deed Records;

Thence, along the north line of said tract and the north line of that tract of land described in Deed Document Number 1977-013087, Westerly, 328 feet, more or less to the northwest corner of said Document Number 1977-013087 tract;

Thence, along the west line of said tract, Southerly, 803 feet, more or less, to the southwest corner thereof, said point also being on the centerline of Hemrick Road, County Road Number 494;

Thence, along the centerline of said road, also being the north line of that tract of land described in Deed Document Number 1991-052820, Clackamas County Deed Records, and the north line of that tract of land described in Deed Document Number 2005-007307, Clackamas County Deed Records, and the north line of that tract of land described in Deed Document Number 2012-034941, Clackamas County Deed Records, Westerly, 160 feet, more or less, to the northwest corner of said Document Number 2012-034941 tract;

Thence, along the west line of said tract, Southerly, 395 feet, more or less, to the northeast corner of that tract of land described in Deed Document Number 2004-032440, Clackamas County Deed Records;

Thence, along the north line of said tract, Westerly, 352 feet, more or less, to the northwest corner thereof;

Thence, along the west line of said tract, Southerly, 427 feet, more or less, to the southwest corner thereof;

Thence, along the south line of said tract and the most westerly south line of that tract of land described ad Parcel III in Deed Document Number 1982-000195, Clackamas County Deed Records, Easterly, 775 feet, more or less to an angle point in said Parcel III tract;

Thence, along the westerly line of said tract, Southerly, 50 feet, more or less, to an angle point in said line;

Thence, continuing along said line, Easterly, 83 feet, more or less, to an angle point on said line, said point being on the east line of the west half of the northeast quarter of Section 31, Township 1 South, Range 3 East, Willamette Meridian;

Thence, along said east line, Southerly, 1094 feet, more or less, to the northeast corner of that tract of land described in Deed Book 696, Page 259, Clackamas County Deed Records;

Thence, along the north line of said tract, Westerly, 1322 feet, more or less to the northwest corner thereof, said point also being on the centerline of 172<sup>nd</sup> Avenue, County Road Number 494;

Thence, along the west line of said Deed Book 696, Page 259 tract, Southerly, 166 feet, more or less to the southwest corner thereof;

Thence, along the south line of said tract, Easterly, 1323 feet, more or less to the southeast corner thereof, said point also being on said east line of the west half of the northeast quarter of said section 31;



Thence, along said east line, Southerly, 331 feet, more or less to the northeast corner of that tract of land described in Deed Document Number 2008-027209, Clackamas County Deed Records;

Thence, along the north line of said tract, Westerly, 461 feet, more or less, to the northwest corner thereof, said point also being on the centerline of Rock Creek;

Thence, along the west line of said tract, and along the centerline of said creek, downstream in a Southerly direction, 253 feet, more or less to the southwest corner thereof, said point also being on the north line of that tract of land described as parcel 1, in Deed Document Number 2008-027209, Clackamas County Deed Records;

Thence, along the north line of said tract, Westerly, 835 feet, more or less to the northwest corner thereof, said point also being on the centerline of said 172<sup>nd</sup> Avenue;

Thence, along the west lines of parcels 1, 2 and 3I, of said Document Number 2008-027209 tract, also being along the centerline of said 172<sup>nd</sup> Avenue, Southerly, 333 feet, more or less, to the southwest corner of said parcel 3I;

Thence, along the south line of said parcel 3I tract, Easterly, 272 feet, more or less to the northwest corner of parcel 4, described in Deed Document Number 2008-027209, Clackamas County Deed Records;

Thence, along the west line of said parcel 4 tract, Southerly, 172 feet, more or less, to the southwest corner thereof;

Thence, along the south line of said tract, Easterly, 1049 feet, more or less to the southeast corner thereof, said point also being on the east line of the west half of the southeast quarter of said section 31;

Thence, along said east line, Southerly, 137 feet, more or less to the northeast corner of that tract of land described in Deed Document Number 1984-017971, Clackamas County Deed Records;

Thence, along the north line of said tract and the north line of that tract of land described in Deed Document Number 1975-033355, Clackamas County Deed Records, and the north line of that tract of land described in Deed Document Number 1970-011859, Clackamas County Deed Records, Westerly, 661 feet, more or less, to the northwest corner of said Document Number 1970-011859 tract;

Thence, along the west line of said tract, Southerly, 680 feet, more or less, to the southwest corner thereof, said point also being on the centerline of Troge Road, County Road Number 1631;

Thence, along said centerline, Easterly, 701 feet, more or less, to a point on the east line of the west half of the southeast quarter of said section 31;

Thence, along said east line, Southerly, 1433 feet, more or less, to the southeast corner thereof, said point also being on the north line of Section 6, Township 2 South, Range 3 East, Willamette Meridian;

Thence, along the north line of said Section 6, Westerly, 819 feet, more or less, to the northeast corner of the plat of "Rachella Acres, Plat Number 1743, Clackamas County Plat Records;

Thence, along the most northerly east line of said "Rachella Acres" and the common line between lots 2, 3, 4 and 5 of said plat, Southerly, 1327 feet, more or less, to the southwest corner of said lot 2, said point also being on the centerline of Vogel Road, County Road Number 2364;

Thence, along the centerline of said road, Easterly, 165 feet, more or less, to the southeast corner of said lot 2;

Thence, along the east line of said lot 2, Northerly, 558 feet, more or less, to the northeast corner thereof, said point also being on the south line of lot 1, "Rachella Acres Two", Plat Number 1877, Clackamas County Plat Records;

Thence, along the south line of said lot 1, Easterly, 360 feet, more or less to the southeast corner thereof, said point also being on the centerline of Rachella Court;

Thence, along said centerline, Northerly, 75 feet, more or less, to the southwest corner of lot 6 of said "Rachella Acres Two";

Thence, along the south line of said lot, Easterly, 461 feet, more or less, to a point on the east line of the west half of the northeast quarter of Section 6, Township 2 South, Range 3 East, Willamette Meridian;

Thence, along said east line, Southerly, 633 feet, more or less, to a point on the centerline of said Vogel Road;

Thence, along the centerline line of said road, Westerly, 667 feet, more or less, to the northwest corner of that tract of land described in Deed Document Number 1985-040091, Clackamas County Deed Records;

Thence, along the west line of said tract, Southerly, 335 feet, more or less to the southwest corner thereof;

Thence, along the south line of said tract, Easterly 647 feet, more or less, to the southeast corner thereof, said point also being on the east line of the west half of the northeast quarter of said section 6;

Thence, along said east line, Southerly, 990 feet, more or less, to the southwest corner of that tract of land described as Parcel I in Deed Document Number 2010-043011, Clackamas County Deed Records;

Thence, along the south line of Parcel II of said Deed Document Number 2010-043011, Westerly, 25 feet more or less to a point on the south line of said tract and the centerline of 177<sup>th</sup> Avenue, County Road Number 2877;

Thence, along the centerline of said 177<sup>th</sup> Avenue, Southerly, 399 feet, more or less, to the northwest corner of that tract of land described in Deed Document Number 2005-124662, Clackamas County Deed Records;

Thence, along the north line of said tract, Easterly, 200 feet, more or less, to the northeast corner thereof;

Thence, along the east line of said tract, Southerly, 250 feet, more or less, to the southeast corner thereof;

Thence, along the south line of said tract, Westerly, 200 feet, more or less, to the southwest corner thereof, said point also being on the centerline of said 177<sup>th</sup> Avenue;

Thence, along said centerline, Southerly, 30 feet, more or less, to the northeast corner of that tract of land described in Deed Document Number 1971-15674, Clackamas County Deed Records;

Thence, along the north line of said tract, Westerly 177 feet, more or less, to the northwest corner thereof, said point also being on the east line of that tract of land described in Deed Document Number 1992-075726, Clackamas County Deed Records;

Thence, along the east line of said Deed Document Number 1992-075726 tract, Northerly, 202 feet, more or less, to the northeast corner thereof;

Thence, along the north line of said tract, Westerly, 150 feet, more or less, to the northwest corner thereof;

Thence, along the west line of said tract, Southerly, 187 feet, more or less, to an angle point in said west line;

Thence, continuing along said west line, Southerly, 166 feet, more or less, to the southwest corner thereof, said point also being on the centerline of Sunnyside Road, County Road Number 1040;

Thence, along the centerline of said road, Northwesterly, 156 feet, more or less, to the northeast corner of Lot 19, "Golden Horseshoe Estates" Plat Number 1249, Clackamas County Plat Records;

Thence, along the east line of said Lot 19, Southerly, 284 feet, more or less to the southeast corner thereof;

Thence, along the south line of said Lot 19, Westerly, 120 feet, more or less, to the most southerly west corner thereof;

Thence along the southwesterly line of said Lot 19 and the southwesterly line of Lots 17 and 18 of said plat, Northwesterly, 512 feet, more or less, to the northwest corner of said Lot 17, said point also being a point on the south line of Lot 16 of said plat;

Thence, along the south line of said Lot 16, Westerly 20 feet, more or less, to the southwest corner thereof, said point also being on the east line of Lot 6 of said plat;

Thence, along the east line of said Lot 6, Northerly, 91 feet, more or less to the southwest corner of Lot 15 of said plat;

Thence, along the south line of said Lot 15, Easterly, 349 feet, more or less, to the southeast corner thereof, said point also being on the centerline of said Sunnyside Road;

Thence, along the centerline of said road, Northerly, 90 feet, more or less, to the northeast corner of said Lot 15;

Thence, along the north line of said lot, Westerly, 335 feet, more or less, to the northwest corner thereof, said point also being on the east line of Lot 5 of said plat;

Thence, along the east line of said Lot 5, Northerly, 14 feet, more or less, to the northeast corner thereof;

Thence, along the north line of said lot, Westerly 273 feet, more or less, to the northwest corner thereof, said point also being on the centerline of 172<sup>nd</sup> Avenue, County Road Number 25;

Thence, along the west line of said Lot 5 and the west lines of Lots 6 and 7, of said plat also being the centerline of said road, Southerly, 300 feet, more or less, to the southwest corner of said lot 7;

Thence, along the south line of said Lot 7, Easterly, 273 feet, more or less, to the southeast corner thereof, said point also being on the west line of Lot 20 of said plat;

Thence, along the west line of said Lot 20, Southerly, 100.00 feet, more or less, to the northeast corner of Lot 9 of said plat;

Thence, along the north line of said lot, Westerly, 273 feet, more or less, to the northwest corner thereof, said point also being on the centerline of said 172<sup>nd</sup> Avenue;

Thence, along the centerline of said road, Southerly, 210 feet, more or less, to the southwest corner of said plat;

Thence, along the south line of said plat, Easterly, 461 feet, more or less, to the northwest corner of Lot 10, "Sun Valley Estates", Plat Number 1722, Clackamas County Plat Records;

Thence, along the west line of said plat, Southerly, 644 feet, more or less, to the southwest corner thereof;

Thence, along the south line of said plat, Easterly, 869 feet, more or less, to the southeast corner thereof, said point also being on the east line of the west half of the southeast one quarter of Section 6, Township 2 South, Range 3 East, Willamette Meridian;

Thence, along said east line, Southerly, 954 feet, more or less, to a point on the south line of said Section 6, also being the north line of Section 7, Township 2 South, Range 3 East, Willamette Meridian;

Thence, along the north line of said Section 7, Westerly, 36 feet, more or less, to the northwest corner of that tract of land described in Deed Document Number 1999-009161, Clackamas County Deed Records;

Thence, along the west line of said tract, Southerly, 462 feet, more or less, to the southwest corner thereof;

Thence, along the south line of said tract, Easterly, 36 feet, more or less, to a point on the east line of the west half of the northwest one quarter of said Section 7;

Thence, along said east line, Southerly, 401 feet, more or less, to the northeast corner of that tract of land described in Deed Document Number 1982-029391, Clackamas County Deed Records;

Thence, along the north line of said tract, Westerly, 557 feet to the northwest corner thereof;

Thence, along the west line of said tract, Southerly, 470 feet, more or less to the southwest corner thereof;

Thence, along the south line of said tract, Easterly, 253 feet, more or less, to the northwest corner of that tract of land described in Deed Document Number 1995-074911, Clackamas County Deed Records;

Thence, along the west line of said tract, Southerly, 976 feet, more or less, to a point on the centerline of Armstrong Circle, Market Road Number 16;

Thence, along said centerline, Southeasterly, 21 feet, more or less, to the northwest corner of that tract of land described in Deed Book 585, Page 413, Clackamas County Deed Records;

Thence, along the west line of said tract, Southerly, 348 feet, more or less, to the southwest corner thereof, said point also being on the centerline of Highway 212;

Thence, along said centerline, Westerly, 1020 feet, more or less, to the center one quarter corner of said Section 7;

Thence, along the north-south centerline of said Section 7, Southerly, 2640 feet, more or less, to the south one quarter corner of said Section 7;

Thence, along the south line of said Section 7, Westerly, 2640 feet, more or less, to the southwest corner of said Section 7;

Thence, along the section line between Section 13, Township 2 South, Range 2 East, and Section 18, Township 2 South, Range 3 East, Willamette Meridian, Southerly, 926 feet, more or less, to the southeast corner of the plat of "Shadow Mountain", Plat Number 3879, Clackamas County Plat Records;

Thence, along the south line of said plat and the south line of Partition Plat No. 2005-101, Clackamas County Plat Records, Westerly, 850 feet, more or less, to the center of Highway 212;

Thence, along the centerline of Highway 212, Southerly, 700 feet, more or less, to a point that is 1610.40 feet South and 701.58 feet West of the Northeast corner of said Section 13;

Thence, parallel with the north boundary of said Section 13, Westerly, 1600 feet, more or less, to center of the Clackamas River;

Thence, downstream along the center of the main channel of the Clackamas River to its confluence with the Willamette River;

Thence downstream along the center of the main channel of the Willamette River to a point on the westerly extension of the south line of the plat of "Sellwood", Plat Number 21, Clackamas County Plat Records, being a point on the County Line between Clackamas and Multnomah Counties, said point also being the point of beginning;

Excepting therefrom the following described tracts of land that are "Islands" surrounded by the City of Happy Valley, but have not yet been annexed into the corporate limits of said City;

Tax Lot data:	Deed reference, Clackamas County Deed Records:
12E25A 01900	Document Number 2001-091408
12E25BA00700	Document Number 1997-040968
12E25BA01200	Document Number 1993-013168
12E25D 00500	Document Number 2012-051362
12E25D 00600	Document Number 2007-047779
12E25D 00700	Document Number 2006-078603

12E25D 00800	Document Number 2011-020300
13E30B 02800	Document Number 1989-006051
13E30B 02801	Document Number 2000-059720
13E30B 02700	Document Number 2012-081904
13E30B 02601	Document Number 1974-25394
13E30B 02602	Document Number 1999-011063
13E30B 02603	Document Number 2010-080130
13E30C 00201	Document Number 2002-076442
13E30C 00203	Document Number 2011-011260
13E30C 00500	Document Number 1999-089364
13E30C 00601	Document Number 1996-016505
13E30C 00602	Document Number 1993-057929
13E30C 00604	Document Number 2012-013788
13E30C 00800	Document Number 1991-000844
13E30C 00900	Document Number 1993-050570
13E30C 01000	Document Number 2004-068051
13E30C 01200	Document Number 1981-004626
13E30C 01900	Document Number 1991-045075
13E30C 02600	Document Number 1997-001704
13E30C 02700	Document Number 1997-001704
13E30D 02601	Document Number 1994-070855
13E30D 03100	Document Number 2014-022444
13E31A 00700	Document Number 2012-021944
12E36CA00101	Document Number 2010-058286

12E36CA00600	Document Number 2004-016283
12E36CA00700	Document Number 1991-023191
12E36CA00800	Document Number 1994-071682
12E36CA00900	Document Number 2005-026682
12E36CA01000	Document Number 1999-078287
12E36CA01100	Document Number 2010-042430
12E36CA01200	Deed Book 659, Page 704
12E36CA01400	Document Number 2008-083474
12E36CA01600	Document Number 1985-003057
12E36CA01700	Deed Book 662, Page 196
12E36CC00300	Document Number 2009-069166
12E36CC00404	Document Number 2011-044964
12E36CC01000	Document Number 1989-002643
12E36DA00400	Document Number 1992-045168
12E36DA00500	Document Number 1998-112449
12E36DA00800	Document Number 2001-005815
12E36DA00900	Document Number 2005-004640
12E36DA01201	Document Number 1989-021526
12E36DB01100	Document Number 1974-004219
12E36DB01200	Document Number 2005-120734
12E36DB01400	Document Number 1986-000925
12E36DB01500	Deed Book 685, Page 529
12E36DB01700	Document Number 1985-006666
12E36DB02500	Document Number 1999-103212
12E36DB02600	Document Number 1986-014831



12E36DB02700	Document Number 1987-022251
12E36DB02800	Document Number 1988-043533
12E36DB02900	Document Number 2009-040525
22E01AA16400	Document Number 1988-039996
22E12A 00100	Document Number 2005-084935
22E12A 00101	Document Number 1973-009096
22E12A 00300	Document Number 2007-035301
23E06B 00902	Document Number 1994-061842
23E06B 01500	Deed Book 208, Page 619
23E06BB01000	Document Number 2004-085175
23E06C 00200	Document Number 2001-052563
23E06C 00300	Document Number 1987-054701
23E06C 00400	Document Number 1997-045673
23E06C 00500	Document Number 2006-069556
23E06C 00600	Document Number 1992-052615
23E06C 00700	Document Number 1975-038196
23E06C 00800	Document Number 2010-040544
23E06C 00900	Document Number 2005-101261
23E06C 01000	Document Number 1993-020715
23E06C 01200	Document Number 2013-014593
23E06C 01300	Document Number 1983-022951
23E06C 01400	Document Number 2009-023307
23E06C 01500	Document Number 1972-030582
23E06C 01700	Document Number 2013-011467

23E06C 01800	Document Number 1975-000314
23E06C 02100	Document Number 2003-090210
23E06C 02400	Document Number 1995-047880
23E06C 02500	Document Number 2012-026888
23E06C 02600	Document Number 2011-008326
23E06C 02700	Document Number 2007-043729
23E06C 02800	Document Number 1972-012306
23E06C 02900	Document Number 2002-059182
23E06C 03100	Document Number 1982-003269
23E06C 03200	Document Number 2010-055179
23E06C 03300	Document Number 1995-011444
23E06C 03400	Document Number 1972-027661
23E06C 03500	Document Number 1973-014079
23E06C 03600	Document Number 1972-038290
23E06C 03700	Document Number 1972-022353
23E06C 04400	Document Number 1980-035663
23E06C 04500	Document Number 2014-015268
23E06C 04600	Document Number 2013-080360
23E06C 04700	Document Number 1992-012771
23E06C 04800	Document Number 2009-030004
23E06C 04900	Document Number 2010-041885
23E06C 05000	Document Number 2007-064174
23E06C 05100	Document Number 2001-098488
23E06C 05200	Document Number 2008-055686
23E06C 05300	Document Number 1975-009082

23E06C 05500	Document Number 2004-033594
23E06C 05600	Document Number 1993-072548
23E06C 05700	Document Number 2009-053143
23E06C 05800	Document Number 2008-047114
23E06C 05900	Document Number 1984-044366
23E06C 06200	Document Number 1998-047674
23E06C 06300	Document Number 2013-026570
23E06C 06400	Document Number 1992-078381
23E06C 06500	Document Number 2006-087377
23E06C 06600	Document Number 1985-041329
23E06C 07600	Document Number 1987-054998
23E06C 07601	Document Number 1987-054998
23E06C 07602	Document Number 1992-054464
23E06DB00200	Document Number 1986-020172
23E07B 00401	Document Number 1993-002359
23E07B 00403	Document Number 1980-009724
23E07B 00404	Document Number 1975-001092
23E07B 00405	Document Number 1993-002359
23E07B 00421	Document Number 1993-002359

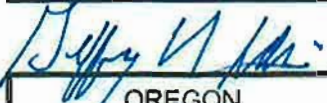
Further excepting therefrom all property within the City of Portland corporate city limits:

Further excepting therefrom all property within the City of Gladstone corporate city limits:

Further excepting therefrom all property within the City of Johnson City corporate city limits:

6.05.2014

REGISTERED  
PROFESSIONAL  
LAND SURVEYOR

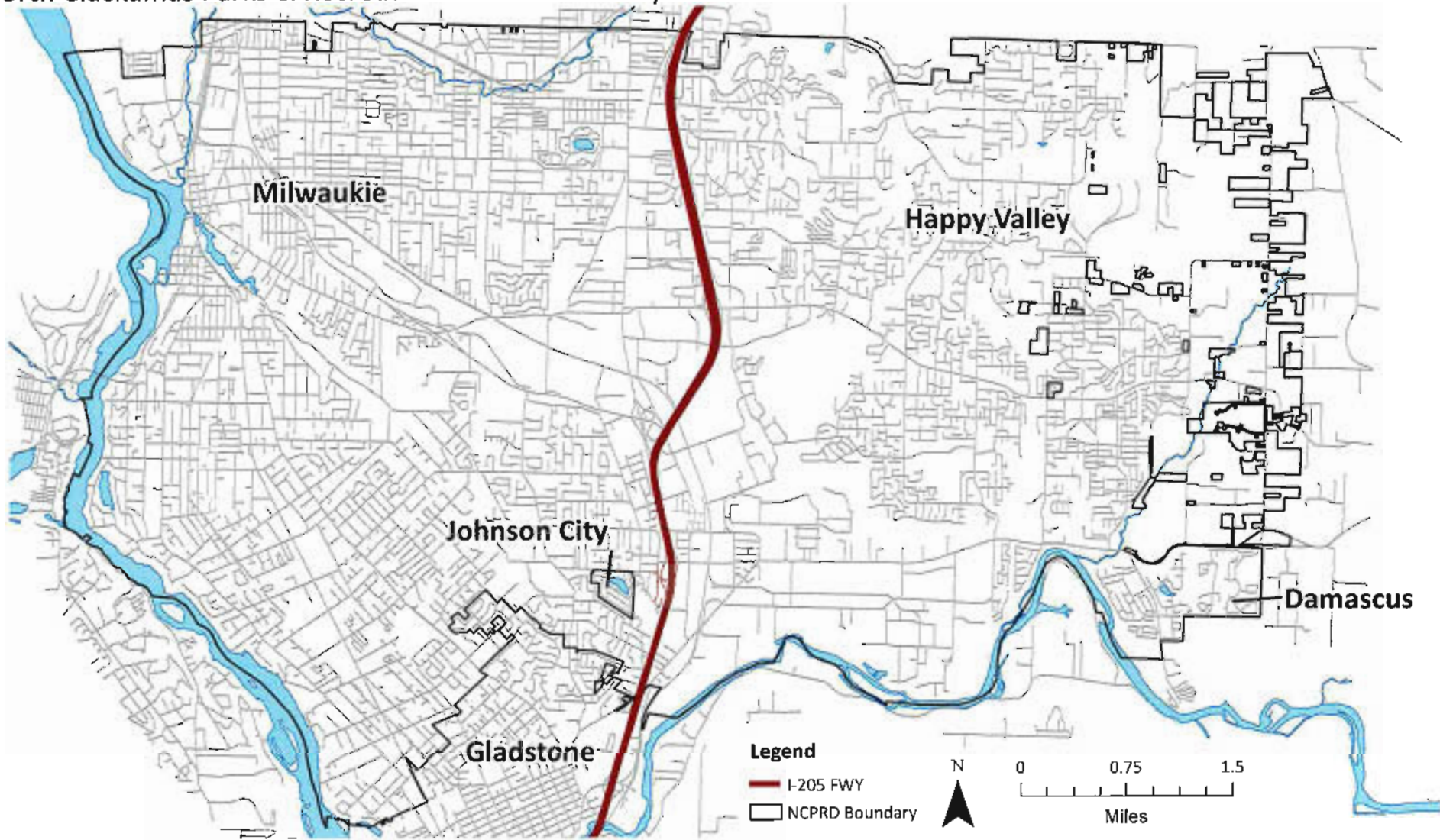


OREGON  
FEBRUARY 08, 2000  
JEFFORY N. ADAIR  
88984

RENEWS: 12-31-15

Exhibit "B" :

North Clackamas Parks & Recreation District Boundary 2014





4  
MARC GONZALES  
DIRECTOR

DEPARTMENT OF FINANCE

June 12, 2014

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

Board of County Commissioners  
Clackamas County

Members of the Board:

Approval of a Resolution for a Clackamas County Supplemental Budget  
(Greater Than Ten Percent and Budget Reduction) for Fiscal Year 2013-2014

Purpose/Outcome	Supplemental Budget changes for Clackamas County FY 2013-2014
Dollar Amount and fiscal Impact	The effect is a decrease in appropriations of \$12,020,939.
Funding Source	Includes Fund Balance, Federal and Local Grants and Charge for Services.
Safety Impact	N/A
Duration	July 1, 2013-June 30, 2014
Previous Board Action/Review	Budget Adopted June 27, 2013 and amended November 7, 2013, January 30, 2014 and April 10, 2014
Contact Person	Diane Padilla, 503-742-5425
Contract No.	N/A

**BACKGROUND:**

Each fiscal year it is necessary to reduce allocations or allocate additional sources of revenue and appropriate additional expenditures to more accurately meet the changing requirements of the operating departments. The attached resolution reflects such changes requested by departments in keeping with a legally accurate budget. These changes are in compliance with O.R.S. 294.480 (4) which allows for governing body approval of supplemental budget changes for items ten percent or greater of the qualifying expenditures of the budget funds(s) being adjusted. The required notices have been published.

The County School Fund is recognizing United States Department of Agriculture Forest Services revenue and budgeting for distribution to county schools.

The Tax Title Land Fund was closed June 30, 2013 but still has a fund balance so the fund needs to be reopened in fiscal year 2013-14 to enable the balance to be transferred to the Property Resources Fund.

The Clackamas Health Centers Fund is reducing and realigning its budget due to lower than anticipated fee revenue from Oregon Health Plan, Title XIX Medical Assistance Program and Medicaid Wrap Payments.

The effect of this Resolution is a change in appropriations of (\$12,020,939) including revenues as detailed below:

Fund Balance	\$ (4,998,916.)
Federal Operating Grants	310,000.
Local Government & Other Agency	(1,808,149.)
Charge for Services	<u>(5,523,874.)</u>
Total Recommended	<u>\$ (12,020,939.)</u>

**RECOMMENDATION:**

Staff respectfully recommends adoption of the attached supplemental budget and Exhibit A in keeping with a legally accurate budget.

Sincerely,



Diane Padilla  
Budget Manager

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

In the Matter of Providing Authorization  
Regarding Adoption of a Supplemental  
Budget for Items Greater Than 10  
Percent of the Total Qualifying Expenditures  
and Making Appropriations for Fiscal  
Year 2013-14



Resolution No \_\_\_\_\_

WHEREAS, during the fiscal year changes in appropriated expenditures may become necessary and appropriations may need to be increased, decreased or transferred from one appropriation category to another;

WHEREAS, a supplemental budget for the period of July 1, 2013 through June 30, 2014, inclusive, has been prepared, published and submitted to the taxpayers as provided by statute;

WHEREAS; a hearing to discuss the supplemental budget was held before the Board of County Commissioners on June 12, 2014.

WHEREAS; the funds being adjusted are:

- . County School Fund
- . Tax Title Land Fund
- . Clackamas Health Centers Fund;

It further appearing that it is in the best interest of the County to approve this greater than 10 percent change in appropriations for the period of July 1, 2013 through June 30, 2014.

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS THAT:

Pursuant to its authority under OR 294.480, the supplemental budget be adopted and appropriations established as shown in the attached Exhibit A which by this reference is made a part of this Resolution.

DATED June 12, 2014

**BOARD OF COUNTY COMMISSIONERS**

\_\_\_\_\_  
Chair

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



**SUMMARY OF SUPPLEMENTAL BUDGET**  
**Exhibit A**  
**CHANGES OF GREATER THAN 10% OF BUDGET**  
**June 12, 2014**

Recommended items by revenue source:

Fund Balance	\$ (4,998,916.)
Federal Operating Grants	310,000.
Local Government and Other Agencies	(1,808,149.)
Charge for Services	<u>(5,523,874.)</u>
Total Recommended	<u><u>\$(12,020,939.)</u></u>

**COUNTY SCHOOL FUND**

Revenues:	
Federal Operating Grants	\$ 310,000.
Total Revenues	<u>\$ 310,000.</u>
Expenses:	
Materials and Services	\$ 310,000.
Total Expenses	<u>\$ 310,000.</u>

County School Fund is recognizing United States Department of Agriculture Forest Services revenue and budgeting for distribution to county schools.

**TAX TITLE LAND FUND**

Revenues:	
Fund Balance	\$ 50.
Total Revenues	<u>\$ 50.</u>
Expenses:	
Interfund Transfer	\$ 50.
Total Expenses	<u>\$ 50.</u>

Tax Title Land Fund was closed June 30, 2013 but still has a fund balance so the fund needs to be reopened in fiscal year 2013-14 to enable the balance to be transferred to the Property Resources Fund.

**CLACKAMAS HEALTH CENTERS FUND**

Revenues:	
Fund Balance	\$ (4,998,966.)
Local Government & Other Agencies	(1,808,149.)
Charge for Services	<u>(5,523,874.)</u>
Total Revenues	<u><u>\$(12,330,989.)</u></u>
Expenses:	
Personnel Services	\$ (3,557,940.)
Materials and Services	(1,809,049.)
Capital Outlay	(964,000.)
Contingency	<u>(6,000,000.)</u>
Total Expenses	<u><u>\$(12,330,989.)</u></u>

Clackamas Health Centers Fund is reducing and realigning its budget due to lower than anticipated fee revenue from Oregon Health Plan, Title XIX Medical Assistance Program and Medicaid Wrap Payments.

June 12, 2014

Board of County Commissioner  
Clackamas County

Members of the Board:

Approval of an Agency Service Contract with  
Alternative Services of Oregon, Inc. for  
Behavioral Consultation Services and Outpatient Mental Health Services

<b>Purpose/Outcomes</b>	To provide Behavioral Consultation Services and Outpatient Mental Health Services for people who are Oregon Health Plan (OHP) members capitated to Clackamas County.
<b>Dollar Amount and Fiscal Impact</b>	The contract does not contain an upper limit; expenditures are controlled by Behavioral Health Division staff who pre-authorize and monitor services on an on-going basis.
<b>Funding Source</b>	Oregon Health Authority - no County General Funds are involved.
<b>Safety Impact</b>	None
<b>Duration</b>	Effective July 1, 2014 and terminates on June 30, 2015
<b>Previous Board Action</b>	The previous agreement was approved by the Board of County Commissioners on December 13, 2012 - agenda item 121312-A1
<b>Contact Person</b>	Jill Archer, Director - Behavioral Health Division - 742-5336
<b>Contract No.</b>	6681

**BACKGROUND:**

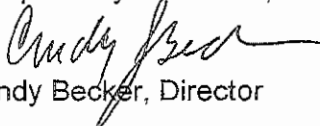
The Behavioral Health Division has partnered with Alternative Services of Oregon, Inc. for behavioral health services since 2012. This contract is a continuation of these services.

The contract is effective July 1, 2014 and continues through June 30, 2015.

**RECOMMENDATION:**

Staff recommends the Board approval of this contract and authorizes Cindy Becker, H3S Director to sign on behalf of Clackamas County.

Respectfully submitted,

  
Cindy Becker, Director

# AGENCY SERVICE CONTRACT

## Contract # 6681

This Agency Service Contract is between Clackamas County acting by and through its Health, Housing and Human Services Department, Behavioral Health Division, hereinafter called "COUNTY," and **ALTERNATIVE SERVICES OF OREGON, INC.**, hereinafter called "AGENCY." Throughout this contract and all exhibits, the term "DEPARTMENT" shall refer to and mean the State of Oregon, Oregon Health Authority.

## CONTRACT

### 1.0 Engagement

COUNTY hereby engages AGENCY to provide outpatient mental health services as described in Exhibit C, Scope of Work, attached hereto and incorporated herein.

### 2.0 Term

Services provided under the terms of this contract shall commence on **July 1, 2014** and shall terminate **June 30, 2015** unless terminated by one or both parties as provided for in paragraph 6.0 below.

### 3.0 Compensation and Fiscal Records

3.1 Compensation. COUNTY shall compensate AGENCY as specified in Exhibit D, Compensation. The payment shall be full compensation for work performed, for services rendered, and for all labor, materials, supplies, equipment, mileage, and incidentals necessary to perform the work and services.

3.2 Withholding of Contract Payments. Notwithstanding any other payment provision of this contract, should AGENCY fail to submit required reports when due, or submit reports which appear patently inaccurate or inadequate on their face, or fail to perform or document the performance of contracted services, COUNTY shall immediately withhold payments hereunder. Such withholding of payment for cause may continue until AGENCY submits required reports, performs required services, or establishes to COUNTY's satisfaction that such failure arose out of causes beyond the control, and without the fault or negligence, of AGENCY.

3.3 Financial Records. AGENCY and its subcontractors shall maintain complete and legible financial records pertaining in whole or in part to this contract. Such records shall be maintained in accordance with Generally Accepted Accounting Principles and/or other applicable accounting guidelines. Financial records and supporting documents shall be retained for at least six (6) years or such period as may be required by applicable law, following final payment is made under this agreement or until all pending matters are resolved, whichever period is longer. If an audit of financial records discloses that payments to AGENCY were in excess of the amount to which AGENCY was entitled, AGENCY shall repay the amount of the excess to COUNTY.

3.4 Access to Records and Facilities. COUNTY, DEPARTMENT, the Secretary of State's Office of the State of Oregon, the Federal Government, and their duly authorized representatives shall have access to the books, documents, papers and records of AGENCY that are directly related to this contract, the funds paid to AGENCY hereunder, or any services delivered hereunder for the purpose of making audits, examinations, excerpts, and transcripts. In addition, AGENCY shall permit authorized representatives of COUNTY and DEPARTMENT to perform site reviews of all services delivered by AGENCY hereunder.

3.4.1 AGENCY shall maintain up-to-date accounting records that accurately reflect all revenue by source, all expenses by object of expense, and all assets, liabilities and equities consistent with Generally Accepted Accounting Principles and Oregon Administrative Rules. AGENCY shall make reports and fiscal data generated under and for this agreement available to COUNTY upon request.

3.4.2 COUNTY conduct a fiscal compliance review of AGENCY as part of compliance monitoring of this agreement. AGENCY agrees to provide, upon reasonable notice, access to all financial books, documents, papers and records of AGENCY which are pertinent to this agreement to ensure appropriate expenditure of funds under this agreement. COUNTY shall monitor compliance with COUNTY's financial reporting and accounting requirements.

3.4.3 AGENCY may be subject to audit requirements. AGENCY agrees that audits must be conducted by Certified Public Accountants who satisfy the independence requirement outlined in the rules of the American Institute of Certified Public Accountants (Rule 101 of the AICPA Code of Professional Conduct), the Oregon State Board of Accountancy, the independence rules contained within Governmental Auditing Standards (1994 Revision), and rules promulgated by other federal, state and local government agencies with jurisdiction over AGENCY.

3.4.4 AGENCY shall establish and maintain systematic written procedures to assure timely and appropriate resolution of review or audit findings and recommendations. AGENCY shall make such procedures and documentation of resolution of audit findings available to COUNTY upon request.

#### **4.0 Manner of Performance**

4.1 Compliance with Applicable Laws and Regulations and Special Federal Requirements. AGENCY shall comply with all Federal, State, local laws, rules, and regulations applicable to the work to be performed under this contract, including, but not limited to, all applicable Federal and State civil rights and rehabilitation statutes, rules and regulations, and as listed in Exhibit B, paragraph 9. Compliance with Applicable Law, attached hereto and incorporated herein by this reference. AGENCY shall comply with Oregon Administrative Rule (OAR) 410-120-1380, which establishes the requirements for compliance with Section 4751 of Omnibus Budget Reconciliation Act (OBRA) 1991 and ORS 127-649, Patient Self-Determination Act.

4.2 Precedence. A requirement listed both in the main boilerplate of this contract and in an exhibit, the exhibit shall take precedence.

4.3 Subcontracts. AGENCY shall not enter into any subcontracts for any of the work scheduled under this contract without obtaining prior written approval from COUNTY.

4.4 Independent Contractor. AGENCY certifies that it is an independent contractor and not an employee or agent of COUNTY, State, or Federal Government as those terms are used in ORS 30.265. Responsibility for all taxes, assessments, and any other charges imposed upon employers shall be the sole responsibility of AGENCY.

#### **5.0 General Conditions**

5.1 Indemnification. AGENCY agrees to indemnify, save, hold harmless, and defend COUNTY, its officers, commissioners and employees from and against all claims and actions, and all expenses incidental to the investigation and defense thereof, arising out of actions, suits, claims or demand attributable in whole or in part to the acts or omissions of AGENCY, and AGENCY's officers, agents, and employees, in performance of this contract.

AGENCY shall defend, save, hold harmless and indemnify the State of Oregon, AMH and their officers, agents and employees from and against all claims, suits, actions, damages, liabilities, costs and expenses of whatsoever nature resulting from, arising out of, or relating to the activities or omissions of AGENCY, or its agents or employees under this contract.

If AGENCY is a public body, AGENCY's liability under this contract is subject to the limitations of the Oregon Tort Claims Act.

5.2 Insurance. During the term of this agreement, AGENCY shall maintain in force, at its own expense, each insurance noted below:

5.2.1 Commercial General Liability

Required by COUNTY  Not required by COUNTY

AGENCY shall obtain, at AGENCY's expense, and keep in effect during the term of this Agreement, Commercial General Liability Insurance covering bodily injury and property damage on an "occurrence" form in the amount of not less than \$2,000,000 per occurrence/\$4,000,000 general aggregate for the protection of COUNTY, its officers, commissioners, and employees. This coverage shall include Contractual Liability insurance for the indemnity provided under this Agreement. This policy(s) shall be primary insurance as respects to the COUNTY. Any insurance or self-insurance maintained by COUNTY shall be excess and shall not contribute it.

5.2.2 Commercial Automobile Liability

Required by COUNTY  Not required by COUNTY

AGENCY shall also obtain at AGENCY's expense, and keep in effect during the term of the Agreement, "Symbol 1" Commercial Automobile Liability coverage including coverage for all owned, hired, and non-owned vehicles. The combined single limit per occurrence shall not be less than \$2,000,000.

5.2.3 Professional Liability

Required by COUNTY  Not required by COUNTY

AGENCY agrees to furnish COUNTY evidence of professional liability insurance in the amount of not less than \$2,000,000 combined single limit per occurrence/\$4,000,000 general annual aggregate for malpractice or errors and omissions coverage for the protection of COUNTY, its officers, commissioners and employees against liability for damages because of personal injury, bodily injury, death, or damage to property, including loss of use thereof, and damages because of negligent acts, errors and omissions in any way related to this Agreement. COUNTY, at its option, may require a complete copy of the above policy.

5.2.4 Tail Coverage. If liability insurance is arranged on a "claims made" basis, "tail" coverage will be required at the completion of this contract for a duration of thirty-six (36) months or the maximum time period the AGENCY's insurer will provide "tail" coverage as subscribed, or continuous "claims made" liability coverage for thirty-six (36) months following the contract completion. Continuous "claims made" coverage will be acceptable in lieu of "tail" coverage provided its retroactive date is on or before the effective date of this contract.

5.2.5 Additional Insured Provisions. The insurance, other than the professional liability insurance, Workers' Compensation, and Personal Automobile Liability insurance, shall include "Clackamas County, its commissioners, agents, officers, and employees" as an additional insured.

5.2.6 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 to COUNTY. Any failure to comply with this provision will not affect the insurance coverage provided to COUNTY. The 60 days notice of cancellation provision shall be physically endorsed on to the policy.

5.2.7 Insurance Carrier Rating. Coverages provided by AGENCY must be underwritten by an insurance company deemed acceptable by COUNTY. Insurance coverage shall be provided by companies admitted to do business in Oregon or, in the alternative, rated A- or better by Best's Insurance Rating. COUNTY reserves the right to reject all or any insurance carrier(s) with an unacceptable financial rating.

5.2.8 Certificates of Insurance. As evidence of the insurance coverage required by this contract, AGENCY shall furnish a Certificate of Insurance to COUNTY. No contract shall be in effect until the required certificates have been received, approved and accepted by COUNTY. The certificate will specify that all insurance-related provisions within this contract have been complied with. A renewal certificate will be sent to COUNTY 10 days prior to coverage expiration.

5.2.9 Primary Coverage Clarification. AGENCY's coverage will be primary in the event of a loss.

5.2.10 Cross Liability Clause. A cross-liability or separation of insureds condition will be included in all general liability, professional liability, and errors and omissions policies required by this contract.

5.3 Governing Law; Consent to Jurisdiction. This agreement shall be governed by and construed in accordance with the laws of the State of Oregon. Any claim, action, or suit between COUNTY and AGENCY that arises out of or relates to performance under this agreement shall be brought and conducted solely and exclusively within the Circuit Court for Clackamas County, State of Oregon. Provided, however, that if any such claim, action or suit may be brought only in a federal forum, it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. AGENCY by execution of this agreement consents to the in personam jurisdiction of said courts.

5.4 Amendments. The terms of this contract shall not be waived, altered, modified, supplemented or amended, in any manner whatsoever, except by written instrument signed by AGENCY and COUNTY.

5.5 Severability. If any term or provision of this contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms or provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the contract did not contain the particular term or provision held to be invalid.

5.6 Waiver. The failure of either party to enforce any provision of this contract shall not constitute a waiver of that or any other provision.

5.7 Future Support. COUNTY makes no commitment of future support and assumes no obligation for future support of the activity contracted herein except as set forth in this contract.

5.8 Oregon Constitutional Limitations. This contract is expressly subject to the debt limitation of Oregon counties set forth in Article XI, Section 10 of the Oregon Constitution, and is contingent upon funds being appropriated therefore. Any provision herein, which would conflict with such law, is deemed inoperative to that extent.

5.9 Oregon Public Contracting Requirements. Pursuant to the requirements of ORS 279B.020 and ORS 279B.220 through 279B.235 the following terms and conditions are made a part of this contract:

5.9.1 AGENCY shall:

- a. Make payments promptly, as due, to all persons supplying to AGENCY labor or materials for the prosecution of the work provided for in this contract.
- b. Pay all contributions or amounts due the Industrial Accident Fund from such agency or subcontractor incurred in performance of this contract.
- c. Not permit any lien or claim to be filed or prosecuted against COUNTY 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.

5.9.2 If AGENCY fails, neglects, or refuses to make prompt payment of any claim for labor or services furnished to AGENCY or a subcontractor by any person in connection with this contract as such claim becomes due, the proper officer representing COUNTY may pay such claim to the person furnishing the labor or services and charge the amount of the payment against funds due or to become due AGENCY by reason of this contract.

5.9.3 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, and in such cases, 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 weeks five consecutive days, Monday through Friday;
- b. for all overtime in excess of 10 hours in any one 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.

5.9.4 AGENCY shall pay employees at least time and a half for all overtime work performed under this agreement in excess of 40 hours in any one week, except for individuals under person services contracts who are excluded under ORS 653.010 to 653.261 and the Fair Labor Standards Act of 1938 (29 U.S.C. 201 to 209) from receiving overtime.

5.9.5 As required by ORS 279B.230, AGENCY shall promptly, as due, make payment to any person, copartnership, association, or corporation furnishing medical, surgical, and hospital care services or other needed care and attention, incident to sickness or injury, to the employees of AGENCY, of all sums that AGENCY agrees to pay for the services and all moneys and sums that AGENCY collected or deducted from the wages of its employees under any law, contract or agreement for the purpose of providing or paying for the services.

5.9.6 Workers' Compensation. All subject employers working under this agreement must either maintain workers' compensation insurance as required by ORS 656.017, or qualify for an exemption under ORS 656.126. AGENCY shall maintain employer's liability insurance with limits of \$500,000 each accident, \$500,000 disease each employee, and \$500,000 each policy limit.

5.10 Ownership of Work Product. All work products of the AGENCY which result from this contract are the exclusive property of COUNTY.

5.11 Integration. This contract contains the entire agreement between COUNTY and AGENCY and supersedes all prior written or oral discussions or agreements.

5.12 Successors in Interest. The provisions of this contract shall not be binding upon or inure to the benefit of AGENCY's successors in interest without COUNTY's explicit written consent.

## **6.0 Termination**

6.1 Termination Without Cause. This contract may be terminated by mutual consent of both parties, or by either party, upon ninety (90) days' notice, in writing or delivered by certified mail or in person.

6.2 Termination With Cause. COUNTY may terminate this contract effective upon delivery of written notice to AGENCY, or at such later date as may be established by COUNTY, under any of the following conditions:

6.2.1 Terms of the HealthShare Risk Accepting Entity Agreement are modified, changed or interpreted in such a way that the services are no longer allowable or appropriate for purchase under this contract or are no longer eligible for the funding authorized by this contract.

6.2.2 The termination, suspension or expiration of the HealthShare Risk Accepting Entity Agreement.

6.2.3 COUNTY funding from Federal, State, or other sources is not obtained and continued at levels sufficient to allow for purchase of the indicated quantity of services. The contract may be modified to accommodate a reduction in funds.

6.2.4 COUNTY has evidence that AGENCY has endangered or is endangering the health or safety of clients, staff or the public. AGENCY shall ensure the orderly and reasonable transfer of care in progress with consumers and shall work with COUNTY staff to accomplish the same.

6.2.5 The lapse, relinquishment, suspension, expiration, cancellation or termination of any required license, certification or qualification of AGENCY, or the lapse relinquishment, suspension, expiration, cancellation or termination of AGENCY's insurance as required in this contract.

6.2.6 AGENCY's filing for protection under United States Bankruptcy Code, the appointment of a receiver to manage AGENCY's affairs, or the judicial declaration that AGENCY is insolvent.

6.2.7 AGENCY fails to perform any of the other provisions of this contract, or fails to pursue the work of this contract in accordance with its terms, and after written notice from the COUNTY, fails to correct such failures within ten (10) business days or such longer period as COUNTY may authorize.

6.2.8 Debarment and Suspension. COUNTY shall not permit any person or entity to be an AGENCY if the person or entity is listed on the non-procurement portion of the General Service Administration's "List of Parties Excluded from Federal Procurement or Non-procurement Programs" in accordance with Executive Orders No. 12,549 and No. 12,689, "Debarment and Suspension". (See 45 CFR part 76). This list contains the names of parties debarred, suspended, or otherwise excluded by agencies, and contractors declared ineligible under statutory authority other than Executive Order No. 12549. COUNTY shall require all AGENCYS with awards that exceed the simplified acquisition threshold to provide the required certification regarding their exclusion status and that of their principals prior to award.

6.3 Notice of Default. COUNTY may also issue a written notice of default (including breach of contract) to AGENCY and terminate the whole or any part of this contract if AGENCY substantially fails to perform the specific provisions of this contract. The rights and remedies of COUNTY related to default (including breach of contract) by AGENCY shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract.

6.4. Transition. Any such termination of this contract shall be without prejudice to any obligations or liabilities of either party already accrued prior to such termination.

## **7.0 Notices**

If to AGENCY:

Alternative Services of Oregon, Inc.  
7165 SW Fir Loop, # 200  
Tigard, OR 97223-8055

If to COUNTY:

Clackamas County Behavioral Health Division  
2051 Kaen Road, # 367  
Oregon City, OR 97045




This contract consists of seven (7) sections plus the following exhibits and attachments which by this reference are incorporated herein:

Exhibit A	Definitions
Exhibit B	Statement of General Conditions
Exhibit C	Scope of Work
Exhibit D	Compensation
Attachment 1	Invoice Template
Attachment 2	DSN Provider Capacity Report

IN WITNESS WHEREOF, the parties hereto have caused this contract to be executed by their duly authorized officers.

ALTERNATIVE SERVICES, INC.  
c/o Community Living Concepts

By:   
Arthur Mack, President  
5-29-14

Date  
32625 W Seven Mile Road, Suite 7  
Street Address  
Livonia, Michigan 48152  
City/State/Zip  
(248)471-4880 / (248)476-0929  
Phone / Fax

CLACKAMAS COUNTY

Commissioner: John Ludlow, Chair  
Commissioner: Jim Bernard  
Commissioner: Paul Savas  
Commissioner: Martha Schrader  
Commissioner: Tootie Smith

Signing on Behalf of the Board:

Cindy Becker, Director  
Health, Housing and Human Services Department

Date

**EXHIBIT A**  
**DEFINITIONS**

Whenever used in this Agency Services Agreement, the following terms shall have the meanings set forth below:

AMH: State of Oregon, Department of Human Services, Addictions and Mental Health

AGENCY: entity contracted by COUNTY

Allowable Costs: costs described in OMB Circular A-87 except to the extent such costs are limited or excluded by other provisions of this contract

CCO: Coordinated Care Organization is an entity that has been certified as meeting the criteria adopted by the Oregon Health Authority under ORS 414.625 to be accountable for care management and to provide integrated and coordinated health care services

Community Outcome Management and Performance Accountability Support System (COMPASS): the AMH project to implement a new contracts system, roll out an optional free electronic health records systems (OWITS), and enhance the collection of data through MOTS

Contract: this Agency Services Contract between COUNTY and CONTRACTOR for the provision of services

COUNTY: Clackamas County Behavioral Health Division

Covered Services: medically appropriate services specified in OAR 410-141-3120, "Operations and Provision of Health Services" and limited in accordance with OAR 410-141-3420, "Billing and Payment" for OHP Members. The term "Covered Services" may be expanded, limited, or otherwise changed pursuant to the Clackamas County Health Share of Oregon/Clackamas Participation Agreement and OARs. Covered Services may also refer to authorized services provided to uninsured, indigent clients.

DEPARTMENT: AMH contracts with COUNTY to establish and finance community mental health and addiction programs; COUNTY, in turn, subcontracts certain services to AGENCY

DHS: Department of Human Services of the State of Oregon

Federal Funds: funds paid to AGENCY under this contract that are received from an agency, instrumentality or program of the Federal government of the United States

Health Share of Oregon: a Coordinated Care Organization serving Oregon Health Plan enrollees of Clackamas, Multnomah and Washington Counties.

Individual: an individual accessing publicly funded behavioral health services who is either an OHP Member or is determined eligible for services as an uninsured, indigent individual.

Mental Health Services: treatment services for individuals diagnosed with serious mental health illness, or other mental or emotional disturbance posing a danger to the health and safety of themselves or others

Medicaid: Federal funds received by OHA under the Title XIX of the Social Security Act and Children's Health Insurance Program Funds administered jointly with Title XIX funds as part of State medical assistance program by OHA

Misexpenditure: money, other than an overexpenditure disbursed to AGENCY by COUNTY under this agreement and expended by AGENCY that:

- (a) is identified by the Federal government as expended contrary to applicable statutes, rules, OMB Circulars or any other authority that governs the permissible expenditure of such money, for which the Federal government has requested reimbursement by the State of Oregon and whether in the form of a Federal determination of improper use of Federal funds, a Federal notice of disallowance, or otherwise; or
- (b) is identified by the COUNTY, State of Oregon or OHA as expended in a manner other than that permitted by this agreement, including without limitation, any money expended by AGENCY, contrary to applicable statutes, rules, OMB Circulars or any other authority that governs the permissible expenditure of such money; or
- (c) is identified by the COUNTY, State of Oregon or OHA as expended on the delivery of a service that did not meet the standards and requirements of this agreement with respect to that service

Measures and Outcomes Tracking System (MOTS): the AMH data system that stores client data submitted by AGENCY and/or COUNTY

OAR: Oregon Administrative Rules duly promulgated by the Oregon Health Authority and as amended from time to time.

OHA: the State of Oregon, acting by and through its Oregon Health Authority.

OHP Member: an individual found eligible by a division of the Oregon Department of Human Services to receive services under the OHP (Oregon Health Plan) Medicaid Demonstration Project or State Children's Health Insurance Program and who is enrolled with COUNTY as Health Share of Oregon/Clackamas.

Oregon Web Infrastructure for Treatment Services (OWITS): is 1) an optional free electronic health records system available to Counties and their Providers to submit the MOTS data, and 2) a system to manage the AMH services

Primary Source Verification: verification from the original source of a specific credential (education, training, licensure) to determine the accuracy of the qualifications of an individual health care practitioner. Examples of primary source verification include, but are not limited to, direct correspondence, telephone verification and internet verifications.

Third Party Resources: any individual, entity, or program that is, or may be, liable to pay all or part of the cost of any Covered Service furnished to an OHP Member, including but not limited to: private health insurance or group health plan; employment-related health insurance; medical support from absent parents; workers' compensation; Medicare; automobile liability insurance; other federal programs such as Veteran's Administration, Armed Forces Retirees and Dependent Act, Armed Forces Active Duty and Dependents Military Medical Benefits Act, and Medicare Parts A and B; another state's Title XIX, Title XXI or state-funded Medical Assistance Program; and personal estates.

Valid Claim: an invoice, in the form of a CMS 1500 claim form, submitted for payment of covered health services rendered to an eligible client that is submitted within the required 90 days from the date of service or discharge and that can be processed without obtaining additional information from the provider of the service or from a third party. A valid claim is synonymous with the federal definition of a clean claim as defined in 42 CFR 447.45(b).

## EXHIBIT B

### STATEMENT OF GENERAL CONDITIONS

#### 1. Interpretation and Administration of Agreement

AGENCY acknowledges that this agreement between COUNTY and AGENCY is subject to the underlying Health Share of Oregon/Clackamas Risk Accepting Entity Participation Agreement between Health Share of Oregon and COUNTY, the Health Plan Services Contract between the Oregon Health Authority and Health Share of Oregon, the Oregon Revised Statutes concerning the Oregon Health Plan, and other applicable Oregon statutes and administrative rules concerning mental health services. If AGENCY believes that any provision of this agreement or COUNTY's interpretation thereof is in conflict with Federal and State statutes or regulations, AGENCY shall notify COUNTY in writing immediately.

AGENCY agrees to provide medically necessary services within the scope of its practice and license (hereinafter referred to as "services") to individuals assessed as having an eligible mental health condition specified in the Oregon Health Plan "Prioritized List of Mental Health Conditions", can benefit from those services, and as described below when authorized by COUNTY's treatment authorization process. AGENCY shall provide services in accordance with OAR 410-141-3120 "Operations and Provision of Health Services"; OAR 410-141-3420 "Billing and Payment"; and all DHS Rules in OAR Chapter 309 and any other administrative rules to which AGENCY is subject, as such rules may be amended from time to time. These laws, rules and regulations, are incorporated by reference herein to the extent that they are applicable to this agreement and required by law to be so incorporated. Services provided under this agreement are to be within the scope of AGENCY's licenses and certification, and the licenses, certifications and training of its employed and contracted staff providing direct services.

#### 2. General Performance Standards

COUNTY shall monitor services provided by AGENCY and has the right to require AGENCY's compliance with OHA and Health Share of Oregon established standards and other performance requirements relative to the quantity and quality of service and care, access to care, and administrative and fiscal management, and with all obligations and conditions stated in this agreement. AGENCY will notify COUNTY immediately in writing regarding issues related to access to care or any other potential violation of the conditions stated in this agreement.

##### a. Licenses and Certifications

By signing this agreement, AGENCY assures that all licenses and certifications required by statute or administrative rule are and will remain current and valid for all of AGENCY's employees and independent contractors providing direct service and for all of AGENCY's facilities in which services are provided. AGENCY assures that it is certified under OAR 309-012-0130 – 309-012-0220 or licensed under ORS Chapter 443 by the State of Oregon to deliver specified services. AGENCY will promptly notify COUNTY of the initiation of any action against any licenses or, if applicable, against any certifications by any certifying boards or organizations as well as any changes in AGENCY's practice ownership or business address, along with any other problem or situation that may relate to the ability of AGENCY to carry out the duties and obligations of this contract.

##### b. Eligibility and Authorization of Services

AGENCY shall verify eligibility and enrollment of clients prior to providing and billing for service and obtain authorization for the provision of covered services as necessary and appropriate according to COUNTY policies and procedures. AGENCY shall participate in the COUNTY concurrent review

process. AGENCY understands that authorization for services will be based upon this review process.

c. Quality Assurance and Utilization Review

AGENCY shall cooperate with, and participate in, COUNTY's quality assurance and utilization review programs. AGENCY shall also participate in Health Share of Oregon quality initiatives as developed. Further, AGENCY shall have a planned, systematic, and ongoing process for monitoring, evaluating and improving the quality and appropriateness of Covered Services provided to clients.

AGENCY shall work with COUNTY staff to ensure that authorized services provided by AGENCY to clients are the most appropriate and cost efficient, and least restrictive. AGENCY staff shall make records available to COUNTY staff on site upon reasonable notice for purposes of utilization review.

d. Contractual Compliance

AGENCY shall ensure that all providers and staff employed or contracted by AGENCY who provide services to clients or are otherwise engaged in activities under this agreement are fully aware of and in compliance with the terms and conditions of this agreement.

e. Provider Appeal Process

AGENCY shall have the right to appeal actions by COUNTY or decisions concerning interpretation of the Health Share of Oregon/Clackamas Risk Accepting Entity Agreement as they apply to this agreement. Appeals shall be made in writing.

Appeals related to administrative or clinical decisions and all other matters shall be made to COUNTY Administration within thirty (30) calendar days of the date of the action being appealed. A decision shall be issued within twenty-one (21) business days of receipt of the written appeal. An appeal of that decision can be made in writing to the Director of Clackamas County Behavioral Health Division within fourteen (14) business days of the date of the decision. The Director will issue a decision within twenty-one (21) business days, and that decision will be final.

**3. Clinical Standards**

a. Clinical Guidelines

AGENCY shall adopt clinical guidelines that inform mental health practitioners, clients, family members and advocates with evidence-based information about mental illness and appropriate treatment options. Clinical guidelines should be based on a systematic evaluation of research evidence; be designed to assist, rather than dictate, clinical decision-making; and are to be applied on a case-by-case basis. Such guidelines should provide recommendations for appropriate care based on scientific evidence and professional consensus; support for professional standards, quality improvement activities and education; and a basis for comparing current practice to evidence-based best practices. AGENCY shall make such guidelines available to COUNTY upon request.

b. Outcome Measure

AGENCY shall adopt the use of a measure of clinical outcomes that demonstrates a change in client status following an episode of treatment. The measurement tool adopted shall identify changes in symptoms, functioning, quality of life, adverse events or satisfaction. AGENCY shall make information about outcome measures used available to COUNTY upon request.

c. Coordination of Care

- (1) AGENCY shall develop, implement and participate in activities supportive of a continuum of care that integrates mental health, addiction and physical health interventions in ways that are seamless and whole to the client. Integration activities may span a continuum ranging from communication to coordination to co-management to co-location to the fully integrated, person-centered health care home.
- (2) To insure appropriate coordination of services to enrolled individuals, AGENCY shall collaborate with allied agencies in the local service area, including but not limited to primary care clinics, housing authorities, chemical dependency agencies, juvenile justice, school districts, and Department of Human Resources, Child Welfare programs. AGENCY will make every effort to obtain a signed Release of Information at the onset of treatment, notifying the service partner in writing of preliminary diagnosis and prescribed medications, notifying of any major changes or medical complications that occurred during the course of treatment and notifying upon termination of treatment.
- (2) AGENCY shall coordinate with COUNTY on referral of clients to specialty behavioral health services or to a higher intensity of service. Specifically:
  - (i) AGENCY shall coordinate with COUNTY on both admission and discharge of clients to psychiatric acute care or sub-acute psychiatric care. AGENCY shall coordinate with COUNTY and the acute or sub-acute care provider on discharge planning and the development of community resources to aid in the timely discharge and community placement of the client. AGENCY shall assure an appointment with an appropriate provider within seven (7) days of discharge from acute care, sub-acute care or psychiatric residential treatment care.
  - (ii) AGENCY shall coordinate with COUNTY on referral of clients to crisis respite services, particularly as those services are used to divert the admission of the client to acute care.
  - (iii) AGENCY shall refer clients for a Level of Service Intensity Determination Screening when a higher intensity of service appears warranted.
  - (iv) AGENCY shall coordinate with COUNTY to obtain Long Term Care Determination for appropriate clients.

d. Crisis Response

AGENCY will be responsible for twenty-four hour, seven days a week crisis response for their enrolled individuals. AGENCY shall establish and follow a system for appropriate and timely response to emergency needs of individuals. During the period of service, AGENCY shall respond to all enrolled client emergencies. "Emergency" shall mean the sudden onset of a mental health condition manifesting itself by acute symptoms and one or more of the following circumstances are present: (1) the client is in imminent or potential danger of harming himself or others as a result of an eligible condition; (2) the client shows symptoms, e.g., hallucinations, agitation, delusions, etc., resulting in impairment in judgment, functioning and/or impulse control severe enough to endanger his or her own welfare or that of another person; or (3) there is an immediate need for Services as a result of, or in conjunction with, a very serious situation such as an overdose, detoxification, potential suicide or violence. AGENCY will have a system of crisis response to individuals enrolled in their program. At a minimum, AGENCY will have a clinician available by phone for consultation at all times. This clinician shall be familiar with the case or shall have the ability to contact clinician(s) familiar with the case.

e. Standards of Care

COUNTY promotes resilience in and recovery of the clients it serves. COUNTY supports a system of care that promotes and sustains a client's recovery from a mental health condition by identifying and building upon the strengths and competencies within the person to assist them in achieving a meaningful life within their community. Consistent with these values, AGENCY shall:

- (1) Provide services in a manner that assures continuity and coordination of the health care services provided to each client;
- (2) Accept clients for treatment on the same basis that AGENCY accepts other clients and render services to clients in the same manner as provided to AGENCY's other clients. AGENCY shall not discriminate against clients because of source of payment, race, ethnicity, gender, gender identity, gender presentation, sexual orientation, national origin, ancestry, religion, creed, marital status, familial status, age, except when program eligibility is restricted to children, adults or older adults, source of income, disability and diagnosis;
- (3) Provide clients with access to services without undue delay and as soon as necessary in light of the member's mental health condition. AGENCY shall comply with access standards as set forth in OAR 410-141-3220 "Accessibility";
- (4) Conduct its practice and treat all clients using that degree of care, skill and diligence which is used by ordinarily careful providers in the same or similar circumstances in the provider's community or a similar community (see ORS 677.095);
- (5) Ensure that clients are served in the most normative, least restrictive, least intrusive and most cost effective level of care appropriate to their diagnosis and current symptoms, degree of impairment, level of functioning, treatment history, and extent of family and community supports;
- (6) Advise or advocate on behalf of clients in regard to treatment options, without restraint from COUNTY;
- (7) AGENCY shall employ a system of internal review to evaluate the care being provided within the agency, to modify service plans, adjust level of care being provided and consider duration of treatment. AGENCY will have a system of internal utilization management to assure that services are provided within the authorization maximum dollar amount, when applicable.
- (8) AGENCY shall have written policies and procedures that insure individuals receive a Notice of Action when service is denied, terminated, suspended or reduced without the client's agreement.
- (9) AGENCY shall have written policies and procedures related to consumer complaints as referenced in OAR 309-019-0125 and OAR 410-141-0260 through 410-141-0266.

**4. Encounter Submissions**

a. Usual and Customary Charges

AGENCY shall bill COUNTY according to their Usual and Customary fee schedule. AGENCY shall base their Usual and Customary charges on a cost study that is updated annually.

b. Compensation

AGENCY shall be reimbursed at the COUNTY reimbursement rates in effect as of the date of service or billed charges, whichever is less.

c. Third Party Resources and Coordination of Benefits

AGENCY shall bill and collect from liable third party resources prior to billing COUNTY. If both the third party resource and COUNTY reimburse AGENCY for the same service, COUNTY shall be entitled to a refund for the exact amount of duplicate payment received by AGENCY.

AGENCY shall be responsible for maintaining records in such a manner so as to ensure that all moneys collected from third-party resources on behalf of clients may be identified and reported to COUNTY on an individual client basis. AGENCY shall make these records available for audit and review consistent with the provisions upon request.

If AGENCY has knowledge that a client has third-party health insurance or health benefits, or that either client or AGENCY is entitled to payment by a third party, AGENCY shall immediately so advise COUNTY.

Pursuant to OAR 410-141-3160, "Integration and Care Coordination", COUNTY reserves the right to coordinate benefits with other health plans, insurance carriers, and government agencies. COUNTY may release medical information to such other parties as necessary to accomplish the coordination of benefits in conformity with the Health Insurance Portability and Accountability Act (HIPAA) 45 CFR 164 and 42 CFR Part 2. Coordination of benefits shall not result in compensation in excess of the amount determined by this agreement, except where State laws or regulations require the contrary.

d. Encounter Data

AGENCY shall submit to COUNTY accurate and complete encounter data in the form of a CMS 1500 claim form for each contact with a client. To encounter data and receive payment, when applicable, AGENCY shall submit a CMS 1500 claim form to COUNTY's Third Party Administrator, Performance Health Technology Ltd (PH Tech). AGENCY shall use its best efforts to supply encounter data once a month, and shall in all cases, supply encounter data no later than 120 calendar days after a contact with a client in accordance with OAR 410-141-3420, "Billing and Payment". Each encounter claim shall include such information as required in the Health Share of Oregon/Clackamas Risk Accepting Entity Participation Agreement and meet specifications as a Valid Claim. AGENCY shall use the most current DSM Multi-Axial Classification System. DSM codes shall be reported at the highest level of specificity. Claims may be submitted to PH Tech in either paper or electronic format.

PH Tech shall pay AGENCY on behalf of COUNTY, by the 45<sup>th</sup> business day after a valid claim is received, fee-for-service payments as specified in section 1 above. COUNTY shall have no obligation to make payment to AGENCY if AGENCY fails to obtain a valid authorization to provide services, fails to verify eligibility for Covered Services and the individual is not an eligible client on the date of service, if the services provided are not Covered Services, or if AGENCY fails to submit fee-for-service bills within 90 calendar days of the date of service. The timely filing requirement is extended to 12 months when there is a Third Party Resource as the primary payor and to 12 months when Medicare is primary. To be considered for payment, claims resubmission requests submitted by AGENCY must be received by PH Tech within 120 days of the date of the first denial.

d. Non-Covered Services

AGENCY shall follow OAR 410-141-3420, "Billing and Payment", when submitting fee-for-service claims for services provided to OHP Members that are not Covered Services.



e. Payment in Full

Except as expressly provided below, payments to AGENCY made by COUNTY for services provided under the terms of this agreement shall constitute payment in full. OAR 410-141-3420, "Billing and Payment", AGENCY shall not bill, charge, seek compensation, remuneration or reimbursement from, or have any recourse against OHA or any client for services contracted hereunder, either during the term of this agreement or at any time later, even if COUNTY becomes insolvent. This provision shall not prohibit collection for non-covered services that may be the responsibility of the client or any permitted co-pays, co-insurance, deductibles or any other cost sharing, if any and as applicable. AGENCY may bill and collect separately for those costs which are lawfully the responsibility of the client. When combined with all sources of payment, COUNTY's payment to AGENCY shall not exceed the reimbursement amount in effect as of the date of service.

f. Overpayments

Any payments made by COUNTY to which AGENCY is not entitled under the terms of this agreement shall be considered an overpayment and shall be refunded by AGENCY within thirty (30) calendar days of the discovery, in accordance with OAR-410-120-1280, "Billing" and OAR 410-120-1397, "Recovery of Overpayments to Providers – Recoupments and Refunds". AGENCY must not seek payment from clients for any covered services, except any coinsurance, co-payments, and deductibles expressly authorized by OAR-410-120 or OAR-410-141. A client cannot be billed for services or treatment that have been denied due to provider error (e.g. required documentation not submitted, prior authorization not obtained, non-covered diagnosis, etc.).

**4. Staff Standards**

COUNTY delegates to AGENCY the credentialing and recredentialing of employed and contracted staff who provide services to clients under this agreement. Pursuant to OAR 410-141-3120 "Operations and Provision of Health Services", AGENCY must, at a minimum, obtain and verify documents that provide evidence of primary source verification of credentials as follows:

- Appropriate education and academic degrees, as required;
- Licenses or certificates, as required;
- Relevant work history or qualifications, as required;
- Completion of a successful criminal history records check through the Oregon Law Enforcement Data System and compliant with ORS chapter 181 and OAR 407-007-0000 through 407-007-0370;
- Positive clearance by the National Practitioner Data Bank, as required;
- Positive clearance through the General Services Administration System for Award Management (SAM) at time of hire and monthly thereafter; and
- Positive clearance through the Office of Inspector General's List of Excluded Individuals/Entities at time of hire and monthly thereafter.

AGENCY shall not permit any person to provide services under this agreement if that person is listed on the non-procurement portion of the General Service Administration's SAM in accordance with Executive Orders No. 12549 and No. 12689, "Debarment and Suspension" (2 CFR Part 180).

In addition, AGENCY shall not permit any person to provide services under this agreement who has been terminated from the Division of Medical Assistance Program or excluded as Medicare/Medicaid

providers by the Centers for Medicare and Medicaid Services or who are subject to exclusion for any lawful conviction by a court for which the provider could be excluded under 42 CFR 1001.101 "Program Integrity – Medicare and State Health Care Programs Subpart B". AGENCY may not submit claims for services provided after the date of such exclusion, conviction or termination.

AGENCY assures that all AGENCY employees and independent contractors providing direct service under this agreement will work within the scope of their credentials and any applicable licensure or registration, or criteria for certification if not required to be licensed or registered pursuant to OAR 410-141-3120. AGENCY shall not allow services to be provided by an employee or independent contractor who does not have a valid license or certification required by state or federal law.

AGENCY ensures that all personnel providing services to clients under this agreement are properly trained and qualified to render the services they provide. AGENCY shall arrange for continuing education of personnel rendering services under this agreement as necessary to maintain such competence and satisfy all applicable licensing, certification or other regulatory requirements.

COUNTY reserves the right to review, upon reasonable notice and at AGENCY's site, the actual documents describing the credentials of AGENCY's employees and independent contractors for purposes of verification.

## **5. Recordkeeping**

### **a. Clinical Records, Access and Confidentiality**

- (1) **Clinical Records.** AGENCY shall ensure maintenance of recordkeeping consistent with OAR 410-141-3180, "Record Keeping and Use of Health Information Technology." The clinical record shall fully document the mental condition of the client and the services received by the client under this agreement. All clinical records relevant to this agreement shall be retained for at least seven (7) years after the date of clinical services for which claims are made, encounters reported, final payment is made, or all pending matters are closed, whichever time period is longer. If an audit, litigation, research and evaluation, or other action involving the records is started before the end of the seven-year-period, the records must be retained until all issues arising out of the action are resolved or until the end of the seven-year-period, whichever is later.
- (2) **Government Access to Records.** At all reasonable times, AGENCY and its subcontractors shall provide the Center for Medicare and Medicaid Services (CMS), the Comptroller General of the United States, the Oregon Secretary of State, the Oregon Department of Justice Medicaid Fraud Unit, Oregon Department of Human Services Office of Payment Accuracy and Recovery, OHA, COUNTY and all their duly authorized representatives the right of access to AGENCY's financial (including all accompanying billing records), clinical/medical, and personnel records that are directly pertinent to this agreement in order to monitor and evaluate cost, performance, compliance, quality, appropriateness and timeliness of services provided, and the capacity of AGENCY to bear the risk of potential financial losses. These records shall be made available for the purpose of making audit, examination, excerpts and transcriptions. AGENCY shall, upon request and without charge, provide a suitable work area and copying capabilities to facilitate such a review or audit.
- (3) **Confidentiality and Privacy of Records.** The confidentiality of information concerning clients is subject to State and Federal guidelines, including but not limited to State (ORS 179.505 through 179.507, ORS 192.502, ORS 411.320, ORS 433.045(3)) and Federal (42 CFR Part 2, 42 CFR Part 431, Subpart F, 45 CFR 205.50) confidentiality laws and regulations. AGENCY and COUNTY shall not use, release, or disclose any information regarding a client for any purpose not directly connected with the administration of this agreement or under Title XIX of the Social Security Act, except with the written consent of the client or, if appropriate, the client's parent or

guardian, or unless otherwise authorized by law. AGENCY shall ensure that its agents, employees, officers and subcontractors with access to client records understand and comply with this confidentiality provision.

- (4) Release of Information. AGENCY shall assure that COUNTY and any other cooperating health service providers have access to the applicable contents of the client's clinical record when necessary for use in the diagnosis or treatment of the client, to the extent such access is permitted by law. AGENCY shall release mental health service information requested by COUNTY or a provider involved in the care of a client within ten (10) business days of receiving a signed release. Except as provided in ORS 179.505(9), AGENCY shall provide the client or the client's legal guardian access to client's record and provide copies within ten (10) business days of any request for copies.
- (5) External Review. AGENCY shall cooperate with OHA by providing access to records and facilities for the purpose of an annual external, independent professional review of the quality outcomes and timeliness of, and access to, services under this agreement in accordance with 42 USC Section 1396a(a)(27); 42 CFR 431.107(b)(1) & (2); and 42 CFR 457.950(a)(3).
- (6) Keep such records as are necessary to fully disclose the extent of the services provided to individuals receiving OHP assistance and shall furnish such information to any State or federal agency responsible for administering the OHP program regarding any payments claimed by such person or institution for providing OHP Services as the State or federal agency may from time to time request. 42 USC Section 1396a(a)(27); 42 CFR 431.107(b)(1) & (2); and 42 CFR 457.950(a)(3).

b. Financial Records

- (1) AGENCY shall establish and maintain policies and procedures related to financial management and financial records consistent with Generally Accepted Accounting Principles. AGENCY shall make such policies and procedures available to COUNTY upon request.
- (2) AGENCY shall maintain up-to-date accounting records that accurately reflect all revenue by source, all expenses by object of expense, and all assets, liabilities and equities consistent with Generally Accepted Accounting Principles and Oregon Administrative Rules. AGENCY shall make reports and fiscal data generated under and for this agreement available to COUNTY upon request.
- (3) COUNTY shall conduct a fiscal compliance review of AGENCY as part of compliance monitoring of this agreement. AGENCY agrees to provide, upon reasonable notice, access to all financial books, documents, papers and records of AGENCY which are pertinent to this agreement to ensure appropriate expenditure of funds under this agreement. COUNTY shall monitor compliance with COUNTY's financial reporting and accounting requirements.
- (4) AGENCY may be subject to audit requirements. AGENCY agrees that audits must be conducted by Certified Public Accountants who satisfy the Independence requirement outlined in the rules of the American Institute of Certified Public Accountants (Rule 101 of the AICPA Code of Professional Conduct), the Oregon State Board of Accountancy OAR 801-030-0005, the independence rules contained within Governmental Auditing Standards (2011 Revision), and rules promulgated by other federal, state and local government agencies with jurisdiction over AGENCY.
- (5) AGENCY shall establish and maintain systematic written procedures to assure timely and appropriate resolution of review or audit findings and recommendations. AGENCY shall

make such procedures and documentation of resolution of audit findings available to COUNTY upon request.

- (6) Limited Scope and Full Audits shall be completed within nine (9) months of the close of AGENCY's fiscal year. Audit reports, including the Management Letter associated with the audit shall be submitted to COUNTY within two weeks from the date of the report. Failure to submit required audit reports and Management Letters shall be cause for withholding of contract payment until audits are submitted.

## **6. Reporting**

### **a. Abuse Reporting**

AGENCY shall comply with all processes and procedures of child abuse (ORS 419B.005 – 419B.050), mentally ill and developmentally disabled abuse (ORS 430.731 – 430.768 and OAR 943-045-0250 through 943-045-0370) and elder abuse reporting laws (ORS 124.050 – 124.092) as if AGENCY were a mandatory abuse reporter. If AGENCY is not a mandatory reporter by statute, these reporting requirements shall apply during work hour only. AGENCY shall immediately report to the proper State or law enforcement agency circumstances (and provide such other documentation as may be relevant) supporting reasonable cause to believe that any person has abused a child, a mentally ill or developmentally disabled adult or an elderly person, or that any such person has been abused.

### **b. Behavioral Health Electronic Data System**

AGENCY shall participate in the Oregon Health Authority (OHA)'s Enhanced Data Capture for all clients receiving Covered Services under this agreement. AGENCY shall submit all data to OHA via formats approved by OHA. AGENCY shall submit data in accordance with OHA timelines.

### **c. Delivery System Network (DSN) Provider Capacity Report**

AGENCY shall submit the DSN Provider Capacity report (see Attachment 1) to COUNTY in the prescribed format within thirty (30) days of the effective date of this agreement, indentifying all staff and independent contractors who will provide services to clients under this agreement. In addition, the DSN Provider Capacity Report shall be updated and resubmitted monthly to COUNTY.

## **7. Monitoring**

### **a. Agreement Compliance Monitoring**

COUNTY and OHA shall conduct agreement compliance and quality assurance monitoring related to this agreement. AGENCY shall cooperate with COUNTY and OHA in such monitoring. COUNTY shall provide AGENCY twenty (20) business days written notice of any agreement compliance and quality assurance monitoring activity that requires any action or cooperation by AGENCY. Notice of monitoring shall include the date the monitoring shall occur, names of individuals conducting the monitoring, and instructions and requests for information.

Should AGENCY found to be out of compliance with any requirement of this agreement, the following actions may be taken by COUNTY until the issue is resolved:

- Request a conference of the parties to determine the need for technical assistance
- Require a corrective action plan
- Disallow referral of new clients to AGENCY
- Put AGENCY on probationary status and suspend billing authority

Should the issue remain unresolved, COUNTY may consider AGENCY in breach and may terminate this agreement.

b. External Quality Review

AGENCY agrees to participate with COUNTY in any evaluation project or performance report as designed by COUNTY or applicable State or Federal agency. AGENCY shall make all information required by any such evaluation project or process available to COUNTY or COUNTY's designee within thirty (30) business days of request.

**8. Fraud and Abuse**

AGENCY shall comply with, and as indicated, cause all employees and subcontractors to comply with, the following requirements related to fraud and abuse. All elements of this Fraud and Abuse exhibit apply to services provided to uninsured, indigent individuals with the exception of reports to the Medicaid Fraud Control Unit (MFCU) which do not apply to indigent services.

a. General

- (1) AGENCY, its employees and subcontractors shall comply with all provisions of the False Claims Act established under sections 3729 through 3733 of title 31, United States Code, administrative remedies for false claims and statements established under chapter 38 of title 31, United States Code, any Oregon laws pertaining to civil or criminal penalties for false claims and statements, and whistleblower protections under such laws, with respect to the role of such laws in preventing and detecting fraud, waste, and abuse in Federal health care programs (as defined in 42 USC 1320a-7b).
- (2) AGENCY, its employees and subcontractors shall comply with Oregon laws pertaining to false claims including the following: ORS 411.670 to 411.690 (submitting wrongful claim or payment prohibited; liability of person wrongfully receiving payment; amount of recovery); ORS 646.505 to 646.656 (unlawful trade practices); ORS chapter 162 (crimes related to perjury, false swearing and unsworn falsification); ORS chapter 164 (crimes related to theft); ORS chapter 165 (crimes involving fraud or deception), including but not limited to ORS 165.080 (falsification of business records) and ORS 165.690 to 165.698 (false claims for health care payments); ORS 659A.199 to 659A.224 (whistle blowing); OAR 410-120-1395 to 410-120-1510 (program integrity, sanctions, fraud and abuse); and common law claims founded in fraud, including Fraud, Money Paid by Mistake and Money Paid by False Pretenses.
- (3) AGENCY shall include information in its employee handbooks or other appropriate documents on laws described above, regarding the rights of employees to be protected as whistleblowers.
- (4) AGENCY shall further have policies and procedures for detecting and preventing fraud, waste and abuse that shall, at a minimum, include a process for monitoring and auditing files, claims and staff performance.
- (5) Entities receiving \$5 million or more annually (under this contract and any other OHP contract) for furnishing Medicaid health care items or services shall, as a condition of receiving such payments, adopt written fraud, waste and Abuse policies and procedures and inform employees, contractors and agents about the policies and procedures in compliance with Section 6032 of the Deficit Reduction Act of 2005, 42 USC § 1396a(a)(68).
- (6) Certify when submitting any claim for the provision of OHP services that the information submitted is true, accurate and complete. AGENCY shall acknowledge AGENCY's

understanding that payment of the claim will be from Federal and State funds and that any falsification or concealment of a material fact may be prosecuted under Federal and State laws.

b. Fraudulent Billing and False Claims

- (1) AGENCY will report verified and suspected cases of fraud and abuse to the Medicaid Fraud Control Unit (MFCU) and COUNTY within five (5) business day of discovery.
- (2) If it is determined that services billed by AGENCY were fraudulently billed, or that a false claim was submitted, or that an instance of abuse has occurred, the following disciplinary actions may be taken by COUNTY:
  - If abuse is determined, consider restitution of funds based on the severity of the abuse identified.
  - If fraud is determined or a false claim verified, require restitution of funds.
  - If the action identified is determined to be non-intentional, require a corrective action plan
  - Put AGENCY on probationary status and suspend billing authority until the issue is resolved
  - Termination of this agreement
- (3) COUNTY shall promptly refer all verified cases of Medicaid fraud and abuse to the MFCU, consistent with the Memorandum of Understanding between the State of Oregon Department of Human Services and the MFCU. COUNTY shall also refer cases of suspected Medicaid fraud and abuse to the MFCU prior to verification.

(4) Participation of Suspended or Excluded Providers

AGENCY shall ensure that Covered Services may not be provided to clients by the following persons (or their affiliates as defined in the Federal Requisition Regulations):

- Persons who are currently suspended, debarred or otherwise excluded from participating in procurement activities under the Federal Acquisition Regulation or from participating in non-procurement activities under regulations issues pursuant to Executive Order 12549 or under guidelines implementing such order; and
- Persons who are currently excluded from Medicaid participation under section 1128 or section 1128A of the Act; and
- Persons who are currently excluded from providing services under the Oregon Medical Assistance Program.

c. Examples of fraud and abuse that support referral to the MFCU and COUNTY

- (1) AGENCY who consistently demonstrates a pattern of intentionally reporting encounters or services that did not occur. A pattern would be evident in any case where 20% or more of sampled or audited services are not supported by documentation in the clinical records. This would include any suspected case where it appears that the provider knowingly or intentionally did not deliver the service or goods billed;

- (2) AGENCY who consistently demonstrates a pattern of intentionally reporting overstated or up coded levels of service. A pattern would be evident by 20% or more of sampled or audited services that are billed at a higher-level procedure code than is documented in the clinical records;
- (3) Any suspected case where the AGENCY intentionally or recklessly billed COUNTY more than the usual charge to non-Medicaid recipients or other insurance programs;
- (4) Any suspected case where the AGENCY purposefully altered, falsified, or destroyed clinical record documentation for the purpose of artificially inflating or obscuring his or her compliance rating or collecting Medicaid payments otherwise not due. This includes any deliberate misrepresentation or omission of fact that is material to the determination of benefits payable or services which are covered or should be rendered, including dates of service, charges or reimbursements from other sources, or the identity of the client or provider;
- (5) Providers who intentionally or recklessly make false statements about the credentials of persons rendering care to clients;
- (6) Providers who knowingly charge clients for services that are covered services or intentionally balance-bill a client the difference between the total fee-for-service charge and COUNTY's payment to the AGENCY, in violation of OHA rules.

d. Reporting suspected and verified cases of fraud or abuse

When a verified case of fraud or abuse exists, AGENCY will report the following information to the MFCU and COUNTY within five (5) business day of discovery of the suspected activity:

- Provider Name, Oregon Medicaid Provider Number, address and phone
- Type of provider
- Source and nature of complaint
- The approximate range of dollars involved
- The disposition of the complaint when known
- Number of complaints for the time period.

**Contact Information**

Report to: Medicaid Fraud Control Unit (MFCU)  
Phone: (971)673-1880  
Fax: (971)673-1890  
Address: 1515 SW 5th Ave., Suite 410, Portland, OR 97201

**Contact Information**

Report to: Clackamas Behavioral Health Division  
Contact: Compliance Policy Analyst  
Phone: (503)742-5335  
Fax: (503)742-5304  
Address: 2051 Kaen Road, Suite 367, Oregon City, OR 97045

**9. Compliance with Applicable Law**

AGENCY shall comply and, as indicated, cause all employees and subcontractors to comply with the following Federal requirements. For purposes of this agreement, all references to Federal and State laws are references to Federal and State laws as they may be amended from time to time.

a. Miscellaneous Federal Provisions

AGENCY shall comply and cause all subcontractors to comply with all federal laws, regulations and executive orders applicable to this Contract or to the delivery of Work. Without limiting the generality of the foregoing, AGENCY expressly agrees to comply and cause all subcontractors to comply with the following laws, regulations and executive orders to the extent they are applicable to this Contract: (a) Title VI and VII of the Civil Rights Act of 1964, as amended, (b) 45 CFR Part 84 which implements, Title V, Sections 503 and 504 of the Rehabilitation Act of 1973, as amended, (c) the Americans with Disabilities Act of 1990, as amended, (d) Executive Order 11246, as amended, (e) the Health Insurance Portability and Accountability Act of 1996, as amended, (f) the Age Discrimination in Employment Act of 1967, as amended, and the Age Discrimination Act of 1975, as amended, (g) the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended, (h) all regulations and administrative rules established pursuant to the foregoing laws, (i) all other applicable requirements of federal civil rights and rehabilitation statutes, rules and regulations, and (j) all federal law governing operation of CMHPs, including without limitation, all federal laws requiring reporting of client abuse. These laws, regulations and executive orders are incorporated by reference herein to the extent that they are applicable to this Contract and required by law to be so incorporated. No federal funds may be used to provide Work in violation of 42 USC 14402.

b. Equal Employment Opportunity

If this Contract, including amendments, is for more than \$10,000, then AGENCY shall comply and cause all subcontractors to comply with Executive Order 11246, entitled "Equal Employment Opportunity," as amended by Executive Order 11375, and as supplemented in Department of Labor regulations (41 CFR Part 60).

c. Non-Discrimination

- (1) AGENCY shall comply with all federal and State laws and regulations including Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972 (regarding education programs and activities) the Age Discrimination Act of 1975, the Rehabilitation Act of 1973, the Americans with Disabilities Act (ADA) of 1990, and all amendments to those acts and all regulations promulgated thereunder. AGENCY shall also comply with all applicable requirements of State civil rights and rehabilitation statutes and rules.
- (2) AGENCY shall comply with and cause its subcontractors to comply with the integration mandate in 28 CFR 35.130(d), Title II of the Americans with Disabilities Act and its implementing regulations published in the Code of Federal Regulations.

d. Advance Directives

AGENCY shall provide adult clients with written information on Advance Directive policies and include a description of Oregon law. The written information provided by AGENCY must reflect changes in Oregon law as soon as possible, but no later than 90 days after the effective date of any change to Oregon law. AGENCY must also provide written information to adult clients with respect to the following:

- (1) Their rights under Oregon law;
- (2) AGENCY's policies respecting the implementation of those rights, including a statement of any limitation regarding the implementation of Advance Directives as a matter of conscience.
- (3) AGENCY must inform clients that complaints concerning noncompliance with the Advance Directive requirements may be filed with OHA.



e. Drug Free Workplace

AGENCY shall maintain and cause all subcontractors to maintain a drug-free workplace and shall notify employees that the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited in AGENCY's workplace. AGENCY shall establish a drug-free awareness program and provide each employee to be engaged in the provision of services under this agreement with information about its drug-free workplace program. AGENCY will further comply with additional applicable provisions of the Health Share of Oregon Core Contract.

f. Clinical Laboratory Improvement

If applicable to Scope of Work, AGENCY shall and shall ensure that any Laboratories used by AGENCY shall comply with the Clinical Laboratory Improvement Amendments (CLIA 1988), 42 CFR Part 493 Laboratory Requirements and ORS 438 (Clinical Laboratories, which require that all laboratory testing sites providing services under this agreement shall have either a Clinical Laboratory Improvement Amendments (CLIA) certificate of waiver or a certificate of registration along with a CLIA identification number. Those Laboratories with certificates of waiver will provide only the eight types of tests permitted under the terms of their waiver. Laboratories with certificates of registration may perform a full range of laboratory tests.

g. Clean Air, Clean Water, EPA Regulations

If this agreement, including amendments, exceeds \$100,000 then AGENCY shall comply and cause all subcontractors to comply with all applicable standards, orders, or requirements issued under Section 306 of the Clean Air Act (42 U.S.C. 7606), the Federal Water Pollution Control Act as amended (commonly known as the Clean Water Act) (33 U.S.C. 1251 to 1387), specifically including, but not limited to Section 508 (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (2 CFR Part 1532), which prohibit the use under non-exempt federal contracts, grants or loans of facilities included on the EPA List of Violating Facilities. Violations shall be reported to OHA, DHHS and the appropriate Regional Office of the Environmental Protection Agency. AGENCY shall include and cause all subcontractors to include in all contracts with subcontractors receiving more than \$100,000, language requiring the subcontractor to comply with the federal laws identified in this section.

h. Energy Efficiency

AGENCY shall comply and cause all subcontractors to comply with applicable mandatory standards and policies relating to energy efficiency that are contained in the Oregon energy conservation plan issued in compliance with the Energy Policy and Conservation Act, 42 U.S.C. 6201 et seq. (Pub. L. 94- 163).

i. Resource Conservation and Recovery

AGENCY shall comply and cause all subcontractors to comply with all mandatory standards and policies that relate to resource conservation and recovery pursuant to the Resource Conservation and Recovery Act (codified at 42 USC 6901 et. seq.). Section 6002 of that Act (codified at 42 USC 6962) requires that preference be given in procurement programs to the purchase of specific products containing recycled materials identified in guidelines developed by the Environmental Protection Agency. Current guidelines are set forth in 40 CFR Part 247.

j. Audits

AGENCY shall comply and, if applicable, cause a subcontractor to comply, with the applicable audit requirements and responsibilities set forth in the Office of Management and Budget Circular A-133 entitled "Audits of States, Local Governments and Non-Profit Organizations."

k. Truth in Lobbying

AGENCY certifies, to the best of the AGENCY's knowledge and belief that:

- (1) No federal appropriated funds have been paid or will be paid, by or on behalf of AGENCY, to any person for influencing or attempting to influence an officer or employee of an agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any federal contract, grant, loan or cooperative agreement.
- (2) If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal contract, grant, loan or cooperative agreement, AGENCY shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying" in accordance with its instructions.
- (3) AGENCY shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients and subcontractors shall certify and disclose accordingly.
- (4) This certification is a material representation of fact upon which reliance was placed when this Contract was made or entered into. Submission of this certification is a prerequisite for making or entering into this agreement imposed by Section 1352, Title 31, of the U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

l. Conflict of Interest Safeguards

- (1) AGENCY and its subcontractors shall have in effect safeguards, including, but not limited to, policies and procedures against conflict of interest with any State of Oregon Department of Human Services employees or other agents of the State who have responsibilities relating to this agreement. These safeguards must be at least as effective as the safeguards specified in Section 27 of the Office of Federal Procurement Policy Act (41 USC 423) and must include safeguards to avoid conflicts that could be prohibited under 18 USC 207 or 208 if the Department of Human Services employee or agent was an officer or employee of the United States Government. For purposes of implementing policies and procedures required in this section, AGENCY shall apply the definitions in the State Public Ethics Law as if they applied to AGENCY for "Actual conflict of interest,": ORS 244.020(1), "potential conflict of interest," ORS 244.020(14), and "client of household," ORS 244.020(12).
- (2) AGENCY shall not offer to any DHS or OHA employee (or any relative or member of their household) any gift or gifts with an aggregate value in excess of \$50 during a calendar year or any gift of payment of expenses for entertainment. "Gift" for this purpose has the meaning defined in ORS 244.020(6) and OAR 199-005-0001 to 199-005-0035.

- (3) "AGENCY" for purposes of this section includes all AGENCY's affiliates, assignees, subsidiaries, parent companies, successors and transferees, and persons under common control with the AGENCY; any officers, directors, partners, agents and employees of such person; and all others acting or claiming to act on their behalf or in concert with them.
- (4) AGENCY shall apply the definitions in the State Public Ethics Law, ORS 244.020, for "actual conflict of interest", "potential conflict of interest", "relative" and "member of household".

m. HIPAA Compliance

- (1) The parties acknowledge and agree that each of OHA and AGENCY is a "covered entity" for purposes of privacy and security provisions of the Health Insurance Portability and Accountability Act and the federal regulations implementing the Act (collectively referred to as HIPAA). OHA and AGENCY shall comply with HIPAA to the extent that any work or obligations of OHA arising under this agreement are covered by HIPAA.
- (2) AGENCY shall develop and implement such policies and procedures for maintaining the privacy and security of records and authorizing the use and disclosure of records required to comply with this agreement and with HIPAA. AGENCY shall comply and cause all subcontractors to comply with HIPAA and all the HIPAA provisions listed in the Health Share of Oregon Core Contract.
- (3) HIPAA Information Security. AGENCY shall adopt and employ reasonable administrative and physical safeguards consistent with the Security Rules in 45 CFR Part 164 to ensure that Member Information shall be used by or disclosed only to the extent necessary for the permitted use or disclosure and consistent with applicable State and federal laws and the terms and conditions of this agreement. Security incidents involving Member Information must be immediately reported to DHS' Privacy Officer.

**EXHIBIT C**  
**SCOPE OF WORK**

**1. Outpatient Mental Health Services**

CONTRACTOR shall follow the Medical Necessity Criteria and Utilization Guidelines as outlined in the Health Share of Oregon Adult Utilization Management Guidelines and Child and Family Utilization Management Guidelines.

CONTRACTOR shall ensure clinical staff are trained in the use of these guidelines including the service description, admission, continued stay and transition criteria

CONTRACTOR shall ensure clinical staff are trained in the use of the Treatment Registration Form for initial and continued stay funding requests.

CONTRACTOR shall provide a responsive, 24-hour, seven day per week coverage system to ensure access to services.

**Program Performance Measures**

At a minimum, CONTRACTOR shall track the performance measures identified below and detailed in program instructions prepared by COUNTY and incorporated into this contract by reference.

Program Goal	Performance Measure	Target # or %	Monthly Source
Maintain required access for routine, urgent and emergent appointments	Percent of individuals receiving routine initial appointments within 14 days of request	Target: 100%	Provider access reports Secret shopper calls Anecdotal information from clients and other partners, crisis lines
Ensure adequate and timely follow-up care for consumers after discharge from a hospital for mental illness	Percent of consumers who have an ambulatory mental health visit within seven (7) days of hospital discharge	Target: 90%	HSO Claims Data
Levels of Care will be assigned accurately and with inter-rater reliability	Percent inter-rater reliability on the LOC assignment based on concurrent review of 10% of total monthly new authorizations up to a maximum of 30	Target: 75%	Contractor Inter-rater reliability report HSO inter-rater reliability concurrent review
Consumers are receiving the intensity of service that's within the LOC range	Ratio of Average Encounters Per Authorization Served by Level of Care to Target Average Encounters Served by Level of Care	Target: 75%	HSO Claims Data

Program Goal	Performance Measure	Target # or %	Monthly Source
Improve outcomes by the use of Treat to Target tools	Percent of consumers that have reached the target number of treatment sessions with positive outcomes Percent of consumers served that are evaluated using an outcomes measurement instrument.	Target: 50%  Target: 50%	New treat to target outcome measures developed and implemented by Health Share of Oregon.

CONTRACTOR shall participate with COUNTY in evaluation of contracted project/service outcomes, satisfaction surveys, or performance, and to make available all information required by such evaluation process. This includes providing COUNTY with data necessary to verify consumer counts, service provision, and outcome measures.

**2. Behavioral Consultation Services**

Treatment services directed toward ameliorating symptoms of a mental health disorder and/or maintaining stability and functional autonomy for individuals with severe and persistent mental illness. Services are specific in targeting the symptoms or problem being treated. CONTRACTOR shall provide either a Comprehensive Biopsychosocial Evaluation or a Functional Behavioral Assessment, whichever is clinically indicated, upon referral by COUNTY. Comprehensive Biopsychosocial Evaluation is a complete gathering of ecological information through client interview, neurocognitive screening, discussion with family members and/or caretakers, review of clinical records, and contact with collaborating agencies that leads to a Biopsychosocial formulation, diagnoses, and treatment/support plan. Functional Behavioral Assessment is a comprehensive and individualized approach to identifying the pattern and purpose or function of problem behaviors in order to identify effective interventions. CONTRACTOR shall conduct Comprehensive Biopsychosocial Evaluations or Functional Behavioral Assessments in order to identify an individual's problem behaviors, avoid inappropriate behaviors, teach the individual to build expressive communication around triggers and create a crisis response for family and providers. In cases where clinically indicated, CONTRACTOR will provide a formal positive Behavioral Support Plan that identifies specific interventions that the individual, family and treatment team will utilize as part of service coordination planning. COUNTY may also request formal treatment plan be formulated and executed by CONTRACTOR. CONTRACTOR will submit either an initial Comprehensive Biopsychosocial Evaluation and Treatment Plan or Functional Behavioral Assessment and Behavioral Support Plan within 30 days of referral. Services may include assessment, evaluation, treatment, discharge planning and coordination, case management, and skills training.

Upon request by COUNTY, CONTRACTOR will provide consultation to Child and Family or Person Centered Planning Teams to assist with modifications to the Treatment Plan or Behavioral Support Plan based on feedback from the individual, family and treatment team. CONTRACTOR may also provide neurobehavioral consultation services to families and the treatment provider based on goals identified through the Child and Family Team meeting and as requested by COUNTY.

**EXHIBIT D**  
**COMPENSATION**

To receive payment CONTRACTOR shall submit a CMS 1500 claim form to COUNTY's Third Party Administrator, Performance Health Technology Ltd (PH Tech) within 120 calendar days of the date of service in accordance with OAR 410-141-3420, "Billing and Payment". Claims may be submitted to PH Tech in either paper or electronic format.

Refer to Exhibit B, paragraph 4.d. for guidance regarding encounter submissions.



June 12, 2014

Board of County Commissioner  
 Clackamas County

Members of the Board:

Approval of two HOME Loan Agreements with  
 Ikoi So Terrace Renewal Limited Partnership

<b>Purpose/Outcomes</b>	HOME Program funds will assist in the acquisition and moderate rehabilitation of the Ikoi So Terrace Apartments.
<b>Dollar Amount and Fiscal Impact</b>	Total funding for the project is being increased to \$1,150,000: \$600,000 long-term loan \$550,000 short-term loan
<b>Funding Source</b>	The fund source is the federal HOME Investment Partnership Program grant which the County receives from the US Department of Housing and Urban Development (HUD). No County General Funds are involved.
<b>Safety Impact</b>	None.
<b>Duration</b>	The term of the long-term loan is 50 years. The term of the short-term loan is approximately two years.
<b>Previous Board Action</b>	The original HOME Loan Agreement in the amount of \$500,000 with Northwest Housing Alternatives was approved July 18, 2013.
<b>Contact Person</b>	Chuck Robbins, Director, Community Development Division, 650-5666.
<b>Contract No.</b>	6778 and 6763

**BACKGROUND:**

The Housing and Community Development Division of the Health, Housing & Human Services Department request the approval of two HOME Loan Agreements with Ikoi So Terrace Renewal Limited Partnership. In July 2013, the Board approved a HOME Loan Agreement in the amount of \$500,000 with Northwest Housing Alternatives (NHA) to acquire and rehabilitate the Ikoi So Terrace Apartments, an existing 35-unit affordable rental housing complex for seniors located at 1550 SE Oak Grove Blvd in Milwaukie. Since that time NHA has been awarded federal Low Income Housing Tax Credits which will provide the primary financing for the project. NHA will acquire the project through a limited partner, Ikoi So Terrace Renewal LP and, as the sole member of Ikoi So Terrace GP LLC, NHA will act as the general partner. This type of ownership structure is necessary to utilize the tax credits. To enable the flow of the HOME funds to the project, we will terminate the original HOME Loan Agreement with NHA and enter into a new agreement that names Ikoi So Terrace Renewal LP as the owner.

Recent inflation in construction pricing, as well as higher commodity and materials costs, have increased the project's construction budget by approximately \$180,000. NHA was able to cover \$80,000 of the increase through higher tax credit pricing; however, the project needs an additional \$100,000 to close the gap and to complete the required level of rehabilitation. Therefore, NHA is requesting additional HOME funds. If approved, the long-term HOME loan will add \$100,000, increasing the amount of that loan to \$600,000.



Additionally, NHA has requested a short-term loan of \$550,000 that will be used to pay for acquisition costs. The short-term loan will be taken out (repaid) with other permanent financing. The total HOME investment in the project will be \$1,150,000 with \$550,000 of that amount being repaid in 2016. The apartments were built in 1987 with federal funds that also provided project-based rent subsidies. The original 20-year HUD "Section 8" contract expired in 2007 and the owner has since renewed. NHA will assume the project-based rent subsidy contract to preserve the project's affordability.

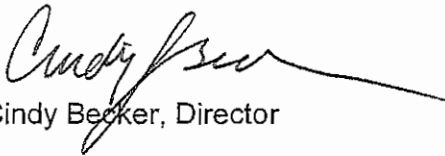
The number of units designated as HOME-assisted units will increase from six to nine units. The HOME units will carry an initial HUD-required 15-year period of affordability.

The contracts were reviewed and approved by County Counsel on 05/27/14.

**RECOMMENDATION:**

Staff recommends Board approval of these agreements and authorizes Cindy Becker, H3S Director to sign on behalf of Clackamas County.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Cindy Becker", with a long horizontal flourish extending to the right.

Cindy Becker, Director

# LOAN AGREEMENT CLACKAMAS COUNTY HOME PROGRAM

## Name of Project: IKOI-SO TERRACE APARTMENTS

This Loan Agreement ("Agreement") is entered into between Ikoi So Terrace Renewal Limited Partnership, an Oregon Limited Partnership, ("Owner") and Clackamas County ("County"), a Participating Jurisdiction under the HOME Program.

This Agreement supersedes the agreement between Northwest Housing Alternatives, Inc. and Clackamas County dated July 18, 2013. That agreement is terminated.

This Agreement includes the following attachments:

- |                             |  |
|-----------------------------|--|
| A. Legal Description        | E. HOME Affordability Requirements                         |
| B. Sources and Uses         | F. Affirmative Marketing and MBE/WBE Outreach Requirements |
| C. Schedule of Tasks        | G. Project Completion documentation                        |
| D. HOME Match Contributions |  |

The parties, in consideration of the mutual promises and obligations set forth below, agree as follows:

1. **DEFINITIONS.** Capitalized terms in this Agreement and in the other Loan Documents have the following definitions:
  - a. **Annual Income.** Annual income as defined at 24 CFR 5.609.
  - b. **Affordability Requirements.** The Affordability Requirements refer to the restrictions on rents and tenant incomes set forth in Section 10 below.
  - c. **HOME-Assisted Units or HOME Unit.** HOME-Assisted units (HOME units) are those units in the Project which were partially or totally rehabilitated, constructed, or otherwise assisted with the use of HOME Funds. The HOME-Assisted units are designated in Section 4 below.
  - d. **HOME Funds.** HOME Funds means the total amount of HOME Program dollars being provided by the County to the Project under this Agreement. See Section 2 below.
  - e. **HOME Program and HOME Regulations.** The federal HOME Investment Partnership Program (HOME Program) is authorized under Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990. HUD's regulations and requirements for the HOME Program are located in 24 CFR Part 92. Should anything in this Agreement or the other Loan Documents conflict with the HOME regulations, the HOME regulations shall prevail.
  - f. **HUD.** The United States Department of Housing and Urban Development
  - g. **Loan Documents.** The Loan Documents are this Agreement, the Promissory Note, the Trust Deed, and the Declaration of Land Use Restrictive Covenants, all of which are incorporated into this Agreement by reference.
  - h. **Low-Income and Very Low-Income.** A Low-Income household is one whose total income does not exceed 80% of the County's median income. A Very Low-Income household is one whose total income does not exceed 50% of the County's median income.
  - i. **Median Income.** Median Income means the median income for Clackamas County, adjusted for family size, as published by HUD, from time to time.
  - j. **Owner** includes the current Owner and any subsequent Project owner, subject to the County consenting to any transfer under Section 29 below.
  - k. **Period of Affordability.** See Section 9 below.
  - l. **Project.** The project involves the acquisition and moderate rehabilitation of the Ikoi-So Terrace Apartments, an existing 35-unit multi-family rental housing project located at 1550 SE Oak Grove Blvd. in Milwaukie, Oregon 97267. The legal description of the property is set forth in **Attachment A**.

- m. **Project Completion Date.** The later of the date when (a) the rehabilitation work is completed, (b) the final HOME drawdown has been disbursed to the Project, and (c) the County has entered the project completion information into HUD's disbursement and information system. County must enter the project completion information into the HUD system, or otherwise provide it to HUD, within 120 days following the final project drawdown.

**2. HOME FUNDS; LOAN TERMS**

- a. **Amount and Purpose:** County shall loan HOME funds in the amount of **\$600,000** to the **Owner** for the Project.
- b. **Loan Terms:**
  - i. The HOME Funds will be provided as a **7.0% interest deferred payment loan**.
  - ii. The outstanding principal balance of this loan, together with all accrued and unpaid interest, shall be paid in full upon the earlier of December 31, 2064 ("Maturity Date"); the sale, assignment or other transfer of title to the Property without the County's consent; or the date Owner or its agents or subcontractors is otherwise in default under any of the Loan Documents (including but not limited to the failure to meet the Affordability Requirements of Section 10 below). Exceptions: A sale pursuant to the NHA's buyout option and right of first refusal will not cause the Loan to be due and payable. Neither a transfer nor assignment of a limited partner's interest in Owner nor the removal of a general partner for cause, pursuant to the terms of Borrower's Amended and Restated Agreement of Limited Partnership, shall cause the Loan to be due and payable.
- c. **Loan Documents:** The loan shall be evidenced by this Agreement, a Promissory Note, a Trust Deed, and a Declaration of Land Use Restrictive Covenants, all of which together are incorporated by reference into this Agreement and are referred to collectively as the "**Loan Documents**."
- d. **Recording Requirement:** The Owner agrees to record the Trust Deed and the Declaration of Land Use Restrictive Covenants, promptly after signing.
- e. The loan shall begin to accrue interest on the Project Completion Date.

**3. PAYMENT OF OBLIGATION.**

- a. Payments of principal and interest shall be made until the loan is paid in full. All payments on the loan shall be applied first to the interest due on the loan and then the remaining amount shall be applied to the principal. No late fees will be charged.
- b. Payments shall be made at such place as County may designate in writing and shall be in the manner and amount as is described in the Promissory Note between the parties relating to this project.

**4. HOME-ASSISTED UNITS**

- a. Nine (9) units in the project are HOME-Assisted Units. The total number of HOME-Assisted units has been calculated on the total amount of HOME funds invested in the project, including, but not limited to, this loan. The HOME units are as follows:

Bedroom Size	TOTAL UNITS	Low-Home Units	High Home Units	Total HOME-Assisted
1-bedroom (tenant) unit:	34	9	0	9
1-bedroom (manager) unit:	1	0	0	0
<b>TOTALS</b>	<b>35</b>	<b>0</b>	<b>0</b>	<b>9</b>

- b. **Fixed/Floating:** The HOME-Assisted units are designated as FLOATING HOME units as defined at 24 CFR 92.252.
- c. See Section 10 below and Attachment E for rent and income limits for the HOME-Assisted Units.
- d. **Special Needs Set-aside.** Six units will be set aside for persons with special needs to comply with the County's requirement.

**5. SOURCES AND USES OF FUNDS; SCHEDULE OF TASKS**

- a. All sources and uses of funds for the acquisition phase of the Project are set forth in **Attachment B**. The Uses Statement shall specify by line item the source of funds for each such line item. Owner certifies that (i) it has, or will obtain, commitments of the funds from each of the sources identified, (ii) the sources of funds are sufficient to fund the project in full, and (iii) HOME funds shall only be used for HOME-eligible costs (see 24 CFR 92.206 and 92.214).
- b. The Schedule of Tasks to be undertaken in order to complete the Project is set forth in **Attachment C**.

**6. MATCH REQUIREMENT**

**Attachment D** documents the Project-related eligible sources of matching contributions as allowed by 24 CFR 92.218 through 92.222.

**7. HOME REGULATIONS**

The Owner agrees to comply with the HOME Regulations and with the other requirements of the Loan Documents.

**8. ENVIRONMENTAL REVIEW**

- a. The environmental effects of each activity carried out with HOME funds must be assessed in accordance with the provisions of the National Environmental Policy Act of 1969 (NEPA) and the related authorities in 24 CFR Parts 50 and 58.
- b. The County is responsible for environmental review, decision-making, and action for each activity that it carries out with HOME funds, in accordance with 24 CFR part 58. The County will not commit any HOME funds toward construction of the Project before completion of the environmental review and approval of the request for release of funds and related certification, except as authorized by 24 CFR Part 58.
- c. HOME Funds cannot be used for acquisition or construction in identified special flood hazard areas unless the Project is subject to the mandatory purchase of flood insurance as required by Section 102(a) of the Flood Disaster Protection Act of 1973.
- d. In the event that changes or modifications to the approved HOME activities are necessary, the Owner must, prior to any additional commitment or expenditure of funds, submit all necessary supplemental environmental review information and data to the County for the purpose of updating the environmental review record.

**9. PERIOD OF AFFORDABILITY**

- a. **The Initial Period of Affordability is the HUD-required Period of Affordability. It shall be 15 years,** without regard to the term of the loan or the transfer of ownership, except as noted in subsection d below. The Initial Period of Affordability begins on the Project Completion Date.
- b. The **Extended Period of Affordability** begins at the end of the INITIAL Period of Affordability and continues until such time as the loan is paid in full.
- c. Unless specified otherwise, the Period of Affordability includes both the Initial and the Extended Periods of Affordability.
- d. **Termination of Period of Affordability.** In accordance with 24 CFR 92.252(e), the Period of Affordability may be terminated upon foreclosure or transfer in lieu of foreclosure, but shall be revived according to the original terms if during the original Period of Affordability, the owner of record before the foreclosure or deed in lieu of foreclosure, or any entity that includes the former owner or those with whom the former owner has or had family or business ties, obtains an ownership interest in the project or property.

**10. AFFORDABILITY REQUIREMENTS (RENTS AND TENANT INCOMES)**

- a. To ensure compliance with the HOME "Program Rule", at initial occupancy all of the HOME-Assisted Units must be rented to tenants whose incomes at the time of the tenant's initial occupancy, are less than or equal to 60% of the median income.
- b. **Low-HOME Units.** If the number of HOME-Assisted Units is 5 or more, at least 20% of the HOME-assisted units must be occupied initially and throughout the Period of Affordability by tenants, who at the time of their initial occupancy are very-low-income tenants and the initial rents for those units must not

- exceed the Low HOME rents shown in **Attachment E**. These rents are subject to periodic adjustment by HUD. If the unit receives federal or state project-based rental assistance, the Low-HOME rent shall not exceed the allowable rent under the rental assistance program.
- c. **High-HOME Units.** After initial occupancy as indicated in paragraph (a) above, the remaining HOME-Assisted Units must be rented during the Period of Affordability to tenants, who at the time of their initial occupancy are low-income tenants and the initial rents for these units must not exceed the High HOME rents shown in **Attachment E**. These rents are subject to periodic adjustments by HUD.
  - d. Increases in Tenant's Income.
    - i. Low-HOME rent units
      1. If the income of a tenant in a Low-HOME rent unit rises above 50% of median income, but does not exceed 80% of median income, then the next available HOME-Assisted Unit (for fixed-unit projects) or the next available comparable unit (for floating-unit projects) must be rented to a very-low-income tenant. The unit occupied by the tenant whose income increased becomes a High-HOME unit and the High-HOME rent must be charged, provided that in no event shall the rent of a tenant of a HOME-assisted unit that has been allocated federal low-income housing tax credits ("LIHTC") increase beyond the maximum applicable LIHTC rent for such unit.
      2. The rent for the unit occupied by the tenant whose income has increased above 80% of median income will be set in accordance with subparagraph iii below.
    - ii. High-HOME rent units
      1. The income of a tenant in a High-HOME rent unit can increase to 80% of median income with no change in the status as a HOME-Assisted Unit or in the tenant's rent.
      2. If the income of a tenant in a High-HOME rent unit rises above 80% of median income, then the next available HOME-Assisted Unit (for fixed-unit projects) or the next available comparable unit (for floating-unit projects) must be rented to a tenant whose income does not exceed 80% of median income.
      3. The rent for the unit occupied by the tenant whose income has increased above 80% of median income will be set in accordance with subparagraph iii below.
    - iii. Project-based rent subsidy: In accordance with 24 CFR 92.252(b)(2), if the unit receives federal or state project-based rental subsidy, the maximum rent is the rent allowable under the federal or state project-based rental subsidy program.
    - iv. Over-income Tenants: In accordance with 24 CFR 92.252(i), a tenant who no longer qualifies as a low-income household must pay as rent 30 percent of the household's adjusted gross income, except that:
      1. In no event shall the tenant of a HOME-assisted unit that has been allocated federal low-income housing tax credits ("LIHTC") be charged rent in excess of the maximum applicable LIHTC rent for such unit.
      2. If the HOME-assisted unit is a floating unit, a tenant who no longer qualifies as a low-income household is not required to pay as rent an amount that exceeds the market rent for a comparable unassisted unit in the neighborhood.
  - e. Certification and Recertification of Tenant Income: The Owner must certify each tenant's household income, and must recertify such income annually in accordance with HOME regulations.

#### **11. TENANT SELECTION CRITERIA; LEASE REQUIREMENTS**

- a. The Owner must adopt written tenant selection policies and criteria, which must be approved by the County. The criteria must be consistent with the purpose of providing housing for very-low-income and low-income households, must be reasonably related to program eligibility and the applicant's ability to perform the lease obligations, must provide for the selection of tenants from a written waiting list in the chronological order of their application, insofar as practicable, and must give prompt written notification to any rejected applicant of the grounds for any rejection.
- b. Tenants must be offered renewable lease agreements with an initial duration of at least one year, unless a shorter time period is mutually agreed upon by the tenant and the landlord.

- c. In compliance with 24 CFR 92.252(d), the owner cannot discriminate against rental assistance subsidy holders.
- d. Tenant leases may not contain any of the following provisions:
  - i. Agreement by the tenant to be sued or to have a judgment entered in favor of Owner;
  - ii. Except as allowed by Oregon law, agreement by the tenant to allow Owner to take, hold, or sell personal property of household members without notice to the tenant and a court decision on the rights of the parties.
  - iii. Agreement by the tenant not to hold Owner liable for any action or failure to act.
  - iv. Agreement by the tenant that Owner may institute a lawsuit without notice to the tenant.
  - v. Agreement by the tenant that Owner may evict tenant without instituting court proceedings in which the tenant has the opportunity to present a defense, or before a court decision on the rights of the parties.
  - vi. Agreement by the tenant to waive any right to a trial by jury, to waive the tenant's right to appeal, or otherwise challenge in court, a court decision in connection with the lease;
  - vii. Agreement by the tenant to pay attorney fees or costs even if the tenant wins in a court proceeding against the Owner. The tenant may however be obligated to pay costs and attorney fees if the tenant loses.
- e. The Owner may not terminate the tenancy or refuse to renew the tenant's lease except for serious or repeated violation of the terms of the lease, for violation of law, for completion of the tenancy period for transitional housing, or for other good cause. To terminate or refuse to renew tenancy, Owner must serve written notice on the tenant specifying the grounds for the eviction at least 30 days before the termination of the tenancy.

## **12. PROPERTY STANDARDS**

- a. The Project must meet all of the applicable Property Standards in 24 CFR 92.251 or be susceptible of meeting all such standards within a reasonable time following acquisition by Owner. It is understood that the project is being acquired for the purposes of renovation. County staff will inspect the Project to assure compliance with the Property Standards.
- b. Upon project completion and throughout the Period of Affordability, the Project must be maintained so that it continues to meet the property standards set forth in 24 CFR 92.251.

## **13. INDEMNIFICATION AND INSURANCE**

Owner agrees to indemnify, defend and hold harmless the County and its officers, agents and employees against all liability, loss and costs arising from actions, suits, claims or demands, except when due to the County's sole negligence or intentional misconduct, arising from performance of this agreement.

Owner shall maintain all-risk property insurance in the amount of the full replacement value of the property, commercial general liability insurance in the minimum amount of \$ 1,000,000.00, and Rent Loss insurance in an amount equal to 12 months rental income. Owner shall provide County proof of insurance in the required amounts upon execution of this loan document, and again upon request of the County. Owner shall give county no less than 30 days notice if there is a cancellation, nonrenewal or material change of Owner's insurance. See paragraph 1.12 of the Trust Deed for additional insurance requirements.

## **14. EVENTS OF DEFAULT**

An event of default under the Loan Documents includes, but is not limited to, the following; provided that the party declaring a default has first provided to the other party thirty days written notice specifying the alleged default and giving such other party the opportunity to cure the alleged default during that 30 day period, or during such longer period as is agreed to by the non-defaulting party in writing.

- a. Securing all Funding. The Owner must secure all fund sources identified in Attachment B within 12 months from the Effective Date identified in Section 32.

- b. Availability of the Project's HOME-assisted housing units. Within 24 months from the Effective Date identified in Section 32, the HOME-assisted units funded under this Agreement must be available for occupancy.
- c. Noncompliance with the Affordability Requirements at any time during the term of this Loan.

County agrees that any cure of any default made or tendered by Investor Member shall be deemed to be a cure by Borrower and shall be accepted or rejected on the same basis as if made or tendered by Borrower.

#### **15. REMEDIES FOR DEFAULT**

- a. In the event of default, either party may pursue any legal or equitable remedy available to it. Without limiting the foregoing, County may (i) declare the entire amount of the Loan due and payable at once, or (ii) extend the Period of Affordability for a period equal to the length of the period during which noncompliance with the Affordability Requirements existed.
- b. The County and any tenant or applicant who meets the income limitation applicable under 24 CFR 92 (whether prospective, present or former occupant) shall be entitled, for any breach of the provisions hereof, and in addition to all other remedies provided by law or in equity, to enforce specific performance by the Owner of its obligations under this Agreement in state court.

#### **16. AFFIRMATIVE MARKETING**

If the Project contains five or more HOME-Assisted Units, the Owner must implement and follow the adopted Affirmative Marketing Plan of the County, Attachment F. The Owner must maintain records evidencing compliance with the Plan.

#### **17. MINORITY/WOMEN'S BUSINESS**

In accordance with Executive Orders 11625 and 12432 (concerning Minority Business Enterprise), and 12138 (concerning Women's Business Enterprise), the County has adopted procedures and requirements for HOME projects for the purpose of encouraging the use of minority and women's business enterprises. The Owner certifies that it will follow and implement the adopted procedures and requirements in **Attachment F**.

#### **18. NON-DISCRIMINATION**

- a. The Owner must comply with all applicable federal, state, and local laws prohibiting discrimination on the basis of age, sex, marital status, familial status, religion, race, creed, color, sexual orientation, nationality, the presence of any sensory, mental or physical handicap, or other protected class. These requirements apply to both employment opportunities and the provision of housing and are specified in
  - i. Title VI of the Civil Rights Act of 1964, as amended (42 U.S.C. 200d et seq.);
  - ii. Title VI; Civil Rights Act of 1968, Title VIII, as amended;
  - iii. Equal Employment Opportunity, Executive Order 11246, as amended;
  - iv. Section 3 of the Housing and Urban Development Act of 1968;
  - v. Section 504 of the Rehabilitation Act of 1973;
  - vi. The Fair Housing Act of 1988 (42 U.S.C. 3601-3620);
  - vii. Equal Opportunity in Housing (Executive Order 11063, as amended by Executive Order 12259);
  - viii. Age Discrimination Act of 1975, as amended (42 U.S.C. 6101); and
  - ix. Americans with Disabilities Act of 1990 (42 U.S.C. 12131; 47 U.S.C. 155, 201, 218, and 225).
- b. The Owner must maintain data on the extent to which each racial and ethnic group and single-headed household (by gender of head of household) have applied for and rented units in the Project.

#### **19. DISBURSEMENT OF FUNDS**

- a. The Owner agrees to request funds under this Agreement only when they are needed for payment of specific allowable costs and only in amounts needed to pay such costs. The payment request must be accompanied by source documentation for actual expenses.

- b. The County shall verify requested amounts for satisfactory completion prior to payment. Payments shall be based upon work completed and approved by the County.
- c. County will not disburse any HOME funds until all the Loan Documents are signed and the following documents are received:
  - i. Copy of the Management Agreement;
  - ii. Copy of HOME tenant lease; and
  - iii. Copy of the written tenant selection criteria.
- d. Five percent (5%) of HOME funds will be withheld until the Owner provides the County with the documentation outlined in **Attachment G**.
- e. The Owner must submit Form HUD-40097 (Project Completion Report - Part C, household characteristics for each HOME-assisted unit) within 120 days of the request for final disbursement.

**20. CONTRACTOR DEBARMENT AND SUSPENSION**

In order to comply with the requirements of 24 CFR Part 24, the Owner must obtain a certification guaranteeing that no participants in lower tier covered transactions, having to do with the Project financed in whole or in part by the HOME Funds, are currently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in federal projects.

**21. SECTION 3 REQUIREMENTS**

Section 3 of the Housing and Urban Development Act of 1968, as amended, applies to:

- Projects for which HUD's share of the project cost exceeds \$200,000; and
- Contracts and subcontracts awarded on projects for which HUD's share of project costs exceeds \$200,000 and the contract or subcontract exceeds \$100,000.

Section 3 requires that to the greatest extent feasible opportunities for training and employment in connection with planning and carrying out the Project be given to low-income residents of the project area, and contracts for work in connection with the Project be awarded to business concerns, including but not limited to individuals for firms doing business in the field of planning, consulting, design, architecture, building construction, rehabilitation, maintenance, or repair, which are located in or owned in substantial part by persons residing in the project area.

**22. LEAD BASED PAINT**

For all units in the Project (not just HOME-Assisted Units) and for common areas, the Owner must comply with the HUD Lead-Based Paint Regulations (24 CFR Part 35 and 24 CFR 982.401(j)) issued pursuant to the Lead-Based Paint Poisoning Prevention Act (42 USC Sections 4831 et. seq.) requiring prohibition of the use of lead-based paint whenever HOME Funds are used directly or indirectly for construction, rehabilitation, or modernization of residential structures; elimination of immediate lead-based paint hazards in residential structures; and notification of the hazards of lead-based paint poisoning to purchasers and tenants of residential structures constructed prior to 1978.

**23. DISPLACEMENT, RELOCATION, ACQUISITION, AND REPLACEMENT**

The Owner must comply with all the regulations and laws regarding displacement, relocation, acquisition and replacement of housing, including those contained in 24 CFR 92.353 and the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC 4601-4655).

**24. CONFLICT OF INTEREST**

Unless an exception is granted by the County pursuant to 24 CFR 92.356(f)(2), no developer, owner or sponsor of the Project, or officer, employee, agent or consultant of the owner, developer or sponsor, may occupy a HOME-Assisted Unit in the Project. This section does not apply to an employee or agent who occupies a HOME-Assisted Unit as the project manager or maintenance worker.

**25. FAITH BASED ACTIVITIES**

- a. Organizations that are directly funded under the HOME program may not engage in inherently religious activities, such as worship, religious instruction, or proselytizing as part of the assistance funded under this part. If an organization conducts such activities, the activities must be offered separately, in time or



location, from the assistance funded under this part, and participation must be voluntary for the beneficiaries of the assistance provided.

- b. An organization that participates in the HOME program shall not, in providing program assistance, discriminate against a program beneficiary, or prospective program beneficiary, on the basis of religion or religious belief.
- c. HOME funds may not be used for the acquisition, construction, or rehabilitation of structures to the extent that those structures are used for inherently religious activities. HOME funds may be used for the acquisition, construction, or rehabilitation of structures only to the extent that those structures are used for conducting eligible activities under this part.

## **26. RECORDS**

- a. The Owner must keep such records as are necessary to demonstrate compliance with all parts of this Agreement, including but not limited to the affordability requirements, tenant lease provisions, property standards, affirmative marketing, anti-discrimination, Section 3, MBE/WBE, environmental review, relocation/displacement/property acquisition, labor requirements, lead-based paint, conflict of interest, debarment and suspension and intergovernmental review.
- b. Owner must annually provide tenant eligibility records to the County.
- c. Record Retention Periods
  - i. Except as stated in this subparagraph, records must be retained for five years following the Project Completion Date.
  - ii. Owner must maintain records pertaining to each tenant's income verifications, project rents and project inspections for at least the most recent five year period, until five years after the Period of Affordability has expired.
  - iii. Written agreements must be retained for five years after the agreement terminates.
  - iv. Records covering displacement and acquisition must be retained for five years after the date by which all persons displaced from the Property and all persons whose property is acquired for the Project have received the final payment to which they are entitled under 24 CFR 92.353.
  - v. If any litigation, claim, negotiation, audit, monitoring, inspection or other action has been started before the expiration of the required record retention period, records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the required period, whichever is later.
- d. Access to Records. HUD, the Comptroller General of the U.S., the County, and any of their representatives, have the right of access to any pertinent books, documents, papers or other records, in order to make audits, examinations, excerpts or transcripts, or otherwise determine compliance with HOME regulations.
- e. Any duly authorized representative of the Secretary of HUD or the Comptroller General of the United States or the County shall at all reasonable times have access to and the right to inspect, copy audit, and examine all books, records and other documents relating directly to the Owner's receipt and disbursement of the HOME Funds, as well as access to the Project. Upon request, the Owner must assist the County by serving notice to affected tenants, as required under Oregon Law.

## **27. MONITORING**

- a. Within 60 days of acquisition, the county staff will make an on-site visit to monitor compliance with the HOME rent and occupancy standards.
- b. The County will monitor the performance of the Owner to assure compliance with the requirements of this Agreement. During the INITIAL Period of Affordability, the monitoring will be conducted in accordance with 24 CFR 92.504)c)(5)(d) and will include on-site inspections and a review of all records required in Section 26 above.

**28. WAIVER**

Failure by either party to enforce any right under this Agreement shall not be deemed to be a waiver of that right or of any other right.

**29. SUCCESSORS AND ASSIGNS**

This Agreement shall be binding on and inure to the benefit of the heirs, successors, and assigns of each party, provided that written consent is obtained from the other party.

**30. AUTHORITY TO SIGN**

Each party signing this Agreement, and the other Loan Documents, represents that it has full power and authority to enter into this Agreement, and the persons signing this Agreement for such party, if such party is not an individual, have full power and authority to sign for such party and to bind it to this Agreement, and to sell, transfer and convey all right, title, and interest in and to the Property in accordance with the Loan Documents. No further consent of any partner, shareholder, creditor, investor, judicial or administrative body, governmental authority, or other party is required.

**31. EFFECTIVE DATE**


The Effective Date of this Agreement is the date it is signed by all parties.

**PROJECT OWNER:**

**Ikoï So Terrace Renewal Limited Partnership**

By: Ikoï So Terrace GP LLC, its General Partner  
By: Northwest Housing Alternatives, Inc, its Managing Member  
By: Martha McLennan, its Executive Director

Address: 2316 SE Willard Street  
Milwaukie, OR 97222

By:   
\_\_\_\_\_  
(signature)

Printed Name: Martha McLennan  
Title: Executive Director

Phone: (503) 654-1007  
Fax: (503) 654-1319  
Federal ID# 32-0432481

\_\_\_\_\_  
Date

**CLACKAMAS COUNTY**

Chair: John Ludlow  
Commissioner: Jim Bernard  
Commissioner: Paul Savas  
Commissioner: Martha Schrader  
Commissioner: Tootie Smith

Signing on Behalf of BCC:

\_\_\_\_\_  
(signature)  
Printed Name: Cindy Becker  
Title: Director,  
Health Housing and Human Services

\_\_\_\_\_  
Date

### **Attachment A. Legal Description**

A parcel of land being part of Block 38 of the plat of OAK GROVE, as situated in the Northwest one-quarter of the Northeast one-quarter of Section 11, Township 2 South, Range 1 East of the Willamette Meridian, in the County of Clackamas and State of Oregon. Said parcel of land being more particularly described as follows:

Commencing at a point at the Northeast corner of Block 38 of said OAK GROVE; said point being located at the intersection of the South boundary of Oak Grove Boulevard (Central Avenue) with the West boundary of said River Road; thence West along the North boundary of said Block 38, a distance of 294.99 feet to the true point of beginning of the parcel of land herein described; thence South parallel to the East boundary of said Block 38, a distance of 340.00 feet to a point on the South line of said Block 38; thence West along the South boundary of said Block 38, a distance of 25.31 feet to the Southeast corner of that certain tract of land conveyed to Clairene S. Weaver, as recorded July 3, 1984, in Instrument No. 84- 22642, Clackamas County Records of Deeds; thence North along the East line of said Weaver tract a distance of 50.00 feet to the Northeast corner of said Weaver tract; thence West along the North boundary of said Weaver tract a distance of 181.40 feet to the Southeast corner of that certain parcel of land conveyed to Donn E. Plumlee and Barbara T. Plumlee as recorded April 12, 1984, in Instrument 84-12151, Clackamas County Records of Deeds, said Southeast corner being East 138.9 feet from the West boundary of said Block 38; thence North parallel to the West boundary of said Block 38 a distance of 190.00 feet to the Northeast corner of that certain parcel of land conveyed to Balyss T. Hobgood and Roslie Hobgood by Quit Claim Deed recorded August 6, 1981 in Instrument 81-27529, Clackamas County Records of Deeds; thence West a distance of 113.90 feet to the East line of Laurie Avenue; thence North along the East line of said Laurie Avenue, a distance of 100.00 feet to a point on the North boundary of said Block 30; thence East along the North boundary of said Block 38 a distance of 320.61 feet to the true point of beginning of the parcel of land herein described.

**Attachment B. Sources and Uses of Funds**

**Acquisition & Rehabilitation**

<b>REVISED</b>	<b>05/28/14</b>	<b>Cost Analysis:</b>	
Funding Sources:		Total number of units	35
HOME - Permanent Loan	\$600,000	<b>HOME Units</b>	<b>9</b>
HOME - short-term Loan	\$550,000	HOME units as percent of total units	25.7%
HOME - short-term Loan - repayment	\$(550,000)	Total Amount of HOME Assistance	\$1,150,000
LIHTC equity	\$3,287,195	HOME assistance per unit	\$127,778
OHAF Green Grant	\$12,500	Total Development Cost (TDC)*	\$5,256,563
OHCS GHAP	\$200,000	TDC per Unit	\$150,188
LI Weatherization		HOME funds as percent of TDC	21.9%
Loan	\$1,400,000	Hard Construction Cost	\$2,117,500
GP Deferred Fee	\$251,868	Total square footage (SF)	18,445
Cashflow during rehab	\$55,000	Cost per SF -- TDC	\$285
	<u>\$5,806,563</u>	Cost per SF – Hard construction	\$115
Subsidy limits as of 01/01/2012		Total HOME funds as % of TDC	21.9%
1-bedroom	\$171,283	9 HOME units as % of total units	25.7%
Per unit subsidy at 9 units	\$138,889		

**Attachment C. Schedule of Tasks**

	<b>PROPOSED DATE (month/year)*</b>	<b>REVISED DATE (month/year)*</b>	<b>COMPLETED DATE (month/year)*</b>
<b>SITE</b>			
Option/Contract executed			June 2012
Site Acquisition	June 2014		
Zoning Approval			
Site Analysis	May 2013		
Building Permits & Fees	June 2014		
Off-site Improvements			
<b>PRE-DEVELOPMENT</b>			
Plans Completed (permit)	May 2014		
Final Bids	May 2014		
Contractor Selected			July 2013
<b>FINANCING</b>			
<b>CONSTRUCTION LOAN:</b>			
Proposal			July 2013
Firm Commitment (submittal)	May 2014		
Closing/Funding of Loan	Sept 2015		
<b>PERMANENT LOAN</b>			
Proposal	May 2013		
Firm Commitment	August 2013		
Closing/funding of Loan	December 2013		
<b>DEVELOPMENT</b>			
Syndication Agreement	June 2014		
Construction Begins	June 2014		
Construction Completed	March 2015		
Certificate Of Occupancy	March 2015		
<b>MARKETING</b>			
Lease up begins	Sept 2014		
Lease up completed	June 2015		
Absorption (units per month)	5		

**Attachment D.  
Home Match Contribution Form**

**PROJECT: IKOI-SO TERRACE APARTMENTS**

**Total number of units in project: 35**  
**Number of HOME-assisted units: 9**  
**Applicable match credit percentage\*: 26%**

MATCH SOURCE*	ELIGIBLE MATCH TYPE	ELIGIBLE MATCH AMOUNT	MATCH CREDIT
OHAF Green Grant**	1	\$12,500	\$3,214
OHCS GHAP**	1	\$200,000	\$51,420

**Eligible forms of match as defined in 24 CFR 92.220(a):**

- (1) Cash Contribution from Nonfederal Source
- (2) Foregone Taxes, Fees and Charges
- (3) Donated Land or Other Real Property
- (4) On-site or Off-site Infrastructure
- (5) Proceeds from Affordable Housing Bonds
- (6) Donated Site Preparation and Construction Materials
- (7) Donated Site Preparation and Construction Equipment
- (8) Donated or Voluntary Labor or Professional Services
- (9) Sweat Equity (homeownership only)
- (10) Supportive Services (for rental projects only)
- ~~(11) Homebuyer Counseling Services (for acquisitions under 24 CFR 92.254(a))~~

\*24 CFR 92.219 states that 100% of the matching contribution can be recognized if "at least 50 percent of the housing units in the project are HOME-assisted."

**Attachment E. HOME Affordability Requirements**

**1. HOME Rent Schedule**

US Department of Housing and Urban Development  
PMSA: Portland-Vancouver, OR-WA  
Effective: May 2014

	<b>Low HOME</b>	<b>High HOME</b>
<b>1 Bedroom</b>	<b>\$684</b>	<b>\$774</b>

**Notes:**

- Utility Allowance: The gross rents must be reduced if the tenant pays for any utilities besides telephone. The utility allowances prepared by the County Housing Authority shall be used when adjusting rents. Utility adjustments may be proposed by Owner for the Project, but must be approved by the County.
- Throughout the Period of Affordability rents plus utility standards for the Project will not be set at amounts less than those shown in this initial table.

**2. HOME Tenant Income Limits**

US Department of Housing and Urban Development  
Effective: May 2014

<b>HOUSEHOLD SIZE</b>	<b>50% OF MEDIAN</b>	<b>60% OF MEDIAN</b>	<b>80% OF MEDIAN</b>
1 Person	\$24,300	\$29,160	\$38,850
2 People	\$27,800	\$33,360	\$44,400

**Note:** This schedule will be updated from time to time when adjustments are provided by HUD.

## ATTACHMENT F.

### AFFIRMATIVE MARKETING

For housing containing five or more HOME-assisted units, the HOME regulations at 24 CFR Part 92.351 require project Owners to provide information and otherwise attract eligible persons from all racial, ethnic, and gender groups in the housing market area to the available housing.

The project owner must:

- 1) Display the Equal Housing Opportunity statement or logo on all project signs.
- 2) Use the Equal Housing Opportunity statement or logo on all advertisements and publications. *Advertising media may include newspapers of general circulation, radio, television, brochures, or flyers.*
- 3) Display a Fair Housing Poster in a place visible to tenants and prospective tenants and in common area(s) of housing assisted with HOME funds.
- 4) Solicit applications for vacant units from persons in the housing market who are least likely to apply for the HOME-assisted housing without the benefit of special outreach efforts.

*In general, persons who are not of the race/ethnicity of the residents of the neighborhood in which the newly constructed or rehabilitated building is located shall be considered those least likely to apply.*

*For outreach purposes, the owner may utilize the housing authority, community action agencies, community development corporations, other community organizations, places of worship, employment centers, fair housing groups, housing counseling agencies, Clackamas County's Social Services' Information and Referral, the Community Connections website, or medical service centers to publicize unit vacancies or otherwise provide information to potential tenants.*

- 5) Maintain file records containing all marketing efforts including, but not limited to, copies of newspaper advertisements, file memorandums documenting phone inquiries, copies of inquiry letters and related responses, etc. *These records shall be made available to County for inspection during normal working hours.*

During the rent-up and initial marketing phase, CCCDD will assess the efforts of owners through the use of certifications of compliance by the owner. Thereafter, CCCDD will annually assess the efforts and the success of the affirmative marketing actions by the project owner.

In the event an owner fails to comply with the affirmative marketing requirements, CCCDD will require corrective actions which include, but are not limited to, requiring the owner to conduct extensive outreach efforts on all future vacancies using appropriate contacts such as those outlined above in order to achieve occupancy goals. CCCDD may impose other sanctions as deemed necessary.



## **OUTREACH TO MINORITY-OWNED AND WOMEN-OWNED BUSINESSES ENTERPRISES (MBE/WBE)**

Clackamas County Community Development Division (CCCDD) will take the following steps to ensure, to the maximum extent possible, that small and minority-owned business enterprises and women-owned business enterprises (MBE/WBE) are used whenever possible and economically feasible:

- ◆ Include language in all notices and advertisements related to the HOME Program which states that MBE/WBE are encouraged to apply for such funds and to participate as suppliers, contractors, professional service providers, etc. on projects assisted with HOME funds. All informational and documentary materials will also include this language.
- ◆ Include qualified MBE/WBE on any contractor or solicitation lists.
- ◆ Coordinate with the Oregon Office of Minority, Women and Emerging Small Business to maintain a list of eligible MBE/WBE. This list will be made available to HOME recipients.
- ◆ When necessary and appropriate, utilize the services and assistance of the US Department of Commerce's Small Business Administration and Minority Business Development Agency.
- ◆ Through contractual agreement, ensure that recipients of HOME program funds solicit MBE/WBE whenever they are potential sources.
- ◆ When feasible, divide total requirements into smaller tasks or quantities to permit maximum participation by MBE/WBE.
- ◆ When feasible, establish delivery schedules which will encourage participation by MBE/WBE.
- ◆ In conjunction with HOME-Assisted Projects, CCCDD will:
  - ◆ Encourage project sponsors, developers and owners to include, to the maximum extent feasible, the use of MBE/WBE in providing supplies, professional and construction services.
  - ◆ Request that project sponsors/developers maintain statistical data and identify jobs which have been bid by MBE/WBE. CCCDD may inspect the project site to confirm the percentage of minority and women laborers working at the site.

Monitor project sponsors, developers and owners to determine their compliance efforts in promoting the use of MBE/WBE in specific procurement areas, i.e. supplies, professional services, and construction services.

## ATTACHMENT G.

### REPORTING REQUIREMENTS FOR ACQUISITION AND REHABILITATION

#### 1. **Monthly Progress Reports.**

During the rehabilitation phase, the owner must submit a progress report each month that describes:

- a. Work completed during the reporting period; and
- b. Any decisions that have been made in the field, including changes to the scope of work, schedule and resolution to problems or disputes.

#### 2. **Final disbursement of HOME Funds at Project Completion.**

Five percent of HOME funds will be withheld until:

- a. The County inspects the completed project to verify that the HOME-Assisted Units meet the property standards set for at 24 CFR 92.251; and
- b. The owner submits the following documentation:
  - i. Documentation that relocation (If any) was conducted in accordance with Section 24 of this Agreement.
  - ii. Certification statement that the completed project meets the accessibility requirements of 24 CFR 92.251(a)(3).
  - iii. Certificate of Occupancy.
  - iv. Final Sources and Uses or Cost Certification that identifies the actual cost and funding source of each line item on the development budget.
  - v. Documentation for each source of match.
  - vi. Contractor information.
    - (1) Copy of construction contract between Owner and General Contractor.
    - (2) Certification that neither the General Contractor nor participants in lower tier covered transactions having to do with the project are currently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in federal projects.
    - (3) Forms and Assurances from General Contractor:
      - (a) Affidavit of Payment of Debts and Claims;
      - (b) Affidavit of Release of Liens from General Contractor and all Subcontractors;
      - (c) Consent of Surety Company to Final Payment (if bonded);
      - (d) Section 3 Summary Report (form HUD-60002);
      - (e) Minority- and Woman-Owned Business Enterprise Activity (form HUD-40107); and
      - (f) Contractor/Subcontractor Activity form (form HUD-2516).
  - vii. Copy of the Management Agreement;
  - viii. Copy of HOME tenant lease; and
  - ix. Copy of the written tenant selection criteria.
  - x. Form HUD-40097 (Project Completion Report - Part C, household characteristics for each HOME-Assisted Unit) must be submitted within 120 days of the request for final disbursement.

<b>LOAN AGREEMENT CLACKAMAS COUNTY HOME PROGRAM</b>
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**Name of Project: IKOI-SO TERRACE APARTMENTS**

This Loan Agreement ("Agreement") is entered into between Ikoi So Terrace Renewal Limited Partnership, an Oregon Limited Partnership, ("Owner") and Clackamas County ("County"), a Participating Jurisdiction under the HOME Program.

This Agreement includes the following attachments:

- |                             |  |
|-----------------------------|--|
| A. Legal Description        | E. HOME Affordability Requirements                         |
| B. Sources and Uses         | F. Affirmative Marketing and MBE/WBE Outreach Requirements |
| C. Schedule of Tasks        | G. Reporting Requirements                                  |
| D. HOME Match Contributions |  |

The parties, in consideration of the mutual promises and obligations set forth below, agree as follows:

1. **DEFINITIONS.** Capitalized terms in this Agreement and in the other Loan Documents have the following definitions:
  - a. **Annual Income.** Annual income as defined at 24 CFR 5.609.
  - b. **Affordability Requirements.** The Affordability Requirements refer to the restrictions on rents and tenant incomes set forth in Section 10 below.
  - c. **HOME-Assisted Units or HOME Unit.** HOME-Assisted units (HOME units) are those units in the Project which were partially or totally rehabilitated, constructed, or otherwise assisted with the use of HOME Funds. The HOME-Assisted units are designated in Section 4 below.
  - d. **HOME Funds.** HOME Funds means the total amount of HOME Program dollars being provided by the County to the Project under this Agreement. See Section 2 below.
  - e. **HOME Program and HOME Regulations.** The federal HOME Investment Partnership Program (HOME Program) is authorized under Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990. HUD's regulations and requirements for the HOME Program are located in 24 CFR Part 92. Should anything in this Agreement or the other Loan Documents conflict with the HOME regulations, the HOME regulations shall prevail.
  - f. **HUD.** The United States Department of Housing and Urban Development
  - g. **Loan Documents.** The Loan Documents are this Agreement, the Promissory Note, the Trust Deed, and the Declaration of Land Use Restrictive Covenants, all of which are incorporated into this Agreement by reference.
  - h. **Low-Income and Very Low-Income.** A Low-Income household is one whose total income does not exceed 80% of the County's median income. A Very Low-Income household is one whose total income does not exceed 50% of the County's median income.
  - i. **Median Income.** Median Income means the median income for Clackamas County, adjusted for family size, as published by HUD, from time to time.
  - j. **Owner** includes the current Owner and any subsequent Project owner, subject to the County consenting to any transfer under Section 29 below.
  - k. **Period of Affordability.** See Section 9 below.
  - l. **Project.** The project involves the acquisition and moderate rehabilitation of the Ikoi-So Terrace Apartments, an existing 35-unit multi-family rental housing project located at 1550 SE Oak Grove Blvd. in Milwaukie, Oregon 97267. The legal description of the property is set forth in **Attachment A**.
  - m. **Project Completion Date.** The later of the date when (a) the rehabilitation work is completed, (b) the final HOME drawdown has been disbursed to the Project, and (c) the County has entered the project

completion information into HUD's disbursement and information system. County must enter the project completion information into the HUD system, or otherwise provide it to HUD, within 120 days following the final project drawdown.

**2. HOME FUNDS; LOAN TERMS**

- a. **Amount and Purpose:** County shall loan HOME funds in the amount of \$550,000 to the **Owner** for the Project.
- b. **Loan Terms:**
  - i. The HOME Funds will be provided as a **0.5 % interest deferred payment loan**.
  - ii. The outstanding principal balance of this loan, together with all accrued and unpaid interest, shall be paid in full upon the earlier of **April 30, 2016** ("Maturity Date"); the sale, assignment or other transfer of title to the Property without the County's consent; or the date Owner or its agents or subcontractors is otherwise in default under any of the **Loan Documents** (including but not limited to the failure to meet the Affordability Requirements of Section 10 below). **Exceptions:** A sale pursuant to the NHA's buyout option and right of first refusal will not cause the Loan to be due and payable. Neither a transfer or assignment of a limited partner's interest in Owner nor the removal of a general partner for cause, pursuant to the terms of Borrower's Amended and Restated Agreement of Limited Partnership, shall cause the Loan to be due and payable.
- c. **Loan Documents:** The loan shall be evidenced by this Agreement, a Promissory Note and a Trust Deed, all of which together are incorporated by reference into this Agreement and are referred to collectively as the "**Loan Documents**."
- d. **Recording Requirement:** The Owner agrees to record the Trust Deed promptly after signing.
- e. **Interest Start Date:** The loan shall begin to accrue interest on the entire principal amount on the date of closing of the acquisition.

**3. PAYMENT OF OBLIGATION.**

- a. Payments of principal and interest shall be made until the loan is paid in full. All payments on the loan shall be applied first to the interest due on the loan and then the remaining amount shall be applied to the principal. No late fees will be charged.
- b. Payments shall be made at such place as County may designate in writing and shall be in the manner and amount as is described in the Promissory Note between the parties relating to this project.

**4. HOME-ASSISTED UNITS**

- a. **HOME-Assisted Units.** Nine (9) units in the project are HOME-Assisted Units. The total number of HOME-Assisted units has been calculated on the total amount of HOME funds invested in the project, including, but not limited to, this loan. The HOME units are as follows:

Bedroom Size	TOTAL UNITS	Low-Home Units	High Home Units	Total HOME-Assisted
1-bedroom (tenant) unit:	34	9	0	9
1-bedroom (manager) unit:	1	0	0	0
<b>TOTALS</b>	35	0	0	9

- b. **Fixed/Floating:** The HOME-Assisted units are designated as **FLOATING** HOME units as defined at 24 CFR 92.252.
- c. See Section 10 below and **Attachment E** for rent and income limits for the HOME-Assisted Units.

**5. SOURCES AND USES OF FUNDS; SCHEDULE OF TASKS**

- a. The permanent sources and uses of funds for the Project are set forth in **Attachment B**. Owner certifies that (i) it has, or will obtain, commitments of the funds from each of the sources identified, (ii) the sources of funds are sufficient to fund the project in full, and (iii) HOME funds shall only be used for HOME-eligible costs (see 24 CFR 92.206 and 92.214).
- b. The Schedule of Tasks to be undertaken in order to complete the Project is set forth in **Attachment C**.

**6. MATCH REQUIREMENT**

Attachment D documents the Project-related eligible sources of matching contributions as allowed by 24 CFR 92.218 through 92.222.

**7. HOME REGULATIONS**

The Owner agrees to comply with the HOME Regulations and with the other requirements of the Loan Documents.

**8. ENVIRONMENTAL REVIEW**

- a. The environmental effects of each activity carried out with HOME funds must be assessed in accordance with the provisions of the National Environmental Policy Act of 1969 (NEPA) and the related authorities in 24 CFR Parts 50 and 58.
- b. The County is responsible for environmental review, decision-making, and action for each activity that it carries out with HOME funds, in accordance with 24 CFR part 58. The County will not commit any HOME funds toward construction of the Project before completion of the environmental review and approval of the request for release of funds and related certification, except as authorized by 24 CFR Part 58.
- c. HOME Funds cannot be used for acquisition or construction in identified special flood hazard areas unless the Project is subject to the mandatory purchase of flood insurance as required by Section 102(a) of the Flood Disaster Protection Act of 1973.
- d. In the event that changes or modifications to the approved HOME activities are necessary, the Owner must, prior to any additional commitment or expenditure of funds, submit all necessary supplemental environmental review information and data to the County for the purpose of updating the environmental review record.

**9. PERIOD OF AFFORDABILITY**

- a. **The Period of Affordability is 15 years**, without regard to the term of the loan or the transfer of ownership, except as noted in subsection d below. The Initial Period of Affordability begins on the Project Completion Date.
- b. **Termination of Period of Affordability.** In accordance with 24 CFR 92.252(e), the Period of Affordability may be terminated upon foreclosure or transfer in lieu of foreclosure, but shall be revived according to the original terms if during the original Period of Affordability, the owner of record before the foreclosure or deed in lieu of foreclosure, or any entity that includes the former owner or those with whom the former owner has or had family or business ties, obtains an ownership interest in the project or property.

**10. AFFORDABILITY REQUIREMENTS (RENTS AND TENANT INCOMES)**

- a. To ensure compliance with the HOME "Program Rule", at initial occupancy all of the HOME-Assisted Units must be rented to tenants whose incomes at the time of the tenant's initial occupancy, are less than or equal to 60% of the median income.
- b. Low-HOME Units. If the number of HOME-Assisted Units is 5 or more, at least 20% of the HOME-assisted units must be occupied initially and throughout the Period of Affordability by tenants, who at the time of their initial occupancy are very-low-income tenants and the initial rents for those units must not exceed the Low HOME rents shown in Attachment E. These rents are subject to periodic adjustment by HUD. If the unit receives federal or state project-based rental assistance, the Low-HOME rent shall not exceed the allowable rent under the rental assistance program.

In accordance with 24 CFR 92.252(b)(2), "If the unit receives Federal or State project-based rental subsidy and the very low-income family pays as a contribution toward the rent not more than 30 percent of the family's adjusted income, then the maximum rent (i.e. tenant contribution plus project-based rental subsidy) is the rent allowable under the Federal or State project-based rental subsidy program."

- c. High-HOME Units. After initial occupancy as indicated in paragraph (a) above, the remaining HOME-Assisted Units must be rented during the Period of Affordability to tenants, who at the time of their initial occupancy are low-income tenants and the initial rents for these units must not exceed the High HOME rents shown in Attachment E. These rents are subject to periodic adjustments by HUD.

d. Increases in Tenant's Income.

i. Low-HOME rent units

1. If the income of a tenant in a Low-HOME rent unit rises above 50% of median income, but does not exceed 80% of median income, then the next available HOME-Assisted Unit (for fixed-unit projects) or the next available comparable unit (for floating-unit projects) must be rented to a very-low-income tenant. The unit occupied by the tenant whose income increased becomes a High-HOME unit and the High-HOME rent must be charged, provided that in no event shall the rent of a tenant of a HOME-assisted unit that has been allocated federal low-income housing tax credits ("LIHTC") increase beyond the maximum applicable LIHTC rent for such unit.
2. The rent for the unit occupied by the tenant whose income has increased above 80% of median income will be set in accordance with subparagraph iii below.

ii. High-HOME rent units

1. The income of a tenant in a High-HOME rent unit can increase to 80% of median income with no change in the status as a HOME-Assisted Unit or in the tenant's rent.
2. If the income of a tenant in a High-HOME rent unit rises above 80% of median income, then the next available HOME-Assisted Unit (for fixed-unit projects) or the next available comparable unit (for floating-unit projects) must be rented to a tenant whose income does not exceed 80% of median income.
3. The rent for the unit occupied by the tenant whose income has increased above 80% of median income will be set in accordance with subparagraph iii below.

iii. Over-income Tenants: In accordance with 24 CFR 92.252(i), a tenant who no longer qualifies as a low-income household must pay as rent 30 percent of the household's adjusted gross income, except that:

1. In no event shall the tenant of a HOME-assisted unit that has been allocated federal low-income housing tax credits ("LIHTC") be charged rent in excess of the maximum applicable LIHTC rent for such unit.
2. If the HOME-assisted unit is a floating unit, a tenant who no longer qualifies as a low-income household is not required to pay as rent an amount that exceeds the market rent for a comparable unassisted unit in the neighborhood.

e. Certification and Recertification of Tenant Income: The Owner must certify each tenant's household income, and must recertify such income annually in accordance with HOME regulations.

**11. TENANT SELECTION CRITERIA; LEASE REQUIREMENTS**

- a. The Owner must adopt written tenant selection policies and criteria, which must be approved by the County. The criteria must be consistent with the purpose of providing housing for very-low-income and low-income households, must be reasonably related to program eligibility and the applicant's ability to perform the lease obligations, must provide for the selection of tenants from a written waiting list in the chronological order of their application, insofar as practicable, and must give prompt written notification to any rejected applicant of the grounds for any rejection.
- b. Tenants must be offered renewable lease agreements with an initial duration of at least one year, unless a shorter time period is mutually agreed upon by the tenant and the landlord.
- c. In compliance with 24 CFR 92.252(d), the owner cannot discriminate against rental assistance subsidy holders.
- d. Tenant leases may not contain any of the following provisions:
  - i. Agreement by the tenant to be sued or to have a judgment entered in favor of Owner;
  - ii. Except as allowed by Oregon law, agreement by the tenant to allow Owner to take, hold, or sell personal property of household members without notice to the tenant and a court decision on the rights of the parties.
  - iii. Agreement by the tenant not to hold Owner liable for any action or failure to act.

- iv. Agreement by the tenant that Owner may institute a lawsuit without notice to the tenant.
  - v. Agreement by the tenant that Owner may evict tenant without instituting court proceedings in which the tenant has the opportunity to present a defense, or before a court decision on the rights of the parties.
  - vi. Agreement by the tenant to waive any right to a trial by jury, to waive the tenant's right to appeal, or otherwise challenge in court, a court decision in connection with the lease;
  - vii. Agreement by the tenant to pay attorney fees or costs even if the tenant wins in a court proceeding against the Owner. The tenant may however be obligated to pay costs and attorney fees if the tenant loses.
  - viii. Agreement by the tenant to accept supportive services that are offered.
- e. The Owner may not terminate the tenancy or refuse to renew the tenant's lease except for serious or repeated violation of the terms of the lease, for violation of law, for completion of the tenancy period for transitional housing, or for other good cause. To terminate or refuse to renew tenancy, Owner must serve written notice on the tenant specifying the grounds for the eviction at least 30 days before the termination of the tenancy.

**12. PROPERTY STANDARDS**

- a. The Project must meet all of the applicable Property Standards in 24 CFR 92.251 or be susceptible of meeting all such standards within a reasonable time following acquisition by Owner. It is understood that the project is being acquired for the purposes of renovation. County staff will inspect the Project to assure compliance with the Property Standards.
- b. Upon project completion and throughout the Period of Affordability, the Project must be maintained so that it continues to meet the property standards set forth in 24 CFR 92.251.

**13. INDEMNIFICATION AND INSURANCE**

Owner agrees to indemnify, defend and hold harmless the County and its officers, agents and employees against all liability, loss and costs arising from actions, suits, claims or demands, except when due to the County's sole negligence or intentional misconduct, arising from performance of this agreement.

Owner shall maintain all-risk property insurance in the amount of the full replacement value of the property, commercial general liability insurance in the minimum amount of \$ 1,000,000.00, and Rent Loss insurance in an amount equal to 12 months rental income. Owner shall provide County proof of insurance in the required amounts upon execution of this loan document, and again upon request of the County. Owner shall give county no less than 30 days notice if there is a cancellation, nonrenewal or material change of Owner's insurance. See paragraph 1.12 of the Trust Deed for additional insurance requirements.

**14. EVENTS OF DEFAULT**

An event of default under the Loan Documents includes, but is not limited to, the following; provided that the party declaring a default has first provided to the other party thirty days written notice specifying the alleged default and giving such other party the opportunity to cure the alleged default during that 30 day period, or during such longer period as is agreed to by the non-defaulting party in writing.

- a. Securing all Funding. The Owner must secure all fund sources identified in Attachment B within 12 months from the Effective Date identified in Section 32.
- b. Availability of the Project's HOME-assisted housing units. Within 24 months from the Effective Date identified in Section 32, the HOME-assisted units funded under this Agreement must be available for occupancy.
- c. Noncompliance with the Affordability Requirements at any time during the term of this Loan.

County agrees that any cure of any default made or tendered by Investor Member shall be deemed to be a cure by Borrower and shall be accepted or rejected on the same basis as if made or tendered by Borrower.

**15. REMEDIES FOR DEFAULT**

- a. In the event of default, either party may pursue any legal or equitable remedy available to it. Without limiting the foregoing, County may (i) declare the entire amount of the Loan due and payable at once, or (ii) extend the Period of Affordability for a period equal to the length of the period during which noncompliance with the Affordability Requirements existed.
- b. The County and any tenant or applicant who meets the income limitation applicable under 24 CFR 92 (whether prospective, present or former occupant) shall be entitled, for any breach of the provisions hereof, and in addition to all other remedies provided by law or in equity, to enforce specific performance by the Owner of its obligations under this Agreement in state court.

**16. AFFIRMATIVE MARKETING**

If the Project contains five or more HOME-Assisted Units, the Owner must implement and follow the adopted Affirmative Marketing Plan of the County, Attachment F. The Owner must maintain records evidencing compliance with the Plan.

**17. MINORITY/WOMEN'S BUSINESS**

In accordance with Executive Orders 11625 and 12432 (concerning Minority Business Enterprise), and 12138 (concerning Women's Business Enterprise), the County has adopted procedures and requirements for HOME projects for the purpose of encouraging the use of minority and women's business enterprises. The Owner certifies that it will follow and implement the adopted procedures and requirements in **Attachment F**.

**18. NON-DISCRIMINATION**

- a. The Owner must comply with all applicable federal, state, and local laws prohibiting discrimination on the basis of age, sex, marital status, familial status, religion, race, creed, color, sexual orientation, nationality, the presence of any sensory, mental or physical handicap, or other protected class. These requirements apply to both employment opportunities and the provision of housing and are specified in
  - i. Title VI of the Civil Rights Act of 1964, as amended (42 U.S.C. 200d et seq.);
  - ii. Title VI; Civil Rights Act of 1968, Title VIII, as amended;
  - iii. Equal Employment Opportunity, Executive Order 11246, as amended;
  - iv. Section 3 of the Housing and Urban Development Act of 1968;
  - v. Section 504 of the Rehabilitation Act of 1973;
  - vi. The Fair Housing Act of 1988 (42 U.S.C. 3601-3620);
  - vii. Equal Opportunity in Housing (Executive Order 11063, as amended by Executive Order 12259);
  - viii. Age Discrimination Act of 1975, as amended (42 U.S.C. 6101); and
  - ix. Americans with Disabilities Act of 1990 (42 U.S.C. 12131; 47 U.S.C. 155, 201, 218, and 225).
- b. The Owner must maintain data on the extent to which each racial and ethnic group and single-headed household (by gender of head of household) have applied for and rented units in the Project.

**19. DISBURSEMENT OF FUNDS**

- a. County will not disburse any HOME funds until all of the Loan Documents are signed.
- b. The Owner agrees to request funds under this Agreement only when they are needed for payment of specific allowable costs and only in amounts needed to pay such costs. The payment request must be accompanied by source documentation for actual expenses.
- c. The County shall verify requested amounts for satisfactory completion prior to payment. Payments shall be based upon work completed and approved by the County.

**20. CONTRACTOR DEBARMENT AND SUSPENSION**

In order to comply with the requirements of 24 CFR Part 24, the Owner must obtain a certification guaranteeing that no participants in lower tier covered transactions, having to do with the Project financed in whole or in part by



the HOME Funds, are currently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in federal projects.

## **21. SECTION 3 REQUIREMENTS**

Section 3 of the Housing and Urban Development Act of 1968, as amended, applies to:

- Projects for which HUD's share of the project cost exceeds \$200,000; and
- Contracts and subcontracts awarded on projects for which HUD's share of project costs exceeds \$200,000 and the contract or subcontract exceeds \$100,000.

Section 3 requires that to the greatest extent feasible opportunities for training and employment in connection with planning and carrying out the Project be given to low-income residents of the project area, and contracts for work in connection with the Project be awarded to business concerns, including but not limited to individuals for firms doing business in the field of planning, consulting, design, architecture, building construction, rehabilitation, maintenance, or repair, which are located in or owned in substantial part by persons residing in the project area.

## **22. LEAD BASED PAINT**

For all units in the Project (not just HOME-Assisted Units) and for common areas, the Owner must comply with the HUD Lead-Based Paint Regulations (24 CFR Part 35 and 24 CFR 982.401(j)) issued pursuant to the Lead-Based Paint Poisoning Prevention Act (42 USC Sections 4831 et. seq.) requiring prohibition of the use of lead-based paint whenever HOME Funds are used directly or indirectly for construction, rehabilitation, or modernization of residential structures; elimination of immediate lead-based paint hazards in residential structures; and notification of the hazards of lead-based paint poisoning to purchasers and tenants of residential structures constructed prior to 1978.

## **23. DISPLACEMENT, RELOCATION, ACQUISITION, AND REPLACEMENT**

The Owner must comply with all the regulations and laws regarding displacement, relocation, acquisition and replacement of housing, including those contained in 24 CFR 92.353 and the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC 4601-4655).

## **24. CONFLICT OF INTEREST**

Unless an exception is granted by the County pursuant to 24 CFR 92.356(f)(2), no developer, owner or sponsor of the Project, or officer, employee, agent or consultant of the owner, developer or sponsor, may occupy a HOME-Assisted Unit in the Project. This section does not apply to an employee or agent who occupies a HOME-Assisted Unit as the project manager or maintenance worker.

## **25. FAITH BASED ACTIVITIES**

- a. Organizations that are directly funded under the HOME program may not engage in inherently religious activities, such as worship, religious instruction, or proselytizing as part of the assistance funded under this part. If an organization conducts such activities, the activities must be offered separately, in time or location, from the assistance funded under this part, and participation must be voluntary for the beneficiaries of the assistance provided.
- b. An organization that participates in the HOME program shall not, in providing program assistance, discriminate against a program beneficiary, or prospective program beneficiary, on the basis of religion or religious belief.
- c. HOME funds may not be used for the acquisition, construction, or rehabilitation of structures to the extent that those structures are used for inherently religious activities. HOME funds may be used for the acquisition, construction, or rehabilitation of structures only to the extent that those structures are used for conducting eligible activities under this part.

## **26. RECORDS**

- a. The Owner must keep such records as are necessary to demonstrate compliance with all parts of this Agreement, including but not limited to the affordability requirements, tenant lease provisions, property standards, affirmative marketing, anti-discrimination, Section 3, MBE/WBE, environmental review,

relocation/displacement/property acquisition, labor requirements, lead-based paint, conflict of interest, debarment and suspension and intergovernmental review.

- b. Owner must annually provide tenant eligibility records to the County.
- c. Record Retention Periods
  - i. Except as stated in this subparagraph, records must be retained for five years following the Project Completion Date.
  - ii. Owner must maintain records pertaining to each tenant's income verifications, project rents and project inspections for at least the most recent five year period, until five years after the Period of Affordability has expired.
  - iii. Written agreements must be retained for five years after the agreement terminates.
  - iv. Records covering displacement and acquisition must be retained for five years after the date by which all persons displaced from the Property and all persons whose property is acquired for the Project have received the final payment to which they are entitled under 24 CFR 92.353.
  - v. If any litigation, claim, negotiation, audit, monitoring, inspection or other action has been started before the expiration of the required record retention period, records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the required period, whichever is later.
- d. Access to Records. HUD, the Comptroller General of the U.S., the County, and any of their representatives, have the right of access to any pertinent books, documents, papers or other records, in order to make audits, examinations, excerpts or transcripts, or otherwise determine compliance with HOME regulations.
- e. Any duly authorized representative of the Secretary of HUD or the Comptroller General of the United States or the County shall at all reasonable times have access to and the right to inspect, copy audit, and examine all books, records and other documents relating directly to the Owner's receipt and disbursement of the HOME Funds, as well as access to the Project. Upon request, the Owner must assist the County by serving notice to affected tenants, as required under Oregon Law.

## **27. MONITORING**

- a. Within 60 days of acquisition, the county staff will make an on-site visit to monitor compliance with the HOME rent and occupancy standards.
- b. The County will monitor the performance of the Owner to assure compliance with the requirements of this Agreement. During the INITIAL Period of Affordability, the monitoring will be conducted in accordance with 24 CFR 92.504)c)(5)(d) and will include on-site inspections and a review of all records required in Section 26 above.

## **28. WAIVER**

Failure by either party to enforce any right under this Agreement shall not be deemed to be a waiver of that right or of any other right.

## **29. SUCCESSORS AND ASSIGNS**

This Agreement shall be binding on and inure to the benefit of the heirs, successors, and assigns of each party, provided that written consent is obtained from the other party.

## **30. AUTHORITY TO SIGN**

Each party signing this Agreement, and the other Loan Documents, represents that it has full power and authority to enter into this Agreement, and the persons signing this Agreement for such party, if such party is not an individual, have full power and authority to sign for such party and to bind it to this Agreement, and to sell, transfer and convey all right, title, and interest in and to the Property in accordance with the Loan Documents. No further consent of any partner, shareholder, creditor, investor, judicial or administrative body, governmental authority, or other party is required.

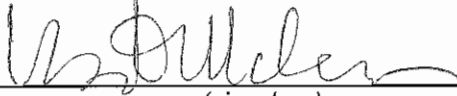
**31. EFFECTIVE DATE**

The Effective Date of this Agreement is the date it is signed by all parties.

**PROJECT OWNER:**

**Ikoï So Terrace Renewal Limited Partnership**  
By: Ikoï So Terrace GP LLC, its General Partner  
By: Northwest Housing Alternatives, Inc,  
its Managing Member  
By: Martha McLennan, its Executive Director

Address: 2316 SE Willard Street  
Milwaukie, OR 97222

By:   
\_\_\_\_\_  
(signature)

Printed Name: Martha McLennan  
Title: Executive Director  
Phone: (503) 654-1007  
Fax: (503) 654-1319  
Federal ID# 32-0432481

\_\_\_\_\_  
Date

**CLACKAMAS COUNTY**

Chair: John Ludlow  
Commissioner: Jim Bernard  
Commissioner: Paul Savas  
Commissioner: Martha Schrader  
Commissioner: Tootie Smith

Signing on Behalf of BCC:

\_\_\_\_\_  
(signature)  
Printed Name: Cindy Becker  
Title: Director, Health, Housing and Human Services

\_\_\_\_\_  
Date

### **Attachment A. Legal Description**

A parcel of land being part of Block 38 of the plat of OAK GROVE, as situated in the Northwest one-quarter of the Northeast one-quarter of Section 11, Township 2 South, Range 1 East of the Willamette Meridian, in the County of Clackamas and State of Oregon. Said parcel of land being more particularly described as follows:

Commencing at a point at the Northeast corner of Block 38 of said OAK GROVE; said point being located at the intersection of the South boundary of Oak Grove Boulevard (Central Avenue) with the West boundary of said River Road; thence West along the North boundary of said Block 38, a distance of 294.99 feet to the true point of beginning of the parcel of land herein described; thence South parallel to the East boundary of said Block 38, a distance of 340.00 feet to a point on the South line of said Block 38; thence West along the South boundary of said Block 38, a distance of 25.31 feet to the Southeast corner of that certain tract of land conveyed to Clairene S. Weaver, as recorded July 3, 1984, in Instrument No. 84- 22642, Clackamas County Records of Deeds; thence North along the East line of said Weaver tract a distance of 50.00 feet to the Northeast corner of said Weaver tract; thence West along the North boundary of said Weaver tract a distance of 181.40 feet to the Southeast corner of that certain parcel of land conveyed to Donn E. Plumlee and Barbara T. Plumlee as recorded April 12, 1984, in Instrument 84-12151, Clackamas County Records of Deeds, said Southeast corner being East 138.9 feet from the West boundary of said Block 38; thence North parallel to the West boundary of said Block 38 a distance of 190.00 feet to the Northeast corner of that certain parcel of land conveyed to Balyss T. Hobgood and Roslie Hobgood by Quit Claim Deed recorded August 6, 1981 in Instrument 81-27529, Clackamas County Records of Deeds; thence West a distance of 113.90 feet to the East line of Laurie Avenue; thence North along the East line of said Laurie Avenue, a distance of 100.00 feet to a point on the North boundary of said Block 30; thence East along the North boundary of said Block 38 a distance of 320.61 feet to the true point of beginning of the parcel of land herein described.

**Attachment B. Sources and Uses of Funds**

**Acquisition & Rehabilitation**

<b>REVISED</b>	<b>05/28/14</b>	<b>Cost Analysis:</b>	
<b>Funding Sources:</b>		Total number of units	35
HOME - Permanent Loan	\$600,000	<b>HOME Units</b>	<b>9</b>
HOME - short-term Loan	\$550,000	HOME units as percent of total units	25.7%
HOME - short-term Loan - repayment	\$(550,000)	Total Amount of HOME Assistance	\$1,150,000
LIHTC equity	\$3,287,195	HOME assistance per unit	\$127,778
OHAf Green Grant	\$12,500	Total Development Cost (TDC)*	\$5,256,563
OHCS GHAP	\$200,000	TDC per Unit	\$150,188
LI Weatherization		HOME funds as percent of TDC	21.9%
Loan	\$1,400,000	Hard Construction Cost	\$2,117,500
GP Deferred Fee	\$251,868	Total square footage (SF)	18,445
Cashflow during rehab	\$55,000	Cost per SF -- TDC	\$285
	<u>\$5,806,563</u>	Cost per SF -- Hard construction	\$115
<b>Subsidy limits as of 01/01/2012</b>		Total HOME funds as % of TDC	21.9%
1-bedroom	\$171,283	9 HOME units as % of total units	25.7%
Per unit subsidy at 9 units	\$138,889		

**Attachment C. Schedule of Tasks**

	<b>PROPOSED DATE (month/year)*</b>	<b>REVISED DATE (month/year)*</b>	<b>COMPLETED DATE (month/year)*</b>
<b>SITE</b>			
Option/Contract executed			June 2012
Site Acquisition	June 2014		
Zoning Approval			
Site Analysis	May 2013		
Building Permits & Fees	June 2014		
Off-site Improvements			
<b>PRE-DEVELOPMENT</b>			
Plans Completed (permit)	May 2014		
Final Bids	May 2014		
Contractor Selected			July 2013
<b>FINANCING</b>			
<b>CONSTRUCTION LOAN:</b>			
Proposal			July 2013
Firm Commitment (submittal)	May 2014		
Closing/Funding of Loan	Sept 2015		
<b>PERMANENT LOAN</b>			
Proposal	May 2013		
Firm Commitment	August 2013		
Closing/funding of Loan	December 2013		
<b>DEVELOPMENT</b>			
Syndication Agreement	June 2014		
Construction Begins	June 2014		
Construction Completed	March 2015		
Certificate Of Occupancy	March 2015		
<b>MARKETING</b>			
Lease up begins	Sept 2014		
Lease up completed	June 2015		
Absorption (units per month)	5		

**Attachment D.  
Home Match Contribution Form**

**PROJECT: IKOI-SO TERRACE APARTMENTS**

**Total number of units in project: 35**  
**Number of HOME-assisted units: 9**  
**Applicable match credit percentage\*: 26%**

MATCH SOURCE*	ELIGIBLE MATCH TYPE	ELIGIBLE MATCH AMOUNT	MATCH CREDIT
OHAF Green Grant**	1	\$12,500	\$3,214
OHCS GHAP**	1	\$200,000	\$51,420

**Eligible forms of match as defined in 24 CFR 92.220(a):**

- (1) Cash Contribution from Nonfederal Source
- (2) Foregone Taxes, Fees and Charges
- (3) Donated Land or Other Real Property
- (4) On-site or Off-site Infrastructure
- (5) Proceeds from Affordable Housing Bonds
- (6) Donated Site Preparation and Construction Materials
- (7) Donated Site Preparation and Construction Equipment
- (8) Donated or Voluntary Labor or Professional Services
- (9) Sweat Equity (homeownership only)
- (10) Supportive Services (for rental projects only)
- (11) Homebuyer Counseling Services (for acquisitions under 24 CFR 92.254(a))

\*24 CFR 92.219 states that 100% of the matching contribution can be recognized if "at least 50 percent of the housing units in the project are HOME-assisted."

\*\* Tentative

## Attachment E. HOME Affordability Requirements

### **1. HOME Rent Schedule**

US Department of Housing and Urban Development  
PMSA: Portland-Vancouver, OR-WA  
Effective Date: May 2014

	<b>Low HOME</b>	<b>High HOME</b>
<b>1 Bedroom</b>	<b>\$684</b>	<b>\$774</b>

#### **Notes:**

- **Utility Allowance:** The gross rents must be reduced if the tenant pays for any utilities besides telephone. The utility allowances prepared by the County Housing Authority shall be used when adjusting rents. Utility adjustments may be proposed by Owner for the Project, but must be approved by the County.
- Throughout the Period of Affordability rents plus utility standards for the Project will not be set at amounts less than those shown in this initial table.

### **2. HOME Tenant Income Limits**

US Department of Housing and Urban Development  
Effective Date: 2014

<b>HOUSEHOLD SIZE</b>	<b>50% OF MEDIAN</b>	<b>60% OF MEDIAN</b>	<b>80% OF MEDIAN</b>
1 Person	\$24,300	\$29,160	\$38,850
2 People	\$27,800	\$33,360	\$44,400

**Note:** This schedule will be updated from time to time when adjustments are provided by HUD.



## ATTACHMENT F.

### AFFIRMATIVE MARKETING

For housing containing five or more HOME-assisted units, the HOME regulations at 24 CFR Part 92.351 require project Owners to provide information and otherwise attract eligible persons from all racial, ethnic, and gender groups in the housing market area to the available housing.

The project owner must:

- 1) Display the Equal Housing Opportunity statement or logo on all project signs.
- 2) Use the Equal Housing Opportunity statement or logo on all advertisements and publications. *Advertising media may include newspapers of general circulation, radio, television, brochures, or flyers.*
- 3) Display a Fair Housing Poster in a place visible to tenants and prospective tenants and in common area(s) of housing assisted with HOME funds.
- 4) Solicit applications for vacant units from persons in the housing market who are least likely to apply for the HOME-assisted housing without the benefit of special outreach efforts.

*In general, persons who are not of the race/ethnicity of the residents of the neighborhood in which the newly constructed or rehabilitated building is located shall be considered those least likely to apply.*

*For outreach purposes, the owner may utilize the housing authority, community action agencies, community development corporations, other community organizations, places of worship, employment centers, fair housing groups, housing counseling agencies, Clackamas County's Social Services' Information and Referral, the Community Connections website, or medical service centers to publicize unit vacancies or otherwise provide information to potential tenants.*

- 5) Maintain file records containing all marketing efforts including, but not limited to, copies of newspaper advertisements, file memorandums documenting phone inquiries, copies of inquiry letters and related responses, etc. *These records shall be made available to County for inspection during normal working hours.*

During the rent-up and initial marketing phase, CCCDD will assess the efforts of owners through the use of certifications of compliance by the owner. Thereafter, CCCDD will annually assess the efforts and the success of the affirmative marketing actions by the project owner.

In the event an owner fails to comply with the affirmative marketing requirements, CCCDD will require corrective actions which include, but are not limited to, requiring the owner to conduct extensive outreach efforts on all future vacancies using appropriate contacts such as those outlined above in order to achieve occupancy goals. CCCDD may impose other sanctions as deemed necessary.

## **OUTREACH TO MINORITY-OWNED AND WOMEN-OWNED BUSINESSES ENTERPRISES (MBE/WBE)**

Clackamas County Community Development Division (CCCDD) will take the following steps to ensure, to the maximum extent possible, that small and minority-owned business enterprises and women-owned business enterprises (MBE/WBE) are used whenever possible and economically feasible:

- ◆ Include language in all notices and advertisements related to the HOME Program which states that MBE/WBE are encouraged to apply for such funds and to participate as suppliers, contractors, professional service providers, etc. on projects assisted with HOME funds. All informational and documentary materials will also include this language.
- ◆ Include qualified MBE/WBE on any contractor or solicitation lists.
- ◆ Coordinate with the Oregon Office of Minority, Women and Emerging Small Business to maintain a list of eligible MBE/WBE. This list will be made available to HOME recipients.
- ◆ When necessary and appropriate, utilize the services and assistance of the US Department of Commerce's Small Business Administration and Minority Business Development Agency.
- ◆ Through contractual agreement, ensure that recipients of HOME program funds solicit MBE/WBE whenever they are potential sources.
- ◆ When feasible, divide total requirements into smaller tasks or quantities to permit maximum participation by MBE/WBE.
- ◆ When feasible, establish delivery schedules which will encourage participation by MBE/WBE.
- ◆ In conjunction with HOME-Assisted Projects, CCCDD will:
  - ◆ Encourage project sponsors, developers and owners to include, to the maximum extent feasible, the use of MBE/WBE in providing supplies, professional and construction services.
  - ◆ Request that project sponsors/developers maintain statistical data and identify jobs which have been bid by MBE/WBE. CCCDD may inspect the project site to confirm the percentage of minority and women laborers working at the site.

Monitor project sponsors, developers and owners to determine their compliance efforts in promoting the use of MBE/WBE in specific procurement areas, i.e. supplies, professional services, and construction services.

**ATTACHMENT G.**

**REPORTING REQUIREMENTS FOR ACQUISITION AND REHABILITATION**

**1. Monthly Progress Reports.**

During the rehabilitation phase, the owner must submit a progress report each month that describes:

- a. Work completed during the reporting period; and
- b. Any decisions that have been made in the field, including changes to the scope of work, schedule and resolution to problems or disputes.

June 12, 2014

Board of County Commissioner  
 Clackamas County

Members of the Board:

Approval of a Change Order Number 2 with  
 Housing & Community Development Division and JWC, LLC for the  
River Road Head Start - Kitchen Remodel Project

<b>Purpose/Outcomes</b>	Change Order No. 2 is for unforeseen conditions as well as for additional work requested by the Owner (Children's Commission). By approving this Change Order, the Children's Commission will have a more improved kitchen facility.
<b>Dollar Amount and Fiscal Impact</b>	Change Order No. 2 is for the amount of \$42,678.28.
<b>Funding Source</b>	Community Development Block Grant (CDBG) funds and Children's Commission Grant funds are being used for the project. No County General Funds will be used for this project.
<b>Safety Impact</b>	None
<b>Duration</b>	March 24 <sup>th</sup> 2014 to July 22 <sup>nd</sup> 2014 (120 days)
<b>Previous Board Action</b>	No previous board action, Construction contract was under \$150,000 and signed by Cindy Becker
<b>Contact Person(s)</b>	Steve Kelly – Community Development 650-5665
<b>Contract No.</b>	6590

**BACKGROUND:**

The Housing & Community Development Division of the Health, Housing & Human Services Department requests approval of this Change Order with JWC, LLC for the River Road Head Start Kitchen Remodel Project. On February 19, 2014, JWC, LLC was the lowest responsive bidder for this project. The repairs and changes includes: exterior wall leak repair, new lighting package, more framing, new ceiling finishes, new floor sink, installation of refrigeration equipment, removal of paneling, new wallboard and paint.

Original Construction Contract	\$148,000.00
Change Order No. 1	\$ 13,796.02
Change Order No. 2	<u>\$ 42,678.28</u>
<b>TOTAL CONTRACT</b>	<b>\$204,473.30</b>

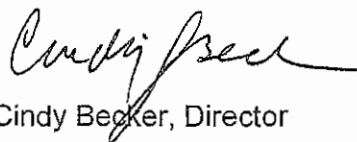
CDBG funds in the amount of \$10,563.18 will be used to fund the additional repairs included in Change Order No. 2. The Balance of the funds will be provided by the Children's Commission.

These additional improvements will make for a more complete project. This remodeled kitchen will serve moderate and low-income children of the Milwaukie area. This Construction Contract was reviewed and approved by County Counsel.

**RECOMMENDATION:**

Staff recommends the Board approve this Change Order and authorizes Cindy Becker, H3S Director to sign on behalf of Clackamas County.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Cindy Becker". The signature is written in a cursive, flowing style with a long horizontal stroke at the end.

Cindy Becker, Director

CHANGE ORDER FORM

COPY

JWC, LLC  
PO Box 821409  
Vancouver, WA 98682

Architect  
 Contractor  
 H3S Director

Project Name: RRHS – Kitchen Remodel  
Project Address: 16518 S.E. River Road  
Milwaukie, OR 97267

Change Order No: 2  
Contract Date: 3/13/2014  
Change Order Date: 5/14/2014  
Notice to Proceed: 3/24/2014

To: Clackamas County-Community Development  
2051 Kaen Road, Suite #245  
Oregon City, Oregon 97045


The following changes have been authorized by Clackamas County-Community Development and the Children’s Commission. See the listed changes (increases) to the project and are deem as changes to the original construction contract:


CP2: Misc. Items – Add. framing, new floor sink, repair old water main, install valve box, install copper drain pipping, install refrigeration equipment, new dining light upgrade:.....\$35,422.60  
CP3: Repair leak at exterior wall, new flashing, wall sealer, light demo work.:.....\$ 943.78  
CP4: Replace existing paneling and install new wallboard, finish with paint:.....\$ 2,073.91  
CP5: Repair abated ceiling, add corner bead, seal surfaces, finish with paint.....\$ 4,237.99  
Change Order #2 Total:.....\$42,678.28

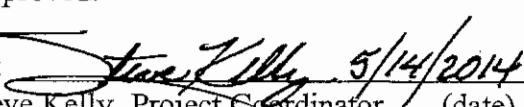
Attached is the supporting cost documentation.

Original Contract Price .....	\$148,000.00
Net Change by Previous Change Order (#1).....	\$ 13,796.02
Contract Price prior to this Change Order .....	\$161,796.02
Contract Price will be (increased) ( <del>unchanged</del> ) by this Change Order (#2).....	\$ 42,678.28
The new Contract Price including this Change Order will be .....	\$204,474.30

The Contract Time will be increased by this Change Order ( \_0\_ ) calendar days.  
The date of Substantial Completion as of the date of this Change Order therefore is ( \_\_n/a\_\_ ).

Approved:  
by:  5-14-14  
Willy Coomes, Manager (date)  
JWC, LLC

Approved:  
by:  5/14/2014  
John Kyle, Project Architect (date)  
Rep. for Children’s Commission

Approved:  
by:  5/14/2014  
Steve Kelly, Project Coordinator (date)  
Housing & Com. Dev.

Approved:  
by: \_\_\_\_\_ (date)  
Cindy Becker, Director (date)  
Health, Housing & Human Services

**JWC** GENERAL CONTRACTOR LLC  
 PO Box 821409  
 Vancouver, WA 98682

**CHANGE PROPOSAL: 002**

DISTRIBUTED TO:

<input checked="" type="checkbox"/> Owner's Rep	<input type="checkbox"/> Contractor
<input type="checkbox"/> Architect	<input type="checkbox"/> Subcontractor
<input type="checkbox"/> Field	<input type="checkbox"/> Other

PROJECT: River Road Head Start Kitchen Remodel

DATE: April 30, 2014

TO: Clackamas Co. Community Development  
 ATTN: Steve Kelly  
 2051 Kaen Road #245  
 Oregon City, OR 97045

PROJECT NO.: 53325

CONTRACT DATE: March 13, 2014

CONTRACT FOR: General Construction

The Contract is changed as follows:

#	GC Cost	Sub Cost	Description
1	\$ 2,500.00	\$ -	Additional wall framing, JWC
2		\$ 240.00	Required floor sink, Five Star Plumbers
3		\$ 400.00	Repair old water main, Five Star Plumbers
4	\$ 260.00		Excavate, backfill and install valve box, JWC
5		\$ 709.00	3/4" copper condensate drain piping, Five Star Plumbers
6		\$ 4,400.00	Install refrigeration equipment, Cameron's Installations
		\$ 20,954.16	Dining light change out and improvements, Precision Electric
<b>SUBTOTAL</b>	<b>\$ 2,760.00</b>	<b>\$ 26,703.16</b>	

Subtotal: \$ 29,463.16  
 Contractor P&O 15% \$ 4,419.47  
 Insurance 3% \$ 1,016.48  
 Bond 1.5% \$ 523.49  
 Subtotal \$ 35,422.60  
 Total \$ 35,422.60

Accepted By:

JOHN KYLE, AIA

Owner's Representative

[Signature] 5/14/2014  
 By: Date:

**JWC** GENERAL CONTRACTOR P.L.L.C.  
 PO Box 821409  
 Vancouver, WA 98682

**CHANGE PROPOSAL: 003**

DISTRIBUTED TO:

<input checked="" type="checkbox"/> Owner's Rep	<input type="checkbox"/> Contractor
<input checked="" type="checkbox"/> Architect	<input type="checkbox"/> Subcontractor
<input type="checkbox"/> Field	<input type="checkbox"/> Other

PROJECT: River Road Head Start Kitchen Remodel

DATE: May 13, 2014

TO: Clackamas Co. Community Development  
 ATTN: Steve Kelly  
2051 Kaen Road #245  
Oregon City, OR 97045

PROJECT NO.: 53325

CONTRACT DATE: March 13, 2014

CONTRACT FOR: General Construction

The Contract is changed as follows:

#	GC Cost	Sub Cost	Description
			Repair leak at exterior wall:
1	\$ 200.00		Material (flashing, wall sealer, drain rock)
2	\$ 585.00		Remove moldy wallboard, install material as needed for repair (9 hrs @ \$65)
3			
4			
5			
<b>SUBTOTAL</b>	<b>\$ 785.00</b>	<b>\$ -</b>	

Subtotal: \$ 785.00  
 Contractor P&O 15% \$ 117.75  
 Insurance 3% \$ 27.08  
 Bond 1.5% \$ 13.95  
 Subtotal \$ 943.78  
**Total \$ 943.78**

Accepted By:

JOHN KYLE, AIA

Owner's Representative

[Signature] 5/14/2014

By:

Date:



**JWC** GENERAL CONTRACTOR  
 P.O. Box 821409  
 Vancouver, WA 98682

**CHANGE PROPOSAL: 004**

DISTRIBUTED TO:

<input checked="" type="checkbox"/> Owner's Rep	Contractor
<input checked="" type="checkbox"/> Architect	Subcontractor
<input type="checkbox"/> Field	Other

PROJECT: **River Road Head Start Kitchen Remodel**

DATE: **May 13, 2014**

TO: **Clackamas Co. Community Development**  
 ATTN: **Steve Kelly**  
 2051 Kaen Road #245  
 Oregon City, OR 97045

PROJECT NO.: **53325**

CONTRACT DATE: **March 13, 2014**

CONTRACT FOR: **General Construction**

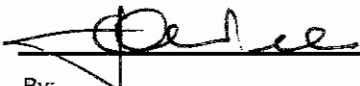
The Contract is changed as follows:

#	GC Cost	Sub Cost	Description
			Replace existing paneling with wallboard and paint:
1	\$ 195.00		Remove existing paneling and dispose (3 hrs @\$65)
2	\$ 390.00		Repair walls as needed (6 hrs @ \$65)
3	\$ 440.00		Install wallboard (6 hrs @ \$65, \$50 material)
4	\$ 700.00		Finish and paint (10 hrs @ \$65, \$50 materials)
5			
<b>SUBTOTAL</b>	<b>\$ 1,725.00</b>	<b>\$ -</b>	

Subtotal: \$ 1,725.00  
 Contractor P&O 15% \$ 258.75  
 Insurance 3% \$ 59.51  
 Bond 1.5% \$ 30.65  
 Subtotal \$ 2,073.91  
**Total \$ 2,073.91**

Accepted By:

JOHN KYLE, AIA  
 Owner's Representative

 5/14/2014  
 By: \_\_\_\_\_ Date:

**JWOC** GENERAL CONTRACTOR LLC.  
 PO Box 821409  
 Vancouver, WA 98682

**CHANGE PROPOSAL: 005**

DISTRIBUTED TO:	<input checked="" type="checkbox"/> Owner's Rep	Contractor
	<input checked="" type="checkbox"/> Architect	Subcontractor
	<input type="checkbox"/> Field	Other

PROJECT: River Road Head Start Kitchen Remodel

DATE: May 13, 2014

TO: Clackamas Co. Community Development  
 ATTN: Steve Kelly  
 2051 Kaen Road #245  
 Oregon City, OR 97045

PROJECT NO.: 53325

CONTRACT DATE: March 13, 2014

CONTRACT FOR: General Construction

The Contract is changed as follows:

#	GC Cost	Sub Cost	Description
			Repair abated ceiling / soffits at locations not to receive acoustical treatment:
1	\$ 625.00		Add corner bead (8 hrs @ \$65, \$105 materials)
2	\$ 345.00		Seal face paper (4 hrs @ \$65, \$85 materials)
3	\$ 1,950.00		Finish for paint (30 hrs @ \$65, \$65 materials)
4	\$ 605.00		Paint (8 hrs @ \$65, \$85 materials)
5			
SUBTOTAL	\$ 3,525.00	\$ -	

Subtotal: \$ 3,525.00  
 Contractor P&O 15% \$ 528.75  
 Insurance 3% \$ 121.61  
 Bond 1.5% \$ 62.63  
 Subtotal \$ 4,237.99  
**Total \$ 4,237.99**

Accepted By:

JOHN KYLE, AIA

Owner's Representative

[Signature] 5/14/2014  
 By: Date:





PO Box 28  
Banks, OR  
97106

CCB #169703

## Change order

Date	Change order #
4/23/2014	5177-3

Name / Address
JWC General Contractor, LLC PO B x 821409 Vancouver, WA 98682

P.O. No.	Project	Customer PO
Headstart	5177 - River R ad...	53325

Description	Qty	Cost	Total
<p>Plumbing Labor: Emergency call to repair broken pipe.</p> <p>Material necessary to repair pipe was included in the original bid.</p>		400.00	400.00

<b>Total</b>	<b>\$400.00</b>
--------------	-----------------

All material is guaranteed to be as specified. All work to be completed in a workman like manner according to standard practices. Any alterations or deviations from the above specifications involving extra cost will be executed only upon written change orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. By signing you agree to this change order and everything listed.

----- Signature -----

# FIVE STAR ★ ★ ★ ★ ★ PLUMBERS

PO Box 28  
Banks, OR 97106  
503-324-0717  
Fax 503-324-0883

## Change Order #3

<b>Project:</b>	River Road Head Start Kitchen
	Remodel CD #53325
<b>Job Site:</b>	16518 S.E. River Road.
	Milwaukie, Oregon.

**Date:** 4/23/14  
**Five Star Job #** 5177  
**Quoted by:** Terry Brown  
**Phone:** 503-324-0717  
**Email:** terry@five-star-builders.com

**Scope of work**

Provide and install 3/4" copper condensate drain piping

Description	Quantity	Unit	Price	Total
Material	1	LS	189.00	189.00
Labor	1	LS	520.00	520.00
				0.00
				0.00
				0.00
				0.00
				0.00
				0.00
				0.00
				0.00
				0.00
<b>Subtotal</b>				<b>709.00</b>
		<b>Percentage</b>		
	<b>Overhead</b>	0%		0.00
	<b>Profit</b>	0%		0.00

**Total**

**709.00**

Cameron's  
Installations, Inc.

22170 SW Martinazzi Ave.  
Tualatin, OR 97062

**Proposal**

Date	Proposal #
2/15/2014	4015

CCB #145983

JWC LLC  
PO Box 821409  
Vancouver, WA 98682

Project			
River Road Head Start			
Description	Qty	Cost	Total
Installation only of the items listed on plans & specifications. This includes the following items: A, B, C, E, F, & G. This does not include any millwork, refrigeration, mechanical or electrical work.	1	2,500.00	2,500.00
<del>Installation only of the refrigeration equipment for the walk-in cooler/freezer (item #A). This price is based on a maximum 25' line run and includes the tubing, fittings, labor &amp; refrigerant. This does not include any electrical work.</del>	<del>1</del>	<del>4,200.00</del>	<del>4,200.00</del>
Provide & install the S/S pass thru counter top only. This does not include any millwork.	1	1,000.00	1,000.00
Installation of a 7'-0" type I wall canopy hood system. The hood, exhaust fan, make-up air fan and fan/hood control panel are to be provided by others. This price includes the installation of those items plus providing and installing the following: all-welded exhaust duct work, double layer fire rated duct wrap, make-up air duct work, fan curb, wall trim for duct penetrations, s/s wall flashing, air balancing, hood to ceiling trim, plans & permits. This does not include any plumbing or electrical work. Seismic engineering, if required, is not included.	1	8,200.00	8,200.00
Provide and install a UL 300 listed fire suppression system.	1	2,700.00	2,700.00
Provide seismic engineering, if required for permits..	1	1,000.00	1,000.00
Please call us @ 503-692-3368 if you have any questions regarding this proposal		<b>Total</b>	

CHANGE  
ORDER  
#2  
AMOUNT

Signature \_\_\_\_\_

Phone #	Fax #	E-mail
503-692-3368	503-691-6880	scott@cameronsinstallations.com

*a.k.*



# Change Order

Order#: 1

Order Date: 04/24/2014

License: PRECIEW962KG

PO Box 2353  
 Battle Ground WA 98604  
 360-260-4544

**To:** JWC Construction  
 PO Box 821409  
 Vancouver WA 98682

**Project:** 59030406  
 River Road Head Start Kitchen  
 16518 Se. River Road  
 Milwaukie OR 97267

The contractor agrees to perform and the owner agrees to pay for the following changes to this contract.

Plans Attached

**Ordered By:**

**Customer Order:**

Specifications Attached

Description of Work	Amount
Dinning Light change out	20,954.16

Negative changes will lower the overall contract price requiring no additional payment by owner.

**Requested Amount of Change**

**20,954.16**

The original Contract Sum was .....	20,000.00
Net change by previous Change Orders .....	0.00
The Contract Sum prior to this Change Order .....	20,000.00
The Contract Sum will be changed by this Change Order .....	20,954.16
The new Contract Sum including this Change Order will be .....	40,954.16
The Contract Time will be changed by .....	0 Days

Owner: \_\_\_\_\_ Date: \_\_\_\_\_

Contractor: \_\_\_\_\_ Date: \_\_\_\_\_

Dinning lights Head start river road  
Totals (Summary) - Bid Summary: Dinning light change out

<b>Material</b>	
Non-Quoted	\$447.90
Quotes	6,869.15
Sales Tax (0.00%)	0.00
<b>Total Material</b>	<b>\$7,317.05</b>
<b>Labor</b>	
Direct (111.30 hours @ \$75.00)	\$8,347.50
Non-Productive Labor	0.00
<b>Total Labor</b>	<b>\$8,347.50</b>
Direct Job Expenses	\$900.00
Tools and Miscellaneous Materials	0.00
Subcontracts	0.00
<b>Job Subtotal (Prime Cost)</b>	<b>\$16,564.55</b>
Overhead (15.00%)	2,484.68
Profit (10.00%)	(904.92)
<b>Job Total</b>	<b>\$20,954.15</b>
<b>Actual Bid Price</b>	
	<b>\$20,954.15</b>
<b>Material to Direct Labor ratio: 0.47</b>	
Prime Cost per square foot	\$0.00
Job Total per square foot	\$0.00
Actual Bid Price per square ft	\$0.00
Labor cost per square foot	\$0.00
Labor hours per square foot	0.00
Gross Profit %	20.93
Gross Profit \$	\$4,389.60
Net Profit %	9.09



## Dinning lights Head start river road

Item #	Description	Quantity	Price	Ext Price	Labor	Ext Labor
6650	Cat 12 Gauge 1-5/8x1-5/8 Channel (labor)	250.00	0.00 E	0.00	0.26 E	65.00
1001	3/4" EMT	200.00	37.08 C	74.16	5.00 C	10.00
B2	8' Industrial Fluor	5.00	Quote 1	0.00	1.49 E	7.45
4992	#10 Jack Chain	80.00	34.55 C	27.64	8.75 C	7.00
B1	4' Industrial Fluor	5.00	Quote 1	0.00	0.96 E	4.80
B2E	8' Industrial Fluor	3.00	Quote 1	0.00	1.49 E	4.47
22979	Wall Occ Sensors	4.00	57.00 E	228.00	1.00 E	4.00
2790	#12 THHN CU Stranded Wire	630.00	156.89 M	98.84	6.00 M	3.78
2571	4" Square Box (1/2 & 3/4 KO's)	4.00	72.08 C	2.88	0.30 E	1.20
1547	3/4" Set Screw Die Cast Cplg	20.00	24.61 C	4.92	0.05 E	1.00
1427	3/4" Set Screw Die Cast Conn	10.00	22.31 C	2.23	0.10 E	1.00
2279	3/4" 1-Hole Strap	25.00	28.24 C	7.06	4.00 C	1.00
2725	4" Square 3/0 Plaster Ring-1/2"D	4.00	54.16 C	2.17	0.35 E	0.60

June 12, 2013

Board of County Commissioners  
 Clackamas County

Members of the Board:

**Approval of a Construction Contract between  
 the Housing and Community Development Division and Jim Smith Excavating  
 for the NW Gladstone Infrastructure Improvements Project**

<b>Purpose/Outcomes</b>	This Agreement will allow for construction of street and infrastructure improvements on Howell and Barclay Streets in Gladstone.
<b>Dollar Amount and Fiscal Impact</b>	City of Gladstone funds: \$83,633 Community Development Block Grant Funds: \$190,000 Total Contract: \$273,633
<b>Funding Source</b>	Federal – Community Development Block Grant funds and City of Gladstone funds. No County General Funds are involved.
<b>Safety Impact</b>	This project when completed will improve pedestrian safety on these streets
<b>Duration</b>	June 2014 to September 2014
<b>Previous Board Action</b>	2013 Housing and Community Development Action Plan project approved by the Board of County Commissioners on May 2, 2013.
<b>Contact Person(s)</b>	Mark Sirois – Community Development 650-5664
<b>Contract No.</b>	H3S 6799

**BACKGROUND:**

The Housing and Community Development Division of the Health, Housing & Human Services Department request the approval a Construction Contract with Jim Smith Excavating for the NW Gladstone Infrastructure Improvements project. The project includes street, sidewalk, waterline and storm drain improvements. Jim Smith Excavating was the lowest responsive bidder at the May 8, 2014 bid opening.

1	Jim Smith Excavating, Inc.	\$273,633.00
2	GSE Inc.	\$292,341.20
3	Oregon Underground, Inc.	\$305,035.85
4	CivilWorks NW, Inc.	\$313,251.50

This contract has been reviewed and approved by County Counsel on April 21, 2014

**RECOMMENDATION:**

Staff recommends the Board approve this Agreement and authorizes Cindy Becker, H3S Director to sign on behalf of Clackamas County.

Respectfully submitted,



Cindy Becker, Director

**AGREEMENT FOR PUBLIC WORKS CONSTRUCTION WORK  
BETWEEN OWNER AND CONTRACTOR**

**OWNER**

Clackamas County  
Community Development Division  
2051 Kaen Road, Suite 245  
Oregon City, OR 97045

**CONTRACTOR**

Jim Smith Excavating, Inc.  
PO Box 429  
Oregon City, OR 97045

THIS AGREEMENT is entered into by and between Clackamas County, Oregon (hereinafter called OWNER) and Jim Smith Excavating, Inc. (hereinafter called CONTRACTOR) and is dated as of the date it is signed by the OWNER.

This Contract for construction has been prepared for use with the Standard General Conditions of the Construction Contract (No. 1910-8-FA, 1997 edition) prepared by the Engineer's Joint Contract Documents Committee.

OWNER and CONTRACTOR, in consideration of the mutual covenants hereinafter set forth, agree as follows:

**ARTICLE 1: WORK**

CONTRACTOR shall complete all Work as specified or indicated in the Contract Documents. Work consists of Work consists of street, sidewalk, waterline and storm drain improvements for 2 streets in the Howell Street and Barclay Street area of the City of Gladstone, Oregon. Street improvements will include drainage, curbs, driveways, water lines, and rebuilding of 2 streets. This project is hereinafter referred to as the PROJECT.

**ARTICLE 2: ENGINEER**

The Project has been designed by Patrick A. Sisul, Sisul Engineering who is hereinafter called ENGINEER and who is to act as OWNER's representative, assume all duties and responsibilities and have the rights and authority assigned to ENGINEER in the Contract Documents in connection with completion of the Work in accordance with the Contract Documents.

**ARTICLE 3: CONTRACT TIME**

**3.1.** The Work will be substantially complete within **60** days from the date when the Contract Time commences to run as provided in paragraph 2.03 of the General Conditions, and complete and ready for final payment in accordance with paragraph 14.07.B of the General Conditions within 45 days from the date when the Contract Time commences to run.

Schedule A work will begin immediately based on the contract award Notice to Proceed date. **Schedule B** work is contingent upon the release of Community Development Block Grant Program funds obtained from the U.S. Department of Housing and Urban Development which is fully expected to occur by August-September 2014.

**3.2. Liquidated Damages.** OWNER and CONTRACTOR recognize that time is of the essence of this Agreement and that OWNER will suffer financial loss if the Work is not completed within the times specified in paragraph 3.1 above, plus any extensions thereof allowed in accordance with Article 12 of the General Conditions. They also recognize the delays, expense and difficulties involved in proving in a legal proceeding the actual loss suffered by OWNER if the Work is not completed on time. Accordingly, instead of requiring any such proof, OWNER and CONTRACTOR agree that as liquidated damages for delay (but not as a penalty) CONTRACTOR shall pay OWNER **\$250** for each day that expires after the time specified in paragraph 3.1 for Substantial Completion until the Work is substantially complete. After Substantial Completion if CONTRACTOR shall neglect, refuse or fail to complete the remaining Work within the Contract Time or any proper extension thereof granted by OWNER, CONTRACTOR shall pay OWNER **\$250** for each day that expires after the time specified in paragraph 3.1 for completion and readiness for final payment.

#### **ARTICLE 4: CONTRACT PRICE**

**4.1.** OWNER shall pay CONTRACTOR for completion of the Work in accordance with the Contract Documents in current funds as follows:

**4.1.1** In consideration of the faithful performance of the work herein embraced, as set forth in these Contract Documents, and in accordance with the direction of the ENGINEER and to his satisfaction to the extent provided in the Contract Documents, the OWNER agrees to pay to the CONTRACTOR the amount bid, as adjusted in accordance with the Contract Documents, and based on the proposal made by the CONTRACTOR, to make such payments in the manner and times provided in the Contract Documents.

**4.2** The Contract Price shall be Contract Dollar Amount (**\$ 273,633.00** ) which are described in the Contract Documents and are hereby accepted by the Owner.

#### **ARTICLE 5: PAYMENT PROCEDURES**

CONTRACTOR shall submit Applications for Payment in accordance with Article 14 of the General Conditions. Applications for Payment will be processed by ENGINEER as provided in the General Conditions.

**5.1. Progress Payments.** OWNER shall make monthly progress payments on account of the Contract Price on the basis of CONTRACTOR's Applications for Payment as recommended by ENGINEER. All progress payments will be on the basis of the progress of the Work measured by the schedule of values established in paragraph 2.07 of the General Conditions (and in the case of Unit Price Work based on the number of units completed) or, in the event there is no schedule of values, as provided in the General Requirements.

**5.1.1.** Prior to Substantial Completion, progress payments will be made in an amount equal to the percentage indicated below, but, in each case, less the aggregate of payments previously made and less such amounts as ENGINEER shall determine, or OWNER may withhold, in accordance with paragraph 14.02.B.5 of the General Conditions.

95% of Work completed and approved by the ENGINEER.

95% of materials and equipment not incorporated in the Work (but delivered, suitably stored and accompanied by documentation satisfactory to OWNER as provided in paragraph 14.02.A of the General Conditions).

**5.1.2.** Upon Substantial Completion, in an amount sufficient to increase total payments to CONTRACTOR to 95% of the Contract Price, less such amounts as ENGINEER shall determine, or OWNER may withhold, in accordance with paragraph 14.02.B.5 of the General Conditions.

**5.2. Final Payment.** Upon final completion and acceptance of the Work in accordance with paragraph 14.13 of the General Conditions, OWNER shall pay the remainder of the Contract Price as recommended by ENGINEER as provided in said paragraph 14.13.

## **ARTICLE 6: CONTRACTOR'S REPRESENTATIONS**

In order to induce OWNER to enter into this Agreement CONTRACTOR makes the following representations:

**6.1.** CONTRACTOR has examined and carefully studied the Contract Documents (including the Addenda listed in paragraph 7) and the other related data identified in the Bidding Documents including "technical data."

**6.2.** CONTRACTOR has visited the site and become familiar with and is satisfied as to the general, local and site conditions that may affect cost, progress, performance or furnishing of the Work.

**6.3.** CONTRACTOR is familiar with and is satisfied as to all federal, state and local Laws and regulations that may affect cost, progress, performance and furnishing of the Work.

**6.4.** CONTRACTOR has carefully studied all reports of explorations and tests of subsurface conditions at or contiguous to the site and all drawings of physical conditions in or relating to existing surface or subsurface structures at or contiguous to the site (except Underground Facilities) which have been identified in the Supplementary General Conditions as provided in paragraph 4.02.A of the General Conditions. CONTRACTOR accepts the determination set forth in paragraphs SC-4.02.A.1 and SC-4.02.A.2 of the Supplementary General Conditions of the extent of the "technical data" contained in such reports and drawings upon which CONTRACTOR is entitled to rely as provided in paragraph 4.02.B of the General Conditions.

CONTRACTOR acknowledges that such reports and drawings are not Contract Documents and may not be complete for CONTRACTOR's purposes. CONTRACTOR acknowledges that OWNER and ENGINEER do not assume responsibility for the accuracy or completeness of information and data shown or indicated in the Contract Documents with respect to Underground Facilities at or contiguous to the site. CONTRACTOR has obtained and carefully studied (or assumes responsibility for having done so) all such additional supplementary examinations, investigations, explorations, tests, studies and data concerning conditions (surface, subsurface and Underground Facilities) at or contiguous to the site or otherwise which may affect cost, progress, performance or furnishing of the construction to be employed by CONTRACTOR and safety precautions and programs incident thereto. CONTRACTOR does not consider that any additional examinations, investigations, explorations, tests, studies or data are necessary for the performance and furnishing of the Work at the Contract Price, within the Contract Times and in accordance with the other terms and conditions of the Contract Documents.

6.5. CONTRACTOR is aware of the general nature of work to be performed by OWNER and others at the site that relates to the Work as indicated in the Contract Documents.

6.6. CONTRACTOR has correlated the information known to CONTRACTOR, information and observations obtained from visits to the site, reports and drawings identified in the Contract Documents and all additional examinations, investigations, explorations, tests, studies and data with the Contract Documents.

6.7. CONTRACTOR has given ENGINEER written notice of all conflicts, errors, ambiguities or discrepancies that he has discovered in the Contract Documents and the written resolution thereof by ENGINEER is acceptable to CONTRACTOR, and the Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.

6.8 CONTRACTOR shall be licensed by the State of Oregon Construction Contractors Board (CCB) or licensed by the State Landscaping Contractors Board (LCB) as required by ORS 671.530 as well as not limited to the same requirements of any and all subcontractors on this PROJECT. If the CONTRACTOR's CCB license is not current during any phase of construction, the OWNER may consider the contract to be null and void immediately.

## **ARTICLE 7: CONTRACT DOCUMENTS**

The Contract Documents which comprise the entire agreement between OWNER and CONTRACTOR concerning the Work consist of the following:

- 7.1. This Agreement (pages 1 to 6, inclusive).
- 7.2. Exhibits to this Agreement (Exhibit GC-4, 1 page).
- 7.3. Performance and Payment Bonds, consisting of 4 pages.

7.4. General Conditions (pages 1 to 43, inclusive).

7.5. Supplementary Conditions, including:

Supplementary General Conditions (pages 1 to 10, inclusive).  
HUD Labor Standards, HUD-4010 (pages 1 to 4, inclusive).  
Federal Prevailing (Davis-Bacon) Wage Decision OR140001 02/21/2014 Mod. No. 4  
(pages 1 to 18 inclusive).  
State of Oregon (BOLI) Wage Rates Decision: amended April 1, 2014 (pages 1 to 5  
inclusive).

7.6. Specifications bearing the title “Special Provisions, Section 00100 through Section 02630”  
(pages 1 to 26, total count of Patrick A. Sisul, Sisul Engineering Spec.).

7.7. Drawing(s) bearing the title “**NW GLADSTONE INFRASTRUCTURE  
REHABILITATION PROJECT**” consisting of a cover and 15 of 15 pages.

7.8. Addenda number 1 and 2.

7.9. CONTRACTOR's Bid (Bid Proposal: pages 1, 2, 3, 4, 5, 6 and 7 inclusive).

7.10. The following which may be delivered or issued after the Effective Date of the Agreement  
and are not attached hereto: All Written Amendments and other documents amending,  
modifying, or supplementing the Contract Documents pursuant to paragraph 3.04 of the General  
Conditions.

The documents listed in paragraphs 7.2 et seq. above are attached to this Agreement (except as  
expressly noted otherwise above).

There are no Contract Documents other than those listed above in this Article 7. The Contract  
Documents may only be amended, modified or supplemented as provided in paragraphs 3.04 of  
the General Conditions.

#### **ARTICLE 8: FEDERAL (Davis-Bacon) AND STATE (BOLI) PREVAILING WAGE RATES**

Each worker in each trade or occupation employed in the performance of the contract either by  
the CONTRACTOR, subcontractor, or other person(s) doing or contracting for the whole or any  
part of the work on this contract, shall be paid not less than the applicable prevailing wage rate,  
and will pay the higher rate of pay on an individual job classification of which shall be in effect  
for this contract pursuant to Davis-Bacon Act (40 U.S.C. 276a) and Bureau of Labor and  
Industries (a.k.a. BOLI) ORS 279C.800 through ORS 279C.870.

#### **ARTICLE 9: MISCELLANEOUS**

9.1. Terms used in this Agreement which are defined in Article 1 of the General Conditions will have the meanings indicated in the General Conditions.

9.2. No assignment by a party hereto of any rights under or interests in the Contract Documents will be binding on another party hereto without the written consent of the party sought to be bound; and specifically but without limitation moneys that may become due and moneys that are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.

9.3. OWNER and CONTRACTOR each binds itself, its partners, successors, assigns and legal representatives to the other party hereto, its partners, successors, assigns and legal representatives in respect of all covenants, agreements and obligations contained in the Contract Documents.

9.4. Any provision or part of the Contract Documents held to be void or unenforceable under any Law or Regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon OWNER and CONTRACTOR, who agree that the Contract Documents shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

IN WITNESS WHEREOF, OWNER and CONTRACTOR have signed this Agreement in triplicate. One counterpart each has been delivered to OWNER, CONTRACTOR and ENGINEER. All portions of the Contract Documents have been signed or identified by OWNER and CONTRACTOR or by ENGINEER on their behalf.

This Agreement will be effective upon the date on which it is signed by the OWNER.

CONTRACTOR  
Jim Smith Excavating, Inc.  
PO Box 429  
Oregon City, OR 97045

OWNER  
Clackamas County, Oregon

By:   
Jim Smith, President

By: \_\_\_\_\_  
Cindy Becker, Director  
Department of Health, Housing  
and Human Services

6-2-14  
Date Signed

\_\_\_\_\_  
Date Signed

93-1060311  
Contractor's Federal Tax Identification No.  
or Social Security No. (if individual)



June 12, 2014

Board of County Commissioner  
Clackamas County

Members of the Board:

Approval of an Agreement with Tri-County Metropolitan Transportation  
District of Oregon for Operations and Capital for  
The Mt Hood Express Bus Service

<b>Purpose/Outcomes</b>	Agreement with Tri-County Metropolitan Transportation District of Oregon (TriMet) to fund operations and purchase two new vehicles for the Mt Hood Express bus service to expand transit to Government Camp and other locations in the Mt. Hood area.
<b>Dollar Amount and Fiscal Impact</b>	The maximum agreement is \$276,955 and will be used to pay for operations of the bus service. It will also purchase two new buses for the service.
<b>Funding Source</b>	State Special Transportation Fund Program (STF)
<b>Safety Impact</b>	None
<b>Duration</b>	Effective July 1, 2013 and terminates on June 30, 2015
<b>Previous Board Action</b>	None
<b>Contact Person</b>	Brenda Durbin, Director, Social Services Division 503-655-8641
<b>Contract No.</b>	6791

**BACKGROUND:**

The Social Services Division of the Department of Health, Housing and Human Services requests approval of an agreement with Tri-County Metropolitan Transportation District of Oregon (TriMet) to operate the Mt Hood Express bus service, as well as purchase two new buses. The Mt Hood Express provides public transit bus service between the City of Sandy, Government Camp and Timberline, along with other locations in the Mt. Hood area, increasing access to employment and recreation opportunities. TriMet, as the regional Special Transportation Fund distributor, is contracting for transportation services in the Hoodland area. These funds will provide operating funding as well as purchase two new buses to replace aging vehicles.

Clackamas County Social Services has received STF funds to operate the Mt Hood Express for several years. Since TriMet receives the funds, then distributes them through a competitive process that takes several months, this contract is retroactive to July 1, 2013. This agreement has been approved by County Counsel on May 21, 2014.

**RECOMMENDATION:**

Staff recommends the Board approval of this agreement and authorizes Cindy Becker, H3S Director to sign on behalf of Clackamas County.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Cindy Becker", with a stylized flourish at the end.

Cindy Becker, Director

**TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON  
AGREEMENT 14-0819  
DISBURSEMENT OF STATE OF OREGON, PUBLIC TRANSIT SECTION  
SPECIAL TRANSPORTATION FUNDS  
ODOT GRANT AGREEMENT NO. 29507**

**PARTIES:**

1. Tri-County Metropolitan Transportation District of Oregon ("TriMet")
2. Clackamas County Social Services ("Provider")

**RECITALS:**

1. Pursuant to ORS Chapter 391, TriMet is designated to distribute to "providers of transportation," as that term is defined in ORS 391.830(6), State of Oregon Department of Transportation (ODOT), Public Transit Section (Section), Oregon Transportation Network Special Transportation Funds (STF) for the purposes set forth at ORS 391.830(4). A project proposal for STF funding for Provider's elderly and disabled transportation projects ("Project") has been approved by the Oregon Transportation Commission and ODOT in the maximum amount of \$276,955 under the terms and conditions of State Grant Agreement No. 29507 ("Grant Agreement"). Notwithstanding any term or provision of the Grant Agreement, the maximum amount of STF funds to be disbursed to Provider under this Agreement shall not exceed \$276,955.
2. Pursuant to OAR 732-005-0061, TriMet and Provider enter into this Agreement for the sole purpose of disbursing the approved STF funds to Provider for Provider's accomplishment of the Project.

**AGREEMENTS:**

**1. General**

Provider agrees to execute the Project subject to and in accordance with the terms of this Agreement including the terms and conditions of the Grant Agreement as amended by Amendment Number 1 set forth in Exhibit A, ORS 391.800 through 391.830, and the provisions of OAR Chapter 732 Divisions 5 and 15 as may be amended, all of which are incorporated into and made part of this Agreement. Subject to funding limitations set forth in Exhibit A, the Project to be performed is set forth in Exhibit D to this Agreement. This Agreement is subject to any agreements made between ODOT and TriMet regarding disbursement of the STF Funds, and shall be amended to incorporate those changes. Specific contractual requirements applicable to Provider under this Agreement are set forth in Exhibits A, B, C and D which are incorporated into and made part of this Agreement. In the event of a conflict in or among the terms of this Agreement, the terms of Exhibit A shall control.

Provider agrees to comply with all sub-recipient monitoring policies, procedures and other requirements that may be established by TriMet, including but not limited to Title VI compliance.

Provider shall not be relieved of any responsibility for performance of Provider's duties under this Agreement, regardless of any subcontract entered into. Provider shall require any subcontractor performing services under this Agreement to enter into a written agreement with Provider before the commencement of services, which shall require the subcontractor to comply with ORS 391.800 through 391.830, OAR Chapter 732 Divisions 5 and 15, as may be amended, and the terms of this Agreement. Provider shall specifically include in all subcontracts a requirement that the subcontractor shall be bound by the following paragraphs of this Agreement as if the subcontractor were the Provider: Paragraphs 2 through 4, and 6(B).

**2. Audit Requirements/Financial Management Procedures**

STF funds disbursed by this Agreement shall be specifically addressed in Provider's annual audits, and the terms of Exhibit B shall apply. TriMet may request additional information including, but not limited to, audits of specific projects or services. Provider will adhere to financial management procedures in accordance with Oregon and other applicable laws, and specifically as provided by ORS 391.800 through 391.830 and OAR Chapter 732 in addition to the requirements set forth in Exhibit B.

**3. Reporting Requirements**

Provider shall submit monthly cost and performance data to TriMet via the established process, for posting on the TriMet website and in accordance with Exhibit B. The reporting period shall commence on the date TriMet disburses any STF funds to Provider. Reports shall be due within 45 days following the end of each month, or as otherwise directed by TriMet. Copies of the reports shall be sent to Ms. Claire Potter, Director, Financial Analysis, TriMet, 1800 S.W. 1<sup>st</sup> Avenue, Suite 300, Portland, Oregon 97201. TriMet may require additional reporting information from the Provider, in TriMet's sole discretion.

**4. Withholding of Funds**

In addition to any other provisions of this Agreement including but not limited to Exhibit B, TriMet may withhold payment of STF funds if the funds are not being used in accordance with ORS 391.800 through 391.830, the Section's OARs or this Agreement, all required reporting has not been submitted, or there are any unresolved audit findings relating to the STF. Provider shall assure that funds allocated hereunder are used only for the purposes permitted, and assumes responsibility for breach of conditions of the STF funding requirements hereunder by Provider, and shall, upon breach of conditions that require TriMet to return funds to the Section, hold harmless and indemnify TriMet for an amount equal to the funds required to be repaid plus any additional costs incurred by TriMet.

**5. Discrimination Prohibited/Compliance with Laws**

Provider certifies that no person shall, on the grounds of race, color, creed, religion, sex, age, national origin, or disability, be excluded from participation in, or be denied the benefits of, any activity for which Provider receives STF funds. Provider shall not discriminate against any employee or applicant for employment because of race, color, creed, religion, sex, age, national origin, or disability.

Provider shall comply with all applicable federal, state and local laws, rules and regulations applicable to the work hereunder, including without limitation, provisions required in public contracts under ORS Chapter 279, civil rights laws and all requirements established by the Americans with Disabilities Act of 1990 and FTA regulations at 49 CFR Parts 37 and 38, and all provisions of this Agreement.

**6. Independent Contractor/Indemnification**

(A) Provider is an independent contractor for all purposes under this Agreement, 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 PERS contributions, workers compensation, unemployment taxes and state and federal income tax withholdings. Provider shall have sole control and supervision over the manner in which the Project is performed, subject only to consistency with the terms of this Agreement, and shall be responsible for determining the appropriate means and manner of executing the Project. Neither Provider, nor its officers, directors, employees, subcontractors or volunteers, are officers, employees or agents of TriMet as those terms are used in ORS 30.265. Neither Provider, nor its directors, officers, employees, subcontractors or volunteers, shall hold themselves out either explicitly or implicitly as officers, employees or agents of TriMet for any purpose whatsoever. Nothing in this Agreement shall be deemed to create a partnership, franchise or joint venture between the parties.

(B) To the fullest extent permitted by law, Provider agrees to fully indemnify, hold harmless and defend, TriMet, its directors, officers, employees and agents from and against all claims, suits, actions of whatsoever nature, damages or losses, and all expenses and costs incidental to the investigation and defense thereof including reasonable attorneys fees, resulting from or arising out of the activities of Provider, its officers, directors, employees, agents, subcontractors and volunteers under this Agreement.

**7. Vehicle/ Operator Requirements**

Provider shall ensure that all drivers of equipment have a valid Oregon driver's license and shall have passed a defensive driving course or bus driver's training course. Per ORS 820.200, drivers of public passenger-carrying vehicles must be at least 21 years of age. Drivers of equipment designed to carry 16 or more passengers, including the driver, shall have a valid Commercial Driver's License (CDL). Provider shall otherwise ensure that operation of the vehicles is performed in accordance with all applicable laws and regulations.

Provider shall perform criminal, Department of Motor Vehicles and employment background checks as part of the eligibility requirements for operators.

**8. Funding**

After execution of this Agreement and receipt by TriMet of STF funds from the Section, TriMet will disburse to Provider STF funds in the approved amounts in accordance with the terms of this Agreement. Notwithstanding any other provision of this Agreement the maximum amount of STF funds to be disbursed to Provider shall be \$276,955.

**9. Term**

This Agreement shall be in effect from July 1, 2013 through June 30, 2015, unless the Agreement is terminated earlier as provided in this Agreement.

**10. Communications**

All communications between the parties regarding this Agreement shall be directed to the parties' respective Project Managers as indicated below:

TriMet:  
Ms. Claire Potter  
Director, Financial Services  
TriMet  
1800 S.W. 1<sup>st</sup> Avenue, Suite 300  
Portland, Oregon 97201  
FAX: (503) 962-6463

Provider:  
Ms. Teresa Christopherson  
*Administrative Services mgr.*  
Clackamas County Social Services  
P.O. Box 2950  
Oregon City, Oregon 97045  
FAX: (503) 655-8889

**11. Assignment/Subcontracts**

Provider may not assign, delegate or subcontract any of its rights or obligations under this Agreement to any other party without the prior written consent of TriMet. Any assignment, delegation or subcontract in violation of this paragraph shall be null and void, and shall constitute grounds for immediate termination by TriMet.

**12. Mediation**

Should any dispute arise between the parties concerning this Agreement, which is not resolved by mutual agreement, it is agreed that it will be submitted to mediated negotiation prior to any party commencing litigation. In such an event, the parties to this Agreement agree to participate in good faith in a non-binding mediation process. The mediator shall be selected by mutual agreement of

the parties, but in the absence of such agreement each party shall select a temporary mediator and those mediators shall jointly select the permanent mediator. All costs of mediation shall be borne equally by the parties.

**13. Entire Agreement/Authority**

This Agreement and the Attachments 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 TriMet to enforce any provision of this Agreement shall not constitute a waiver by TriMet of that or any other provision.

If any term of this Agreement is determined by a court to be illegal or conflict with any law, the remaining terms shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular term or provision held to be invalid.

The individuals signing below represent and warrant that they have authority to bind the party for which they sign.

**Provider:**

Clackamas County Social Services

By: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Phone/FAX: \_\_\_\_\_

Federal Employer ID Number: \_\_\_\_\_

**Tri-County Metropolitan Transportation District of Oregon (TriMet):**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date of Execution: \_\_\_\_\_

AMENDMENT NUMBER 1  
ODOT GRANT AGREEMENT NO. 29507  
TRI COUNTY METROPOLITAN TRANSPORTATION DISTRICT

The **State of Oregon**, acting by and through its Department of Transportation, hereinafter referred to as **State**, and **Tri County Metropolitan Transportation District**, hereinafter referred to as **Recipient**, entered into an agreement on **July 9, 2013**. Said Agreement is to secure financial assistance to complete the activities described in Exhibit A.

It has now been determined by State and Recipient that the agreement referenced above, although remaining in full force and effect, shall be amended to add funds.

**Page 1, Agreement, Paragraph 3, which reads:**

**3. Project Cost; Grant Funds.** State shall provide Recipient Grant Funds in an amount not to exceed **\$5,625,778.00**. Recipient acknowledges and agrees that State may change the amount of Grant Funds available under this Agreement, based on availability of funds and other factors as determined by State, upon notification to Recipient in accordance with Section 11.g of this agreement. State and Recipient agree that in no event shall the amount State provides to Recipient be less than the Minimum Allocation determined as provided in OAR 732-010-0010.

**Shall be deleted in its entirety and replaced with the following:**

**3. Project Cost; Grant Funds.** State shall provide Recipient Grant Funds in an amount not to exceed **\$7,524,432.00**. Recipient acknowledges and agrees that State may change the amount of Grant Funds available under this Agreement, based on availability of funds and other factors as determined by State, upon notification to Recipient in accordance with Section 11.g of this agreement. State and Recipient agree that in no event shall the amount State provides to Recipient be less than the Minimum Allocation determined as provided in OAR 732-010-0010.

**Exhibit A shall be deleted in its entirety and replaced with the attached Revised Exhibit A. All references to "Exhibit A" shall hereinafter be referred to as "Revised Exhibit A."**

**Exhibit B shall be deleted in its entirety and replaced with the attached Revised Exhibit B. All references to "Exhibit B" shall hereinafter be referred to as "Revised Exhibit B."**



Tri County Metropolitan Transportation District/State of Oregon  
Agreement No. 29507

This Amendment 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 Amendment so executed shall constitute an original.

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

**SIGNATURE PAGE TO FOLLOW**

Tri County Metropolitan Transportation District/State of Oregon  
Agreement No. 29507

**Tri County Metropolitan Transportation  
District**, by and through its

By Neil McFarlane  
(Legally designated representative)

Name NEIL McFARLANE  
(printed)

Date 4/22/2014

By \_\_\_\_\_

Name \_\_\_\_\_  
(printed)

Date \_\_\_\_\_

**APPROVED AS TO LEGAL SUFFICIENCY**

(If required in local process)

By \_\_\_\_\_  
Recipient's Legal Counsel

Date \_\_\_\_\_

**Recipient Contact:**

Claire Potter  
4012 SE 17th Ave  
Portland, OR 97202  
1 (503) 962-5867  
potterc@trimet.org

**State Contact:**

Sherrin Coleman  
555 13th St. NE  
Salem, OR 97301-4179  
1 (503) 986-4305  
Sherrin.K.COLEMAN@odot.state.or.us

**State of Oregon**, by and through its  
Department of Transportation

By H.A. Gard  
H. A. (Hal) Gard  
Rail and Public Transit Division Administrator

Date 24 April 2014

**APPROVAL RECOMMENDED**

By Joni Mamber

Date 4/15/2014

By \_\_\_\_\_

Date \_\_\_\_\_

**APPROVED AS TO LEGAL SUFFICIENCY**

(For funding over \$150,000)

By \_\_\_\_\_  
Assistant Attorney General

Name Keith Kutler by email  
(printed)

Date April 15, 2014

**Revised Exhibit A**

**Project Description and Budget**

**Project Description/Statement of Work**

<b>Project Title: TriMet STF Formula and STO Funds 13-15</b>				
<i>13-15 STF Formula and STO Funds</i>				
<b>Item #1: Operating</b>				
	Total	Grant Amount	Local Match	Match Type(s)
	\$5,106,037.00	\$5,106,037.00	\$0.00	
<b>Item #2: Operating</b>				
	\$1,898,654.00	\$1,898,654.00	\$0.00	
<b>Item #1: Operating</b>				
	Total	Grant Amount	Local Match	Match Type(s)
	\$519,741.00	\$519,741.00	\$0.00	
<b>Sub Total</b>	<b>\$7,524,432.00</b>	<b>\$7,524,432.00</b>	<b>\$0.00</b>	
<b>Grand Total</b>	<b>\$7,524,432.00</b>	<b>\$7,524,432.00</b>	<b>\$0.00</b>	

• *Special Transportation Formula Funds (STFF)*

**1. PROJECT DESCRIPTION**

*Provide financial support for special transportation services benefiting seniors and individuals with disabilities. Funding may be used for the following purposes: maintenance of existing transportation programs; expansion of existing transportation programs; creation of new programs and services; planning for, and development of, access to transportation; capital purchases; and as matching funds for state and federal programs also providing transportation and services to seniors and individuals with disabilities.*

**2. PROJECT DELIVERABLES, TASKS and SCHEDULE**

*The Special Transportation Fund (STF) Agency will distribute funds to the following approved subrecipients and projects. STF Agency retains authority over costs and allocations of STF dollars accepted and may shift STF dollars between the subrecipients and projects identified in this Exhibit A, as the STF Agency deems necessary. An amendment to this Agreement will be required if there are additional subrecipients or projects.*

**SUBRECIPIENT BUDGET JULY 1, 2013 THROUGH JUNE 30, 2014**

**SUBRECIPIENT: STF Agency (TriMet)**  
 Administrative Allotment: \$2,000  
 Operating In-District: \$464,883 (LIFT Operations-Base)

**SUBRECIPIENT: Ride Connection**  
 Operating In-District: \$431,614  
 Operating Out-of-District \$47,957

**SUBRECIPIENT: American Red Cross**  
 Operating In-District: \$96,787  
 Operating Out-of-District \$4,033

**SUBRECIPIENT: Clackamas County Consortium-Expanded**  
 Operating In-District: \$172,179  
 Operating Out-of-District \$43,045

Tri County Metropolitan Transportation District/State of Oregon  
Agreement No. 29507

*SUBRECIPIENT: Clackamas County-Base  
Operating In-District: \$101,717  
Operating Out-of-District \$25,429*

*SUBRECIPIENT: David's Harp  
Operating In-District: \$29,434  
Operating Out-of-District \$0*

*SUBRECIPIENT: East Multnomah County U-Ride  
Operating In-District: \$79,322  
Operating Out-of-District \$0*

*SUBRECIPIENT: Metropolitan Family Services  
Operating In-District: \$68,005  
Operating Out-of-District \$0*

*SUBRECIPIENT: Neighborhood House  
Operating In-District: \$61,440  
Operating Out-of-District \$0*

*SUBRECIPIENT: N.W. Pilot Project  
Operating In-District: \$58,071  
Operating Out-of-District \$0*

*SUBRECIPIENT: NW/SW Ride Connection  
Operating In-District: \$103,642  
Operating Out-of-District \$0*

*SUBRECIPIENT: Portland Impact  
Operating In-District: \$74,999  
Operating Out-of-District \$0*

*SUBRECIPIENT: Providence ElderPlace  
Operating In-District: \$18,112  
Operating Out-of-District \$0*

*SUBRECIPIENT: Washington County U-Ride  
Operating In-District: \$207,714  
Operating Out-of-District \$10,932*

*SUBRECIPIENT: Sandy E and D Operations  
Operating In-District: \$207,714  
Operating Out-of-District \$10,932*

*SUBRECIPIENT: Wilsonville E and D Operations  
Operating In-District: \$100,000  
Operating Out-of-District \$0*

*SUBRECIPIENT: Canby E and D Operations  
Operating In-District: \$57,852  
Operating Out-of-District \$57,852*

*SUBRECIPIENT: Molalla E and D Operations  
Operating In-District: \$56,000  
Operating Out-of-District \$56,000*

Tri County Metropolitan Transportation District/State of Oregon  
Agreement No. 29507

*SUBSUBSUBRECIPIENTS: Mountain Express*  
*Operating In-District: \$10,000*  
*Operating Out-of-District \$0*

*SUBRECIPIENT BUDGET JULY 1, 2014 THROUGH JUNE 30, 2015*

*SUBRECIPIENT: STF Agency (TriMet)*  
*Administrative Allotment: \$2,000*  
*Operating In-District: \$464,883 (LIFT Operations-Base)*

*SUBRECIPIENT: Ride Connection*  
*Operating In-District: \$431,614*  
*Operating Out-of-District \$47,957*

*SUBRECIPIENT: American Red Cross*  
*Operating In-District: \$96,787*  
*Operating Out-of-District \$4,033*

*SUBRECIPIENT: Clackamas County Consortium-Expanded*  
*Operating In-District: \$172,179*  
*Operating Out-of-District \$43,045*

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*Operating In-District: \$101,717*  
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*Operating In-District: \$18,112*  
*Operating Out-of-District \$0*

Tri County Metropolitan Transportation District/State of Oregon  
Agreement No. 29507

*SUBRECIPIENT: Washington County U-Ride  
Operating In-District: \$207,714  
Operating Out-of-District \$10,932*

*SUBRECIPIENT: Sandy E and D Operations  
Operating In-District: \$207,714  
Operating Out-of-District \$10,932*

*SUBRECIPIENT: Wilsonville E and D Operations  
Operating In-District: \$100,000  
Operating Out-of-District \$0*

*SUBRECIPIENT: Canby E and D Operations  
Operating In-District: \$57,852  
Operating Out-of-District \$57,852*

*SUBRECIPIENT: Molalla E and D Operations  
Operating In-District: \$56,000  
Operating Out-of-District \$56,000*

*SUBSUBSUBRECIPIENTS: Mountain Express  
Operating In-District: \$10,000  
Operating Out-of-District \$0*

*STF SUPPLEMENTAL BUDGET UPON AMENDMENT THROUGH JUNE 30, 2015*

*The 2013 Special session of the Oregon Legislature allocated additional funds to the STF program. The STF agency will distribute funds to the following approved subrecipients and projects:*

*SUBRECIPIENT: American Red Cross  
Operating In-District: \$ 47,433  
Operating Out-of-District \$1,976*

*SUBRECIPIENT: Clackamas County Consortium - Base  
Operating In-District: \$ 30,901  
Operating Out-of-District \$3,433*

*SUBRECIPIENT: Clackamas County Senior Services  
Operating In-District: \$ 33,447*

*SUBRECIPIENT: Clackamas County Sequestration Mitigation  
Operating In-District: \$ 17,568  
Operating Out-of-District \$1,952*

*SUBRECIPIENT: Clackamas County TRP Van Service  
Operating In-District: \$ 23,355*

*SUBRECIPIENT: Clackamas County TRP Volunteer Mileage  
Operating In-District: \$ 56,696*

*SUBRECIPIENT: Rural Washington County U-Ride  
Operating In-District: \$ 167,394  
Operating Out-of-District \$14,556*

*SUBRECIPIENT: Impact NW  
Operating In-District: \$46,226*

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*SUBRECIPIENT: JARC Catch a Ride  
Operating In-District: \$58,864*

*SUBRECIPIENT: Lake Oswego, Shuttle in the Woods  
Operating In-District: \$23,448*

*SUBRECIPIENT: Metropolitan Family Services  
Operating In-District: \$59,719*

*SUBRECIPIENT: Ride Connection, Dialysis Pilot Project  
Operating In-District: \$ 205,767  
Operating Out-of-District: \$22,863*

*SUBRECIPIENT: Ride Connection Cost CPI Adjustment  
Operating In-District: \$ 70,979  
Operating Out-of-District: \$7,887*

*SUBRECIPIENT: TriMet LIFT Operations  
Operating In-District: \$388,816*

*SUBRECIPIENT: Clackamas County Mt Hood Express Shuttle  
Operations & Vehicles Out-of-District: \$27,495*

*SUBRECIPIENT: City of Canby  
Operating In-District: \$ 49,440  
Operating Out-of-District: \$32,960*

*SUBRECIPIENT: City of Sandy  
Capital - Vehicle Replacement In-District: \$ 60,000  
Capital - Vehicle Replacement Out-of-District: \$20,000*

*SUBRECIPIENT: City of Wilsonville (SMART)  
Operating In-District: \$24,000*

*SUBRECIPIENT: South Clackamas Transportation District  
Operating and vehicle maintenance In-District: \$48,000  
Operating and vehicle maintenance Out-of-District: \$32,000*

*SUBRECIPIENT: Ride Connection  
Capital - Technology In-District: \$193,500  
Capital - Technology Out-of-District: \$21,500*

*SUBRECIPIENT: Ride Connection  
Capital - Vehicle Replacements In-District: \$108,479*

**3. PROJECT ACCOUNTING and SPENDING PLAN**

*TriMet (STF Agency) will receive and disburse STF moneys from a separate governmental fund. Any money realized as a result of interest accrued will be added to the moneys and will be reported to State.*

*See distribution above for estimated spending plan.*

**SPECIAL TRANSPORTATION OPERATING (STO):**

*The STF Agency will distribute STO funds (availability of funds is contingent on budget action by the State of Oregon Legislature) to the following approved subrecipients and projects. The*

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*STF Agency retains authority over costs and allocations of STF dollars accepted and may shift STF dollars between subrecipients and projects identified in this Exhibit A, as the STF Agency deems necessary. An amendment to this Agreement will be required if there are additional subrecipients or projects.*

*The uses of funds of Special Transportation Operating funds are limited to operating expense defined by OAR 732-005-0010(19): "Operating Expense" means the costs associated with the provision of transportation services. Operating expense does not include expenses associated with procuring or leasing capital equipment. Common operating expenses include, and are not limited to: personnel, insurance, utilities, vehicle and facility maintenance, professional and technical services, security, fuel and tires, purchased transportation services, personnel training, communication and technology maintenance, marketing/public information, and planning integral to the provision of transit services.*

*SUBRECIPIENT BUDGET JULY 1, 2013 THROUGH JUNE 30, 2014*

*SUBRECIPIENT: STF Agency (TriMet LIFT Operations-Base)  
Operating: \$96,302*

*SUBRECIPIENT: Ride Connection, Inc.  
Operating: \$96,764*

*SUBRECIPIENT: Ride Connection, Inc.  
Operating the following services:  
American Red Cross: \$20,558  
Clackamas County Consortium - Expanded: \$43,888  
Clackamas County Consortium-Base \$25,928  
David's Harp: \$6,002  
East Multnomah County U-Ride: \$16,176  
Metropolitan Family Services: \$13,868  
M Jewish CC/Neighborhood House: \$12,528  
N.W. Pilot Project: \$11,842  
N.W. Portland Ministries: \$22,162  
Portland Impact: \$15,294  
Providence ElderPlace: \$3,694  
Washington County U-Ride: \$44,586*

*SUBRECIPIENT: Clackamas County Mountain Express: \$2,036*

*SUBRECIPIENT: Sandy E and D Operations: \$22,560*

*SUBRECIPIENT: Wilsonville E and D Operations: \$19,814*

*SUBRECIPIENT: Canby E and D Operations: \$23,552*

*SUBRECIPIENT: Molalla E and D Operations: \$22,188*

*SUBRECIPIENT BUDGET JULY 1, 2014 THROUGH JUNE 30, 2015*

*SUBRECIPIENT: STF Agency (TriMet LIFT Operations-Base)  
Operating: \$96,302*

*SUBRECIPIENT: Ride Connection, Inc.  
Operating: \$96,764*

*SUBRECIPIENT: Ride Connection, Inc.  
Operating the following services:  
American Red Cross: \$20,558*



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Clackamas County Consortium - Expanded: \$43,888  
Clackamas County Consortium-Base \$25,928  
David's Harp: \$6,002  
East Multnomah County U-Ride: \$16,176  
Metropolitan Family Services: \$13,868  
M. Jewish CC/Neighborhood House: \$12,528  
N.W. Pilot Project: \$11,842  
N.W. Portland Ministries: \$22,162  
Portland Impact: \$15,294  
Providence ElderPlace: \$3,694  
Washington County U-Ride: \$44,586

SUBRECIPIENT: Clackamas County Mountain Express: \$2,036

SUBRECIPIENT: Sandy E and D Operations: \$22,560

SUBRECIPIENT: Wilsonville E and D Operations: \$19,814

SUBRECIPIENT: Canby E and D Operations: \$23,552

SUBRECIPIENT: Molalla E and D Operations: \$22,188

• SPECIAL TRANSPORTATION OPERATING (STO):

The STF Agency will distribute STO funds (availability of funds is contingent on budget action by the State of Oregon Legislature) to the following approved recipients and projects. The STF Agency retains authority over costs and allocations of STF dollars accepted and may shift STF dollars between recipients and projects identified in this Exhibit A, as the STF Agency deems necessary. An amendment to this Agreement will be required if there are additional recipients or projects.

The uses of funds of Special Transportation Operating funds are limited to operating expense defined by OAR 732-005-0010(19): "Operating Expense" means the costs associated with the provision of transportation services. Operating Expense does not include expenses associated with procuring or leasing capital equipment. Common Operating Expenses include, and are not limited to: personnel, insurance, utilities, vehicle and facility maintenance, professional and technical services, security, fuel and tires, purchased transportation services, personnel training, communication and technology maintenance, marketing/public information, and planning integral to the provision of transit services.

RECIPIENT STO BUDGET JULY 1, 2013 THROUGH JUNE 30, 2015

Recipient: STF Agency (TriMet LIFT Operations-Base)  
Operating: \$96,302

Recipient: Ride Connection, Inc.  
Operating: \$96,764

Recipient: Ride Connection, Inc.  
Operating the following services:  
American Red Cross: \$20,558  
Clackamas County Consortium - Expanded: \$43,888  
Clackamas County Consortium-Base \$25,928  
David's Harp: \$6,002  
East Multnomah County U-Ride: \$16,176  
Metropolitan Family Services: \$13,868  
M. Jewish CC/Neighborhood House: \$12,528  
N.W. Pilot Project: \$11,842  
N.W. Portland Ministries: \$22,162

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*Portland Impact: \$15,294*  
*Providence ElderPlace: \$3,694*  
*Washington County U-Ride: \$44,586*

*Recipient: Clackamas County Mountain Express: \$2,036*

*Recipient: Sandy E and D Operations: \$22,560*

*Recipient: Wilsonville E and D Operations: \$19,814*

*Recipient: Canby E and D Operations: \$23,552*

*Recipient: Molalla E and D Operations: \$22,188*

*STO EXPENDITURE PLAN TOTAL: \$519,742*

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**Revised Exhibit B**

**Financial Information**

The information below will assist auditors to prepare a report in compliance with the requirements of the Office of Management and Budget (OMB) Circular A-133.

This Agreement is financed by the funding source indicated below:

<b>State Program</b>	<b>State Funding Agency</b>		<b>Total State Funding</b>
ORS 391.800 through ORS 390.830 and OAR Chapter 732, Divisions 5, 10, and 30	Oregon Department of Transportation 355 Capitol St. N.E. Salem, OR 97301-3871		<b>\$7,524,432.00</b>

<b>Administered By</b>
Public Transit Division 555 13th St. NE Salem, OR 97301-4179

**EXHIBIT B  
SPECIFIC AGREEMENT PROVISIONS**

**Provider shall comply and require each of its subrecipients or subcontractors to comply with the provisions as set forth in this Exhibit B.**

1. **Project.** The STF Funds shall be used solely for the Project described in Exhibit A and as set forth in the Grant Agreement and shall not be used for any other purpose. No STF Funds will be disbursed for any changes to the Project unless such changes are approved by TriMet by written amendment to this Agreement.
2. **Progress Reports.** Provider shall submit quarterly progress reports to State with a copy to TriMet's Project Manager no later than 45 days after the close of each quarterly reporting period. Reporting periods are July through September, October through December, January through March, and April through June. Reports must be in a format acceptable to State and TriMet and must be entered into the Oregon Public Transit Information System (OPTIS), which may be accessed at <http://www.oregon.gov/odot/pt/>. If Provider is unable to access OPTIS, reports must be delivered to [ODOTPTDReporting@odot.TriMet.or.us](mailto:ODOTPTDReporting@odot.TriMet.or.us). Reports shall include a statement of revenues and expenditures for each quarter, including documentation of local match contributions and expenditures. TriMet reserves the right to request such additional information as may be necessary to comply with federal, State or TriMet reporting requirements.
3. **Disbursement and Recovery of Grant Funds.**
  - a. **Disbursement Generally.** TriMet shall disburse STF Funds to Provider after State reimburses TriMet in accordance with and subject to Paragraph 6(a) Disbursement Generally of the Grant Agreement.
  - b. **Conditions Precedent to Disbursement.** TriMet's obligation to disburse STF Funds to Provider is subject to satisfaction, with respect to each disbursement, of each of the following conditions precedent:
    - i. TriMet has received funding, appropriations, limitations, allotments or other expenditure authority sufficient to allow TriMet, in the exercise of its reasonable administrative discretion, to make the disbursement.
    - ii. Provider's representations and warranties set forth in Section 4 hereof are true and correct on the date of disbursement with the same effect as though made on the date of disbursement.
    - iii. Provider has provided to TriMet and State a request for reimbursement using a format that is acceptable to and approved by TriMet and State. Provider must submit its final request for reimbursement following completion of the Project and no later than 60 days after the expiration date of this Agreement. Failure to submit the final request for reimbursement within 60 days after the expiration date could result in non-payment.
  - c. **Recovery of Grant Funds.** Any STF Funds disbursed to Provider under this Agreement that are expended in violation or contravention of one or more of the provisions of this Agreement ("Misexpended Funds") or that remain unexpended on the earlier of termination or expiration of this Agreement must be returned to TriMet. Provider shall return all Misexpended Funds to TriMet promptly after TriMet's written demand and no later than 10 days after TriMet's written demand. Provider shall return all Unexpended Funds to TriMet within 10 days after the earlier of expiration or termination of this Agreement.
4. **Representations and Warranties of Provider.** Provider represents and warrants to TriMet as follows:
  - a. **Organization and Authority.** Provider is duly organized and validly existing under the laws of the State of Oregon and is eligible to receive the Grant Funds. Provider has full power, authority, and legal right to make this Agreement and to incur and perform its obligations hereunder, and the making and performance by Provider of this Agreement (1) have been duly authorized by all necessary action of Provider and (2) do not and will not violate any provision of any applicable law, rule, regulation, or order of any court, regulatory commission, board, or other administrative agency or any provision of Provider's Articles of Incorporation or Bylaws, if applicable, (3) do not and will not result in the breach of, or constitute a default or require any consent under any other agreement or instrument to which Provider is a party or by which Provider or any of its

properties may be bound or affected. No authorization, consent, license, approval of, filing or registration with or notification to any governmental body or regulatory or supervisory authority is required for the execution, delivery or performance by Provider of this Agreement.

- b. **Binding Obligation.** This Agreement has been duly executed and delivered by Provider and constitutes a legal, valid and binding obligation of Provider, enforceable in accordance with its terms subject to the laws of bankruptcy, insolvency, or other similar laws affecting the enforcement of creditors' rights generally.
- c. **No Solicitation.** Provider's officers, employees, and agents shall neither solicit nor accept gratuities, favors, or any item of monetary value from contractors, potential contractors, or parties to subagreements, except as permitted by applicable law. No member or delegate to the Congress of the United States or State of Oregon employee shall be admitted to any share or part of this Agreement or any benefit arising therefrom.
- d. **No Debarment.** Neither Provider nor its principals is presently debarred, suspended, or voluntarily excluded from this federally-assisted transaction, or proposed for debarment, declared ineligible or voluntarily excluded from participating in this Agreement by any state or federal agency. Provider agrees to notify TriMet immediately if it is debarred, suspended or otherwise excluded from this federally- assisted transaction for any reason or if circumstances change that may affect this status, including without limitation upon any relevant indictments or convictions of crimes.

The warranties set in this section are in addition to, and not in lieu of, any other warranties set forth in this Agreement or implied by law.

5. **Records Maintenance and Access; Audit.**

- a. **Records, Access to Records and Facilities.** Provider shall make and retain proper and complete books of record and account and maintain all fiscal records related to this Agreement and the Project in accordance with all applicable generally accepted accounting principles, generally accepted governmental auditing standards and State standards for audits of municipal corporations, non-profit and for profit organizations as applicable. Provider shall require that each of its subrecipients and subcontractors complies with these requirements. State, the Secretary of State of the State of Oregon (Secretary), the United States Department of Transportation (USDOT), the Federal Transit Administration (FTA), TriMet and their duly authorized representatives shall have access to the books, documents, papers and records of Provider that are directly related to this Agreement, the funds provided hereunder, or the Project for the purpose of making audits and examinations. In addition, State, the Secretary of State, USDOT, FTA, TriMet and their duly authorized representatives may make and retain excerpts, copies, and transcriptions of the foregoing books, documents, papers, and records. Provider shall permit authorized representatives of TriMet, State, the Secretary of State, USDOT and FTA to perform site reviews of the Project, and to inspect all vehicles, real property, facilities and equipment purchased by Provider as part of the Project, and any transportation services rendered by Provider.
- b. **Retention of Records.** Provider shall retain and keep and require its subrecipients and subcontractors to retain and keep accessible all books, documents, papers, and records that are directly related to this Agreement, the STF Funds or the Project for a minimum of six (6) years, or such longer period as may be required by other provisions of this Agreement or applicable law, following the expiration date of this Agreement. If there are unresolved audit questions at the end of the six-year period, Provider, its subrecipients and subcontractors shall retain the records until the questions are resolved.
- c. **Expenditure Records.** Provider shall document the expenditure of all STF Funds disbursed by TriMet under this Agreement. Provider shall create and maintain all expenditure records in accordance with generally accepted accounting principles and in sufficient detail to permit TriMet to verify how the STF Funds were expended.
- d. **Audit Requirements.**
  - i. Provider shall at Provider's own expense submit to TriMet, and if requested by State or TriMet to the State of Oregon Public Transit Division, 555 13th Street NE, Suite 3, Salem, Oregon, 97301-4179 or to [ODOTPTDReporting@odot.TriMet.or.us](mailto:ODOTPTDReporting@odot.TriMet.or.us), a copy of, or electronic link to, its annual audit subject to this requirement covering the funds expended under this Agreement and shall submit or cause to be submitted, the annual audit of any subProvider(s), contractor(s), or subcontractor(s) of Provider responsible for the

financial management of funds received under this Agreement.

- ii. Provider shall save, protect and hold harmless TriMet and the State from the cost of any audits or special investigations performed by the Secretary with respect to the funds expended under this Agreement. Provider acknowledges and agrees that any audit costs incurred by Provider as a result of allegations of fraud, waste or abuse are ineligible for reimbursement under this or any other agreement between Provider and TriMet or by the State.

6. **Provider Subagreements and Other Requirements**

- a. **Subagreements.** Provider may enter into agreements with contractors or subcontractors (collectively, "subagreements") for performance of the Project.

- i. All subagreements must be in writing executed by Provider and must incorporate and pass through all of the applicable requirements of this Agreement to the other party or parties to the subagreement(s). Use of a subagreement does not relieve Provider of its responsibilities under this Agreement.
- ii. Provider agrees to provide TriMet with a copy of any signed subagreement upon request by TriMet. Any substantial breach of a term or condition of a subagreement relating to funds covered by this Agreement must be reported by Provider to TriMet within ten (10) days of its being discovered.

- b. **Provider and Subagreement indemnity; insurance.**

- i. **Provider that is not a unit of local government as defined in ORS 190.003, shall indemnify, defend, save and hold harmless State, 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 Provider or any of Provider's officers, agents, employees or subcontractors ("Claims"). It is the specific intention that the 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 Provider from and against any and all Claims.**

Neither Provider nor any attorney engaged by Provider, shall defend any claim in the name of the State 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 may, at any time at its election, assume its own defense and settlement in the event that it determines that Provider is prohibited from defending State or that Provider is not adequately defending State's interests, or that an important governmental principle is at issue or that it is in the best interests of State to do so. State reserves all rights to pursue claims it may have against Provider if State elects to assume its own defense.

Provider shall obtain and maintain insurance of the types and in the amounts provided in Exhibit C to this Agreement.

- ii. **Provider's subagreement(s) shall require the other party to such subagreements(s) that is not a unit of local government as defined in ORS 190.003, if any, to indemnify, defend, save and hold harmless State, 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 the other party to Provider's subagreement or any of such party's officers, agents, employees or subcontractors ("Claims"). The agreement shall specifically state that it is the specific intention that the 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 other party to Provider's subagreement(s) from and against any and all Claims.**

Any such indemnification shall also provide that neither Provider's subrecipient(s), contractor(s) nor subcontractor(s) (collectively "Subrecipients"), nor any attorney engaged by Provider's Subrecipients(s), shall defend any claim in the name of the State 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 may, at any time at its election, assume its own defense and settlement in the event that it determines that Provider's Subrecipient is prohibited from defending State or that Provider's subcontractor is not adequately defending State's interests, or that an important governmental principle is at issue or that it is in the best interests of State to do so. State reserves all rights to pursue claims it may have against Provider's Subrecipient if State elects to assume its own defense.

Provider shall require the other party, or parties, to each of its subagreements that are not units of local government as defined in ORS 190.003 to obtain and maintain insurance of the types and in the amounts provided in Exhibit C to this Agreement.

- c. **Procurements.** Provider shall make purchases of any equipment, materials, or services for the Project under procedures that comply with Oregon law, including all applicable provisions of the Oregon Public Contracting Code and rules.

## 7. Termination/Suspension

- a. **Termination by TriMet.** TriMet may terminate or suspend this Agreement, in whole or part, effective upon delivery of written notice to Provider, or at such later date as may be established by TriMet in such written notice, under any of the following conditions, but not limited to those conditions:
  - i. Provider fails to perform the Project within the time specified herein or any extension thereof or commencement, continuation or timely completion of the Project by Provider is, for any reason, rendered improbable, impossible, or illegal; or
  - ii. TriMet fails to receive funding, appropriations, limitations or other expenditure authority sufficient to allow TriMet, in the exercise of its reasonable administrative discretion, to continue to make payments for performance of this Agreement, or if TriMet determines to terminate or suspend for its own convenience; or
  - iii. Federal or State laws, rules, regulations or guidelines are modified or interpreted in such a way that the Project is no longer allowable or no longer eligible for funding under this Agreement; or
  - iv. The Project would not produce results commensurate with the further expenditure of funds; or
  - v. Provider takes any action pertaining to this Agreement without the approval of TriMet and which under the provisions of this Agreement would have required the approval of TriMet.
- b. **Termination by Provider.** Provider may terminate this Agreement effective upon delivery of written notice of termination to TriMet, or at such later date as may be established by Provider in such written notice, if:
  - i. The requisite local funding to continue the Project becomes unavailable to Provider; or
  - ii. Federal or State laws, rules, regulations or guidelines are modified or interpreted in such a way that the Project is no longer allowable or no longer eligible for funding under this Agreement.
- c. **Termination by Either Party.** Either Party may terminate this Agreement upon at least ten days notice to the other Party and failure of the other Party to cure within the period provided in the notice, if the other Party fails to comply with any of the terms of this Agreement.

## 11. General Provisions

- a. **Responsibility for Grant Funds.** Any Provider receiving STF Funds, pursuant to this Agreement, shall assume sole liability for that Provider's breach of the conditions of this Agreement, and shall, upon Provider's breach of conditions that requires TriMet to return funds to the State, hold harmless and indemnify TriMet for an amount equal to the funds received under this Agreement; or if state or federal law limitations apply to the indemnification ability of the Provider of STF Funds, the indemnification amount shall be the maximum amount of funds available for expenditure, including any available contingency funds or other available non-appropriated funds, up to the amount received under this Agreement.
- b. **Amendments.** This Agreement may be amended or extended only by a written instrument

signed by both Parties and approved as required by applicable law.

- e. **Duplicate Payment.** Provider is not entitled to compensation or any other form of duplicate, overlapping or multiple payments for the same work performed under this Agreement from any agency of the State of Oregon or the United States of America, TriMet or any other party, organization or individual.
- d. **No Third Party Beneficiaries.** TriMet and Provider are the only Parties to this Agreement and are the only Parties entitled to enforce its terms. Nothing in this Agreement gives, is intended to give, or shall be construed to give or provide any benefit or right, whether directly or indirectly, to a third person unless such a third person is individually identified by name herein and expressly described as an intended beneficiary of the terms of this Agreement.

Provider acknowledges and agrees that the Federal Government, absent express written consent by the Federal Government, is not a party to this Agreement and shall not be subject to any obligations or liabilities to the Provider, contractor or any other party (whether or not a party to the Agreement) pertaining to any matter resulting from the this Agreement.

- e. **Notices.** Except as otherwise expressly provided in this Agreement, any communications between the Parties hereto or notices to be given hereunder shall be given in writing by personal delivery, facsimile, email, or mailing the same, postage prepaid, to Provider Contact or TriMet Contact at the address or number set forth in Paragraph 11 of this Agreement, or to such other addresses or numbers as either Party may hereafter indicate. Any communication or notice personally delivered shall be deemed to be given when actually delivered. Any communication or notice delivered by facsimile shall be deemed to be given when receipt of the transmission is generated by the transmitting machine, and to be effective against TriMet, such facsimile transmission must be confirmed by telephone notice to TriMet Contact. Any communication by email shall be deemed to be given when the Provider of the email acknowledges receipt of the email. Any communication or notice mailed shall be deemed to be given when received.
- f. **Governing Law, Consent to Jurisdiction.** This Agreement shall be governed by and construed in accordance with the laws of the TriMet of Oregon without regard to principles of conflicts of law. Any claim, action, suit or proceeding (collectively, "Claim") between TriMet (or any other agency or department of the TriMet of Oregon) and Provider that arises from or relates to this Agreement shall be brought and conducted solely and exclusively within the Circuit Court of Multnomah County in the State of Oregon. In no event shall this section be construed as a waiver by TriMet or by the State of Oregon of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the eleventh amendment to the Constitution of the United States or otherwise, from any Claim or from the jurisdiction of any court. EACH PARTY HEREBY CONSENTS TO THE EXCLUSIVE JURISDICTION OF SUCH COURT, WAIVES ANY OBJECTION TO VENUE, AND WAIVES ANY CLAIM THAT SUCH FORUM IS AN INCONVENIENT FORUM.
- g. **Compliance with Law.** Provider shall comply with all federal, State, and local laws, regulations, executive orders and ordinances applicable to the Agreement or to the implementation of the Project, including without limitation as described in Exhibit D. Without limiting the generality of the foregoing, Provider 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 ORS659A.142; (iv) all regulations and administrative rules established pursuant to the foregoing laws; and (v) all other applicable requirements of federal and TriMet civil rights and rehabilitation statutes, rules and regulations.
- h. **Insurance; Workers' Compensation.** All employers, including Provider, that employ subject workers who provide services 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. Employer's liability insurance with coverage limits of not less than \$500,000 must be included. Provider shall ensure that each of its contractor(s) and subcontractor(s) complies with these requirements. Provider shall indemnify and hold TriMet harmless including reasonable attorneys fees for breach of this provision.



## EXHIBIT C

### Provider and Subagreement Insurance Requirements

#### GENERAL.

Provider shall obtain and provide, and require in its first tier subagreements with entities that are not units of local government as defined in ORS 190.003, if any, that the subcontractor obtain and provide the same insurance applicable to Provider for subcontractor's performance under its subagreement: i) insurance specified under TYPES AND AMOUNTS and meeting the requirements under ADDITIONAL INSURED, "TAIL" COVERAGE, NOTICE OF CANCELLATION OR CHANGE, and CERTIFICATES OF INSURANCE before performance of this Agreement and of any subagreement commences, and ii) maintain the insurance in full force throughout the duration of this Agreement and subagreement. The insurance must be provided by insurance companies or entities that are authorized to transact the business of insurance and issue coverage in the State of Oregon and that are acceptable to TriMet. Provider shall not commence work under this Agreement, and shall not authorize work to begin under a subagreement until the insurance is in full force. Thereafter, Provider shall monitor continued compliance with the insurance requirements in its subagreements on an annual or more frequent basis. Provider shall incorporate appropriate provisions in the subagreement permitting it to enforce compliance with the insurance requirements and shall take all reasonable steps to enforce such compliance. In no event shall Provider permit work under a subagreement when Provider is aware that the contractor is not in compliance with the insurance requirements. As used in this section, "first tier" means a subagreement in which the Provider is a Party.

Provider shall comply with any requirements of TriMet with respect to Provider's compliance with these insurance requirements including but not limited to TriMet issued stop work orders (or the equivalent) until the insurance is in full force, or terminating the Contract as permitted by this Contract, or pursuing legal action to enforce the insurance requirements.

#### TYPES AND AMOUNTS.

i. **WORKERS COMPENSATION.** Insurance in compliance with ORS 656.017, which requires all employers that employ subject workers, as defined in ORS 656.027, to provide workers' compensation coverage for those workers, unless they meet the requirement for an exemption under ORS 656.126(2). Employers liability insurance with coverage limits of not less than \$500,000 must be included.

ii. **COMMERCIAL GENERAL LIABILITY.** Commercial General Liability Insurance covering bodily injury, death, and property damage in a form and with coverages that are satisfactory to TriMet. This insurance shall include personal injury liability, products and completed operations. Coverage shall be written on an occurrence form basis, with not less than the following amounts as determined by TriMet:

Bodily Injury, Death and Property Damage:

\$1,000,000 per occurrence (for all claimants for claims arising out of a single accident or occurrence).

iii. **AUTOMOBILE Liability Insurance:** Automobile Liability. Automobile Liability Insurance covering all owned, non-owned and hired vehicles. This coverage may be written in combination with the Commercial General Liability Insurance (with separate limits for "Commercial General Liability" and "Automobile Liability"). Automobile Liability Insurance must be in not less than the following amounts as determined by TriMet:

Bodily Injury, Death and Property Damage:

\$1,000,000 per occurrence (for all claimants for claims arising out of a single accident or occurrence).

**ADDITIONAL INSURED.** The Commercial General Liability Insurance and Automobile Liability insurance must include State and TriMet, and their respective officers, employees and agents as Additional Insureds but only with respect to the Provider's activities to be performed under the Agreement and, with respect to subcontractors, activities to be performed under their subagreements. Coverage must be primary and non-contributory with any other insurance and self-insurance.

**"TAIL" COVERAGE.** If any of the required insurance policies is on a "claims made" basis, such as professional liability insurance, the Provider and the subcontractor shall maintain either "tail" coverage or continuous "claims made" liability coverage, provided the effective date of the continuous "claims made" coverage is on or before the effective date of this Agreement for Provider, and the effective date of the subagreement for subcontractors, for a minimum of 24 months following the later of: (i) the Provider's completion and TriMet's acceptance of all services required under this

Agreement, and the subcontractors completion and Provider's acceptance of all services required under the subagreement or, (ii) the expiration of all warranty periods provided under this Agreement with respect to Provider and the subagreement with respect to the subcontractor. Notwithstanding the foregoing 24-month requirement, if the Provider or subcontractor elects to maintain "tail" coverage and if the maximum time period "tail" coverage reasonably available in the marketplace is less than the 24-month period described above, then the Provider or subcontractor may request and TriMet may grant approval of the maximum "tail" coverage period reasonably available in the marketplace. If TriMet approval is granted, the Provider or subcontractor shall maintain "tail" coverage for the maximum time period that "tail" coverage is reasonably available in the marketplace.

**NOTICE OF CANCELLATION OR CHANGE.** The Provider or its insurer must provide 30 days' written notice to TriMet before cancellation of, material change to, potential exhaustion of aggregate limits of, or non-renewal of the required insurance coverage(s).

**CERTIFICATE(S) OF INSURANCE.** Provider shall submit to TriMet a certificate(s) of insurance for all required insurance before the commencement of performance of services. The certificate(s) or an attached endorsement must specify: i) all entities and individuals who are endorsed on the policy as Additional Insured and ii) for insurance on a "claims made" basis, the extended reporting period applicable to "tail" or continuous "claims made" coverage.

*Tri-County Area*

# APPLICATION

*Special Transportation Formula (STF)  
for the FY14 + FY15 fiscal years*

STO Application  
Mt Hood Express  
Villages Shuttle Restoration

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Clackamas County Social Services



**FY14 + FY15 STF FORMULA GRANT APPLICATION**

**I. Organization's Information**

**Name of Organization: Clackamas County Social Services**

**Contact Person: Teresa Christopherson**

**Address: PO Box 2950, Oregon City, OR 97045**

**Telephone: 503-650-5718 or agency 503-655-8640**

**E-Mail: teresachr@clackamas.us**

**FAX: 503-655-8889**

**Type of Organization (mark one):**

Public Entity	<b>X</b>
Private non-profit	

**Provider's geographic area of service is (mark one):**

Inside the TriMet Service District	
Outside the TriMet Service District	<b>X</b>
Both Inside and Outside of the TriMet Service District	

**Geographic area to be served (please indicate the geographic features that define your service area such as streets, rivers or jurisdictional boundaries):**

North Boundary	
East Boundary	
South Boundary	
West Boundary	
Other General Geographic Area (ex Canby School District)	From City of Sandy along Highway 26, Government Camp Road loop, and Timberline Hwy

*Optional* – please provide a map of your service area as a separate, single page, letter sized attachment.

**Days and Hours of Operation:**

<b>Days</b>	<b>Hours</b>
Monday	5:15am to 10:28pm (summer) or 11:28pm (winter)
Tuesday	Same
Wednesday	Same
Thursday	Same
Friday	Same
Saturday	Same
Sunday	Same
Please list any planned periods of service closure greater than 3 days. (ex. Closed the last week of December)	

**II. Funding Proposal**

**Project Title: Mt Hood Express- Villages Shuttle Restoration**

**Start Date: July 1, 2015**

**Total Transportation Program Cost: \$1,085,658**

**STF/STO Grant Request: \$27,495**

**Amount of other funds leveraged to support the total transportation program: (list county contributions, STF Discretionary funds, donations, other):**

<b>Contribution/Source</b>	<b>Number of Units/Hours</b>	<b>Amount</b>	<b>% of Program Funding</b>
FLAP Grant		\$401,192	37%
ODOT 5311		\$216,081	20%
STF Prev. Maint.		\$ 24,126	2%
County Match		\$ 92,185	8%
Private partners		\$139,913	13%
Fares		\$164,666	15%
STF Formula Base		\$20,000	2%

<b>STF/STO Grant Request</b>		<b>\$27,495</b>	<b>3%</b>

**STF Formula Project Type Category (mark one):**

Direct Service	<b>X</b>
Mobility Management/Coordination	
Both Direct Service and Mobility Management/Coordination	

**Program Description (limit 900 words)**

Describe services or capital investment to be provided by STF funding.

The Mt. Hood Express (formerly the Mountain Express) provides both commuter and point deviated fixed route bus service between in the City of Sandy and various destinations along the Highway 26 corridor, ending at Timberline Lodge on Mt Hood. The Mt Hood Express (MHX) provides fully accessible public transit service for employment, recreation and other needs for both local residents of Clackamas County as well as visitors from the Metro area and beyond. The service has expanded regional transit connectivity by linking in to the City of Sandy's service which provides connection to TriMet's light rail and bus service in Gresham. The service underwent a significant redesign starting in Oct, 2013 to ensure continuity of the service and to meet customer needs.

The MHX provides two types of transit bus service: commuter and point deviated fixed route. The commuter service provides five runs seven days per week between Sandy and Timberline Lodge during the summer season (April 1 to November 30) beginning at 5:15am and ending at 10:28pm. During the winter season (December 1 to March 31), the serviced provides a total of seven commuter runs daily from 5:15am to 11:28pm to address the expanded employment and recreational opportunities available in Government Camp and surround locales. Service has been coordinated with primary employers in the area to address shift start and stop times and to provide appropriate access to recreational users of the service as well. The runs are also designed to provide connections to Sandy and the Metro area that meet the employment and other access

needs of westbound travelers who reside in the Villages at Mt Hood and Government Camp. These commuter runs have a limited number of stops, mostly associated with park and ride locations, and are fully accessible.

The point deviated fixed route runs follow the model established by the Mountain Express service prior to the redesign that resulted in the commuter runs. Two runs are offered daily Monday to Saturday, one at 11:19am and one at 5:50pm. Route deviations occur on request by calling SAM's dispatch center and these runs will also make "flag stops" and pick people up along the route at any point. The Villages shuttles begin in Sandy and end in Rhododendron. They are considered a vital link to meeting the needs of local residents, particularly those with mobility access needs.

The service is marketed in a variety of ways. Our new website [www.mthoodexpress.com](http://www.mthoodexpress.com) provides up to date information about the service and will expand over the next six months to include links to activities, events and other transit services. We broadly distribute brochures locally and regionally and work closely with our private partners to promote the use of the bus service.

**Do your program activities preserve existing service and/or provide new service?** (describe how the project preserves existing service or provides new or expanded service) (limit 200 words)

We propose restoring one Villages shuttle run to address the needs of local residents, particularly those with mobility needs. One of the inadvertent consequences of the redesign was the impact of losing a Villages shuttle run in the morning. This eliminated connectivity with Sandy's Estacada run, which was frequently used by Villages residents, and also reduced the opportunities for accessing bus service route deviations and flag stops for residents needing additional access services. Clackamas County proposes adding back in a morning run on the Villages shuttle service to address these needs. Since the two Saturday service runs have very poor utilization on the Villages shuttle, we will eliminate that service and apply those funds toward a morning Villages shuttle run. The Villages shuttle would then provide three runs daily Monday to Friday. Our request for

\$27,495 would pay for the cost of the three extra days still remaining after eliminating the two Saturday runs or two years to restore this morning run Monday through Friday and improve the service's ability to meet the needs of the local residents who are transit dependent.

**Do you coordinate between providers to avoid duplication?**

(describe what level of coordination between partners is done and how duplication is avoided) (limit 200 words)

As the only public transit provider in this area, no duplication of services occurs. We partner very closely with the City of Sandy's transit service to provide excellent connectivity with their bus service and to maintain efficiencies for both services, such as interlining buses on weekends. We also work closely with the area senior center and local businesses to address the needs of their employees and customers.

**Is your program cost-effective?** (describe average cost per ride, cost per mile and cost per hour) (limit 200 words)

We have preserved a fare structure of only \$2.00 per one-way trip to continue to make this service accessible to individuals on fixed or limited incomes. We also offer reduced fare ticket books for \$1.50 per trip. This makes the service very affordable for its users and increases its accessibility to vulnerable individuals who may not have financial resources for more expensive services.

The estimated cost per ride is \$7.24 based on anticipated ridership over two years of 150,000. The service is anticipated to average 15,000 miles per month for a cost per mile of \$3.02 per mile and a cost per hour of \$104.3. While the cost per hour and mile seem high, they are vastly outweighed by the savings resulting from the use of public transit in place of private vehicles. Timberline Lodge alone averages 1.9 million visitors per year. The estimated rides will reduce at least 30,000 vehicle trips per year with an occupancy of 2.5 persons per vehicle. These reduced vehicle trips will result in saving in fuel consumption, with projected savings based on a 70 mile round trip in a car getting 22 miles per gallon at \$3.50 per gallon of over \$668,000, over half the cost of the program. This is a conservative



estimate based on very local use of the service as a round trip between Sandy and Timberline is 70 miles and many trips to Government Camp and Timberline start in locations further away than Sandy. The reduced vehicle trips will also reduce emissions which harm the environment and will address issues around parking in the recreational areas.

In addition, 30,000 fewer vehicles on the road can have profound safety impacts. Highway 26 experiences an average of 150 days of congestion per year and suffers from as many as 60 crashes per month during the treacherous winter months. Public transit service can reduce the number of vehicles on the road and increase safety for travelers, both individuals and families, accessing Mt. Hood.

**Does your program address one or more of the strategy recommendations in the Tri-County Elderly and Disabled Transportation Plan (EDTP) or improves service coverage as recommended in the EDTP? (describe activities) (limit 200 words)**

The project implements strategies as recommended in the EDTP in several key areas. The Mountain Express is listed in Section 2 as an existing program and its deviated fixed route structure is recommended as a possible service strategy for underserved areas on Page 3-3 of the EDTP.

The expansion of Mountain Express to reach the Government Camp area addresses the Strategic Initiative (page 5-6) regarding Coordinated Planning and Operations. This expansion of fixed route service represents an innovative partnership between private and public interests and also brings the involvement of other interested parties, including the Forest Service and ODOT to the table. The project also improves regional connectivity (p. 5-8)

The program also fits within the following EDTP implementation strategies:

Priority 6-1: Preserve existing cost-effective services: The Mountain Express, as an existing service, provides a cost effective alternative transit strategy for seniors and person with disabilities in the Hoodland area.

Priority 6-1 Address service gaps in public transit services. The Government Camp area does not have any transit services.

The Mountain Express also meets other priority criteria, such as coordination of services, coordination with private partners, etc.

### III. Budget and Ridership Information

#### A. Budget Information

-- **Governmental Organizations**, please complete the FY15 and FY16 projected budgets for your projects here:

Name of Organization	FY15 Projected	FY16 Projected
<i>Operations Costs</i>		
Fuel	\$87,680	\$93,964
Maintenance	\$24,000	\$30,000
Dispatch		
Operators		
Administration/ Insurance/Facilities/Other	\$82,018	\$84,010
Other (Contracted Service)	\$332,701	\$351,285
Vehicle Hours	5200	5200
Vehicle Miles	180,000	180,000
Ridership	70,000	80,000

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*Tri-County Area*

# APPLICATION

*Special Transportation Formula (STF)  
for the FY14 + FY15 fiscal years*

STF Formula Base Application  
Mt Hood Express

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Clackamas County Social Services



**FY14 + FY15 STF FORMULA GRANT APPLICATION**

**I. Organization's Information**

**Name of Organization:** Clackamas County Social Services

**Contact Person:** Teresa Christopherson

**Address:** PO Box 2950, Oregon City, OR 97045

**Telephone:** 503-650-5718 or agency 503-655-8640

**E-Mail:** teresachr@clackamas.us

**FAX:** 503-655-8889

**Type of Organization (mark one):**

Public Entity	<b>x</b>
Private non-profit	

**Provider's geographic area of service is (mark one):**

Inside the TriMet Service District	
Outside the TriMet Service District	<b>X</b>
Both Inside and Outside of the TriMet Service District	

**Geographic area to be served** (please indicate the geographic features that define your service area such as streets, rivers or jurisdictional boundaries):

North Boundary	
East Boundary	
South Boundary	
West Boundary	
Other General Geographic Area (ex Canby School District)	From City of Sandy along Highway 26, Government Camp Road loop, and Timberline Hwy

*Optional* – please provide a map of your service area as a separate, single page, letter sized attachment.

**Days and Hours of Operation:**

<b>Days</b>	<b>Hours</b>
Monday	5:15am to 10:28pm (summer) or 11:28pm (winter)
Tuesday	Same
Wednesday	Same
Thursday	Same
Friday	Same
Saturday	Same
Sunday	Same
Please list any planned periods of service closure greater than 3 days. (ex. Closed the last week of December)	

**II. Funding Proposal**

**Project Title: Mt Hood Express- STF Formula Base**

**Start Date: July 1, 2014**

**Total Transportation Program Cost: \$1,085,658**

**STF Formula Base Grant Request: \$20,000**

**Amount of other funds leveraged to support the total transportation program:** (list county contributions, STF Discretionary funds, donations, other):

<b>Contribution/Source</b>	<b>Number of Units/Hours</b>	<b>Amount</b>	<b>% of Program Funding</b>
FLAP Grant		\$401,192	37%
ODOT 5311		\$216,081	20%
STF Prev. Maint.		\$ 24,126	2%
County Match		\$ 92,185	8%
Private partners		\$139,913	13%
Fares		\$164,666	15%
STF/STO Villages		\$27,495	3%

<b>STF Formula Grant Request</b>		<b>\$20,000</b>	<b>2%</b>
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**STF Formula Project Type Category (mark one):**

Direct Service	<b>X</b>
Mobility Management/Coordination	
Both Direct Service and Mobility Management/Coordination	

**Program Description (limit 900 words)**

The Mt. Hood Express (formerly the Mountain Express) provides both commuter and point deviated fixed route bus service between in the City of Sandy and various destinations along the Highway 26 corridor, ending at Timberline Lodge on Mt Hood. The Mt Hood Express (MHX) provides fully accessible public transit service for employment, recreation and other needs for both local residents of Clackamas County as well as visitors from the Metro area and beyond. The service has expanded regional transit connectivity by linking in to the City of Sandy's service which provides connection to TriMet's light rail and bus service in Gresham. The service underwent a significant redesign starting in Oct, 2013 to ensure continuity of the service and to meet customer needs.

The MHX provides two types of transit bus service: commuter and point deviated fixed route. The commuter service provides five runs seven days per week between Sandy and Timberline Lodge during the summer season (April 1 to November 30) beginning at 5:15am and ending at 10:28pm. During the winter season (December 1 to March 31), the serviced provides a total of seven commuter runs daily from 5:15am to 11:28pm to address the expanded employment and recreational opportunities available in Government Camp and surround locales. Service has been coordinated with primary employers in the area to address shift start and stop times and to provide appropriate access to recreational users of the service as well. The runs are also designed to provide connections to Sandy and the Metro area that meet the employment and other access needs of westbound travelers who reside in the Villages at Mt Hood and Government Camp. These commuter runs have a limited

number of stops, mostly associated with park and ride locations, and are fully accessible.

The point deviated fixed route runs follow the model established by the Mountain Express service prior to the redesign that resulted in the commuter runs. Two runs are offered daily Monday to Saturday, one at 11:19am and one at 5:50pm. Route deviations occur on request by calling SAM's dispatch center and these runs will also make "flag stops" and pick people up along the route at any point. The Villages shuttles begin in Sandy and end in Rhododendron. They are considered a vital link to meeting the needs of local residents, particularly those with mobility access needs.

The service is marketed in a variety of ways. Our new website [www.mthoodexpress.com](http://www.mthoodexpress.com) provides up to date information about the service and will expand over the next six months to include links to activities, events and other transit services. We broadly distribute brochures locally and regionally and work closely with our private partners to promote the use of the bus service.

**Do your program activities preserve existing service and/or provide new service?** (describe how the project preserves existing service or provides new or expanded service) (limit 200 words)

Our STF Formula base application represents funding to support our fixed route service and preserve existing service, which includes point deviated fixed route and flag stops for our Villages shuttle. All of our vehicles are fully accessible and our new service to Government Camp and Timberline provides new opportunities for seniors and persons with disabilities to use public transit to access work and recreational opportunities.

**Do you coordinate between providers to avoid duplication?** (describe what level of coordination between partners is done and how duplication is avoided) (limit 200 words)

As the only public transit provider in this area, no duplication of services occurs. We partner very closely with the City of Sandy's transit service to provide excellent connectivity with their bus service

and to maintain efficiencies for both services, such as interlining buses on weekends. We also work closely with the area senior center and local businesses to address the needs of their employees and customers.

**Is your program cost- effective?** (describe average cost per ride, cost per mile and cost per hour) (limit 200 words)

We have preserved a fare structure of only \$2.00 per one-way trip to continue to make this service accessible to individuals on fixed or limited incomes. We also offer reduced fare ticket books for \$1.50 per trip. This makes the service very affordable for its users and increases its accessibility to vulnerable individuals who may not have financial resources for more expensive services.

The estimated cost per ride is \$7.24 based on anticipated ridership over two years of 150,000. The service is anticipated to average 15,000 miles per month for a cost per mile of \$3.02 per mile and a cost per hour of \$104.3. While the cost per hour and mile seem high, they are vastly outweighed by the savings resulting from the use of public transit in place of private vehicles. Timberline Lodge alone averages 1.9 million visitors per year. The estimated rides will reduce at least 30,000 vehicle trips per year with an occupancy of 2.5 persons per vehicle. These reduced vehicle trips will result in saving in fuel consumption, with projected savings based on a 70 mile round trip in a car getting 22 miles per gallon at \$3.50 per gallon of over \$668,000, over half the cost of the program. This is a conservative estimate based on very local use of the service as a round trip between Sandy and Timberline is 70 miles and many trips to Government Camp and Timberline start in locations further away than Sandy. The reduced vehicle trips will also reduce emissions which harm the environment and will address issues around parking in the recreational areas.

In addition, 30,000 fewer vehicles on the road can have profound safety impacts. Highway 26 experiences an average of 150 days of congestion per year and suffers from as many as 60 crashes per month during the treacherous winter months. Public transit service can reduce the number of vehicles on the road and increase safety for travelers, both and individuals and families, accessing Mt. Hood.



**Does your program address one or more of the strategy recommendations in the Tri-County Elderly and Disabled Transportation Plan (EDTP) or improves service coverage as recommended in the EDTP? (describe activities) (limit 200 words)**

The project implements strategies as recommended in the EDTP in several key areas. The Mountain Express is listed in Section 2 as an existing program and its deviated fixed route structure is recommended as a possible service strategy for underserved areas on Page 3-3 of the EDTP.

The expansion of Mountain Express to reach the Government Camp area addresses the Strategic Initiative (page 5-6) regarding Coordinated Planning and Operations. This expansion of fixed route service represents an innovative partnership between private and public interests and also brings the involvement of other interested parties, including the Forest Service and ODOT to the table. The project also improves regional connectivity (p. 5-8)

The program also fits within the following EDTP implementation strategies:

Priority 6-1: Preserve existing cost-effective services: The Mountain Express, as an existing service, provides a cost effective alternative transit strategy for seniors and person with disabilities in the Hoodland area.

Priority 6-1 Address service gaps in public transit services. The Government Camp area does not have any transit services.

The Mountain Express also meets other priority criteria, such as coordination of services, coordination with private partners, etc.

### **III. Budget and Ridership Information**

#### **A. Budget Information**

-- **Governmental Organizations**, please complete the FY15 and FY16 projected budgets for your projects here:

Name of Organization	FY15 Projected	FY16 Projected
<i>Operations Costs</i>		
Fuel	\$87,680	\$93,964
Maintenance	\$24,000	\$30,000
Dispatch		
Operators		
Administration/ Insurance/Facilities/Other	\$82,018	\$84,010
Other (Contracted Service)	\$332,701	\$351,285
Vehicle Hours	5200	5200
Vehicle Miles	180,000	180,000
Ridership	70,000	80,000

*Tri-County Area*

# APPLICATION

*Special Transportation Formula (STF)  
for the FY14 + FY15 fiscal years*

STF STO Application  
Vehicle Replacement- Transit Coach  
Mt Hood Express

Clackamas County Social Services



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<b>FY14 + FY15 STF FORMULA GRANT APPLICATION</b>
--

**I. Organization's Information**

**Name of Organization:** Clackamas County Social Services

**Contact Person:** Teresa Christopherson

**Address:** PO Box 2950, Oregon City, OR 97045

**Telephone:** 503-650-5718 or agency 503-655-8640

**E-Mail:** teresachr@clackamas.us

**FAX:** 503-655-8889

**Type of Organization (mark one):**

Public Entity	<b>X</b>
Private non-profit	

**Provider's geographic area of service is (mark one):**

Inside the TriMet Service District	
Outside the TriMet Service District	<b>X</b>
Both Inside and Outside of the TriMet Service District	

**Geographic area to be served (please indicate the geographic features that define your service area such as streets, rivers or jurisdictional boundaries):**

North Boundary	
East Boundary	
South Boundary	
West Boundary	
Other General Geographic Area (ex Canby School District)	From City of Sandy along Highway 26, Government Camp Road loop, and Timberline Hwy

*Optional* – please provide a map of your service area as a separate, single page, letter sized attachment.

**Days and Hours of Operation:**

<b>Days</b>	<b>Hours</b>
Monday	5:15am to 10:28pm (summer) or 11:28pm (winter)
Tuesday	Same
Wednesday	Same
Thursday	Same
Friday	Same
Saturday	Same
Sunday	Same
Please list any planned periods of service closure greater than 3 days. (ex. Closed the last week of December)	

**II. Funding Proposal**

**Project Title: Mt Hood Express- STO Vehicle Replacement- Transit Coach**

**Start Date: July 1, 2014**

**Total Transportation Program Cost: \$1,085,658**

**STF STO Grant Request: \$148,460 (one time capital request- not included in operations)**

**Amount of other funds leveraged to support the total transportation program:** (list county contributions, STF Discretionary funds, donations, other):

<b>Contribution/Source</b>	<b>Number of Units/Hours</b>	<b>Amount</b>	<b>% of Program Funding</b>
<b>FLAP Grant</b>		<b>\$401,192</b>	<b>37%</b>
<b>ODOT 5311</b>		<b>\$216,081</b>	<b>20%</b>
<b>STF Prev. Maint.</b>		<b>\$ 24,126</b>	<b>2%</b>
<b>County Match</b>		<b>\$ 92,185</b>	<b>8%</b>

<b>Private partners</b>		<b>\$139,913</b>	<b>13%</b>
<b>Fares</b>		<b>\$164,666</b>	<b>15%</b>
<b>STF/STO Villages</b>		<b>\$27,495</b>	<b>3%</b>
<b>STF Formula</b>		<b>\$20,000</b>	<b>2%</b>
<b>STF STO Request</b>		<b>\$148,460</b>	<b>N/A</b>

**STF Formula Project Type Category (mark one):**

Direct Service	<b>X</b>
Mobility Management/Coordination	
Both Direct Service and Mobility Management/Coordination	

**Program Description (limit 900 words)**

The Mt. Hood Express (formerly the Mountain Express) provides both commuter and point deviated fixed route bus service between in the City of Sandy and various destinations along the Highway 26 corridor, ending at Timberline Lodge on Mt Hood. The Mt Hood Express (MHX) provides fully accessible public transit service for employment, recreation and other needs for both local residents of Clackamas County as well as visitors from the Metro area and beyond. The service has expanded regional transit connectivity by linking in to the City of Sandy's service which provides connection to TriMet's light rail and bus service in Gresham. The service underwent a significant redesign starting in Oct, 2013 to ensure continuity of the service and to meet customer needs.

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and the Metro area that meet the employment and other access needs of westbound travelers who reside in the Villages at Mt Hood and Government Camp. These commuter runs have a limited number of stops, mostly associated with park and ride locations, and are fully accessible.

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The service is marketed in a variety of ways. Our new website [www.mthoodexpress.com](http://www.mthoodexpress.com) provides up to date information about the service and will expand over the next six months to include links to activities, events and other transit services. We broadly distribute brochures locally and regionally and work closely with our private partners to promote the use of the bus service.

**Do your program activities preserve existing service and/or provide new service?** (describe how the project preserves existing service or provides new or expanded service) (limit 200 words)

We propose to replace a 1980 GMC bus used to operate the commuter service with a 37 passenger two wheelchair station medium size heavy duty transit coach bus. The commuter service is currently being operated with a fleet of three 1980 GMC buses donated to MHX by Rogue Valley Transit District. These buses are aging and not reliable. Two are already scheduled for replacement with a Transit in Parks grant. Because, as part of our regular schedule, we will have two buses on the road at a time, we need a fleet of three reliable and safe vehicles to operate successfully. The replacement of a third vehicle will allow for continuity of service, particularly as demand increases.

**Do you coordinate between providers to avoid duplication?**

(describe what level of coordination between partners is done and how duplication is avoided) (limit 200 words)

As the only public transit provider in this area, no duplication of services occurs. We partner very closely with the City of Sandy's transit service to provide excellent connectivity with their bus service and to maintain efficiencies for both services, such as interlining buses on weekends. We also work closely with the area senior center and local businesses to address the needs of their employees and customers.

**Is your program cost-effective?** (describe average cost per ride, cost per mile and cost per hour) (limit 200 words)

We have preserved a fare structure of only \$2.00 per one-way trip to continue to make this service accessible to individuals on fixed or limited incomes. We also offer reduced fare ticket books for \$1.50 per trip. This makes the service very affordable for its users and increases its accessibility to vulnerable individuals who may not have financial resources for more expensive services.

The estimated cost per ride is \$7.24 based on anticipated ridership over two years of 150,000. The service is anticipated to average 15,000 miles per month for a cost per mile of \$3.02 per mile and a cost per hour of \$104.3. While the cost per hour and mile seem high, they are vastly outweighed by the savings resulting from the use of public transit in place of private vehicles. Timberline Lodge alone averages 1.9 million visitors per year. The estimated rides will reduce at least 30,000 vehicle trips per year with an occupancy of 2.5 persons per vehicle. These reduced vehicle trips will result in saving in fuel consumption, with projected savings based on a 70 mile round trip in a car getting 22 miles per gallon at \$3.50 per gallon of over \$668,000, over half the cost of the program. This is a conservative estimate based on very local use of the service as a round trip between Sandy and Timberline is 70 miles and many trips to Government Camp and Timberline start in locations further away than Sandy. The reduced vehicle trips will also reduce emissions which



harm the environment and will address issues around parking in the recreational areas.

In addition, 30,000 fewer vehicles on the road can have profound safety impacts. Highway 26 experiences an average of 150 days of congestion per year and suffers from as many as 60 crashes per month during the treacherous winter months. Public transit service can reduce the number of vehicles on the road and increase safety for travelers, both individuals and families, accessing Mt. Hood.

**Does your program address one or more of the strategy recommendations in the Tri-County Elderly and Disabled Transportation Plan (EDTP) or improves service coverage as recommended in the EDTP? (describe activities) (limit 200 words)**

The project implements strategies as recommended in the EDTP in several key areas. The Mountain Express is listed in Section 2 as an existing program and its deviated fixed route structure is recommended as a possible service strategy for underserved areas on Page 3-3 of the EDTP.

The expansion of Mountain Express to reach the Government Camp area addresses the Strategic Initiative (page 5-6) regarding Coordinated Planning and Operations. This expansion of fixed route service represents an innovative partnership between private and public interests and also brings the involvement of other interested parties, including the Forest Service and ODOT to the table. The project also improves regional connectivity (p. 5-8)

The program also fits within the following EDTP implementation strategies:

Priority 6-1: Preserve existing cost-effective services: The Mountain Express, as an existing service, provides a cost effective alternative transit strategy for seniors and person with disabilities in the Hoodland area.

Priority 6-1 Address service gaps in public transit services. The Government Camp area does not have any transit services.

The Mountain Express also meets other priority criteria, such as coordination of services, coordination with private partners, etc.

### III. Budget and Ridership Information

#### A. Budget Information

-- **Governmental Organizations**, please complete the FY15 and FY16 projected budgets for your projects here:

Name of Organization	FY15 Projected	FY16 Projected
<i>Operations Costs</i>		
Fuel	\$87,680	\$93,964
Maintenance	\$24,000	\$30,000
Dispatch		
Operators		
Administration/ Insurance/Facilities/Other	\$82,018	\$84,010
Other (Contracted Service)	\$332,701	\$351,285
Vehicle Hours	5200	5200
Vehicle Miles	180,000	180,000
Ridership	70,000	80,000

*Tri-County Area*

# APPLICATION

*Special Transportation Formula (STF)  
for the FY14 + FY15 fiscal years*

STF STO Application  
Vehicle Replacement- Cutaway  
Mt Hood Express

Clackamas County Social Services



--

<b>FY14 + FY15 STF FORMULA GRANT APPLICATION</b>
--

**I. Organization's Information**

**Name of Organization: Clackamas County Social Services**

**Contact Person: Teresa Christopherson**

**Address: PO Box 2950, Oregon City, OR 97045**

**Telephone: 503-650-5718 or agency 503-655-8640**

**E-Mail: teresachr@clackamas.us**

**FAX: 503-655-8889**

**Type of Organization (mark one):**

Public Entity	<b>X</b>
Private non-profit	

**Provider's geographic area of service is (mark one):**

Inside the TriMet Service District	
Outside the TriMet Service District	<b>X</b>
Both Inside and Outside of the TriMet Service District	

**Geographic area to be served (please indicate the geographic features that define your service area such as streets, rivers or jurisdictional boundaries):**

North Boundary	
East Boundary	
South Boundary	
West Boundary	
Other General Geographic Area (ex Canby School District)	From City of Sandy along Highway 26, Government Camp Road loop, and Timberline Hwy

*Optional* – please provide a map of your service area as a separate, single page, letter sized attachment.

**Days and Hours of Operation:**

<b>Days</b>	<b>Hours</b>
Monday	5:15am to 10:28pm (summer) or 11:28pm (winter)
Tuesday	Same
Wednesday	Same
Thursday	Same
Friday	Same
Saturday	Same
Sunday	Same
Please list any planned periods of service closure greater than 3 days. (ex. Closed the last week of December)	

**II. Funding Proposal**

**Project Title: Mt Hood Express- STO Vehicle Replacement- Villages Shuttle**

**Start Date: July 1, 2014**

**Total Transportation Program Cost: \$1,085,658**

**STF STO Grant Request: \$81,000 (one time capital request- not included in operations)**

**Amount of other funds leveraged to support the total transportation program:** (list county contributions, STF Discretionary funds, donations, other):

<b>Contribution/Source</b>	<b>Number of Units/Hours</b>	<b>Amount</b>	<b>% of Program Funding</b>
FLAP Grant		\$401,192	37%
ODOT 5311		\$216,081	20%
STF Prev. Maint.		\$ 24,126	2%
County Match		\$ 92,185	8%

<b>Private partners</b>		<b>\$139,913</b>	<b>13%</b>
<b>Fares</b>		<b>\$164,666</b>	<b>15%</b>
<b>STF/STO Villages</b>		<b>\$27,495</b>	<b>3%</b>
<b>STF Formula</b>		<b>\$20,000</b>	<b>2%</b>
<b>STF STO Grant Request</b>		<b>\$81,000</b>	<b>N/A</b>

**STF Formula Project Type Category (mark one):**

Direct Service	<b>X</b>
Mobility Management/Coordination	
Both Direct Service and Mobility Management/Coordination	

**Program Description (limit 900 words)**

The Mt. Hood Express (formerly the Mountain Express) provides both commuter and point deviated fixed route bus service between in the City of Sandy and various destinations along the Highway 26 corridor, ending at Timberline Lodge on Mt Hood. The Mt Hood Express (MHX) provides fully accessible public transit service for employment, recreation and other needs for both local residents of Clackamas County as well as visitors from the Metro area and beyond. The service has expanded regional transit connectivity by linking in to the City of Sandy's service which provides connection to TriMet's light rail and bus service in Gresham. The service underwent a significant redesign starting in Oct, 2013 to ensure continuity of the service and to meet customer needs.

The MHX provides two types of transit bus service: commuter and point deviated fixed route. The commuter service provides five runs seven days per week between Sandy and Timberline Lodge during the summer season (April 1 to November 30) beginning at 5:15am and ending at 10:28pm. During the winter season (December 1 to March 31), the serviced provides a total of seven commuter runs daily from 5:15am to 11:28pm to address the expanded employment and recreational opportunities available in Government Camp and surround locales. Service has been coordinated with primary employers in the area to address shift start and stop times and to provide appropriate access to recreational users of the service as

well. The runs are also designed to provide connections to Sandy and the Metro area that meet the employment and other access needs of westbound travelers who reside in the Villages at Mt Hood and Government Camp. These commuter runs have a limited number of stops, mostly associated with park and ride locations, and are fully accessible.

The point deviated fixed route runs follow the model established by the Mountain Express service prior to the redesign that resulted in the commuter runs. Two runs are offered daily Monday to Saturday, one at 11:19am and one at 5:50pm. Route deviations occur on request by calling SAM's dispatch center and these runs will also make "flag stops" and pick people up along the route at any point. The Villages shuttles begin in Sandy and end in Rhododendron. They are considered a vital link to meeting the needs of local residents, particularly those with mobility access needs.

The service is marketed in a variety of ways. Our new website [www.mthoodexpress.com](http://www.mthoodexpress.com) provides up to date information about the service and will expand over the next six months to include links to activities, events and other transit services. We broadly distribute brochures locally and regionally and work closely with our private partners to promote the use of the bus service.

**Do your program activities preserve existing service and/or provide new service?** (describe how the project preserves existing service or provides new or expanded service) (limit 200 words)

We propose to replace our 2010 Startrans Senator bus used primarily for the Villages shuttle service and as a back up for the commuter service. The Villages Shuttle service provides public bus service to the Villages at Mt. Hood Communities during weekdays, allowing seniors, persons with disabilities and others who need non-scheduled stops and route deviations bus service to access work, medical appointments and other needs. Because of the rural nature of these route deviations and stops, the larger transit buses used for the commuter service can't be used and maintaining two smaller, more maneuverable buses is required. The 2010 bus to be replaced currently has over 140,000 miles. The usable life of this vehicle is

estimated at 150,000 miles or 5 years, making it eligible for replacement under the STF program. The replacement vehicle will preserve existing service.

**Do you coordinate between providers to avoid duplication?**

(describe what level of coordination between partners is done and how duplication is avoided) (limit 200 words)

As the only public transit provider in this area, no duplication of services occurs. We partner very closely with the City of Sandy's transit service to provide excellent connectivity with their bus service and to maintain efficiencies for both services, such as interlining buses on weekends. We also work closely with the area senior center and local businesses to address the needs of their employees and customers.

**Is your program cost-effective?** (describe average cost per ride, cost per mile and cost per hour) (limit 200 words)

We have preserved a fare structure of only \$2.00 per one-way trip to continue to make this service accessible to individuals on fixed or limited incomes. We also offer reduced fare ticket books for \$1.50 per trip. This makes the service very affordable for its users and increases its accessibility to vulnerable individuals who may not have financial resources for more expensive services.

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Ridership	70,000	80,000

June 12, 2014

Board of County Commissioner  
 Clackamas County

Members of the Board:

Approval of an Intergovernmental Agreement with Oregon Department of Transportation Rail and Public Transit Division for Operations for The Mt Hood Express Bus Service

<b>Purpose/Outcomes</b>	Agreement with Oregon Department of Transportation Rail and Public Transit Division to fund operations for the Mt Hood Express bus service to expand transit to Government Camp and other locations in the Mt. Hood area.
<b>Dollar Amount and Fiscal Impact</b>	The maximum agreement is \$100,573 and will be used to pay for operations, including fuel, to operate the bus service. Match funds will be provided by the county, state transportation grants and a public-private partnership with businesses in the Mt. Hood area.
<b>Funding Source</b>	Federal Transit Administration 5311 Rural Transportation grant
<b>Safety Impact</b>	None
<b>Duration</b>	Effective July 1, 2014 and terminates on June 30, 2015
<b>Previous Board Action</b>	None
<b>Contact Person</b>	Brenda Durbin, Director, Social Services Division 503-655-8641
<b>Contract No.</b>	6790

**BACKGROUND:**

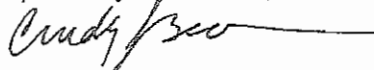
The Social Services Division of the Department of Health, Housing and Human Services requests approval of an agreement with Oregon Department of Transportation Rail and Public Transit Division to operate the Mt Hood Express bus service. The Mt Hood Express provides public transit bus service between the City of Sandy, Government Camp and Timberline, along with other locations in the Mt. Hood area, increasing access to employment and recreation opportunities.

Clackamas County Social Services has received 5311 rural transit funds since it took over operating the Mountain Express/Mt Hood Express bus service in 2007. The agreement was approved by County Counsel on May 21, 2014.

**RECOMMENDATION:**

Staff recommends the Board approval of this agreement and authorizes Cindy Becker, H3S Director to sign on behalf of Clackamas County.

Respectfully submitted,



Cindy Becker, Director

PUBLIC TRANSIT DIVISION  
OREGON DEPARTMENT OF TRANSPORTATION

This Agreement is made and entered into by and between the **State of Oregon**, acting by and through its Department of Transportation, Public Transit Division, hereinafter referred to as "State," and **Clackamas County**, hereinafter referred to as "Recipient," and collectively referred to as the "Parties."

**AGREEMENT**

1. **Effective Date.** This Agreement shall become effective on the later of **July 1, 2014** or the date when this Agreement is fully executed and approved as required by applicable law. Unless otherwise terminated or extended, Grant Funds under this Agreement shall be available for Project Costs incurred on or before **June 30, 2015** (Expiration Date). No Grant Funds are available for any expenditures after the Expiration Date. State's obligation to disburse Grant Funds under this Agreement shall end as provided in Section 6.b.iv of this Agreement.
2. **Agreement Documents.** This Agreement consists of this document and the following documents, all of which are attached hereto and incorporated herein by reference:

**Exhibit A: Project Description and Budget**

**Exhibit B: Financial Information**

**Exhibit C: Subcontractor Insurance**

**Exhibit D: Summary of Federal Requirements, incorporating by reference Annual List of Certifications and Assurances for Federal Transit Administration Grants and Cooperative Agreements ("Certifications and Assurances") and Federal Transit Administration Master Agreement**

In the event of a conflict between two or more of the documents comprising this Agreement, the language in the document with the highest precedence shall control. The precedence of each of the documents comprising this Agreement is as follows, listed from highest precedence to lowest precedence: Exhibit D; this Agreement without Exhibits; Exhibit A; Exhibit B; Exhibit C.

3. **Project Cost; Grant Funds; Match.** The total project cost is estimated at **\$145,820.00**. In accordance with the terms and conditions of this Agreement, State shall provide Recipient an amount not to exceed **\$100,573.00** in Grant Funds for eligible costs described in Section 6 hereof. Recipient shall provide matching funds for all Project Costs as described in Exhibit A.
4. **Project.** The Grant Funds shall be used solely for the Project described in Exhibit A and shall not be used for any other purpose. No Grant Funds will be disbursed for any changes to the Project unless such changes are approved by State by amendment pursuant to Section 11.d hereof.
5. **Progress Reports.** Recipient shall submit quarterly progress reports to State no later than 45 days after the close of each quarterly reporting period. Reporting periods are July through September, October through December, January through March, and April through June. Reports must be in a format acceptable to State and must be entered into the Oregon Public Transit Information System (OPTIS), which may be accessed at <http://www.oregon.gov/odot/pt/>. If Recipient is unable to access OPTIS, reports must be delivered to [ODOTPTDReporting@odot.state.or.us](mailto:ODOTPTDReporting@odot.state.or.us). Reports shall include a statement of revenues and expenditures for each quarter, including documentation of local match contributions and expenditures. State reserves the right to request such additional information as may be necessary to comply with federal or state reporting requirements.
6. **Disbursement and Recovery of Grant Funds.**
  - a. **Disbursement Generally.** State shall reimburse eligible costs incurred in carrying

out the Project, up to the Grant Fund amount provided in Section 3. Reimbursements shall be made by State within 30 days of State's approval of a request for reimbursement from Recipient using a format that is acceptable to State. Requests for reimbursement must be entered into OPTIS or sent to ODOTPTDReporting@odot.state.or.us. Eligible costs are the reasonable and necessary costs incurred by Recipient, or under a subagreement described in Section 9 of this Agreement, in performance of the Project and that are not excluded from reimbursement by State, either by this Agreement or by exclusion as a result of financial review or audit.

- b. **Conditions Precedent to Disbursement.** State's obligation to disburse Grant Funds to Recipient is subject to satisfaction, with respect to each disbursement, of each of the following conditions precedent:
    - i. State has received funding, appropriations, limitations, allotments or other expenditure authority sufficient to allow State, in the exercise of its reasonable administrative discretion, to make the disbursement.
    - ii. Recipient is in compliance with the terms of this Agreement including, without limitation, Exhibit D and the requirements incorporated by reference in Exhibit D.
    - iii. Recipient's representations and warranties set forth in Section 7 hereof are true and correct on the date of disbursement with the same effect as though made on the date of disbursement.
    - iv. Recipient has provided to State a request for reimbursement using a format that is acceptable to and approved by State. Recipient must submit its final request for reimbursement following completion of the Project and no later than 60 days after the Expiration Date. Failure to submit the final request for reimbursement within 60 days after the Expiration Date could result in non-payment.
  - c. **Recovery of Grant Funds.** Any funds disbursed to Recipient under this Agreement that are expended in violation or contravention of one or more of the provisions of this Agreement ("Misexpended Funds") or that remain unexpended on the earlier of termination or expiration of this Agreement must be returned to State. Recipient shall return all Misexpended Funds to State promptly after State's written demand and no later than 15 days after State's written demand. Recipient shall return all Unexpended Funds to State within 14 days after the earlier of expiration or termination of this Agreement.
7. **Representations and Warranties of Recipient.** Recipient represents and warrants to State as follows:
- a. **Organization and Authority.** Recipient is duly organized and validly existing under the laws of the State of Oregon and is eligible to receive the Grant Funds. Recipient has full power, authority, and legal right to make this Agreement and to incur and perform its obligations hereunder, and the making and performance by Recipient of this Agreement (1) have been duly authorized by all necessary action of Recipient and (2) do not and will not violate any provision of any applicable law, rule, regulation, or order of any court, regulatory commission, board, or other administrative agency or any provision of Recipient's Articles of Incorporation or Bylaws, if applicable, (3) do not and will not result in the breach of, or constitute a default or require any consent under any other agreement or instrument to which Recipient is a party or by which Recipient or any of its properties may be bound or affected. No authorization, consent, license, approval of, filing or registration with or notification to any governmental body or regulatory or supervisory authority is required for the execution, delivery or performance by Recipient of this Agreement.
  - b. **Binding Obligation.** This Agreement has been duly executed and delivered by Recipient and constitutes a legal, valid and binding obligation of Recipient, enforceable in accordance with its terms subject to the laws of bankruptcy, insolvency, or other similar laws affecting the enforcement of creditors' rights generally.
  - c. **No Solicitation.** Recipient's officers, employees, and agents shall neither solicit nor

accept gratuities, favors, or any item of monetary value from contractors, potential contractors, or parties to subagreements, except as permitted by applicable law. No member or delegate to the Congress of the United States or State of Oregon employee shall be admitted to any share or part of this Agreement or any benefit arising therefrom.

- d. **No Debarment.** Neither Recipient nor its principals is presently debarred, suspended, or voluntarily excluded from this federally-assisted transaction, or proposed for debarment, declared ineligible or voluntarily excluded from participating in this Agreement by any state or federal agency. Recipient agrees to notify State immediately if it is debarred, suspended or otherwise excluded from this federally-assisted transaction for any reason or if circumstances change that may affect this status, including without limitation upon any relevant indictments or convictions of crimes.

The warranties set in this section are in addition to, and not in lieu of, any other warranties set forth in this Agreement or implied by law.

8. **Records Maintenance and Access; Audit.**

- a. **Records, Access to Records and Facilities.** Recipient shall make and retain proper and complete books of record and account and maintain all fiscal records related to this Agreement and the Project in accordance with all applicable generally accepted accounting principles, generally accepted governmental auditing standards and state minimum standards for audits of municipal corporations. Recipient shall require that each of its subrecipients and subcontractors complies with these requirements. State, the Secretary of State of the State of Oregon (Secretary), the United States Department of Transportation (USDOT), the Federal Transit Administration (FTA) and their duly authorized representatives shall have access to the books, documents, papers and records of Recipient that are directly related to this Agreement, the funds provided hereunder, or the Project for the purpose of making audits and examinations. In addition, State, the Secretary, USDOT, FTA and their duly authorized representatives may make and retain excerpts, copies, and transcriptions of the foregoing books, documents, papers, and records. Recipient shall permit authorized representatives of State, the Secretary, USDOT and FTA to perform site reviews of the Project, and to inspect all vehicles, real property, facilities and equipment purchased by Recipient as part of the Project, and any transportation services rendered by Recipient.
- b. **Retention of Records.** Recipient shall retain and keep accessible all books, documents, papers, and records that are directly related to this Agreement, the Grant Funds or the Project for a minimum of six (6) years, or such longer period as may be required by other provisions of this Agreement or applicable law, following the Expiration Date. If there are unresolved audit questions at the end of the six-year period, Recipient shall retain the records until the questions are resolved.
- c. **Expenditure Records.** Recipient shall document the expenditure of all Grant Funds disbursed by State under this Agreement. Recipient shall create and maintain all expenditure records in accordance with generally accepted accounting principles and in sufficient detail to permit State to verify how the Grant Funds were expended.
- d. **Audit Requirements.**
- i. Recipients receiving federal funds in excess of \$500,000 are subject to audit conducted in accordance with Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, Non-profit Institutions. Recipient, if subject to this requirement, shall at Recipient's own expense submit to State, Public Transit Division, 555 13th Street NE, Suite 3, Salem, Oregon, 97301-4179 or to [ODOTPTDReporting@odot.state.or.us](mailto:ODOTPTDReporting@odot.state.or.us), a copy of, or electronic link to, its annual audit subject to this requirement covering the funds expended under this Agreement and shall submit or cause to be submitted, the annual audit of any subrecipient(s), contractor(s), or subcontractor(s) of Recipient responsible for the financial management of funds received under this

Agreement.

- ii. Recipient shall save, protect and hold harmless State from the cost of any audits or special investigations performed by the Secretary with respect to the funds expended under this Agreement. Recipient acknowledges and agrees that any audit costs incurred by Recipient as a result of allegations of fraud, waste or abuse are ineligible for reimbursement under this or any other agreement between Recipient and State.

9. **Recipient Subagreements and Procurements**

- a. **Subagreements.** Recipient may enter into agreements with sub-recipients, contractors or subcontractors (collectively, "subagreements") for performance of the Project.
  - i. All subagreements must be in writing executed by Recipient and must incorporate and pass through all of the applicable requirements of this Agreement to the other party or parties to the subagreement(s). Use of a subagreement does not relieve Recipient of its responsibilities under this Agreement.
  - ii. Recipient agrees to provide State with a copy of any signed subagreement upon request by State. Any substantial breach of a term or condition of a subagreement relating to funds covered by this Agreement must be reported by Recipient to State within ten (10) days of its being discovered.

Recipient shall review the *Best Practices Procurement Manual*, a technical assistance manual prepared by the FTA, available on the FTA website: [www.fta.dot.gov/grants/13054\\_6037.html](http://www.fta.dot.gov/grants/13054_6037.html)

- b. **Subagreement indemnity; insurance.**

***Recipient's subagreement(s) shall require the other party to such subagreements(s) that is not a unit of local government as defined in ORS 190.003, if any, to indemnify, defend, save and hold harmless State 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 the other party to Recipient's subagreement or any of such party's officers, agents, employees or subcontractors ("Claims"). It is the specific intention of the Parties that the 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 other party to Recipient's subagreement(s) from and against any and all Claims.***

Any such indemnification shall also provide that neither Recipient's subrecipient(s), contractor(s) nor subcontractor(s) (collectively "Subrecipients"), nor any attorney engaged by Recipient's Subrecipient(s), shall defend any claim in the name of the State 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 may, at any time at its election, assume its own defense and settlement in the event that it determines that Recipient's Subrecipient is prohibited from defending State or that Recipient's Subrecipient is not adequately defending State's interests, or that an important governmental principle is at issue or that it is in the best interests of State to do so. State reserves all rights to pursue claims it may have against Recipient's Subrecipient if State elects to assume its own defense.

Recipient shall require the other party, or parties, to each of its subagreements that are not units of local government as defined in ORS 190.003 to obtain and maintain insurance of the types and in the amounts provided in Exhibit C to this Agreement.

- c. **Procurements.** Recipient shall make purchases of any equipment, materials, or

services for the Project under procedures that comply with Oregon law, including all applicable provisions of the Oregon Public Contracting Code and rules, and in conformance to FTA Circular 4220.1F, Third Party Contracting Requirements including:

- i. all applicable clauses required by federal statute, executive orders and their implementing regulations are included in each competitive procurement;
- ii. all procurement transactions are conducted in a manner providing full and open competition;
- iii. procurements exclude the use of statutorily or administratively imposed in-state or geographic preference in the evaluation of bids or proposals (with exception of locally controlled licensing requirements);
- iv. construction, architectural and engineering procurements are based on Brooks Act procedures unless the procurement is subject to ORS 279C.100 to 279C.125.

#### 10. Termination

- a. **Termination by State.** State may terminate this Agreement effective upon delivery of written notice of termination to Recipient, or at such later date as may be established by State in such written notice, if:
  - i. Recipient fails to perform the Project within the time specified herein or any extension thereof or commencement, continuation or timely completion of the Project by Recipient is, for any reason, rendered improbable, impossible, or illegal; or
  - ii. 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; or
  - iii. Federal or state laws, rules, regulations or guidelines are modified or interpreted in such a way that the Project is no longer allowable or no longer eligible for funding under this Agreement; or
  - iv. The Project would not produce results commensurate with the further expenditure of funds; or
  - v. Recipient takes any action pertaining to this Agreement without the approval of State and which under the provisions of this Agreement would have required the approval of State.
- b. **Termination by Recipient.** Recipient may terminate this Agreement effective upon delivery of written notice of termination to State, or at such later date as may be established by Recipient in such written notice, if:
  - i. The requisite local funding to continue the Project becomes unavailable to Recipient; or
  - ii. Federal or state laws, rules, regulations or guidelines are modified or interpreted in such a way that the Project is no longer allowable or no longer eligible for funding under this Agreement.
- c. **Termination by Either Party.** Either Party may terminate this Agreement upon at least ten days notice to the other Party and failure of the other Party to cure within the period provided in the notice, if the other Party fails to comply with any of the terms of this Agreement.

#### 11. General Provisions

- a. **Contribution.** 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 Recipient with respect to which the other Party may have liability, the notified Party 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.

With respect to a Third Party Claim for which State is jointly liable with Recipient (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 Recipient in such proportion as is appropriate to reflect the relative fault of the State on the one hand and of the Recipient 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 Recipient 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.

With respect to a Third Party Claim for which Recipient is jointly liable with State (or would be if joined in the Third Party Claim), Recipient 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 Recipient 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 Recipient 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. Recipient'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.

- b. **Dispute Resolution.** 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.
- c. **Responsibility for Grant Funds.** Any recipient of Grant Funds, pursuant to this Agreement with State, shall assume sole liability for that Recipient's breach of the conditions of this Agreement, and shall, upon Recipient's breach of conditions that requires State to return funds to the FTA, hold harmless and indemnify State for an amount equal to the funds received under this Agreement; or if legal limitations apply to the indemnification ability of the Recipient of Grant Funds, the indemnification amount shall be the maximum amount of funds available for expenditure, including any available contingency funds or other available non-appropriated funds, up to the amount received under this Agreement.
- d. **Amendments.** This Agreement may be amended or extended only by a written instrument signed by both Parties and approved as required by applicable law.
- e. **Duplicate Payment.** Recipient is not entitled to compensation or any other form of duplicate, overlapping or multiple payments for the same work performed under this Agreement from any agency of the State of Oregon or the United States of America or any other party, organization or individual.
- f. **No Third Party Beneficiaries.** State and Recipient are the only Parties to this Agreement and are the only Parties entitled to enforce its terms. Nothing in this Agreement gives, is intended to give, or shall be construed to give or provide any

benefit or right, whether directly or indirectly, to a third person unless such a third person is individually identified by name herein and expressly described as an intended beneficiary of the terms of this Agreement.

Recipient acknowledges and agrees that the Federal Government, absent express written consent by the Federal Government, is not a party to this Agreement and shall not be subject to any obligations or liabilities to the Recipient, contractor or any other party (whether or not a party to the Agreement) pertaining to any matter resulting from the this Agreement.

- g. **Notices.** Except as otherwise expressly provided in this Agreement, any communications between the Parties hereto or notices to be given hereunder shall be given in writing by personal delivery, facsimile, email, or mailing the same, postage prepaid, to Recipient Contact or State Contact at the address or number set forth on the signature page of this Agreement, or to such other addresses or numbers as either Party may hereafter indicate pursuant to this Section 11.g. Any communication or notice personally delivered shall be deemed to be given when actually delivered. Any communication or notice delivered by facsimile shall be deemed to be given when receipt of the transmission is generated by the transmitting machine, and to be effective against State, such facsimile transmission must be confirmed by telephone notice to State Contact. Any communication by email shall be deemed to be given when the recipient of the email acknowledges receipt of the email. Any communication or notice mailed shall be deemed to be given when received.
- h. **Governing Law, Consent to Jurisdiction.** This Agreement shall be governed by and construed in accordance with the laws of the State of Oregon without regard to principles of conflicts of law. Any claim, action, suit or proceeding (collectively, "Claim") between State (or any other agency or department of the State of Oregon) and Recipient that arises from or relates to this Agreement shall be brought and conducted solely and exclusively within the Circuit Court of Marion County in the State of Oregon. In no event shall this section be construed as a waiver by the State of Oregon of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the eleventh amendment to the Constitution of the United States or otherwise, from any Claim or from the jurisdiction of any court. EACH PARTY HEREBY CONSENTS TO THE EXCLUSIVE JURISDICTION OF SUCH COURT, WAIVES ANY OBJECTION TO VENUE, AND WAIVES ANY CLAIM THAT SUCH FORUM IS AN INCONVENIENT FORUM.
- i. **Compliance with Law.** Recipient shall comply with all federal, state and local laws, regulations, executive orders and ordinances applicable to the Agreement or to the implementation of the Project, including without limitation as described in Exhibit D. Without limiting the generality of the foregoing, Recipient 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.
- j. **Insurance; Workers' Compensation.** All employers, including Recipient, that employ subject workers who provide services 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. Employer's liability insurance with coverage limits of not less than \$500,000 must be included. Recipient shall ensure that each of its subrecipient(s), contractor(s), and subcontractor(s) complies with these requirements.
- k. **Independent Contractor.** Recipient shall perform the Project as an independent contractor and not as an agent or employee of State. Recipient has no right or authority to incur or create any obligation for or legally bind State in any way. State cannot and will not control the means or manner by which Recipient performs the Project, except as specifically set forth in this Agreement. Recipient is responsible for

determining the appropriate means and manner of performing the Project. Recipient acknowledges and agrees that Recipient is not an "officer", "employee", or "agent" of State, as those terms are used in ORS 30.265, and shall not make representations to third parties to the contrary.

- l. **Severability.** If any term or provision of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the Parties shall be construed and enforced as if this Agreement did not contain the particular term or provision held to be invalid.
- m. **Counterparts.** This Agreement may be executed in two or more counterparts (by facsimile or otherwise), each of which is an original and all of which together are deemed one agreement binding on all Parties, notwithstanding that all Parties are not signatories to the same counterpart.
- n. **Integration and Waiver.** This Agreement, including all Exhibits, constitutes 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. The delay or 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. Recipient, by the signature below of its authorized representative, hereby acknowledges that it has read this Agreement, understands it, and agrees to be bound by its terms and conditions.

Clackamas County/State of Oregon  
Agreement No. 29955

**The Parties**, by execution of this Agreement, hereby acknowledge that each Party has read this Agreement, understands it, and agrees to be bound by its terms and conditions.

The Oregon Transportation Commission on October 20, 2010, approved Delegation Order Number OTC-01, which authorizes the Director of the Oregon Department of Transportation to administer programs related to public transit.

On March 1, 2012, the Director approved Delegation Order Number DIR-04, which delegates the authority to approve this Agreement to the Public Transit Division Administrator.

**SIGNATURE PAGE TO FOLLOW**

Clackamas County/State of Oregon  
Agreement No. 29955

**Clackamas County**, by and through its

By \_\_\_\_\_  
(Legally designated representative)

Name \_\_\_\_\_  
(printed)

Date \_\_\_\_\_

By \_\_\_\_\_

Name \_\_\_\_\_  
(printed)

Date \_\_\_\_\_

**APPROVED AS TO LEGAL SUFFICIENCY**

(If required in local process)

By *Humboldt J. J. J.*  
Recipient's Legal Counsel

Date *May 21, 2014*

**Recipient Contact:**

Teresa Christopherson  
PO Box 2950  
Oregon City, OR 97045  
1 (503) 650-5718  
teresachr@co.clackamas.or.us

**State Contact:**

~~Sherrin Coleman - vacant~~  
555 13th St. NE  
Salem, OR 97301-4179  
1 (503) 986-4305  
~~Sherrin.K.COLEMAN@odot.state.or.us~~

**State of Oregon**, by and through its  
Department of Transportation

By \_\_\_\_\_  
H. A. (Hal) Gard  
Rail and Public Transit Division Administrator

Date: \_\_\_\_\_

**APPROVAL RECOMMENDED**

By *Joni M. M...*  
Date *5/12/2014*

By \_\_\_\_\_

Date \_\_\_\_\_

**APPROVED AS TO LEGAL SUFFICIENCY**

(For funding over \$150,000)

By *N/A*  
Assistant Attorney General

Name \_\_\_\_\_  
(printed)

Date \_\_\_\_\_

**EXHIBIT A**

**Project Description and Budget**

**Project Description/Statement of Work**

<b>Project Title: Clackamas County 5311 Rural/Small City Formula Admin/Operations</b> <i>Formula Administration/Operations</i>				
<b>Item #1: Project Admin.</b>				
	Total	Grant Amount	Local Match	Match Type(s)
	\$55,860.00	\$50,123.00	\$5,737.00	Local
<b>Item #1: Operating Sliding Scale</b>				
	Total	Grant Amount	Local Match	Match Type(s)
	\$89,960.00	\$50,450.00	\$39,510.00	Local, State Funds
<b>Sub Total</b>	\$145,820.00	\$100,573.00	\$45,247.00	
<b>Grand Total</b>	<b>\$145,820.00</b>	<b>\$100,573.00</b>	<b>\$45,247.00</b>	

• **1. PROJECT DESCRIPTION**

*Recipient will provide general public deviated route transportation service via the Highway 26 corridor connecting the communities of The Villages at Mt. Hood (Brightwood, Welches, Zig Zag and Rhododendron) and the City of Sandy, five days a week, three times per day. Commuter service is provided seven days per week from Sandy to Government Camp and Timberline Lodge.*

*Days and hours of operation vary by service type and area served. Estimated total revenue service hours are 6,250 and revenue service miles are 172,000.*

*Recipient may amend the service design at any time in accordance with local demand, funding issues, or other situations which require service to be changed. Recipient will inform State if there is a change in the service funded by this Agreement.*

*To the extent possible, Recipient will coordinate the delivery of transportation services with other public and private transportation providers to enhance regional services and to avoid duplication of services.*

*Recipient may not use financial assistance from this Agreement to compete unfairly with the private sector.*

*Recipient will market the service as public transit service, and may market to target markets including seniors, people with disabilities, minority populations and those with low income.*

**2. PROJECT DELIVERABLES**

*Projected ridership goal for this project: 48,000.*

*Ridership is the actual or estimated one-way passenger trips provided to the target population. A passenger trip is a unit of service counted each time a passenger enters the vehicle, is transported and then exits the vehicle.*

### 3. PROJECT ACCOUNTING, MATCH AND SPENDING PLAN

*Recipient may not count the same costs twice if there are multiple agreements for which these costs may be eligible. Depreciation of capital equipment funded from USDOT- or ODOT-source grants is not an eligible expense.*

*Recipient is encouraged to generate program income to help defray program costs.*

*Recipient will account for all income related to this project in quarterly reports.*

*Program income is income directly resulting from the activities supported by this Agreement. Examples include, but are not limited to, donations, in-kind contributions, fares, service contract income, and advertising income. Awards and credits, including from the Oregon Department of Energy resulting from this Agreement is defined as program income.*

*With the exception of fares, program income may be used to finance the required matching share of the project. Program income derived from the Agreement must be used to support the transportation services operated by Recipient. For services that are funded by multiple operating grants, program income may be used flexibly to meet the needs of the service.*

*Recipient will have no obligation to State regarding program income earned after the end of the project period, with the following exception: Income earned during the project period, but paid after the end of the project period, will be used to further transportation service objectives.*

*Income from fares, tickets, and passes, including pre- and post-paid, will be deducted from the gross allowable operating cost to determine the net allowable costs on which the grant share of costs is based. To the extent that the project financed by this Agreement is also financed by other operating grants, the fare income will be proportionally allocated to each of the grants. The required local match share will be subtracted from the net project expenses to determine the grant share of the project expense.*

*Local funds are funds acquired by the Recipient (or contractor) independent of grant-funded activities. Local funds may be used at the option of the Recipient (or contractor), including for the activities supported by this Agreement. Local funds are reported to the extent that they are included in the project budget and used as match or to further the activities supported by this Agreement.*

*In-kind contributions will be accepted as part of the matching share required for the project when such contributions meet all of the following criteria: The value of in-kind contributions is included in the net project cost at least to the extent it is used as local match; the contribution is an integral and necessary part of the approved project; the contributions are documented; the rates for volunteer contributions will be consistent with those paid for similar work in the organization and community; and the value of donated space shall not exceed the fair rental value of comparable space and facilities in a privately-owned building in the same locality. In-kind contributions claimed as match will be reported on a form provided by State.*

### 4. REPORTING and/or INVOICING REQUIREMENTS

*Recipient will include project progress information in the required report to State. Required reporting forms and instructions are found on State's website.*

*Recipient will request reimbursement for covered expenses incurred during each period as prescribed by State.*

**EXHIBIT B**

**Financial Information**

The information below will assist auditors to prepare a report in compliance with the requirements of the Office of Management and Budget (OMB) Circular A-133.

This Agreement is financed by the funding source indicated below:

<b>Federal Program</b>	<b>Federal Funding Agency</b>	<b>Federal Catalog</b>	<b>Total Federal Funding</b>
49 U.S.C. 5311	U.S. Department of Transportation Federal Transit Administration 915 Second Avenue, Suite 3142 Seattle, WA 98174	<b>20.509 (5311)</b>	<b>\$100,573.00</b>

<b>Administered By</b> Public Transit Division 555 13th St. NE Salem, OR 97301-4179
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**EXHIBIT C**

**Subagreement Insurance Requirements**

**GENERAL.**

Recipient shall require in its first tier subagreements with entities that are not units of local government as defined in ORS 190.003, if any, to: i) obtain insurance specified under TYPES AND AMOUNTS and meeting the requirements under ADDITIONAL INSURED, "TAIL" COVERAGE, NOTICE OF CANCELLATION OR CHANGE, and CERTIFICATES OF INSURANCE before performance under the subagreement commences, and ii) maintain the insurance in full force throughout the duration of the subagreement. The insurance must be provided by insurance companies or entities that are authorized to transact the business of insurance and issue coverage in the State of Oregon and that are acceptable to State. Recipient shall not authorize work to begin under subagreements until the insurance is in full force. Thereafter, Recipient shall monitor continued compliance with the insurance requirements on an annual or more frequent basis. Recipient shall incorporate appropriate provisions in the subagreement permitting it to enforce compliance with the insurance requirements and shall take all reasonable steps to enforce such compliance. In no event shall Recipient permit work under a subagreement when Recipient is aware that the contractor is not in compliance with the insurance requirements. As used in this section, "first tier" means a subagreement in which the Recipient is a Party.

**TYPES AND AMOUNTS.**

i. **WORKERS COMPENSATION.** Insurance in compliance with ORS 656.017, which requires all employers that employ subject workers, as defined in ORS 656.027, to provide workers' compensation coverage for those workers, unless they meet the requirement for an exemption under ORS 656.126(2). Employers liability insurance with coverage limits of not less than \$500,000 must be included.

ii. **COMMERCIAL GENERAL LIABILITY.** Commercial General Liability Insurance covering bodily injury, death, and property damage in a form and with coverages that are satisfactory to State. This insurance shall include personal injury liability, products and completed operations. Coverage shall be written on an occurrence form basis, with not less than the following amounts as determined by State:

Bodily Injury, Death and Property Damage:

\$1,000,000 per occurrence (for all claimants for claims arising out of a single accident or occurrence).

iii. **AUTOMOBILE Liability Insurance: Automobile Liability.** Automobile Liability Insurance covering all owned, non-owned and hired vehicles. This coverage may be written in combination with the Commercial General Liability Insurance (with separate limits for "Commercial General Liability" and "Automobile Liability"). Automobile Liability Insurance must be in not less than the following amounts as determined by State:

Bodily Injury, Death and Property Damage:

\$1,000,000 per occurrence (for all claimants for claims arising out of a single accident or occurrence).

**ADDITIONAL INSURED.** The Commercial General Liability Insurance and Automobile Liability insurance must include State, its officers, employees and agents as Additional Insureds but only with respect to the contractor's activities to be performed under the Subcontract. Coverage must be primary and non-contributory with any other insurance and self-insurance.

**"TAIL" COVERAGE.** If any of the required insurance policies is on a "claims made" basis, such as professional liability insurance, the contractor shall maintain either "tail" coverage or continuous "claims made" liability coverage, provided the effective date of the continuous "claims made"

coverage is on or before the effective date of the Subcontract, for a minimum of 24 months following the later of: (i) the contractor's completion and Recipient's acceptance of all Services required under the Subcontract or, (ii) the expiration of all warranty periods provided under the Subcontract. Notwithstanding the foregoing 24-month requirement, if the contractor elects to maintain "tail" coverage and if the maximum time period "tail" coverage reasonably available in the marketplace is less than the 24-month period described above, then the contractor may request and State may grant approval of the maximum "tail" coverage period reasonably available in the marketplace. If State approval is granted, the contractor shall maintain "tail" coverage for the maximum time period that "tail" coverage is reasonably available in the marketplace.

**NOTICE OF CANCELLATION OR CHANGE.** The contractor or its insurer must provide 30 days' written notice to Recipient before cancellation of, material change to, potential exhaustion of aggregate limits of, or non-renewal of the required insurance coverage(s).

**CERTIFICATE(S) OF INSURANCE.** Recipient shall obtain from the contractor a certificate(s) of insurance for all required insurance before the contractor performs under the Subcontract. The certificate(s) or an attached endorsement must specify: i) all entities and individuals who are endorsed on the policy as Additional Insured and ii) for insurance on a "claims made" basis, the extended reporting period applicable to "tail" or continuous "claims made" coverage.

**EXHIBIT D**

**Summary of Federal Requirements and Incorporating by Reference Annual List of Certifications and Assurances for FTA Grants and Cooperative Agreements ("Certifications and Assurances") and Federal Transit Administration Master Agreement ("Master Agreement")**

Recipient and Recipient's subrecipient(s), contractor(s), or subcontractor(s), at any tier, if any, must comply with all applicable federal requirements contained in the Certifications and Assurances available at [http://www.fta.dot.gov/grants/12825\\_93.html](http://www.fta.dot.gov/grants/12825_93.html). The Certifications and Assurances, including as they may be changed during the term of this Agreement, are by this reference incorporated herein.

Recipient must submit to State on or before July 1 of each year during the term of this Agreement an executed copy of the Certifications and Assurances by either (1) printing the form available at [http://www.fta.dot.gov/grants/12825\\_93.html](http://www.fta.dot.gov/grants/12825_93.html), completing the form and sending it to State or (2) logging in to FTA's TEAMWeb system, at <https://ftateamweb.fta.dot.gov/teamweb/teamLogin.asp?> and completing the form and sending to State a screen print of the submitted page.

Recipient further agrees to comply with all applicable requirements included in the Master Agreement that is signed and attested to by State. This Master Agreement is incorporated by reference and made part of this Agreement. Said Master Agreement is available upon request from State by calling (503) 986-3300, or at <http://www.fta.dot.gov/documents/19-Master.pdf>. Without limiting the foregoing, the following is a summary of some requirements applicable to transactions covered by this Agreement and the funds described in Exhibit A:

1. Recipient shall comply with Title VI of the Civil Rights Act of 1964 (78 State 252, 42 U.S.C. § 2000d) and the regulations of the United States Department of Transportation (49 CFR 21, Subtitle A). Recipient shall exclude no person on the grounds of race, religion, color, sex, age, national origin, or disability from the benefits of aid received under this Agreement. Recipient will report to State on at least an annual basis the following information: any active lawsuits or complaints, including dates, summary of allegation, status of lawsuit or complaint including whether the Parties entered into a consent decree.
2. Recipient shall comply with FTA regulations in Title 49 CFR 27 Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance which implements the Rehabilitation Act of 1973, as amended, the Americans with Disabilities Act of 1990, 49 CFR 37, and 49 CFR 38.
3. Recipient shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any USDOT-assisted contract or in the administration of its DBE program or the requirements of 49 CFR Part 26. Recipient shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of USDOT-assisted contracts. Recipient's DBE program, if applicable, as required by 49 CFR part 26 and as approved by USDOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to State of its failure to carry out its approved program, the Department may impose sanctions as provided for under part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).
4. Recipient must include the following language in each subagreement Recipient signs with a subcontractor or subrecipient:

*The contractor, subrecipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this Agreement. The contractor, subrecipient, or subcontractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of USDOT-assisted contracts. Failure by the contractor, subrecipient, or subcontractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as Recipient deems appropriate.*

5. Recipient and contractors receiving in excess of \$100,000 in federal funds, other than Indian tribes, must certify to State that they have not and will not use federal funds to pay for influencing or attempting to influence an officer or employee of any federal department or Agency, a member of Congress, or an employee of a member of Congress in connection with obtaining any federal grant, cooperative agreement or any other federal award. If non-federal funds have been used to support lobbying activities in connection with the Project, Recipient shall complete Standard Form LLL, Disclosure Form to Report Lobbying and submit the form to State at the end of each calendar quarter in which there occurs an event that requires disclosure. Restrictions on lobbying do not apply to influencing policy decisions. Examples of prohibited activities include seeking support for a particular application or bid and seeking a congressional earmark.



COPY

DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT

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

June 12, 2014

Board of Commissioners  
Clackamas County

Members of the Board:

**Approval of Amendment No. 1 to Intergovernmental Agreement  
No. 29498 with Oregon Department of Transportation for the  
Clackamas County Active Transportation Plan**

<b>Purpose/Outcomes</b>	Amendment to an Intergovernmental Agreement with ODOT for the Clackamas County Active Transportation Plan
<b>Dollar Amount and Fiscal Impact</b>	The Department of Transportation and Development is contributing \$12,980 to the \$117,980 project.
<b>Funding Source</b>	Road Fund
<b>Safety Impact</b>	Project will identify priority corridors that should be improved to improve the safety for cyclists and pedestrians.
<b>Duration</b>	This amendment extends the term of the agreement from June 30, 2014 to December 31, 2014
<b>Previous Board Action</b>	06/14/12: BCC Approval of Resolution No. 2012-69 supporting submittal of an application to the Transportation and Growth Management Program to fund the Active Transportation Plan project 06/20/13: BCC Approval of IGA 29498 for the Clackamas County Active Transportation Plan
<b>Contact Person</b>	Scott Hoelscher, Senior Planner 503-742-4524

**BACKGROUND:**

The Oregon Transportation and Growth Management Program (TGM) provides local governments with funding for planning projects and Transportation System Plan (TSP) updates. The purpose of the Active Transportation Plan (ATP) project is to identify and prioritize the primary network of active transportation corridors that connect the communities in Clackamas County, both rural and urban. An active transportation plan will increase opportunities for walking, bicycling and equestrian use, while at the same time reduce the reliance on the state highway system for local travel needs. The ATP will be a strategic plan that highlights the assets available for active transportation and will serve as a resource to assist in budgeting for missing components of a comprehensive active transportation network.

This amendment extends the term of the agreement from June 30, 2014 to December 31, 2014 to complete the final components of the plan. There is no change to the project cost estimate.

This IGA has been reviewed by County Counsel.

**RECOMMENDATION:**

Staff respectfully recommends approval of the attached amendment to Intergovernmental Agreement No. 29498 to extend the term of the Active Transportation Plan work period.

Respectfully submitted,



Mike Bezner, PE

Transportation Engineering Manager

For information on this issue or copies of attachments  
please contact Scott Hoelscher at 503-742-4524

## AMENDMENT NO. 1

The State of Oregon, acting by and through its Department of Transportation, hereinafter referred to as "ODOT" or "Agency", and Clackamas County, hereinafter referred to as "County", entered into an intergovernmental agreement on June 25, 2013 ("Agreement"). Said Agreement covers a Transportation and Growth Management grant for Clackamas County, Active Transportation Plan.

It has now been determined by ODOT and County that the Agreement referenced above, although remaining in full force and effect, shall be amended to extend the agreement end date, and include an addendum to the Statement of Work. Except as expressly amended below, all other terms and conditions of the Agreement, as previously amended, are still in full force and effect.

**Exhibit A, the Statement of Work, shall be amended to include an addendum to the Statement of Work.**

**Paragraph A of Section 2 (Terms of Agreement); which currently reads:**

"Term. This Agreement becomes effective on the date on which all parties have signed this Agreement and all approvals (if any) required to be obtained by ODOT have been received. This Agreement terminates on June 30, 2014 ("Termination Date")."

**Shall be amended to read:**

"Term. This Agreement becomes effective on the date on which all parties have signed this Agreement and all approvals (if any) required to be obtained by ODOT have been received. This Agreement terminates on December 31, 2014 ("Termination Date")."

This Amendment may be executed in several counterparts (facsimile or otherwise) all of which when together shall constitute one agreement binding on all Parties, notwithstanding that all Parties are not signatories to the same counterpart. Each copy of this Amendment so executed shall constitute an original.

IN WITNESS WHEREOF, the parties hereto have set their hands as of the day and year hereinafter written.

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

**STATE OF OREGON**, by and through  
its Department of Transportation

By \_\_\_\_\_  
Division Administrator, Transportation  
Development Division

Date \_\_\_\_\_

Clackamas County

By \_\_\_\_\_  
Official's Signature

Date \_\_\_\_\_

**Contact Names:**

Scott Hoelscher  
Clackamas County  
150 Beaver Creek Rd.  
Oregon City, OR 97045  
Phone: 5037424524  
Fax: 503-742-4349  
E-Mail: scotthoe@clackamas.us

Gail Curtis, Contract Administrator  
Transportation and Growth Management  
Program  
123 NW Flanders  
Portland, OR 97209-4037  
Phone: 503-731-8206  
Fax: 503-731-3266  
E-Mail: Gail.E.Curtis@odot.state.or.us



**Addendum to the  
Statement of Work**

Consultant Amount per Deliverable Table shall be deleted in its entirety and replaced with the following:

Task	Description	Total Fixed Amount Per Deliverable	Schedule
<b>1</b>	<b>Project Start and Stakeholder Involvement</b>		July 2013 – August 2013
1b	Draft Project Schedule	\$ 600	
1e	Project Template	\$ 800	
1f	Project Website	\$ 1,000	
1g	PAT Corridor Selection Criteria	\$ 4,700	
1i	PMT Meeting #1	\$ 1,200	
	<b>Subtotal - Task 1</b>	<b>\$8,300</b>	
<b>2</b>	<b>Facility Design</b>		August 2013 – October 2013
2a	Draft PAT Facility Type Report	\$ 9,750	
2b	PMT Meeting #2	\$ 650	
2c	TAC Meeting #1	\$ 1,400	
2d	Final Draft Facility Type Report	\$ 2,100	
2e	PAC Meeting #1	\$ 750	
	<b>Subtotal - Task 2</b>	<b>\$14,650</b>	
<b>3</b>	<b>Draft Principal Active Transportation Corridors</b>		October 2013 – December 2013
3a	PAT Corridor Map Brainstorm/Worksession	\$ 1,000	
3b	Virtual Open House	\$ 2,000	
3c	Refined PAT Corridor Map	\$ 450	
3d	PAT Corridor Evaluation	\$ 4,050	
	<b>Subtotal – Task 3</b>	<b>\$7,500</b>	
<b>4</b>	<b>Refine Corridors and Identify Segment Needs</b>		
4a	PAT Corridor Infrastructure Needs Report	\$ 14,600	By June 30, 2014
4b	Cost Estimates of PAT Corridor Improvements	\$ 1,900	By June 30, 2014
	<b>Subtotal – Task 4</b>	<b>\$16,500</b>	
<b>5</b>	<b>Draft and Recommended ATP</b>		
5a	Draft ATP	\$ 5,600	Complete by June

Task	Description	Total Fixed Amount Per Deliverable	Schedule
			30, 2014
5b	Joint PAC and TAC Meeting #3	\$ 1,500	By Sept. 2014
5c	Recommended ATP	\$ 1,100	By Sept. 2014
5d	Online ATP	\$ 4,550	By Sept 2014
5e	Contingency Meeting	\$ 1,000	By Sept 2014
	<b>Subtotal – Task 5</b>	<b>\$13,750</b>	
	<b>Subtotal – Non-Contingency</b>	<b>\$59,700</b>	
	<b>Subtotal – Contingency</b>	<b>\$1,000</b>	
	<b>TOTAL</b>	<b>\$60,700</b>	



12

MARC GONZALES  
DIRECTOR

DEPARTMENT OF FINANCE

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

June 12, 2014

Board of County Commissioners  
Clackamas County

Members of the Board:

Approval of a FY 14/15 Work and Financial Plan with United States Department of Agriculture (USDA), Animal and Plant Health Inspection Service (APHIS), Wildlife Services (WS) for Predator Management

Purpose/Outcome	FY 14/15 Work and Financial Plan for predator control.
Dollar Amount and fiscal Impact	The maximum contract value of \$67,773.00 for the County portion of these activities is included in the Clackamas County fiscal year 2014-2015 budget.
Funding Source	General Fund in conjunction with state, federal and private partners
Safety Impact	Livestock, agriculture, forestry, wildlife and public health protection
Duration	July 1, 2014 through June 30, 2015
Previous Board Action/Review	May 2, 2013 the five year Cooperative Service Agreement with the USDA APHIS WS for Predator Management was approved and signed
Contact Person	Marc Gonzales 503-742-5405
Contract No.	Agreement 13-73-41-5111 AP.RA.RX41.73.0550

**BACKGROUND:**

Clackamas County's intergovernmental agreement with the federal agencies listed above for County Trapper Services was adopted and signed May 2, 2013. The agreement provides predator control where wild animals and birds may carry disease or threaten injury to County public and private resources.

Each year a separate Work Plan and Proposed Budget, representing the next fiscal year portion of this predator control program, is presented to the Board of County Commissioners for approval. The FY 14/15 Work and Financial Plan under consideration was initiated by the federal agency in cooperation with its partners. An opportunity was provided for the Wildlife Services, in cooperation with the County, to adjust service delivery to accommodate County budgetary constraints. County Counsel has reviewed and approved this prospective fiscal year document.

**RECOMMENDATION:**

Staff respectfully recommends the Board approve the attached FY 14/15 Work and Financial Plan for County predator control and wildlife damage management in order to meet the federal deadline of June 16, 2014. This contract is consistent with the County's anticipated budget for the FY 2014-2015. Thank you.

Sincerely,

  
Marc Gonzales, Finance Director

**USDA APHIS WILDLIFE SERVICES  
WORK AND FINANCIAL PLAN**

---

<b>COOPERATOR:</b>	<b>CLACKAMAS COUNTY</b>
<b>VENDOR IDENTIFICATION NO.:</b>	<b>6013663</b>
<b>COOPERATIVE AGREEMENT NO.:</b>	<b>14-73-41-5111</b>
<b>ACCOUNT NO.:</b>	<b>AP.RA.RX41.73.0550</b>
<b>AGREEMENT DATES:</b>	<b>July 1, 2014 – June 30, 2015</b>
<b>AGREEMENT AMOUNT:</b>	<b>\$67,773.00</b>

---

Pursuant to Cooperative Service Agreement Cooperative Service Agreement No. 13-73-41-5111 (signature year) between Clackamas County and the United States Department of Agriculture (USDA), Animal and Plant Health Inspection Service (APHIS), Wildlife Services (WS), this Work Plan sets forth the objectives, activities and budget for the cooperative wildlife services program in Clackamas County for the period of July 1, 2014 through June 30, 2015.

**OBJECTIVES/GOALS**

The objective of the Wildlife Services program in the County is to resolve wildlife/human conflicts related to damage caused by predatory animals to livestock and human health and safety. Cooperative efforts between APHIS-WS and the County will maximize existing resources to accomplish the goals of this Plan. APHIS-WS will address the requirements of the National Environmental Policy Act (NEPA).

Anticipated project results and benefits:

1. To provide assistance to county residents experiencing wildlife conflicts caused by predatory animals.
2. To provide assistance in the form of educational information or when appropriate to utilize the most effective and safe control tools and techniques available.
3. To provide a mechanism that enables other entities to participate in the program with shared responsibilities for funding, planning and evaluation.

**PLAN OF ACTION**

The objectives of the wildlife damage control program will be accomplished in the following manner:

1. APHIS-WS will provide a Wildlife Specialist to respond to damage situations in Clackamas County involving predatory animals that threaten human health and safety, livestock, and other property.
2. Kevin Christensen, Acting District Supervisor, at the State Office in Portland, Oregon (503) 326-2346 will be responsible for training, day-to-day supervision and monitoring of the cooperative program.
3. APHIS-WS will bill the County quarterly for actual costs associated with this work and financial plan not to exceed \$67,773.

**PROCUREMENT**

APHIS-WS will provide vehicles, and the initial supplies and equipment. Cooperator understands that additional supplies and equipment may need to be purchased under this agreement to replace consumed, damaged or lost supplies/equipment. Any items remaining at the end of the agreement will remain in the possession of APHIS-WS.

**STIPULATIONS AND RESTRICTIONS**

APHIS-WS will cooperate with the Oregon Department of Agriculture, Oregon Fire Marshal's Office, Oregon Department of Fish and Wildlife (ODFW), and the U.S. Fish and Wildlife Service (FWS) to ensure compliance with Federal, State and local laws and regulations.

**COST ESTIMATE FOR SERVICES**

Salary/Benefits	\$ 45,168.08
GSA Vehicle	2,861.65
Hires and reimbursements	3,191.88
Supplies and Materials	2,080.00
Subtotal	53,301.61
Pooled Job Costs	5,863.18
Overhead	8,608.21
Total	\$67,773.00

**Note:** Salary, benefits, and vehicle costs charged at actual cost. The distribution of the Budget for this Work Plan may vary as necessary to accomplish the purpose of this Agreement but may not exceed the aggregate total of \$67,773.

**AUTHORIZATION:**

Clackamas County  
2051 Kaen Rd.  
Oregon City, OR 97045

\_\_\_\_\_  
Clackamas County, Representative

\_\_\_\_\_  
Date

UNITED STATES DEPARTMENT OF AGRICULTURE  
ANIMAL AND PLANT HEALTH INSPECTION SERVICE  
WILDLIFE SERVICES

\_\_\_\_\_  
State Director, Oregon

\_\_\_\_\_  
Date

\_\_\_\_\_  
Director, Western Region

\_\_\_\_\_  
Date

## ATTACHMENT 1

**NOTE: NOT FOR FMMI USE. This Attachment provides information on the cooperative budget for services within the County. The tables below include the cooperative funding for the County and estimated expenses for those cooperative funds.**

### PROPOSED BUDGET PLAN FOR SERVICES

Salary/Benefits	\$ 75,667.01
GSA Vehicle	12,665.57
Hires and reimbursements	3,191.88
Supplies and materials	2,080.00
APHIS Overhead	1,066.03
Total	\$ 94,670.49

**Note:** Salary, benefits, and vehicle costs charged at actual cost. The distribution of the Budget for this Work Plan may vary as necessary to accomplish the purpose of this Agreement.

### PROPOSED COOPERATIVE FUNDING SOURCES

USDA	\$ 9,803.91
ODA Funds	6,413.44
ODFW Funds - General	7,020.83
ODFW Funds – Furbearer	1,688.15
State Overhead	1,971.16
Clackamas County Funds	67,773.00
Total	\$ 94,670.49



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MARC GONZALES  
DIRECTOR

DEPARTMENT OF FINANCE

June 12, 2014

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

Board of County Commissioners  
Clackamas County

Members of the Board:

Approval of a Resolution for a Clackamas County Supplemental Budget  
(Less Than Ten Percent) for Fiscal Year 2013-2014

Purpose/Outcome	Supplemental Budget changes for Clackamas County FY 2013-2014
Dollar Amount and fiscal Impact	The effect is a decrease in appropriations of \$410,630.
Funding Source	Includes Federal Operating Grants and Interfund Transfers.
Safety Impact	N/A
Duration	July 1, 2013-June 30, 2014
Previous Board Action/Review	Budget Adopted June 27, 2013 and amended November 7, 2013, January 30, 2014 and April 10, 2014
Contact Person	Diane Padilla, 503-742-5425
Contract No.	N/A

**BACKGROUND:**

Each fiscal year it is necessary to allocate additional sources of revenue and appropriate additional expenditures to more accurately meet the changing requirements of the operating departments. The attached resolution reflects such changes requested by departments in keeping with a legally accurate budget. These changes are in compliance with O.R.S. 294.480 (3) which allows for governing body approval of supplemental budget changes of less than ten percent of qualifying expenditures in the fund(s) being adjusted.

The General Fund – Nondepartmental is recognizing a lower than anticipated interfund transfer from the Justice Court Fund and budgeting a reduction in contingency.

The Code Compliance and Sustainability Fund is recognizing an interfund transfer from the Building Codes Fund and budgeting it in contingency.

Tax Title Land Fund was closed effective June 30, 2013. Year end fund balance remains in the closed fund that needs to be transferred to the active Property Resources Fund. In order to make this transfer, the Tax Title Land Fund must be reopened in fiscal year 2013-14, and the transfer budgeted.

The Health, Housing and Human Services Administration Fund, Social Services Fund and Public Health Fund are reducing General Fund support to redirect that support to the Clackamas Health Centers Fund and reducing program expenses accordingly. The Public Health Fund is also correcting the amount of an interfund transfer from the Health, Housing and Human Services Administration Fund.

The Health, Housing and Human Services Administration Fund is recognizing an interfund transfer from the Technology Services Fund for reimbursing support staff charges and budgeting it in materials and services.

The Clackamas Health Centers Fund is recognizing interfund transfers from the Behavioral Health Fund and Technology Services Fund and budgeting it in materials and services for program expenses.

The DTD Capital Projects Fund is recognizing an interfund transfer from the Roads Fund and appropriating it in capital outlay.

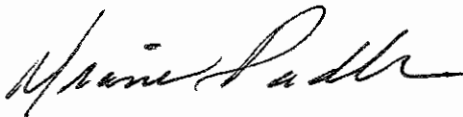
The effect of this Resolution is a change in appropriations of (\$410,630.) including revenues as detailed below:

Federal Operating Grants	\$ (180.)
Interfund Transfers	<u>(410,450.)</u>
Total Recommended	<u>\$ (410,630.)</u>

**RECOMMENDATION:**

Staff respectfully recommends adoption of the attached supplemental budget and Exhibit A in keeping with a legally accurate budget.

Sincerely,



Diane Padilla  
Budget Manager



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

In the Matter of Providing Authorization  
Regarding Adoption of a Supplemental  
Budget for Items Less Than 10  
Percent of the Total Qualifying Expenditures  
and Making Appropriations for Fiscal  
Year 2013-14



Resolution No \_\_\_\_\_

WHEREAS, during the fiscal year changes in appropriated expenditures may become necessary and appropriations may need to be increased, decreased or transferred from one appropriation category to another;

WHEREAS, a supplemental budget for the period of July 1, 2013 through June 30, 2014, inclusive, has been prepared, published and submitted to the taxpayers as provided by statute;

WHEREAS; a hearing to discuss the supplemental budget was held before the Board of County Commissioners on June 12, 2014.

WHEREAS; the funds being adjusted are:

- . General Fund – Nondepartmental
- . Code Compliance & Sustainability Fund
- . Property Resources Fund
- . Health Housing and Human Services Administration Fund
- . Social Services Fund
- . Public Health Fund
- . Community Health Centers Fund
- . DTD Capital Projects Fund;

It further appearing that it is in the best interest of the County to approve this less than 10 percent appropriations for the period of July 1, 2013 through June 30, 2014.

**BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS THAT:**

Pursuant to its authority under OR 294.480, the supplemental budget be adopted and appropriations established as shown in the attached Exhibit A which by this reference is made a part of this Resolution.

DATED this 12th day of June 2014

**BOARD OF COUNTY COMMISSIONERS**

\_\_\_\_\_  
Chair

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

**SUMMARY OF SUPPLEMENTAL BUDGET**  
**Exhibit A**  
**CHANGES OF LESS THAN 10% OF BUDGET**  
**June 12, 2014**

Recommended items by revenue source:

Federal Operating Grants	\$ (180.)
Interfund Transfers	<u>(410,450.)</u>
Total Recommended	<u>\$ (410,630.)</u>

**GENERAL FUND - NONDEPARTMENTAL**

Revenue:	
Interfund Transfer	\$ (478,962.)
Total Revenues	<u>\$ (478,962.)</u>
Expense:	
Contingency	\$ (478,962.)
Total Expenses	<u>\$ (478,962.)</u>

General Fund – Nondepartmental is recognizing a lower than anticipated interfund transfer from the Justice Court Fund and budgeting a reduction in contingency.

**CODE COMPLIANCE & SUSTAINABILITY FUND**

Revenue:	
Interfund Transfer	\$ 250,000.
Total Revenues	<u>\$ 250,000.</u>
Expense:	
Contingency	\$ 250,000.
Total Expenses	<u>\$ 250,000.</u>

Code Compliance and Sustainability Fund is recognizing an interfund transfer from the Building Codes Fund and budgeting it in contingency.

**PROPERTY RESOURCES FUND**

Revenue:	
Interfund Transfer	\$ 50.
Total Revenues	<u>\$ 50.</u>
Expense:	
Materials and Services	\$ 50.
Total Expenses	<u>\$ 50.</u>

Tax Title Land Fund was closed effective June 30, 2013. Year end fund balance remains in the closed fund that needs to be transferred to the active Property Resources Fund. In order to make this transfer, the Tax Title Land Fund must be reopened in fiscal year 2013-14, and the transfer budgeted.

**HEALTH, HOUSING AND HUMAN SERVICES ADMINISTRATION FUND**  
**SOCIAL SERVICES FUND**  
**PUBLIC HEALTH FUND**

Revenue:		
Health, Housing and Human Services Administration		
Interfund Transfer		\$ (50,000.)
Total Revenues		<u>\$ (50,000.)</u>

Revenue:		
Social Services		
Interfund Transfer		\$ (550,000.)
Total Revenues		<u>\$ (550,000.)</u>

Revenue:		
Public Health		
Federal Operating Grants		\$ (180.)
Interfund Transfer		<u>(99,820.)</u>
Total Revenues		<u>\$ (100,000.)</u>

Expense:		
Health, Housing and Human Services Administration		
Materials and Services		\$ (50,000.)
Total Expenses		<u>\$ (50,000.)</u>

Expense:		
Social Services		
Personnel Services		\$ (140,890.)
Materials and Services		(395,866.)
Contingency		<u>(13,244.)</u>
Total Expenses		<u>\$ (550,000.)</u>

Expense:		
Public Health		
Contingency		\$ (100,000.)
Total Expenses		<u>\$ (100,000.)</u>

Health, Housing and Human Services Administration Fund, Social Services Fund and Public Health Fund are reducing General Fund support to redirect that support to the Clackamas Health Centers Fund and reducing program expenses accordingly. The Public Health Fund is also correcting the amount of an interfund transfer from the Health, Housing and Human Services Administration Fund.

**HEALTH, HOUSING AND HUMAN SERVICES ADMINISTRATION FUND**

Revenue:	
Interfund Transfer	\$ 15,000.
Total Revenues	<u>\$ 15,000.</u>
Expense:	
Materials and Services	\$ 15,000.
Total Expenses	<u>\$ 15,000.</u>

Health, Housing and Human Services Administration Fund is recognizing an interfund transfer from the Technology Services Fund for reimbursing support staff charges and budgeting it in materials and services.

**COMMUNITY HEALTH CENTERS FUND**

Revenue:	
Intefund Transfer	\$ 102,398.
Total Revenues	<u>\$ 102,398.</u>
Expense:	
Materials and Services	\$ 102,398.
Total Expenses	<u>\$ 102,398.</u>

Clackamas Health Centers Fund is recognizing interfund transfers from the Behavioral Health Fund and Technology Services Fund and budgeting it in materials and services for program expenses.

**DTD CAPITAL PROJECTS FUND**

Revenue:	
Intefund Transfer	\$ 400,884.
Total Revenues	<u>\$ 400,884.</u>
Expense:	
Capital Outlay	\$ 400,884.
Total Expenses	<u>\$ 400,884.</u>

DTD Capital Projects Fund is recognizing an interfund transfer from the Roads Fund and appropriating it in capital outlay.



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MARC GONZALES  
DIRECTOR

DEPARTMENT OF FINANCE

June 12, 2014

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

Board of County Commissioners  
Clackamas County

Members of the Board:

Approval of a Resolution for Clackamas County for Budgeting of  
New Specific Purpose Revenue for Fiscal Year 2013-2014

Purpose/Outcome	Budget changes for Clackamas County FY 2013-2014
Dollar Amount and fiscal Impact	The effect is an increase in appropriations of \$7,039,807.
Funding Source	Includes Federal and State Operating Grants, Local Government and Agency Funds and Charge for Services.
Safety Impact	N/A
Duration	July 1, 2013-June 30, 2014
Previous Board Action/Review	Budget Adopted June 27, 2013, amended August 8, 2013, November 7, 2013, January 30, 2014 and April 10, 2014
Contact Person	Diane Padilla, 503-742-5425
Contract No.	N/A

**BACKGROUND:**

Each fiscal year it is necessary to appropriate additional expenditures and allocate additional sources of revenue to more accurately meet the changing requirements of the operating departments of the County. The attached resolution reflects those changes that departments have requested which pursuant to O.R.S. 294.326, qualify as grants in trust for specific purposes in keeping with legally accurate budget.

The Emergency Management Fund is recognizing additional grant revenue from the Emergency Management Performance Grant, State Homeland Security Program Grant and Urban Area Security Initiative and budgeting it for payments to fire, public works and incorporated cities within Clackamas County, a portion of the preparedness calendar, supplies for a Victim Information Center and personnel services.

The Behavioral Health Fund is recognizing revenue from Mental Health Services Residential Startup, Oregon Health Plan, Community Health Mental Health Program and Chez Ami and budgeting it for internal county contracted services with the Clackamas Health Centers Fund and for program costs associated with these program services.

The Social Services Fund is recognizing additional revenue from Warming Centers, Emergency Food Stamp Program, Low Income Energy Assistance Program, Veterans Outreach, Options Counseling, Aging and Disability Resources Center Gatekeeper, Oregon Money Management Program, and Developmental Disability and budgeting it in personnel services and materials and services associated with these various programs.

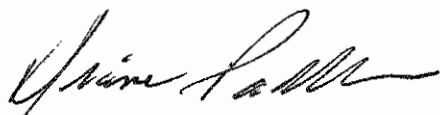
The effect of this Board Order is an increase in appropriations of \$7,039,807 including new revenues as detailed below:

Federal Operating Grants	\$ 1,869,387.
State Operating Grants	5,115,839.
Local Government and Other Agencies	44,581.
Charge for Services	<u>10,000.</u>
Total Recommended	<u>\$ 7,039,807.</u>

**RECOMMENDATION:**

Staff respectfully recommends adoption of the attached supplemental budget and Exhibit A in keeping with a legally accurate budget.

Sincerely,



Diane Padilla  
Budget Manager

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

In the Matter of Providing  
Authorization to Appropriate Grants  
For Specific Purposes within the Fiscal  
Year 2013-14



Resolution No. \_\_\_\_\_

WHEREAS, during the fiscal year changes in appropriated expenditures may become necessary and appropriations may need to be increased, decreased or transferred from one appropriation category to another;

WHEREAS, appropriation of grants entrusted for specific purposes within Clackamas County budget for the period of July 1, 2013 through June 30, 2014, inclusive is necessary to authorize the expenditure of funds, for the needs of Clackamas County residents;

WHEREAS; the fund being adjusted is:

- . Emergency Management Fund
- . Behavioral Health Fund
- . Social Services Fund;

It further appearing that it is in the best interest of the County to approve these grants entrusted for specific purpose of appropriations for the period of July 1, 2013 through June 30, 2014.

**BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS THAT:**

Pursuant to its authority under OR 294.326, appropriation of specific purpose grants is authorized as shown in the attached Exhibit A which by this reference is made a part of this Resolution.

DATED \_\_\_\_\_

**BOARD OF COUNTY COMMISSIONERS**

\_\_\_\_\_  
Chair

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

**NEW SPECIFIC PURPOSE REVENUE REQUESTS**

Exhibit A

Federal Operating Grants	\$ 1,869,387.
State Operating Grants	5,115,839.
Local Government & Other Agencies	44,581.
Charge for Services	<u>10,000.</u>
Total Recommended	<u>\$ 7,039,807.</u>

**EMERGENCY MANGEMENT FUND**

Revenue:	
Federal Operating Grants	\$ 1,092,546.
Charge for Services	<u>10,000.</u>
Total	<u>\$ 1,102,546.</u>
Expense:	
Personnel Services	\$ 200,000.
Materials and Services	862,546.
Capital Outlay	<u>40,000.</u>
Total	<u>\$ 1,102,546.</u>

Emergency Management Fund is recognizing additional grant revenue from the Emergency Management Performance Grant, State Homeland Security Program Grant and Urban Area Security Initiative and budgeting it for payments to fire, public works and incorporated cities within Clackamas County, a portion of the preparedness calendar, supplies for a Victim Information Center and personnel services.

**BEHAVIORAL HEALTH FUND**

Revenue:	
Federal Operating Grants	\$ 112,331.
State Operating Grants	4,534,959.
Local Government & Other Agencies	<u>6,081.</u>
Total	<u>\$ 4,653,371.</u>
Expense:	
Materials and Services	\$ 4,612,477.
Interfund Transfer	<u>40,894.</u>
Total	<u>\$ 4,653,371.</u>

Behavioral Health Fund is recognizing revenue from Mental Health Services Residential Startup, Oregon Health Plan, Community Mental Health Program and Chez Ami and budgeting it for internal county contracted services with the Clackamas Health Centers Fund and for program costs associated with these program services.



**SOCIAL SERVICES FUND**

Revenue:		
Federal Operating Grants	\$	664,510.
State Operating Grants		580,880.
Local Government & Other Agencies		<u>38,500.</u>
Total	\$	<u>1,283,890.</u>

Expense:		
Personnel Services	\$	430,016.
Materials and Services		<u>853,874.</u>
Total	\$	<u>1,283,890.</u>

Social Services Fund is recognizing additional revenue from Warming Centers, Emergency Food Stamp Program, Low Income Energy Assistance Program, Veterans Outreach, Options Counseling, Aging and Disability Resources Center Gatekeeper, Oregon Money Management Program, and Developmental Disability and budgeting it in personnel services and materials and services associated with these various programs.



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MARC GONZALES  
DIRECTOR

DEPARTMENT OF FINANCE

June 12, 2014

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

Board of County Commissioners  
Clackamas County

Members of the Board:

Approval of a Resolution for Clackamas County for  
Transfer of Appropriations for Fiscal Year 2013-2014

Purpose/Outcome	Budget changes for Clackamas County FY 2013-2014
Dollar Amount and fiscal Impact	No fiscal impact. Transfer of existing appropriations between categories.
Funding Source	N/A
Safety Impact	N/A
Duration	July 1, 2013-June 30, 2014
Previous Board Action/Review	Budget Adopted June 27, 2013, amended August 8, 2013, November 7, 2013, January 30, 2014 and April 10, 2014
Contact Person	Diane Padilla, 503-742-5425
Contract No.	N/A

**BACKGROUND:** Periodically during the fiscal year it is necessary to transfer appropriations between the major spending categories (personal services, materials and services, debt service, interfund transfer, capital outlay and other requirements) to more accurately reflect the changing requirements of the operating departments.

Transfers are a method of moving budgeted appropriations during the fiscal year as required by state budget law per ORS 294.450. There is no financial impact incurred as a result of transfers as appropriations for these amounts have been accomplished through the initial budget process.

The attached resolution accomplishes the above mentioned changes as requested by the following operating departments in keeping with a legally accurate budget.

The General Fund – Nondepartmental is transferring from contingency to make an interfund transfer to the Clackamas Health Centers Fund. The General Fund is also reducing budgeted interfund transfers to Heath, Housing and Human Services Administration Fund, Social Services Fund and Public Health Fund and re-directing them to the Clackamas Health Centers Fund to help compensate for lower than anticipated revenues.

The General Fund – Nondepartmental is transferring from contingency to the Courier organization for higher personnel services costs than originally budgeted.

The County Fair is transferring from contingency to materials and services and capital outlay to cover the cost of rental or purchase of temporary structures needed to host events at the County Event Center since the Livestock Building at the County Fairgrounds is not available for use.

The Building Codes Fund is transferring from contingency to make an interfund transfer to the Code Enforcement & Sustainability Fund for program operations and to materials and services to recognize DTD shared allocated costs.

The Resolution Services Fund is transferring from personnel services to materials and services to better reflect actual costs.

The Parks Fund is transferring from contingency to personnel services and materials and services for the additional expenses incurred due to the 2013 wildfire on the Wildcat Mountain properties, additional law enforcement presence at County Park locations and higher building maintenance costs at Boones Ferry Marina and Feyrer Park.

The Planning Fund is transferring from contingency to materials and services to recognize DTD shared allocated costs.

The Road Fund is transferring from contingency to materials and services for payment to Trimet for the Road Program Work Agreement. This fund is also making an additional interfund transfer to the DTD Capital Projects Fund.

The Community Corrections Fund is transferring appropriation from personnel services to materials and services to more accurately categorize its reimbursement to the Sheriff's Fund for the cost of the Community Corrections Director's position. This fund is also transferring from materials and services to capital outlay for the purchase a new oven for the Residential Services programs.

The Justice Court Fund is transferring from capital outlay and contingency to materials and services and interfund transfer to the Capital Projects Reserve Fund to better reflect anticipated expenditures.

The Countywide Transportation SDC Fund is transferring from contingency to materials and services for payment to Trimet for the Road Program Work Agreement.

The Behavioral Health Fund is transferring from materials and services to make an interfund transfer to the Clackamas Health Centers Fund.

The Clackamas Health Centers Fund is recognizing an interfund transfer from the General Fund and re-directed General Fund support from various Health, Housing and Human Services Department funds and budgeting it in personnel services and materials and services for program costs.

The Capital Project Reserve Fund is recognizing an interfund transfer from the Justice Court Fund for remodeling costs and realigning account categories to better reflect actual expenses.

The Clackamas Broadband Utility Fund is transferring from capital outlay to materials and services to better reflect actual expenses.

The Technology Services Fund is transferring from capital outlay to interfund transfer to the Health, Housing and Human Services Administration Fund and Clackamas Health Center Fund to reimburse charges for support staff and capital outlay to special payments to cover an unexpected franchise fee payment.

The Risk Management Claims Fund is transferring from contingency to materials and services for higher than budgeted claim costs.

**RECOMMENDATION:**

Staff respectfully recommends adoption of the attached supplemental budget and Exhibit A in keeping with a legally accurate budget.

Sincerely,

A handwritten signature in black ink, appearing to read "Diane Padilla". The signature is fluid and cursive, with a long horizontal stroke at the end.

Diane Padilla  
Budget Manager

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

In the Matter of Providing Authorization  
To Transfer Appropriations Within  
the Fiscal Year 2013-14



Resolution No. \_\_\_\_\_  
page 1 of 2

WHEREAS, during the fiscal year changes in appropriated expenditures may become necessary and appropriations may need to be increased, decreased or transferred from appropriation category to another;

WHEREAS, transfer of appropriations for the period of July 1, 2013 through June 30, 2014, inclusive is necessary to continue to prudently manage the distribution of those expenditures for the needs of Clackamas County residents;

WHEREAS; the funds being adjusted are:

- . General Fund – Non Departmental
- . General Fund – Courier
- . County Fair Fund
- . Building Codes Fund
- . Resolution Services Fund
- . Parks Fund
- . Planning Fund
- . Road Fund
- . Community Corrections Fund
- . Justice Court Fund
- . Countywide Transportation SDC Fund
- . Behavioral Health Fund
- . Clackamas Health Centers Fund
- . Capital Projects Reserve Fund
- . Clackamas Broadband Utility Fund
- . Technology Services Fund
- . Risk Management Claims Fund;

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

In the Matter of Providing Authorization  
To Transfer Appropriations Within  
the Fiscal Year 2013-14



Resolution No. \_\_\_\_\_  
page 2 of 2

It further appearing that it is in the best interest of the County to approve this transfer of appropriations for the period of July 1, 2013 through June 30, 2014.

**BE RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS THAT:**

Pursuant to its authority under OR 294.450, transfer of appropriation within the fiscal year budget is authorized as shown in the attached Exhibit A which by this reference is made a part of this Resolution.

DATED \_\_\_\_\_

**BOARD OF COUNTY COMMISSIONERS**

\_\_\_\_\_  
Chair

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

**TRANSFER REQUESTS**

Exhibit A

**GENERAL FUND – NON DEPARTMENTAL**

Decrease:		
Expenses		
Contingency		\$ 2,500,000.
Total		<u>\$ 2,500,000.</u>
Increase:		
Expenses		
Interfund Transfer		\$ 2,500,000.
Total		<u>\$ 2,500,000.</u>

General Fund – Nondepartmental is transferring from contingency to make an interfund transfer to the Clackamas Health Centers Fund. The General Fund is also reducing budgeted interfund transfers to Health, Housing and Human Services Administration Fund, Social Services Fund and Public Health Fund and re-directing them to the Clackamas Health Centers Fund to help compensate for lower than anticipated revenues.

**GENERAL FUND – NON DEPARTMENTAL AND COURIER**

Decrease:		
Expenses		
Contingency		\$ 6,000.
Total		<u>\$ 6,000.</u>
Increase:		
Expenses		
Personnel Services		\$ 6,000.
Total		<u>\$ 6,000.</u>

General Fund – Nondepartmental is transferring from contingency to the Courier organization for higher personnel services costs than originally budgeted.

**COUNTY FAIR FUND**

Decrease:		
Expenses		
Contingency		\$ 250,000.
Total		<u>\$ 250,000.</u>
Increase:		
Expenses		
Materials and Services		\$ 200,000.
Capital Outlay		50,000.
Total		<u>\$ 250,000.</u>

County Fair is transferring from contingency to materials and services and capital outlay to cover the cost of rental or purchase of temporary structures needed to host events at the County Event Center since the Livestock Building at the County Fairgrounds is not available for use.

**BUILDING CODES FUND**

Decrease:		
Expenses		
Contingency	\$	485,904.
Total	\$	<u>485,904.</u>
Increase:		
Expenses		
Materials and Services	\$	235,904.
Interfund Transfer	\$	250,000.
Total	\$	<u>485,904.</u>

Building Codes Fund is transferring from contingency to make an interfund transfer to the Code Enforcement & Sustainability Fund for program operations and to materials and services to recognize DTD shared allocated costs.

**RESOLUTION SERVICES FUND**

Decrease:		
Expenses		
Personnel Services	\$	14,630.
Total	\$	<u>14,630.</u>
Increase:		
Expenses		
Materials and Services	\$	14,630.
Total	\$	<u>14,630.</u>

Resolution Services Fund is transferring from personnel services to materials and services to better reflect actual costs.

**PARKS FUND**

Decrease:		
Expenses		
Contingency	\$	90,000.
Total	\$	<u>90,000.</u>
Increase:		
Expenses		
Personnel Services	\$	20,000.
Materials and Services		70,000.
Total	\$	<u>90,000.</u>

Parks Fund is transferring from contingency to personnel services and materials and services for the additional expenses incurred due to the 2013 wildfire on the Wildcat Mountain properties, additional law enforcement presence at County Park locations and higher building maintenance costs at Boones Ferry Marina and Feyrer Park.



## PLANNING FUND

Decrease:		
Expenses		
Contingency	\$	184,515.
Total	\$	<u>184,515.</u>
Increase:		
Expenses		
Materials and Services	\$	184,515.
Total	\$	<u>184,515.</u>

Planning Fund is transferring from contingency to materials and services to recognized DTD shared allocated costs.

## ROAD FUND

Decrease:		
Expenses		
Contingency	\$	1,400,884.
Total	\$	<u>1,400,884.</u>
Increase:		
Expenses		
Materials and Services	\$	1,000,000
Interfund Transfer		<u>400,884.</u>
Total	\$	<u>1,400,884.</u>

Road Fund is transferring from contingency to materials and services for payment to Trimet for the Road Program Work Agreement. This fund is also making an additional interfund transfer to the DTD Capital Projects Fund.

## COMMUNITY CORRECTIONS FUND

Decrease:		
Expenses		
Personnel Services	\$	207,876
Total	\$	<u>207,876.</u>
Increase:		
Expenses		
Materials and Services	\$	203,893.
Capital Outlay		<u>3,983.</u>
Total	\$	<u>207,876.</u>

Community Corrections Fund is transferring appropriation from personnel services to materials and services to more accurately categorize its reimbursement to the Sheriff's Fund for the cost of the Community Corrections Director's position. This fund is also transferring from materials and services to capital outlay for the purchase a new oven for the Residential Services programs.

**JUSTICE COURT FUND**

Decrease:		
Expenses		
Capital Outlay	\$	925,000.
Contingency		<u>101,950.</u>
Total	\$	<u>1,026,950.</u>
Increase:		
Expenses		
Materials and Services	\$	366,912.
Intefund Transfer		<u>660,038.</u>
Total	\$	<u>1,026,950.</u>

Justice Court Fund is transferring from capital outlay and contingency to materials and services and interfund transfer to the Capital Projects Reserve Fund to better reflect anticipated expenditures.

**COUNTYWIDE TRANSPORTATION SDC FUND**

Decrease:		
Expenses		
Contingency	\$	<u>279,740.</u>
Total	\$	<u>279,740.</u>
Increase:		
Expenses		
Materials and Services	\$	<u>279,740.</u>
Total	\$	<u>279,740.</u>

Countywide Transportation SDC Fund is transferring from contingency to materials and services for payment to Trimet for the Road Program Work Agreement.

**BEHAVIORAL HEALTH FUND**

Decrease:		
Expenses		
Materials and Services	\$	<u>50,000.</u>
Total	\$	<u>50,000.</u>
Increase:		
Expenses		
Interfund Transfer	\$	<u>50,000.</u>
Total	\$	<u>50,000.</u>

Behavioral Health Fund is transferring from materials and services to make an interfund transfer to the Clackamas Health Centers Fund.

## CLACKAMAS HEALTH CENTERS FUND

Increase:		
Revenue		
Interfund Transfer	\$	3,200,000.
Total	\$	<u>3,200,000.</u>
Increase:		
Expenses		
Personnel Services	\$	3,100,000.
Materials and Services		100,000.
Total	\$	<u>3,200,000.</u>

Clackamas Health Centers Fund is recognizing an interfund transfer from the General Fund and re-directed General Fund support from various Health, Housing and Human Services Department funds and budgeting it in personnel services and materials and services for program costs.

## CAPITAL PROJECTS RESERVE FUND

Increase:		
Revenue		
Interfund Transfer	\$	1,139,000.
Total	\$	<u>1,139,000.</u>
Decrease:		
Revenue		
Charge for Services	\$	1,013,000.
Miscellaneous Revenue		126,000.
Total	\$	<u>1,139,000.</u>
Decrease:		
Expenses		
Capital Outlay	\$	126,000.
Total	\$	<u>126,000.</u>
Increase:		
Expenses		
Materials and Services	\$	126,000.
Total	\$	<u>126,000.</u>

Capital Project Reserve Fund is recognizing an interfund transfer from the Justice Court Fund for remodeling costs and realigning account categories to better reflect actual expenses.

## CLACKAMAS BROADBAND UTILITY FUND

Decrease:		
Expenses		
Capital Outlay	\$	37,000.
Total	\$	<u>37,000.</u>
Increase:		
Expenses		
Materials and Services	\$	37,000.
Total	\$	<u>37,000.</u>

Clackamas Broadband Utility Fund is transferring from capital outlay to materials and services to better reflect actual expenses.

**TECHNOLOGY SERVICES FUND**

Increase:		
Revenue		
Fund Balance	\$	26,500.
Total	\$	<u>26,500.</u>
Decrease:		
Revenue		
Prior Year Revenue	\$	26,500.
Total	\$	<u>26,500.</u>
Decrease:		
Expenses		
Capital Outlay	\$	63,504.
Total	\$	<u>63,504.</u>
Increase:		
Expenses		
Materials and Services	\$	37,000.
Interfund Transfer		26,504.
Total	\$	<u>63,504.</u>

The Technology Services Fund is transferring from capital outlay to interfund transfer to the Health, Housing and Human Services Administration Fund and Clackamas Health Center Fund to reimburse charges for support staff and capital outlay to special payments to cover an unexpected franchise fee payment.

**RISK MANAGEMENT CLAIMS FUND**

Decrease:		
Expenses		
Contingency	\$	1,000,000.
Total	\$	<u>1,000,000.</u>
Increase:		
Expenses		
Materials and Services	\$	1,000,000.
Total	\$	<u>1,000,000.</u>

Risk Management Claims Fund is transferring from contingency to materials and services for higher than budgeted claim costs.

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# Approval of Previous Business Meeting Minutes:

## May 22, 2014

(minutes attached)

## **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.html>

**Thursday, May 22, 2014 - 10:00 AM**

**Public Services Building**

**2051 Kaen Rd., Oregon City, OR 97045**

**PRESENT: Commissioner John Ludlow, Chair  
Commissioner Jim Bernard  
Commissioner Paul Savas  
Commissioner Martha Schrader  
Commissioner Tootie Smith**

### **I. CALL TO ORDER**

- Roll Call
- Pledge of Allegiance

Chair Ludlow stated we will take Public Hearing No. 2 before Public Hearing No. 1 to accommodate all the folks here from Rose Villa.

### **II. PRESENTATION**

1. Presentation of the Certificate of State Accreditation for the Clackamas County Sheriff's Office

Sheriff Craig Roberts presented the staff report. Sheriff Roberts introduced Ed Boyd, Executive Director – Oregon Accreditation Alliance.

*~Board Discussion~*

### **III. CITIZEN COMMUNICATION**

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

1. Tena Olson, Oregon City – spoke regarding the Veteran's Services Office open house.
2. Jo Haverkamp, Congratulated Commissioners Bernard and Savas on the recent election results.
3. Jerry Ghiglieri, Lake Oswego – thanked the Board of their service.
4. Les Poole, Gladstone – spoke regarding misc. items including Damascus.
5. Ginny Davidson, spoke regarding the recent election.
6. Cyndi Lewis Wolfrum, Milwaukie – Capps Road issue.
7. Shirley Soderberg, Milwaukie – spoke regarding recent election and congratulated Commissioners Bernard and Savas.

*~Board Discussion~*

### **IV. PUBLIC HEARINGS**

1. Second Reading of Ordinance No.02-2014 Amending Chapter 6.06 Park Rules of the Clackamas County Code and Declaring an Emergency

Kathleen Rastetter, County Counsel and Rick Gruen, County Parks presented the staff report.

Chair Ludlow opened the public hearing and asked if anyone wished to speak, seeing none he asked for a motion to read the Ordinance by title only.

#### **MOTION:**

Commissioner Bernard: I move we read the Ordinance by title only.

Commissioner Schrader: Second.

Clerk calls the poll:

Commissioner Bernard: Aye.  
Commissioner Smith: Aye.  
Commissioner Schrader: Aye.  
Commissioner Savas: Aye.  
Chair Ludlow: Aye - the motion passes 5-0.  
He asked the Clerk to read the Ordinance by title, he then asked for a motion.

**MOTION:**

Commissioner Savas: I move adopt Ordinance No. 02-2014 Amending Chapter 6.06 Park Rules of the Clackamas County Code and Declaring an Emergency.  
Commissioner Schrader: Second.  
Clerk calls the poll:  
Commissioner Smith: Aye.  
Commissioner Schrader: Aye.  
Commissioner Savas: Aye.  
Commissioner Bernard: Aye.  
Chair Ludlow: Aye - the motion passes 5-0.

2. Board Order No. ~~2014-44~~ Public Hearing Regarding Rose Villa's Request to issue Private Activity Bonds

Chris Storey, County Counsel presented the staff report.  
Chair Ludlow opened the public hearing and stated one person has signed up to speak.

1. Vassar Byrd, Portland – CEO, Rose Villa – spoke in support of this issue.

*~Board Discussion~*

Chair Ludlow closed the public hearing and asked for a motion.

**MOTION:**

Commissioner Smith: I move we approve the Board Order for Rose Villa's Request to issue Private Activity Bonds.  
Chair Ludlow: Second  
*~Board Discussion~*  
Clerk calls the poll:  
Commissioner Savas: Aye.  
Commissioner Schrader: Aye.  
Commissioner Smith: Aye.  
Commissioner Bernard: Aye.  
Chair Ludlow: Aye - the motion passes 5-0

**V. DISCUSSION ITEMS**

*~NO DISCUSSION ITEMS SCHEDULED*

**VI. CONSENT AGENDA**

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

**MOTION:**

Commissioner Bernard: I move we approve the Consent Agenda.  
Commissioner Schrader: Second  
Clerk calls the poll:  
Commissioner Schrader: Aye.  
Commissioner Savas: Aye.  
Commissioner Bernard: Aye.  
Commissioner Smith: Aye.  
Chair Ludlow: Aye - the motion passes 5-0

**A. Health, Housing & Human Services**

1. Approval to Apply to the Oregon Department of Education, Youth Development Council for the Youth and Community Grant for PreventNet Services – *Children, Youth & Families*

**B. Elected Officials**

1. Approval of Previous Business Meeting Minutes – *BCC*

**C. Department of Employee Services**

1. Approval of an Intergovernmental Agreement with Portland State University, Mark O. Hatfield School of Government for the Oregon Fellows Program

**VII. SERVICE DISTRICT NO. 5 (Street Lighting)**

1. Approval of Bylaws for the Clackamas County Service District No. 5

**VIII. COUNTY ADMINISTRATOR UPDATE**

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

**IX. COMMISSIONERS COMMUNICATION**

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

**MEETING ADJOURNED – 11:16 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.**

[www.clackamas.us/bcc/business.html](http://www.clackamas.us/bcc/business.html)





# Clackamas County Sheriff's Office

CRAIG ROBERTS, Sheriff

7

June 12, 2013

Board of County Commissioners  
Clackamas County

Members of the Board:

Request by the Clackamas County Sheriff's Office to enter into an  
Intergovernmental Agreement with  
North Clackamas School District for a School Resource Officer for 2013/14

<b>Purpose/Outcome</b>	The Sheriff's Office will provide one Sheriff's Deputy to act as a School Resource Officer during the 2013/14 school year.
<b>Dollar Amount and Fiscal Impact</b>	The total annual contract amount is \$91,040.40. Law enforcement activities will be billed hourly.
<b>Funding Source</b>	The North Clackamas School District is the source of funds for this agreement as billed by the Clackamas County Sheriff's Office.
<b>Safety Impact</b>	The funds will provide one full time School Resource Officer who will split his/her time between Clackamas High School and Rex Putnam High School.
<b>Duration</b>	The contract encompasses the school year beginning September 6, 2013 through June 14, 2014.
<b>Previous Board Action/Review</b>	None.
<b>Contact Person</b>	Shane Strangfield, Lieutenant – office (503) 785-5081
<b>Contract No.</b>	None.

**BACKGROUND:**

The Sheriff's Office will provide one Sheriff's Deputy to act as a School Resource Officer during the 2013-2014 school year. This is a continuation of an existing agreement between Clackamas County and the North Clackamas School District. The assigned deputy will split his/her time between Clackamas High School and Rex Putnam High School.

This contract reimburses the Sheriff's Office for the cost of the deputy. An informal agreement was approved at the beginning of the school year; however the final signed IGA was just received from the School District.

Counsel has approved this agreement.

**RECOMMENDATION:**

Staff recommends the Board approve this cooperative intergovernmental agreement.

Respectfully submitted,

  
Matt Ellington  
Undersheriff

**INTERGOVERNMENTAL AGREEMENT  
BETWEEN  
CLACKAMAS COUNTY  
AND THE  
NORTH CLACKAMAS SCHOOL DISTRICT  
FOR  
SCHOOL RESOURCE OFFICER**

**I. Purpose**

This agreement is entered into between Clackamas County (COUNTY) through the Clackamas County Sheriff and the North Clackamas School District (NCSD) for the cooperation of units of local government under the authority of ORS 190.010. This agreement provides the basis for a cooperative relationship for the purpose of the COUNTY providing to NCSD, a Deputy Sheriff to act as School Resource Officer as described in "Attachment A" to this agreement.

**II. Scope of Service**

- A. The COUNTY agrees to provide one Deputy Sheriff beginning September 6, 2013 through June 14, 2014 to serve as a School Resource Officer (SRO). The scope of service is detailed in "Attachment A" to this agreement.
- B. NCSD agrees at their expense to provide the COUNTY office space and equipment at Rex Putnam and Clackamas High Schools where the SRO will be assigned.

**III. Personnel**

- A. The COUNTY agrees to provide one Deputy Sheriff on a full-time basis. However, in the event of an emergency situation determined by the Sheriff, the Sheriff may rely upon the SRO's as a resource to respond to an emergency; compensation under this agreement shall not be affected. In such an event the Liaison for NCSD will be notified and informed of the SRO leaving the school campus.

- B. Supervision and training of SRO personnel will be the responsibility of the COUNTY.

#### **IV. Compensation**

NCSD will pay the COUNTY compensation as described in "Attachment A" for the contract year. The COUNTY agrees to bill NCSD quarterly. NCSD agrees to pay within 30 days of the receipt of the COUNTY'S invoice.

#### **V. Liaison Responsibility**

A Clackamas County Patrol Division Lieutenant will act as liaison for the COUNTY on issues relating to supervision, scheduling, and SRO responsibilities; an Undersheriff will act as liaison on all other matters relating to this Agreement. The North Clackamas School District Superintendent or a designee will act as liaison for NCSD.

#### **VI. Liability**

- A. Subject to the limits of the Oregon Tort Claims Act and the Oregon Constitution, the COUNTY shall indemnify, defend and hold harmless NCSD, it's officers, employees and agents from all claims, suits, actions or expenses of any nature resulting from or arising out of the acts, errors, omissions or negligence of COUNTY personnel acting pursuant to this agreement.
- B. Subject to the limits of the Oregon Tort Claims Act and the Oregon Constitution, NCSD shall indemnify, defend and hold harmless the COUNTY, it's officers, employees and agents from all claims, suits, actions or expenses of any nature resulting from or arising out of the acts, errors, omissions or negligence of NCSD personnel acting pursuant to this agreement.

#### **VII. Debt Limitation**

This agreement is expressly subject to the debt limitation of Oregon counties set forth in Article XI, Section 10, of the Oregon Constitution, and is contingent upon funds being appropriated therefore. Any provisions herein, which conflict with law, are deemed inoperative to that extent.

**VIII. Termination – Amendment**

- A. This agreement may be terminated by either party upon thirty (30) days written notice to the other.
- B. This agreement and any amendments to it will not be effective until approved in writing by an authorized representative of the Board of County Commissioners of Clackamas County.
- C. This agreement supersedes and cancels any prior agreements between the parties hereto for similar services.

**IX. Term of Agreement**

This agreement is for services beginning September 6, 2013 through June 14, 2014, and becomes effective upon the signatures of both parties.

*Signature page follows*

By their signatures below, the parties to this agreement agree to the terms, conditions, and content expressed herein.

BOARD OF CLACKAMAS COUNTY

NORTH CLACKAMAS SCHOOL DISTRICT

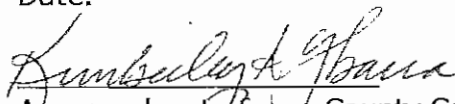
\_\_\_\_\_  
 John Ludlow,  
 Chair, Clackamas County Board  
 Date:

  
 \_\_\_\_\_  
 CINDY OVERTON

5-25-14  
 \_\_\_\_\_  
 Date:

\_\_\_\_\_  
 Recording Secretary  
 Date:

MEM (W. Ludlow) 6/2/14  
 \_\_\_\_\_  
 Sheriff Craig Roberts  
 Date:

  
 \_\_\_\_\_  
 Approved as to form - County Counsel  
 5.27.14

**INTERGOVERNMENTAL AGREEMENT  
BETWEEN  
CLACKAMAS COUNTY  
AND THE  
NORTH CLACKAMAS SCHOOL DISTRICT  
FOR  
SCHOOL RESOURCE OFFICER**

**"ATTACHMENT A"**

SCOPE OF WORK / SCHOOL RESOURCE OFFICERS

The duty of a School Resource Officer may include the following:

The investigation and documentation of criminal activity at the schools; help provide a safe environment for students, staff, and parents on school property; work with administrators and staff on issues surrounding school safety and protection of the students and staff on campus; monitor and enforce traffic related matters in and around the school property; when authorized work with school staff in the enforcement of District and school policy; assist school staff in any emergency or disaster related events on school property; assist in reporting and investigating incidents that may have occurred off campus but are reported at the school; work with staff to provide information about law enforcement related topics and upon request act as a resource for teachers.

**Salary formula per Deputy Sheriff:**

\$68.97 (hourly rate) X 8 hours per day X 165 school days= \$91,040.40  
(This is a 2% increase over the 2012-2013 school year.)

**Cost: 1/2 Deputy Sheriff position @ Clackamas High School / 165 days:**  
**\$45,520.20**

**1/2 Deputy Sheriff position @ Rex Putnam High School / 165 days:**  
**\$45,520.20**

**Total:        \$91,040.40**

(Costs to be reconciled by actual hours worked.)



# Clackamas County Sheriff's Office

CRAIG ROBERTS, Sheriff

18

June 12, 2014

Board of County Commissioners  
Clackamas County

Members of the Board:

Request by the Clackamas County Sheriff's Office to enter into an  
Intergovernmental Agreement with  
Colton School District for a School Resource Officer for 2013/14

<b>Purpose/Outcome</b>	The Sheriff's Office will provide one Sheriff's Deputy to act as a School Resource Officer during the 2013/14 school year.
<b>Dollar Amount and Fiscal Impact</b>	The total annual contract amount is \$99,316.80. Law enforcement activities will be billed hourly.
<b>Funding Source</b>	The Colton District is the source of funds for this agreement as billed by the Clackamas County Sheriff's Office.
<b>Safety Impact</b>	The funds will provide one full time School Resource Officer who will be assigned to the Colton Schools.
<b>Duration</b>	The contract encompasses the school year beginning September 5, 2013 through June 5, 2014.
<b>Previous Board Action/Review</b>	None.
<b>Contact Person</b>	Shane Strangfield, Lieutenant – office (503) 785-5081
<b>Contract No.</b>	None.

**BACKGROUND:**

The Sheriff's Office will provide one Sheriff's Deputy to act as a School Resource Officer during the 2013-2014 school year. This is a new agreement between Clackamas County and the Colton School District. The assigned deputy will be assigned to the Colton schools.

This contract reimburses the Sheriff's Office for the cost of the deputy. An informal agreement was approved at the beginning of the school year; however the final signed IGA was just recently received from the School District.

Counsel has approved this Agreement.

**RECOMMENDATION:**

Staff recommends the Board approve this cooperative intergovernmental agreement.

Respectfully submitted,

Matt Ellington  
Undersheriff



**CLACKAMAS COUNTY COMMUNITY CORRECTIONS**  
1024 MAIN STREET • OREGON CITY • OREGON • 97045  
TELEPHONE 503-655-8603 • • • FAX 503-650-8942

19

June 12, 2014

Board of County Commissioners  
Clackamas County

Members of the Board:

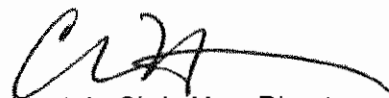
Approval of Amendment #1 to the Intergovernmental Agreement No. 4800 between the State of Oregon, Department of Corrections and Clackamas County

<b>Purpose/Outcomes</b>	This IGA will provide funding for Community Corrections programs for the fiscal year 2014-2015.
<b>Dollar Amount and Fiscal Impact</b>	The IGA value is \$ 6,967,854 and funds 55% of Community Corrections programs.
<b>Funding Source</b>	State of Oregon Department of Corrections, Grant-in-Aid.
<b>Safety Impact</b>	Provides Community Corrections services, including supervision, sanctions and treatment for convicted felons residing in the county.
<b>Duration</b>	Effective July 1, 2013 and terminates June 30, 2015.
<b>Previous Board Action/Review</b>	On 10/29/13 the Board reviewed and approved our 2013-2015 Biennial Plan. This IGA will fund the second year of the Biennial Plan.
<b>Contact Person</b>	Captain Chris Hoy, Director - Community Corrections – 503-655-8866

**BACKGROUND:** This IGA is required for any county receiving Community Corrections funds. It adopts Community Corrections' Biennial Plan for 2013-2015. The Plan details Community Corrections' priorities, goals, and budget for the 2014-2015 fiscal year of the Biennial Plan. The Local Public Safety Coordinating Council (LPSCC) approved the Plan for submission to the State on October 10, 2013. Approval of this IGA allows for continuation of the current Community Corrections programs.

**RECOMMENDATION:** Community Corrections respectfully requests that the Board of County Commissioners approves Amendment #1 to the Intergovernmental Agreement No. 4800 between Clackamas County and the Oregon Department of Corrections, for the 2014-2015 Grant-in-Aid funding of Community Corrections.

Respectfully submitted,

  
Captain Chris Hoy, Director  
Community Corrections

**AMENDMENT #1 to  
INTERGOVERNMENTAL AGREEMENT #4800**

1. This is Amendment #1 to Agreement #4800 (as amended from time to time the "Agreement") dated December 5, 2013 between the State of Oregon acting by and through its Department of Corrections hereafter called Department, and Clackamas County, hereafter called County.

2. The Agreement is hereby amended as follows (new language is shown in **bold and underlined** and deleted language is indicated by [brackets]:

2.1 Section II(B), Duration, is hereby amended as follows:

"This Agreement will become effective July 1, 2013 and will remain in effect until [June 30, 2014] **June 30, 2015** or until terminated according to Section X (*Termination*). [and in no event longer than one (1) year from date of execution.]"

2.2 Section VII(D), first paragraph, is hereby deleted and replaced with the following:

**"D. For the period July 1, 2013, to June 30, 2014, the DEPARTMENT will disburse to COUNTY one fourth of the County Correction Grant Funds authorized under this Agreement to the COUNTY contact described in this paragraph. Disbursements will be made within 15 days of each of the following dates: 7/1/13, 10/1/13, 1/1/14, and 4/1/14. For the period of July 1, 2014 through June 30, 2015, the DEPARTMENT will disburse to COUNTY one fourth of the County Correction Grant Funds authorized under this Agreement to the COUNTY contact described in this paragraph. Disbursements will be made within 15 days of each of the following dates: 7/1/14, 10/1/14, 1/1/15, and 4/1/15."**

2.3 Exhibit A, County Intervention Plan and Budget Summary, is amended as follows:

The 2014-2015 Community Corrections Budget Summary, attached hereto as Exhibit A-1, is added to Exhibit A.



**INTERGOVERNMENTAL AGREEMENT  
BETWEEN  
CLACKAMAS COUNTY  
AND THE  
COLTON SCHOOL DISTRICT  
FOR  
SCHOOL RESOURCE OFFICER**

**“ATTACHMENT A”**

**SCOPE OF WORK / SCHOOL RESOURCE OFFICERS**

The duty of a School Resource Officer may include the following:

The investigation and documentation of criminal activity at the schools; help provide a safe environment for students, staff, and parents on school property; work with administrators and staff on issues surrounding school safety and protection of the students and staff on campus; monitor and enforce traffic related matters in and around the school property; when authorized work with school staff in the enforcement of District and school policy; assist school staff in any emergency or disaster related events on school property; assist in reporting and investigating incidents that may have occurred off campus but are reported at the school; work with staff to provide information about law enforcement related topics and upon request act as a resource for teachers.

**Salary formula per Deputy Sheriff:**

\$68.97 (hourly rate) X 10 hours per day X 144 school days= \$99,316.80  
(This is a 2% increase over the 2012-2013 school year.)

**Cost:** Deputy Sheriff position / 144 days:        **\$99,316.80**

**Total:            \$99,316.80**

(Costs to be reconciled by actual hours worked.)

**VIII. Termination – Amendment**

- A. This agreement may be terminated by either party upon thirty (30) days written notice to the other.
- B. This agreement and any amendments to it will not be effective until approved in writing by an authorized representative of the Board of County Commissioners of Clackamas County.
- C. This agreement supersedes and cancels any prior agreements between the parties hereto for similar services.

**IX. Term of Agreement**

This agreement is for services beginning September 5, 2013 through June 5, 2014, and becomes effective upon the signatures of both parties.

*Signature page follows*

By their signatures below, the parties to this agreement agree to the terms, conditions, and content expressed herein.

BOARD OF CLACKAMAS COUNTY

COLTON SCHOOL DISTRICT

\_\_\_\_\_  
John Ludlow,  
Chair, Clackamas County Board  
Date:

*Linda Johnson*  
SUPERINTENDENT, COLTON SD

\_\_\_\_\_  
5/27/14  
Date:

\_\_\_\_\_  
Recording Secretary  
Date:

*MR (M. ELLINGTON) 6/2/14*  
\_\_\_\_\_  
Sheriff Craig Roberts  
Date:

*Lamberlye Vance*  
\_\_\_\_\_  
Approved as to form - County Counsel  
5.28.14

#### **IV. Compensation**

CSD will pay the COUNTY compensation as described in "Attachment A" for the contract year. The COUNTY agrees to bill CSD quarterly. CSD agrees to pay within 30 days of the receipt of the COUNTY'S invoice.

#### **V. Liaison Responsibility**

A Clackamas County Patrol Division Lieutenant will act as liaison for the COUNTY on issues relating to supervision, scheduling, and SRO responsibilities; an Undersheriff will act as liaison on all other matters relating to this Agreement. The Colton School District Superintendent or a designee will act as liaison for CSD.

#### **VI. Liability**

- A. Subject to the limits of the Oregon Tort Claims Act and the Oregon Constitution, the COUNTY shall indemnify, defend and hold harmless CSD, it's officers, employees and agents from all claims, suits, actions or expenses of any nature resulting from or arising out of the acts, errors, omissions or negligence of COUNTY personnel acting pursuant to this agreement.
- B. Subject to the limits of the Oregon Tort Claims Act and the Oregon Constitution, CSD shall indemnify, defend and hold harmless the COUNTY, it's officers, employees and agents from all claims, suits, actions or expenses of any nature resulting from or arising out of the acts, errors, omissions or negligence of CSD personnel acting pursuant to this agreement.

#### **VII. Debt Limitation**

This agreement is expressly subject to the debt limitation of Oregon counties set forth in Article XI, Section 10, of the Oregon Constitution, and is contingent upon funds being appropriated therefore. Any provisions herein, which conflict with law, are deemed inoperative to that extent.

**INTERGOVERNMENTAL AGREEMENT  
BETWEEN  
CLACKAMAS COUNTY  
AND THE  
COLTON SCHOOL DISTRICT  
FOR  
SCHOOL RESOURCE OFFICER**

**I. Purpose**

This agreement is entered into between Clackamas County (COUNTY) through the Clackamas County Sheriff and the Colton School District (CSD) for the cooperation of units of local government under the authority of ORS 190.010. This agreement provides the basis for a cooperative relationship for the purpose of the COUNTY providing to CSD, a Deputy Sheriff to act as School Resource Officer as described in "Attachment A" to this agreement.

**II. Scope of Service**

- A. The COUNTY agrees to provide one Deputy Sheriff beginning September 5, 2013 through June 5, 2014 to serve as a School Resource Officer (SRO). The scope of service is detailed in "Attachment A" to this agreement.
- B. CSD agrees at their expense to provide the COUNTY office space and equipment on the CSD campus where the SRO will be assigned.

**III. Personnel**

- A. The COUNTY agrees to provide one Deputy Sheriff on a full-time basis. However, in the event of an emergency situation determined by the Sheriff, the Sheriff may rely upon the SRO's as a resource to respond to an emergency; compensation under this agreement shall not be affected. In such an event the Liaison for CSD will be notified and informed of the SRO leaving the school campus.
- B. Supervision and training of SRO personnel will be the responsibility of the COUNTY.

3. Except as expressly amended above, all other terms and conditions of the original agreement are still in full force and effect. COUNTY certifies that the representations, warranties and certifications contained in the original Agreement are true and correct as of the effective date of this Amendment and with the same effect as though made at the time of this Amendment.

IN WITNESS WHEREOF, the Parties acknowledge that they have read and understand this Amendment and agree to be bound by its terms and conditions effective as noted below.

**CLACKAMAS COUNTY  
BOARD OF COMMISSIONERS**

**STATE OF OREGON by and through  
DEPARTMENT OF CORRECTIONS**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**APPROVED AS TO LEGAL SUFFICIENCY**

/s/ Keith Kutler, (per 05/06/14 email)  
Assistant Attorney General



CLACKAMAS COUNTY COMMUNITY CORRECTIONS  
1024 MAIN STREET • OREGON CITY • OREGON • 97045  
TELEPHONE 503-655-8603 • • • FAX 503-650-8942

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June 12, 2014

June 5, 2014

Board of County Commissioners  
Clackamas County

Members of the Board:


Approval of Amendment #1 to Intergovernmental Agreement No. 4855 between the  
State of Oregon, Department of Corrections and Clackamas County

<b>Purpose/Outcomes</b>	This IGA will provide funding for Community Corrections Men's and Women's Corrections Substance Abuse Programs for the fiscal year 2014-2015.
<b>Dollar Amount and Fiscal Impact</b>	The IGA value is \$ 326,149 and funds 19% of these programs.
<b>Funding Source</b>	State of Oregon Department of Corrections, Measure 57 supplemental funds.
<b>Safety Impact</b>	Provides Community Corrections in-patient drug treatment services including supervision, sanctions and treatment for convicted felons residing in the county.
<b>Duration</b>	Effective July 1, 2013 and terminates June 30, 2015.
<b>Previous Board Action/Review</b>	On 10/29/13 the Board reviewed and approved our 2013-2015 Biennial Plan. This IGA will fund these Substance Abuse Programs for the second year of the Biennial Plan.
<b>Contact Person</b>	Captain Chris Hoy, Director - Community Corrections – 503-655-8866

**BACKGROUND:** This IGA is required for any county receiving Community Corrections funds. Approval of this IGA allows for continuation of funding of the current Community Corrections Substance Abuse Programs through Measure 57 supplemental funds.

**RECOMMENDATION:** Community Corrections respectfully requests that the Board of County Commissioners approves Amendment #1 to Intergovernmental Agreement No. 4855 between Clackamas County and the Oregon Department of Corrections, for the Measure 57 supplemental funds.

Respectfully submitted,

  
Captain Chris Hoy, Director  
Community Corrections

**AMENDMENT #1 to  
INTERGOVERNMENTAL AGREEMENT #4855**

1. This is Amendment #1 to Contract #4855 (as amended from time to time the "Contract") dated December 5, 2013 between the State of Oregon acting by and through its Department of Corrections hereafter called Department, and Clackamas County, hereafter called County.

2. The Contract is hereby amended as follows (new language is shown in **bold and underlined** and deleted language is indicated by [brackets]:

2.1 Section II(B), Duration, is hereby amended as follows:

"This Agreement will become effective on the date it is signed by every party to the Agreement and all approvals have been obtained, and will remain in effect until [June 30, 2014] **June 30, 2015** or until terminated according to Section XI (*Termination*)."

2.2 Section VIII(E), is hereby amended as follows:

"Unexpended Funds. Fund balances remaining [after June 30, 2014] **at the termination of this agreement** may be retained by the COUNTY, upon approval by DEPARTMENT, for the provision of on-going supervision, correctional services, and sanctions in accordance with the Plan. [To retain the unexpended funds, COUNTY must submit a Plan Modification to DEPARTMENT reflecting the on-going services and requesting an extension of the Duration of the Agreement.]"

2.3 Section VIII(G), is hereby amended as follows:

"**Maximum Grant Amount.** Grant funds are based on COUNTY's Application for Supplemental Funds. Unless amended, the maximum, not-to-exceed County Corrections Intervention Grant Payable to COUNTY under this Agreement is \$656,707. The maximum grant amount may be increased only by written amendment of this Agreement which is signed by all parties and with all required State approvals.

2.4 Exhibit A, M57 Supplemental Funds Intervention Program Budget Summary, is amended as follows:

The 2014-2015 M57 Supplemental Funds Intervention Program Budget Summary, attached hereto as Exhibit A-1, is added to Exhibit A.

3. Except as expressly amended above, all other terms and conditions of the original agreement are still in full force and effect. COUNTY certifies that the representations, warranties and certifications contained in the original Agreement are true and correct as of the effective date of this Amendment and with the same effect as though made at the time of this Amendment.

IN WITNESS WHEREOF, the Parties acknowledge that they have read and understand this Amendment and agree to be bound by its terms and conditions effective as noted below.

**CLACKAMAS COUNTY**

**STATE OF OREGON by and through  
DEPARTMENT OF CORRECTIONS**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**APPROVED AS TO LEGAL SUFFICIENCY**

/s/ Keith Kutler per email dated 5/7/14  
Assistant Attorney General





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NANCY S. BUSH  
DIRECTOR

DEPARTMENT OF EMERGENCY MANAGEMENT

COMMUNICATIONS AND EMERGENCY OPERATIONS CENTER  
2200 KAEN ROAD | OREGON CITY, OR 97045

June 12, 2014

Board of County Commissioners  
Clackamas County

Members of the Board:

Approval of FY2011 State Homeland Security Grant Program Agreement between  
Clackamas County and the State of Oregon

<b>Purpose/Outcomes</b>	State Homeland Security Grant Program (SHSP) agreement #11-335 provides funding to reimburse Clackamas County Emergency Management for costs associated with hosting the California Safety Assessment Program Train-the-Trainer course locally.
<b>Dollar Amount and Fiscal Impact</b>	The grant agreement value is \$1,550. The grant is a 100% federal share grant that will reimburse Clackamas County up to the grant agreement value for training costs.
<b>Funding Source</b>	FY 2011 State Homeland Security Grant Program via the State of Oregon Military Department, Office of Emergency Management
<b>Safety Impact</b>	The training funded with this grant provides post-disaster building safety assessment best practices. Delivering it locally allows Clackamas County building officials and other professionals to learn the California model so that something similar can be implemented in Clackamas County.
<b>Duration</b>	Effective February 27, 2014 and terminates on June 30, 2014
<b>Previous Board Action</b>	None
<b>Contact Person</b>	Nancy Bush, Director – Emergency Management Department, 503-655-8665
<b>Contract No.</b>	N/A

**BACKGROUND:**

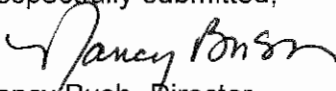
A multi-disciplinary team of Clackamas County officials has been meeting monthly to develop a post-disaster safety assessment process for County buildings. The County has researched best practices and learned that the State of California has a functional model that could be used in Clackamas County. Funding from the SHSP grant will pay for all costs associated with bringing the California training to Oregon City. This allows local officials to learn from subject matter experts about a building safety assessment model that is functional and can be replicated.

County Counsel has approved the agreement as to form.

**RECOMMENDATION:**

Staff respectfully recommends Board approval of the SHSP grant agreement #11-335.

Respectfully submitted,

  
Nancy Bush, Director

**OREGON MILITARY DEPARTMENT  
OFFICE OF EMERGENCY MANAGEMENT  
STATE HOMELAND SECURITY GRANT PROGRAM – CFDA # 97.073**

***GRANT AWARD CONDITIONS AND CERTIFICATIONS***

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<b>PROGRAM NAME:</b>	<b>California Safety Assessment Program Train-the-Trainer Course</b>	<b>GRANT NO:</b>	<b># 11-335</b>
<b>SUBGRANTEE:</b>	<b>Clackamas County</b>	<b>FEDERAL AWARD:</b>	<b>\$1,550</b>
<b>ADDRESS:</b>	<b>Emergency Management 2200 Kaen Rd Oregon City, OR 97045</b>	<b>AWARD PERIOD:</b>	<b>2/27/14 thru 6/30/14</b>
<b>PROGRAM CONTACT:</b>	<b>Sarah Stegmuller Eckman sarahste@clackamas.us</b>	<b>TELEPHONE:</b>	<b>(503) 650-3381</b>
<b>FISCAL CONTACT:</b>	<b>Marc Gonzales marcgon@clackamas.us</b>	<b>TELEPHONE:</b>	<b>(503) 742-5405</b>

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**BUDGET**

Training (ODP-approved)	<u>\$1,550</u>
Total	\$1,550

## GRANT AWARD AGREEMENT AND PROVISIONS

### I. Provisions of Award

- A. Agreement Parties. This Agreement is between the State of Oregon, acting by and through the Oregon Military Department, Office of Emergency Management (OEM) and the Subgrantee.
- B. Effective Date. This Agreement shall become effective on the date this Agreement has been fully executed by every party. Agreement termination shall not extinguish or prejudice OEM's right to enforce this Agreement with respect to any default by Subgrantee that has not been cured.
- C. Source of Funds. Payment for this Program will be from the Fiscal Year 2011 State Homeland Security Program.
- D. Merger Clause; Waiver. This Agreement and referenced documents 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, modifications or change of terms of this Agreement shall be binding unless agreed to in writing and signed by both the Subgrantee and OEM. Such waiver, consent, modification or change, if made shall be effective only in the specific instance and for the specific purpose given.
- E. Acknowledgment. The Subgrantee, by signature of its authorized representative, hereby acknowledges that he/she has read this Agreement, understands it, and agrees to be bound by its terms and conditions (including all references to other documents). Failure to comply with this Agreement and with applicable state and federal rules and guidelines may result in the withholding of reimbursement, the termination or suspension of the Agreement, denial of future grants, and/or damages to OEM.

## TERMS AND CONDITIONS

### II. Conditions of Award

- A. The Subgrantee agrees that all allocations and use of funds under this Agreement will be in accordance with the state's Homeland Security Grant Program FY 2011 Application Instructions and Grant Guidance, the requirements of which are incorporated into this Agreement by this reference, and to expend funds in accordance with the approved budget. OEM may withhold funds for any expenditure not within the approved budget or in excess of amounts approved by OEM. Failure of the Subgrantee to operate the program in accordance with the written agreed upon objectives contained in the grant application and budget will be grounds for immediate suspension and/or termination of this Agreement.
- B. To ensure consistency among statewide planning efforts, the Subgrantee agrees to coordinate grant funded planning projects with OEM, to include assistance with the creation of a scope of work, review and approval of service providers, and overall project direction.
- C. The Subgrantee agrees that funds utilized to establish or enhance state and local fusion centers must support the development of a statewide fusion process that corresponds with the Global Justice/Homeland Security Advisory Council (HSAC) Fusion Center Guidelines and achievement of a baseline level of capability as defined by the Fusion Capability Planning Tool.
- D. The Subgrantee agrees that all publications created with funding under this grant shall prominently contain the following statement: "This document was prepared under a grant from FEMA's Grant Programs Directorate, U.S. Department of Homeland Security. Points of view or opinions expressed in this document are those of the authors and do not necessarily represent the official position or policies of FEMA's Grant Programs Directorate or the U.S. Department of Homeland Security."
- E. The Subgrantee agrees to cooperate with any assessments, national evaluation efforts, or information or data collection requests, including, but not limited to, the provision of any information required for the assessment or evaluation of any activities within this Agreement.
- F. By accepting FY 2011 funds, the Subgrantee certifies that it has met NIMS compliance activities outlined in the NIMS Implementation Matrix for State, Tribal, or Local Jurisdictions. Additional information on achieving compliance is available through the NIMS Resource Center at <http://www.fema.gov/emergency/nims/>.

G. Administrative Requirements, Retention and Access to Records, and Audits.

1. Administrative Requirements. The Subgrantee agrees to comply with all financial management and procurement requirements (Section H), including competitive bid processes and other procurement requirements, and to maintain accounting and financial records in accordance with Generally Accepted Accounting Principles (GAAP) and financial, administrative, and audit requirements as set forth in the most recent versions of the Code of Federal Regulations (CFR) and the Office of Management and Budget (OMB) Circulars. A nonexclusive list of regulations commonly applicable to DHS grants includes:
  - a. Administrative Requirements. 44 CFR Part 13 (State and Local Governments).
  - b. Cost Principles. 2 CFR Part 225 (State, Local, and Tribal Governments) and 48 CFR Part 31.2 (Federal Acquisition Regulations - Contracts with Commercial Organizations).
  - c. Audit Requirements. OMB Circular A-133 (States, Local Governments, and Non-Profit Organizations).
2. Retention of Records. All financial records, supporting documentation, and all other records pertinent to this grant or agreements under this grant shall be retained by the Subgrantee for a minimum of six years following termination, completion or expiration of this Agreement for purposes of State of Oregon or Federal examination and audit. It is the responsibility of the Subgrantee to obtain a copy of 44 CFR Part 13 and all applicable OMB Circulars, and to apprise itself of all rules and regulations set forth.
3. Access to Records. OEM, Oregon Secretary of State, Office of Inspector General (OIG), Department of Homeland Security (DHS), Federal Emergency Management Agency (FEMA), or any of their authorized representatives, shall have the right of access to any pertinent books, documents, papers, or other records of the Subgrantee and any contractors or subcontractors of the Subgrantee, which are pertinent to the grant, in order to make audits, examinations, excerpts, and transcripts. The right of access is not limited to the required retention period but shall last as long as the records are retained.
4. Audits. If the Subgrantee expends \$500,000 or more in Federal funds (from all sources) in its fiscal year, the Subgrantee shall have a single organization-wide audit conducted in accordance with the provisions of OMB Circular A-133. Copies of all audits must be submitted to OEM within 30 days of completion. If the Subgrantee expends less than \$500,000 in its fiscal year in Federal funds, the Subgrantee is exempt from Federal audit requirements for that year. Records must be available for review or audit by appropriate officials as provided in Section II.G.3 herein.
5. Audit Costs. Audit costs for audits not required in accordance with OMB Circular A-133 are unallowable. If the Subgrantee did not expend \$500,000 or more in Federal funds in its fiscal year, but contracted with a certified public accountant to perform an audit, costs for performance of that audit shall not be charged to the grant.

H. Procurement Standards.

1. The Subgrantee shall use their own procurement procedures provided that the procurement conforms to applicable Federal (44 CFR Part 13.36) and State law (ORS 279A, 279B, 279C) and standards.
2. The Subgrantee agrees to provide the existing state prevailing rate of wage and, if applicable, the federal prevailing rate of wage required under the federal Davis-Bacon Act (40 U.S.C. 3141 et seq.) that must be paid to workers in each trade or occupation that is used in performing all or part of this Agreement.
3. All procurement transactions, whether negotiated or competitively bid and without regard to dollar value, shall be conducted in a manner that encourages fair and open competition to the maximum practical extent possible. **All sole-source procurements in excess of \$100,000 must receive prior written approval from OEM in addition to any other approvals required by law applicable to the Subgrantee.** Justification for sole-source procurement in excess of \$100,000 should include a description of the program and what is being contracted for, an explanation of why it is necessary to contract noncompetitively, time constraints and any other pertinent information. Interagency agreements between units of government are excluded from this provision.
4. The Subgrantee shall be alert to organizational conflicts of interest or non-competitive practices among contractors that may restrict or eliminate competition or otherwise restrain trade. Contractors that develop or

draft specifications, requirements, statements of work, and/or Requests for Proposals (RFP) for a proposed procurement shall be excluded from bidding or submitting a proposal to compete for the award of such procurement. Any request for exemption must be submitted in writing to OEM.

5. The Subgrantee agrees that, to the extent they use contractors or subcontractors, such recipients shall use small, minority, women-owned or disadvantaged business concerns and contractors or subcontractors to the extent practicable.

I. Property/Equipment Management and Records Control, and Retention of Records.

1. Property/Equipment Management and Records Control. The Subgrantee agrees to comply with all requirements set forth in 44 CFR Part 13.31-33 for the active tracking and monitoring of property/equipment. Procedures for managing property/equipment, whether acquired in whole or in part with grant funds, until disposition takes place, will, at a minimum, meet the following requirements:
  - a. All property/equipment purchased under this Agreement, whether by the Subgrantee or a subcontractor, will be recorded and maintained in the Subgrantee's property/equipment inventory system.
  - b. The Subgrantee shall maintain property/equipment records that include: a description of the property/equipment; the manufacturer's serial number, model number, or other identification number; the source of the property/equipment, including the Catalog of Federal Domestic Assistance (CFDA) number; who holds title; the acquisition date; the cost of the property/equipment and the percentage of Federal participation in the cost; the location, use and condition of the property/equipment; and any ultimate disposition data including the date of disposal and sale price of the property/equipment.
  - c. A physical inventory of the property/equipment must be taken and the results reconciled with the property/equipment records, at least once every two years.
  - d. A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property/equipment. Any loss, damage, or theft shall be investigated.
  - e. Adequate maintenance procedures must be developed to keep the property/equipment in good condition.
  - f. If the Subgrantee is authorized to sell the property/equipment, proper sales procedures must be established to ensure the highest possible return.
  - g. The Subgrantee agrees that, when practicable, any property/equipment purchased with grant funding shall be prominently marked as follows: "Purchased with funds provided by the U.S. Department of Homeland Security".
  - h. The Subgrantee shall pass on property/equipment management requirements that meet or exceed the requirements outlined above for all subcontractors, consultants, and the subgrantees who receive pass-through funding from this Agreement.
2. Retention of Property/Equipment Records. Records for property/equipment shall be retained for a period of six years from the date of the disposition or replacement or transfer at the discretion of the awarding agency. Title to all property/equipment and supplies purchased with funds made available under the Homeland Security Grant Program shall vest in the Subgrantee agency that purchased the property/equipment, if it provides written certification to OEM that it will use the property/equipment for purposes consistent with the Homeland Security Grant Program.

J. Funding.

1. Matching Funds. **This Grant does not require matching funds.**
2. Allowable Costs. The Subgrantee agrees that all allocations and use of funds under this Agreement will be in accordance with the Fiscal Year 2011 Homeland Security Grant Program guidance and application kit.
3. Supplanting. The Subgrantee certifies that federal funds will not be used to supplant state or local funds, but will be used to increase the amount of funds that, in the absence of federal aid, would be made available to the Subgrantee to fund programs consistent with Homeland Security Grant Program guidelines.

K. Reports. Failure of the Subgrantee to submit the required program, financial, or audit reports, or to resolve program, financial, or audit issues may result in the suspension of grant payments and/or termination of this Agreement.

1. Performance Reports.

The Subgrantee agrees to submit performance reports on its progress in meeting each of its agreed upon goals and objectives. The narrative reports will address specific information regarding the activities carried out under the FY 2011 Homeland Security Grant Program and how they address identified project specific goals and objectives.

**Reports are due to OEM by the end of each calendar year quarter.**

**Any Performance Report that is outstanding for more than one month past the due date may cause the suspension and/or termination of the grant.** The Subgrantee must receive prior written approval from OEM to extend a performance report requirement past its due date.

2. Financial Reimbursement Reports.

- a. In order to receive reimbursement, the Subgrantee agrees to submit a signed Request for Reimbursement (RFR) which includes **supporting documentation for all grant expenditures**. RFRs may be submitted monthly but no less frequently than quarterly during the term of this Agreement. **At a minimum, RFRs must be submitted no later than one month following the end of each calendar year quarter, and a final RFR must be submitted no later than one month following the end of the grant period.**
- b. Reimbursements for expenses will be withheld if performance reports are not submitted by the specified dates or are incomplete.
- c. Reimbursement rates for travel expenses shall not exceed those allowed by the State of Oregon. Requests for reimbursement for travel must be supported with a detailed statement identifying the person who traveled, the purpose of the travel, the dates, times, and places of travel, and the actual expenses or authorized rates incurred.
- d. Reimbursements will only be made for actual expenses incurred during the grant period. The Subgrantee agrees that **no grant funds may be used for expenses incurred before February 27, 2014 or after June 30, 2014.**
- e. The Subgrantee shall be accountable for and shall repay any overpayment, audit disallowances or any other breach of grant that results in a debt owed to the Federal Government. OEM shall apply interest, penalties, and administrative costs to a delinquent debt owed by a debtor pursuant to the Federal Claims Collection Standards and OMB Circular A-129.

3. Audit Reports. The Subgrantee shall provide OEM copies of all audit reports pertaining to this Agreement obtained by the Subgrantee, whether or not the audit is required by OMB Circular A-133.

L. Indemnification.

The Subgrantee shall, to the extent permitted by the Oregon Constitution and by the Oregon Tort Claims Act, defend, save, hold harmless, and indemnify the State of Oregon, OEM, and their officers, employees, agents, and members from all claims, suits, actions, losses, damages, liabilities, costs and expenses of any nature resulting from or arising out of, or relating to the activities of the Subgrantee, its officers, employees, subcontractors, or agents under this Agreement.

The Subgrantee shall require any of its contractors or subcontractors to defend, save, hold harmless and indemnify the State of Oregon, OEM, and their officers, employees, agents, and members, from all claims, suits or actions of whatsoever nature resulting from or arising out of the activities of subcontractor under or pursuant to this Agreement.

The Subgrantee shall, if liability insurance is required of any of its contractors or subcontractors, also require such contractors or subcontractors to provide that the State of Oregon, OEM, and their officers, employees and members are Additional Insureds, but only with respect to the contractor's or subcontractor's services performed under this Agreement.

- M. Time is of the Essence. The Subgrantee agrees that time is of the essence under this Agreement.
- N. Copyright. If this Agreement or any program funded by this Agreement results in a copyright, OEM and the U.S. Department of Homeland Security reserve a royalty-free, nonexclusive and irrevocable license to reproduce, publish or otherwise use, and authorize others to use, for government purposes, the work or the copyright to any work developed under this Agreement and any rights of copyright to which the Subgrantee, or its contractor or subcontractor, purchases ownership with grant support.
- O. Governing Law; Venue; Consent to Jurisdiction.
1. This Agreement shall be governed and construed in accordance with the laws of the State of Oregon without regard to principles of conflicts of law. Any claim, action, suit or proceeding (collectively "Claim") between OEM and Subgrantee that arises from or relates to this Agreement shall be brought and conducted solely and exclusively within the Circuit Court of Marion County for the State of Oregon. Subgrantee, by execution of this agreement, consents to the exclusive jurisdiction of said court, waives any objection to venue, and waives any claim that such forum is an inconvenient forum.
  2. Notwithstanding Section 2, if a claim must be brought in a federal forum, then it must be brought and adjudicated solely and exclusively within the United States District Court for the District of Oregon. This section applies to a claim brought against the State of Oregon only to the extent Congress has appropriately abrogated the State of Oregon's sovereign immunity and is not consent by the State of Oregon to be sued in federal court. This section is also not a waiver by the State of Oregon of any form of immunity, including but not limited to sovereign immunity and immunity based on the Eleventh Amendment to the Constitution of the United States.
- P. Notices. Except as otherwise expressly provided in this Section, any communications between the parties hereto or notice to be given hereunder shall be given in writing by personal delivery, facsimile, or mailing the same by registered or certified mail, postage prepaid to the Subgrantee or OEM at the address or number set forth on page 1 of this Agreement, or to such other addresses or numbers as either party may hereafter indicate pursuant to this section. Any communication or notice so addressed and sent by registered or certified mail shall be deemed delivered upon receipt or refusal of receipt. Any communication or notice delivered by facsimile shall be deemed to be given when receipt of the transmission is generated by the transmitting machine. Any communication or notice by personal delivery shall be deemed to be given when actually delivered. The parties also may communicate by telephone, regular mail or other means, but such communications shall not be deemed Notices under this Section unless receipt by the other party is expressly acknowledged in writing by the receiving party.
- Q. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of OEM, the Subgrantee, and their respective successors and assigns, except that the Subgrantee may not assign or transfer its rights or obligations hereunder or any interest herein without the prior consent in writing of OEM.
- R. Survival. All provisions of this Agreement set forth in the following sections shall survive termination of this Agreement: Section II.G (Administrative Requirements, Retention and Access to Records, and Audits); Section II.H (Procurement Standards); Section II.I (Property/Equipment Management and Records Control, and Retention of Records); Section II.K (Reports); and Section III.L (Indemnification).
- S. Severability. If any term or provision of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if this Agreement did not contain the particular term or provision held to be invalid.
- T. Relationship of Parties. The parties agree and acknowledge that their relationship is that of independent contracting parties and neither party hereto shall be deemed an agent, partner, joint venturer or related entity of the other by reason of this Agreement.

### III. Subgrantee Compliance and Certifications

- A. Debarment, Suspension, Ineligibility and Voluntary Exclusion. The Subgrantee certifies by accepting funds under this Agreement that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, nor voluntarily excluded from participation in this transaction by any Federal department or agency. (This certification is required by regulations published May 26, 1988, implementing Executive Order 12549, Debarment and Suspension, 44 CFR Part 17.) The Subgrantee shall establish procedures to provide for effective use and/or dissemination of the Excluded Parties List (<http://www.epls.gov/>) to assure that their contractors are not in violation of the nonprocurement debarment and suspension common rule.
- B. Standard Assurances and Certifications Regarding Lobbying. The Subgrantee is required to comply with 44 CFR Part 18, *New Restrictions on Lobbying* ([http://www.access.gpo.gov/nara/cfr/waisidx\\_07/44cfr18\\_07.html](http://www.access.gpo.gov/nara/cfr/waisidx_07/44cfr18_07.html)). The restrictions on lobbying are enforceable via large civil penalties, with civil fines between \$10,000 and \$100,000 per expenditure. The Subgrantee understands and agrees that it cannot use any federal funds, either directly or indirectly, in support of the enactment, repeal, modification or adoption of any law, regulation or policy, at any level of government, without the express prior written approval of FEMA.
- C. Compliance with Applicable Law. The Subgrantee agrees to comply with all applicable laws, regulations, program guidance, and guidelines of the State of Oregon, the Federal Government and OEM in the performance of this Agreement, including but not limited to:
1. Administrative Requirements set forth in 44 CFR Part 13.
  2. Cost Principles set forth in 2 CFR Part 225 and 48 CFR Part 31.2.
  3. Audit Requirements set forth in OMB Circular A-133.
  4. The provisions set forth in 44 CFR Part 7; Part 9; Part 10; and Federal laws or regulations applicable to Federal assistance programs.
  5. The Freedom of Information Act (FOIA), 5. U.S.C. §552 with consideration of State and local laws and regulations regarding the release of information and regulations governing Sensitive Security Information (49 CFR Part 1520).
- D. Non-discrimination and Civil Rights Compliance, Equal Employment Opportunity Program, and Services to Limited English Proficient (LEP) Persons.
1. Non-discrimination and Civil Rights Compliance. The Subgrantee, and all its contractors and subcontractors, certifies that no person shall be excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in connection with any activity funded under this Agreement on the basis of race, color, age, religion, national origin, disability, or gender. The Subgrantee, and all its contractors and subcontractors, assures compliance with all applicable nondiscrimination laws, including but not limited to:
    - a. Nondiscrimination Regulation 44 CFR Part 7;
    - b. Title II of the Americans with Disabilities Act (ADA) of 1990.In the event that a Federal or State court or administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, color, age, religion, national origin, disability or gender against the Subgrantee or any of its contractors or subcontractors, the Subgrantee or any of its contractors or subcontractors will forward a copy of the finding to OEM.
  2. Equal Employment Opportunity Program. The Subgrantee, and any of its contractors and subcontractors, certifies that an equal employment opportunity program will be in effect on or before the effective date of this Agreement. The Subgrantee must maintain a current copy on file.
  3. Services to Limited English Proficient (LEP) Persons. National origin discrimination includes discrimination on the basis of limited English proficiency. Recipients of federal financial assistance have an obligation to reduce language barriers that can preclude meaningful access by LEP persons to important benefits, programs, information and services. For additional information, please see <http://www.lep.gov>.



E. Environmental and Historic Preservation.

1. The Subgrantee shall comply with all applicable Federal, State, and local environmental and historic preservation (EHP) requirements and shall provide any information requested by FEMA to ensure compliance with applicable environmental and historic preservation laws including but not limited to:
  - a. National Environmental Policy Act (44 CFR Part 10)
  - b. National Historic Preservation Act,
  - c. Endangered Species Act, and
  - d. Executive Orders on Floodplains (11988), Wetlands (11990) and Environmental Justice (12898).

Failure of the Subgrantee to meet Federal, State, and local EHP requirements and obtain applicable permits may jeopardize Federal funding.

2. The Subgrantee shall not undertake any project without prior EHP approval by FEMA, including but not limited to communications towers, physical security enhancements, new construction, and modifications to buildings, structures, and objects that are 50 years old or greater. The Subgrantee must comply with all conditions placed on the project as the result of the EHP review. Any change to the approved project scope of work will require re-evaluation for compliance with these EHP requirements. If ground disturbing activities occur during project implementation, the Subgrantee must ensure monitoring of ground disturbance and if any potential archeological resources are discovered, the Subgrantee will immediately cease construction in that area and notify FEMA and the appropriate State Historic Preservation Office. Any construction activities that have been initiated without the necessary EHP review and approval will result in a non-compliance finding and will not be eligible for FEMA funding.
3. For any of the Subgrantee's or its contractors' or subcontractors' existing programs or activities that will be funded by these grant funds, the Subgrantee, upon specific request from the U.S. Department of Homeland Security, agrees to cooperate with the U.S. Department of Homeland Security in any preparation by the U.S. Department of Homeland Security of a national or program environmental assessment of that funded program or activity.

F. Drug Free Workplace Requirements. The Subgrantee certifies that it will provide a drug-free workplace. There are two general requirements if you are a recipient other than an individual.

1. You must make a good faith effort, on a continuing basis, to maintain a drug-free workplace. Briefly, those measures are to:
  - a. Publish a drug-free workplace statement and establish a drug-free awareness program for your employees (see 44 CFR Part 17.6); and
  - b. Take actions concerning employees who are convicted of violating drug statutes in the workplace.
2. You must identify all known workplaces under your Federal awards.

Additional information can be referenced at: [http://www.access.gpo.gov/nara/cfr/waisidx\\_08/44cfrv1\\_08.html](http://www.access.gpo.gov/nara/cfr/waisidx_08/44cfrv1_08.html).

G. Classified National Security Information. No funding under this award shall be used to support a contract, subaward or other agreement for goods or services that will include access to classified national security information if the award recipient has not been approved for and has access to such information. Classified national security information as defined in Executive Order (EO) 12958, as amended, means information that has been determined pursuant to EO 12958 or any predecessor order to require protection against unauthorized disclosure and is marked to indicate its classified status when in documentary form.

H. Human Trafficking. The Subgrantee, employees, contractors and subrecipients under this award and their respective employees may not:

1. Engage in severe forms of trafficking in persons during the period of the time the award is in effect;
2. Procure a commercial sex act during the period of time the award is in effect; or
3. Use forced labor in the performance of the award or subawards under the award.

The Subgrantee must inform OEM immediately of any information the Subgrantee receives from any source alleging a violation of any of the above prohibitions in this award term. OEM's right to terminate unilaterally is in addition to all other remedies under this award. The Subgrantee must include these requirements in any subaward made to public or private entities.

#### **IV. Suspension or Termination of Funding**

OEM may suspend funding in whole or in part, terminate funding, or impose another sanction on a Homeland Security Grant Program recipient for any of the following reasons:

- A. Failure to comply substantially with the requirements or statutory objectives of the Homeland Security Grant Program guidelines issued thereunder, or other provisions of federal law.
- B. Failure to make satisfactory progress toward the goals and objectives set forth in the approved Project Justification(s).
- C. Failure to adhere to the requirements of the grant award and standard or special conditions.
- D. Proposing or implementing substantial plan changes to the extent that, if originally submitted, the application would not have been selected.
- E. Failing to comply substantially with any other applicable federal or state statute, regulation, or guideline. Before imposing sanctions, OEM will provide reasonable notice to the Subgrantee of its intent to impose sanctions and will attempt to resolve the problem informally.

#### **V. Termination of Agreement**

OEM may unilaterally terminate all or part of this Agreement or may reduce its scope of work if there is:

- A. A reduction in federal funds which are the basis for this Agreement.
- B. A material misrepresentation, error, or inaccuracy in Subgrantee's application.
- C. A change, modification or interpretation of State or Federal laws, regulations or guidelines that deprives OEM of authority to provide grant funds for the program or provide funds from the planned funding source.

**VI. Subgrantee Representations and Warranties**

The Subgrantee represents and warrants to OEM as follows:

- A. Existence and Power. The Subgrantee is a political subdivision of the State of Oregon. The Subgrantee has full power and authority to transact the business in which it is engaged and full power, authority, and legal right to execute and deliver this Agreement and incur and perform its obligations hereunder.
- B. Authority, No Contravention. The making and performance by the Subgrantee of this Agreement (a) have been duly authorized by all necessary action of the Subgrantee, (b) do not and will not violate any provision of any applicable law, rule, or regulation or order of any court, regulatory commission, board or other administrative agency or any provision of the Subgrantee's articles of incorporation or bylaws and (c) do not and will not result in the breach of, or constitute a default or require any consent under any other Agreement or instrument to which the Subgrantee is a party or by which the Subgrantee or any of its properties are bound or affected.
- C. Binding Obligation. This Agreement has been duly authorized, executed and delivered on behalf of the Subgrantee and constitutes the legal, valid, and binding obligation of the Subgrantee, enforceable in accordance with its terms.
- D. Approvals. No authorization, consent, license, approval of, filing or registration with, or notification to, any governmental body or regulatory or supervisory authority is required for the execution, delivery or performance by the Subgrantee of this Agreement.

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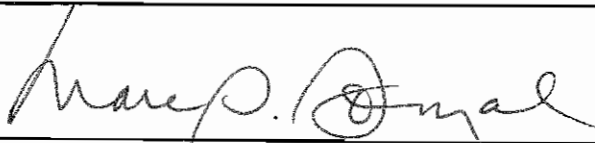
Matthew T. Marheine, Plans and Training Section Manager  
 Oregon Military Department  
 Office of Emergency Management  
 PO Box 14370  
 Salem, OR 97309-5062

Date

Signature of Authorized Subgrantee Official

Date

Name/Title



6/4/14

Signature of Authorized Fiscal Representative of Subgrantee Agency

Date

Name/Title

MARC GONZALES, DIRECTOR, DEPARTMENT OF FINANCE

**Approved as to Form:**

---

Steven A. Wolf by email  
 Assistant Attorney General

December 13, 2011  
Date



22 AND 25  
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30  
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**OFFICE OF COUNTY COUNSEL**

PUBLIC SERVICES BUILDING  
2051 KAEN ROAD OREGON CITY, OR 97045

June 12, 2014

**Stephen L. Madkour**  
County Counsel

Board of Commissioners  
Clackamas County

**Kimberley Ybarra**  
**Kathleen Rastetter**  
**Chris Storey**  
**Scott C. Ciecko**  
**Alexander Gordon**  
**Amanda Keller**  
**Nathan K. Boderman**  
**Christina Thacker**  
Assistants

Members of the Board:

Approval of Amendments to Intergovernmental  
Agreements with County-Related Entities  
For Purposes of Clarifying Certain Accounting Practices

<b>Purpose/Outcome</b>	Provide clarity regarding accounting practices relating to booked liability for County employees providing services to county service districts and similar entities
<b>Dollar Amount and Fiscal Impact</b>	None. While liabilities will be booked on the County ledgers, the appropriate service district or the development agency will be responsible for the payments by contract
<b>Funding Source</b>	None needed
<b>Safety Impact</b>	None
<b>Duration</b>	For the life of the original intergovernmental agreements
<b>Previous Board Action/Review</b>	Adoption of the original agreements in 2003-2005
<b>Contact Person</b>	Chris Storey, Assistant County Counsel – 503 742-4623
<b>Contract No.</b>	

**BACKGROUND:**

Clackamas County has entered into service agreements with several of the county service districts and the development agency for the provision of county services, such as employment, management, payroll, financial management support, legal support, facilities and maintenance, and other services. Moss Adams, the County's auditors, sought clarification on some accounting questions related to those agreements. In particular, they sought clarity on whether the County or each of the individual service districts would carry certain employment-related expenses on their books. After an internal discussion, staff recommends that the obligations be carried by the County for all related entities excepting the Housing Authority. Staff feels this is the most accurate and transparent way to represent the liabilities associated with accrued time off of county employees and potential pension obligations because the County is the employer. Further, FTE allocation to the various service districts shifts from year to year and allocating to the component level could create confusing spikes and misleading trends that do not accurately represent the financial health of such component unit.

Staff has drafted proposed amendments to each of the service agreements to clarify the accounting practices as requested by the County's auditors. Adoption would be by vote once on behalf of the County, and by vote on behalf of the applicable service district.

RECOMMENDATION

Staff respectfully recommends that the Board amend the service intergovernmental agreements between the County and various county service districts and the development agency to accurately reflect obligations consistent with best accounting practices.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Storey", with a long horizontal flourish extending to the right.

Chris Storey  
Assistant County Counsel

AMENDMENT NO. 2

To The

INTERGOVERNMENTAL AGREEMENT

Between

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT and  
CLACKAMAS COUNTY

This Amendment No. 2 (this "Amendment") is entered into by and between the North Clackamas Parks and Recreation District, a county service district organized pursuant to Oregon Revised Statutes ("ORS") Chapter 451 ("NCPRD") and Clackamas County, a political subdivision of the State of Oregon ("County") as of the date set forth below.

WHEREAS, the District and the County entered into that certain intergovernmental agreement dated January 30, 2003 (the "Agreement") regarding the provision of services by the County; and

WHEREAS, the District and the County desire to amend the Agreement as set forth herein to clarify certain accounting issues;

NOW, THEREFORE, the parties hereto agree as follows:

1. The Agreement is amended to add two new paragraphs in new Section 23 to state:

23. Accounting Practices.

A. Compensated Absences. The NCPRD contracts with the County for the provision of employment services by County employees consistent with its mission. As part of the normal course of business County employees providing work for the NCPRD accrue the right to compensated absences such as paid vacation or paid sick time, as well as payroll and related taxes. For clarity of administration, the parties agree that the costs and obligations of such compensated absences and payroll and related taxes shall be reflected in the accounting books and ledgers of the County, and the District shall have only an obligation to pay for such costs when realized as part of consideration for the provision of county employees to accomplish the purposes of the NCPRD.

B. Pension Obligations. Pursuant to recent Government Accounting Standard Board requirements, the obligations of an employer with respect to its employee's pension payments and other post employment obligations must be reflected in the accounting ledgers and books of the employer. For clarity of administration, the parties agree that all such obligations shall be reflected in the accounting ledgers and books of the County.

2. Except as stated herein, the parties affirm the Agreement and agree that no other provisions have been changed.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their duly authorized officers or representatives as of June 12th, 2014.

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT	CLACKAMAS COUNTY
By: _____	By: _____
Title: _____	Title: Chair _____
ATTEST: _____	ATTEST: _____

AMENDMENT NO. 1

To The

INTERGOVERNMENTAL AGREEMENT

Between

CLACKAMAS COUNTY DEVELOPMENT AGENCY and

CLACKAMAS COUNTY

This Amendment No. 1 (this "Amendment") is entered into by and between the Clackamas County Development Agency, a county service district organized pursuant to Oregon Revised Statutes ("ORS") Chapter 457 ("District") and Clackamas County, a political subdivision of the State of Oregon ("County") as of the date set forth below.

WHEREAS, the District and the County entered into that certain intergovernmental agreement dated October 23, 2003 (the "Agreement") regarding the provision of services by the County; and

WHEREAS, the District and the County desire to amend the Agreement as set forth herein to clarify certain accounting issues;

NOW, THEREFORE, the parties hereto agree as follows:

1. The Agreement is amended to add two new paragraphs in new Section 23 to state:

23. Accounting Practices.

A. Compensated Absences. The CCDA contracts with the County for the provision of employment services by County employees consistent with its mission. As part of the normal course of business County employees providing work for the CCDA accrue the right to compensated absences such as paid vacation or paid sick time, as well as payroll and related taxes. For clarity of administration, the parties agree that the costs and obligations of such compensated absences and payroll and related taxes shall be reflected in the accounting books and ledgers of the County, and the CCDA shall have only an obligation to pay for such costs when realized as part of consideration for the provision of county employees to accomplish the purposes of the CCDA.

B. Pension Obligations. Pursuant to recent Government Accounting Standard Board requirements, the obligations of an employer with respect to its employee's pension payments and other post employment obligations must be reflected in the accounting ledgers and books of the employer. For clarity of administration, the parties agree that all such obligations shall be reflected in the accounting ledgers and books of the County.



2. Except as stated herein, the parties affirm the Agreement and agree that no other provisions have been changed.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their duly authorized officers or representatives as of June 12th, 2014.

CLACKAMAS COUNTY DEVELOPMENT AGENCY	CLACKAMAS COUNTY
By: _____	By: _____
Title: _____	Title: <u>Chair</u>
ATTEST: _____	ATTEST: _____

AMENDMENT NO. 1

To The

INTERGOVERNMENTAL AGREEMENT

Between

CLACKAMAS COUNTY DEVELOPMENT AGENCY and

CLACKAMAS COUNTY

This Amendment No. 1 (this "Amendment") is entered into by and between the Clackamas County Development Agency (Clackamas Industrial Area), the Urban Renewal Agency of the County of Clackamas organized pursuant to Oregon Revised Statutes ("ORS") Chapter 457 ("Agency") and Clackamas County, a political subdivision of the State of Oregon ("County") as of the date set forth below.

WHEREAS, the Agency and the County entered into that certain intergovernmental agreement dated October 23, 2003 (the "Agreement") regarding the provision of services by the County; and

WHEREAS, the Agency and the County desire to amend the Agreement as set forth herein to clarify certain accounting issues;

NOW, THEREFORE, the parties hereto agree as follows:

1. The Agreement is amended to add two new paragraphs in new Section 17 to state:

17. Accounting Practices.

A. Compensated Absences. The CCDA contracts with the County for the provision of employment services by County employees consistent with its mission. As part of the normal course of business County employees providing work for the CCDA accrue the right to compensated absences such as paid vacation or paid sick time, as well as payroll and related taxes. For clarity of administration, the parties agree that the costs and obligations of such compensated absences and payroll and related taxes shall be reflected in the accounting books and ledgers of the County, and the Agency shall have only an obligation to pay for such costs when realized as part of consideration for the provision of county employees to accomplish the purposes of the CCDA.

B. Pension Obligations. Pursuant to recent Government Accounting Standard Board requirements, the obligations of an employer with respect to its employee's pension payments and other post employment obligations must be reflected in the accounting ledgers and books of

the employer. For clarity of administration, the parties agree that all such obligations shall be reflected in the accounting ledgers and books of the County.

2. Except as stated herein, the parties affirm the Agreement and agree that no other provisions have been changed.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their duly authorized officers or representatives as of June 12th, 2014.

CLACKAMAS COUNTY DEVELOPMENT AGENCY	CLACKAMAS COUNTY
By: _____	By: _____
Title: _____	Title: Chair _____
ATTEST: _____	ATTEST: _____

AMENDMENT NO. 1

To The

INTERGOVERNMENTAL AGREEMENT

Between

CLACKAMAS COUNTY DEVELOPMENT AGENCY and

CLACKAMAS COUNTY

This Amendment No. 1 (this "Amendment") is entered into by and between the Clackamas County Development Agency (Clackamas Town Center), the Urban Renewal Agency of the County of Clackamas organized pursuant to Oregon Revised Statutes ("ORS") Chapter 457 ("Agency") and Clackamas County, a political subdivision of the State of Oregon ("County") as of the date set forth below.

WHEREAS, the Agency and the County entered into that certain intergovernmental agreement dated October 23, 2003 (the "Agreement") regarding the provision of services by the County; and

WHEREAS, the Agency and the County desire to amend the Agreement as set forth herein to clarify certain accounting issues;

NOW, THEREFORE, the parties hereto agree as follows:

1. The Agreement is amended to add two new paragraphs in new Section 23 to state:

23. Accounting Practices.

A. Compensated Absences. The CCDA contracts with the County for the provision of employment services by County employees consistent with its mission. As part of the normal course of business County employees providing work for the CCDA accrue the right to compensated absences such as paid vacation or paid sick time, as well as payroll and related taxes. For clarity of administration, the parties agree that the costs and obligations of such compensated absences and payroll and related taxes shall be reflected in the accounting books and ledgers of the County, and the District shall have only an obligation to pay for such costs when realized as part of consideration for the provision of county employees to accomplish the purposes of the CCDA.

B. Pension Obligations. Pursuant to recent Government Accounting Standard Board requirements, the obligations of an employer with respect to its employee's pension payments and other post employment obligations must be reflected in the accounting ledgers and books of

the employer. For clarity of administration, the parties agree that all such obligations shall be reflected in the accounting ledgers and books of the County.

2. Except as stated herein, the parties affirm the Agreement and agree that no other provisions have been changed.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their duly authorized officers or representatives as of June 12th, 2014.

CLACKAMAS COUNTY DEVELOPMENT AGENCY	CLACKAMAS COUNTY
By: _____	By: _____
Title: _____	Title: Chair _____
ATTEST: _____	ATTEST: _____

AMENDMENT NO. 1

To The

INTERGOVERNMENTAL AGREEMENT

Between

CLACKAMAS COUNTY DEVELOPMENT AGENCY and

CLACKAMAS COUNTY

This Amendment No. 1 (this "Amendment") is entered into by and between the Clackamas County Development Agency (Government Camp), the Urban Renewal Agency of the County of Clackamas organized pursuant to Oregon Revised Statutes ("ORS") Chapter 457 ("Agency") and Clackamas County, a political subdivision of the State of Oregon ("County") as of the date set forth below.

WHEREAS, the Agency and the County entered into that certain intergovernmental agreement dated October 23, 2003 (the "Agreement") regarding the provision of services by the County; and

WHEREAS, the Agency and the County desire to amend the Agreement as set forth herein to clarify certain accounting issues;

NOW, THEREFORE, the parties hereto agree as follows:

1. The Agreement is amended to add two new paragraphs in new Section 17 to state:

17. Accounting Practices.

A. Compensated Absences. The CCDA contracts with the County for the provision of employment services by County employees consistent with its mission. As part of the normal course of business County employees providing work for the CCDA accrue the right to compensated absences such as paid vacation or paid sick time, as well as payroll and related taxes. For clarity of administration, the parties agree that the costs and obligations of such compensated absences and payroll and related taxes shall be reflected in the accounting books and ledgers of the County, and the CCDA shall have only an obligation to pay for such costs when realized as part of consideration for the provision of county employees to accomplish the purposes of the CCDA.

B. Pension Obligations. Pursuant to recent Government Accounting Standard Board requirements, the obligations of an employer with respect to its employee's pension payments and other post employment obligations must be reflected in the accounting ledgers and books of

the employer. For clarity of administration, the parties agree that all such obligations shall be reflected in the accounting ledgers and books of the County.

2. Except as stated herein, the parties affirm the Agreement and agree that no other provisions have been changed.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their duly authorized officers or representatives as of June 12th, 2014.

CLACKAMAS COUNTY DEVELOPMENT AGENCY	CLACKAMAS COUNTY
By: _____	By: _____
Title: _____	Title: Chair _____
ATTEST: _____	ATTEST: _____

AMENDMENT NO. 1

To The

INTERGOVERNMENTAL AGREEMENT

Between

CLACKAMAS COUNTY SERVICE DISTRICT #5 and

CLACKAMAS COUNTY

This Amendment No. 1 (this "Amendment") is entered into by and between Clackamas County Service District #5, a county service district organized pursuant to Oregon Revised Statutes ("ORS") Chapter 451 ("CCSD#5") and Clackamas County, a political subdivision of the State of Oregon ("County") as of the date set forth below.

WHEREAS, the District and the County entered into that certain intergovernmental agreement dated October 23, 2003 (the "Agreement") regarding the provision of services by the County; and

WHEREAS, the District and the County desire to amend the Agreement as set forth herein to clarify certain accounting issues;

NOW, THEREFORE, the parties hereto agree as follows:

1. The Agreement is amended to add two new paragraphs in new Section 23 to state:

23. Accounting Practices.

A. Compensated Absences. The CCSD #5 contracts with the County for the provision of employment services by County employees consistent with its mission. As part of the normal course of business County employees providing work for the CCSD #5 accrue the right to compensated absences such as paid vacation or paid sick time, as well as payroll and related taxes. For clarity of administration, the parties agree that the costs and obligations of such compensated absences and payroll and related taxes shall be reflected in the accounting books and ledgers of the County, and the District shall have only an obligation to pay for such costs when realized as part of consideration for the provision of county employees to accomplish the purposes of the CCSD #5.

B. Pension Obligations. Pursuant to recent Government Accounting Standard Board requirements, the obligations of an employer with respect to its employee's pension payments and other post employment obligations must be reflected in the accounting ledgers and books of the employer. For clarity of administration, the parties agree that all such obligations shall be reflected in the accounting ledgers and books of the County.



2. Except as stated herein, the parties affirm the Agreement and agree that no other provisions have been changed.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their duly authorized officers or representatives as of June 12th, 2014.

CLACKAMAS COUNTY SERVICE DISTRICT #5	CLACKAMAS COUNTY
By: _____	By: _____
Title: _____	Title: <u>Chair</u>
ATTEST: _____	ATTEST: _____

AMENDMENT NO. 1

To The

INTERGOVERNMENTAL AGREEMENT

Between

CLACKAMAS COUNTY SERVICE DISTRICT #1 and

CLACKAMAS COUNTY

This Amendment No. 1 (this "Amendment") is entered into by and between Clackamas County Service District No. 1, a county service district organized pursuant to Oregon Revised Statutes ("ORS") Chapter 451 ("District") and Clackamas County, a political subdivision of the State of Oregon ("County") as of the date set forth below.

WHEREAS, the District and the County entered into that certain intergovernmental agreement dated June 5, 2003 (the "Agreement") regarding the provision of services by the County; and

WHEREAS, the District and the County desire to amend the Agreement as set forth herein to clarify certain accounting issues;

NOW, THEREFORE, the parties hereto agree as follows:

1. The Agreement is amended to add two new paragraphs in new Section 23 to state:

23. Accounting Practices.

A. Compensated Absences. The District contracts with the County for the provision of employment services by County employees consistent with its mission. As part of the normal course of business County employees providing work for the District accrue the right to compensated absences such as paid vacation or paid sick time, as well as payroll and related taxes. For clarity of administration, the parties agree that the costs and obligations of such compensated absences and payroll and related taxes shall be reflected in the accounting books and ledgers of the County, and the District shall have only an obligation to pay for such costs when realized as part of consideration for the provision of county employees to accomplish the purposes of the District.

B. Pension Obligations. Pursuant to recent Government Accounting Standard Board requirements, the obligations of an employer with respect to its employee's pension payments and other post employment obligations must be reflected in the accounting ledgers and books of the employer. For clarity of administration, the parties agree that all such obligations shall be reflected in the accounting ledgers and books of the County.

2. Except as stated herein, the parties affirm the Agreement and agree that no other provisions have been changed.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their duly authorized officers or representatives as of June 12th, 2014.

CLACKAMAS COUNTY SERVICE DISTRICT No. 1	CLACKAMAS COUNTY
By: _____	By: _____
Title: _____	Title: Chair
ATTEST: _____	ATTEST: _____

AMENDMENT NO. 1

To The

INTERGOVERNMENTAL AGREEMENT

Between

TRI CITY SERVICE DISTRICT and

CLACKAMAS COUNTY

This Amendment No. 1 (this "Amendment") is entered into by and between the Tri-City Service District, a county service district organized pursuant to Oregon Revised Statutes ("ORS") Chapter 451 ("TCSD") and Clackamas County, a political subdivision of the State of Oregon ("County") as of the date set forth below.

WHEREAS, the District and the County entered into that certain intergovernmental agreement dated June 5, 2003 (the "Agreement") regarding the provision of services by the County; and

WHEREAS, the District and the County desire to amend the Agreement as set forth herein to clarify certain accounting issues;

NOW, THEREFORE, the parties hereto agree as follows:

1. The Agreement is amended to add two new paragraphs in new Section 23 to state:

23. Accounting Practices.

A. Compensated Absences. TCSD contracts with the County for the provision of employment services by County employees consistent with its mission. As part of the normal course of business County employees providing work for the TCSD accrue the right to compensated absences such as paid vacation or paid sick time, as well as payroll and related taxes. For clarity of administration, the parties agree that the costs and obligations of such compensated absences and payroll and related taxes shall be reflected in the accounting books and ledgers of the County, and the TCSD shall have only an obligation to pay for such costs when realized as part of consideration for the provision of county employees to accomplish the purposes of the TCSD.

B. Pension Obligations. Pursuant to recent Government Accounting Standard Board requirements, the obligations of an employer with respect to its employee's pension payments and other post employment obligations must be reflected in the accounting ledgers and books of the employer. For clarity of administration, the parties agree that all such obligations shall be reflected in the accounting ledgers and books of the County.

2. Except as stated herein, the parties affirm the Agreement and agree that no other provisions have been changed.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their duly authorized officers or representatives as of June 12th, 2014.

TRI-CITY SERVICE DISTRICT	CLACKAMAS COUNTY
By: _____	By: _____
Title: _____	Title: Chair _____
ATTEST: _____	ATTEST: _____

AMENDMENT NO. 1

To The

INTERGOVERNMENTAL AGREEMENT

Between

SURFACE WATER MANAGEMENT AGENCY of CLACKAMAS COUNTY and  
CLACKAMAS COUNTY

This Amendment No. 1 (this "Amendment") is entered into by and between the Surface Water Management Agency of Clackamas County, a county service district organized pursuant to Oregon Revised Statutes ("ORS") Chapter 451 ("SWMACC") and Clackamas County, a political subdivision of the State of Oregon ("County") as of the date set forth below.

WHEREAS, the District and the County entered into that certain intergovernmental agreement dated June 5, 2003 (the "Agreement") regarding the provision of services by the County; and

WHEREAS, the District and the County desire to amend the Agreement as set forth herein to clarify certain accounting issues;

NOW, THEREFORE, the parties hereto agree as follows:

1. The Agreement is amended to add two new paragraphs in new Section 23 to state:

23. Accounting Practices.

A. Compensated Absences. SWMACC contracts with the County for the provision of employment services by County employees consistent with its mission. As part of the normal course of business County employees providing work for SWMACC accrue the right to compensated absences such as paid vacation or paid sick time, as well as payroll and related taxes. For clarity of administration, the parties agree that the costs and obligations of such compensated absences and payroll and related taxes shall be reflected in the accounting books and ledgers of the County, and the District shall have only an obligation to pay for such costs when realized as part of consideration for the provision of county employees to accomplish the purposes of the SWMACC.

B. Pension Obligations. Pursuant to recent Government Accounting Standard Board requirements, the obligations of an employer with respect to its employee's pension payments and other post employment obligations must be reflected in the accounting ledgers and books of the employer. For clarity of administration, the parties agree that all such obligations shall be reflected in the accounting ledgers and books of the County.

2. Except as stated herein, the parties affirm the Agreement and agree that no other provisions have been changed.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their duly authorized officers or representatives as of June 12th, 2014.

SURFACE WATER MANAGEMENT AGENCY of CLACKAMAS COUNTY	CLACKAMAS COUNTY
By: _____	By: _____
Title: _____	Title: <u>Chair</u>
ATTEST: _____	ATTEST: _____

AMENDMENT NO. 1

TO

INTERGOVERNMENTAL AGREEMENT

Between

ENHANCED LAW ENFORCEMENT DISTRICT and

CLACKAMAS COUNTY

This Amendment No. 1 (this "Amendment") is entered into by and between the Enhanced Law Enforcement District, a county service district organized pursuant to Oregon Revised Statutes ("ORS") Chapter 451 ("ELED") and Clackamas County, a political subdivision of the State of Oregon ("County") as of the date set forth below.

WHEREAS, the District and the County entered into that certain intergovernmental agreement dated November 6, 2003 (the "Agreement") regarding the provision of services by the County; and

WHEREAS, the District and the County desire to amend the Agreement as set forth herein to clarify certain accounting issues;

NOW, THEREFORE, the parties hereto agree as follows:

1. The Agreement is amended to add two new paragraphs in Section 8 (currently reading "Reserved") to state:

8. Accounting Practices.

A. Compensated Absences. The ELED contracts with the County for the provision of employment services by County employees consistent with its mission. As part of the normal course of business County employees providing work for the ELED accrue the right to compensated absences such as paid vacation or paid sick time, as well as payroll and related taxes. For clarity of administration, the parties agree that the costs and obligations of such compensated absences and payroll and related taxes shall be reflected in the accounting books and ledgers of the County, and the District shall have only an obligation to pay for such costs when realized as part of consideration for the provision of county employees to accomplish the purposes of the ELED.

B. Pension Obligations. Pursuant to recent Government Accounting Standard Board requirements, the obligations of an employer with respect to its employee's pension payments and other post employment obligations must be reflected in the accounting ledgers and books of

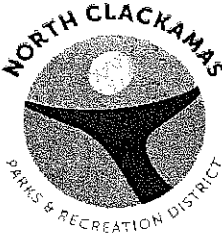


the employer. For clarity of administration, the parties agree that all such obligations shall be reflected in the accounting ledgers and books of the County.

2. Except as stated herein, the parties affirm the Agreement and agree that no other provisions have been changed.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their duly authorized officers or representatives as of June 12th, 2014.

ENHANCED LAW ENFORCEMENT DISTRICT	CLACKAMAS COUNTY
By: _____	By: _____
Title: _____	Title: <u>Chair</u>
ATTEST: _____	ATTEST: _____



Laura Zentner  
Deputy Director  
North Clackamas Parks and Recreation District  
Development Services Building  
150 Beaver Creek Road  
Oregon City, OR 97045

23

June 12, 2014

Board of County Commissioners  
Clackamas County

Members of the Board:

**Approval of a Resolution for North Clackamas Parks & Recreation District for  
Transfer of Appropriations for Fiscal Year 2013-2014**

Purpose/Outcome	Budget changes for North Clackamas Parks & Recreation District FY 2013-2014
Dollar Amount and fiscal Impact	No fiscal impact. Transfer of existing appropriations between categories.
Funding Source	N/A
Safety Impact	N/A
Duration	July 1, 2013 through June 30, 2014
Previous Board Action/Review	Original Adopted Budget June 27, 2013, 1 <sup>st</sup> Transfer Budget Resolution January 30, 2014
Contact Person	Laura Zentner, BCS Deputy Director 503.742.4351
Contract No.	N/A

**BACKGROUND:** Periodically during the fiscal year it is necessary to transfer appropriations between the major categories (Administration, Parks Maintenance, Program Services, Milwaukie Center, Aquatic Park, Community Relations, Planning, Natural Resources, Nutrition, Transportation, Transfers and Contingency) to more accurately reflect the changing requirements of the operating departments.

Transfers are a method of moving budgeted appropriations during the fiscal year as required by state budget law per ORS 294.463. There is no financial impact incurred as a result of transfers as appropriations for these amounts have been accomplished through the initial budget process.

The attached resolution accomplishes the above mentioned changes as requested by the District in keeping with a legally accurate budget.

The **General Fund** - is transferring from the Contingency category to the Aquatic Park Division category to pay increased building maintenance expenditures related to safety compliance updates and utility expenditures related to a leak at the Aquatic Park.

The **Nutrition and Transportation Fund** - is transferring from the Contingency category to the Nutrition and Transportation Division categories to pay additional expenditures related to increased food costs and an increase in the number of meals and transportation services being provided to program clients.

June 12, 2014  
Approval of a Resolution for NCPRD for Transfer of  
Appropriations for FY 2013-2014  
pg. 2

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**RECOMMENDATION:**

Staff respectfully recommends adoption of the attached resolution and Exhibit A in keeping with a legally accurate budget.

Sincerely,



Laura L. Zentner, CPA  
BCS Deputy Director

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

A RESOLUTION OF THE CLACKAMAS  
COUNTY BOARD OF COMMISSIONERS  
ACTING AS THE GOVERNING BODY OF  
THE NORTH CLACKAMAS PARKS AND  
RECREATION DISTRICT AND PROVIDING  
AUTHORIZATION TO TRANSFER  
APPROPRIATIONS WITHIN THE NORTH  
CLACKAMAS PARKS & RECREATION  
DISTRICT FISCAL YEAR 2013-14 BUDGET



Resolution No. \_\_\_\_\_

WHEREAS, during the fiscal year changes in appropriated expenditures may become necessary and appropriations may need to be increased, decreased or transferred from one appropriation category to another;

WHEREAS, transfer of appropriations for the period of July 1, 2013 through June 30, 2014, inclusive is necessary to continue to prudently manage the distribution of those expenditures for the needs of District residents;

WHEREAS; the funds being adjusted are:

- . North Clackamas Parks & Recreation District - General Fund
- . North Clackamas Parks & Recreation District – Nutrition & Transportation Fund

It further appearing that it is in the best interest of the County to approve this transfer of appropriations for the period of July 1, 2013 through June 30, 2014.

**BE RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS THAT:**

Pursuant to its authority under OR 294.463, transfer of appropriation within the fiscal year budget is authorized as shown in the attached Exhibit A which by this reference is made a part of this Resolution.

DATED this 12th day of June, 2014

**BOARD OF COUNTY COMMISSIONERS**

\_\_\_\_\_  
Chair

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



Laura Zentner  
Deputy Director  
North Clackamas Parks and Recreation District  
Development Services Building  
150 Beaver Creek Road  
Oregon City, OR 97045

## TRANSFER REQUESTS

Exhibit A

June 12, 2014

### NORTH CLACKAMAS PARKS & RECREATION DISTRICT - GENERAL FUND

	Increase:	
Aquatic Park Division		\$ 35,000
Total		<u>\$ 35,000</u>
Decrease:		
Contingency		\$ 35,000
Total		<u>\$ 35,000</u>

The General Fund is transferring from the Contingency category to the Aquatic Park Division category to pay increased building maintenance expenditures related to safety compliance updates and utility expenditures related to a leak at the Aquatic Park.

### NORTH CLACKAMAS PARKS & RECREATION DISTRICT - NUTRITION & TRANSPORTATION FUND

	Increase:	
Nutrition Division		\$ 10,000
Transportation Division		\$ 11,000
Total		<u>\$ 21,000</u>
Decrease:		
Contingency		\$ 21,000
Total		<u>\$ 21,000</u>

The Nutrition and Transportation Fund is transferring from the Contingency category to the Nutrition and Transportation Division categories to pay additional expenditures related to increased food costs and an increase in the number of meals and transportation services being provided to program clients.



**NORTH CLACKAMAS  
PARKS & RECREATION DISTRICT**

Administration

150 Beaver Creek Rd.  
Oregon City, OR 97045  
503.742.4348 phone 503.742.4349 fax  
ncprd.com

24

June 12, 2014

Board of County Commissioners acting as the Governing Body  
of the North Clackamas Parks and Recreation District

Members of the Board:

Approval of an amendment to the Memorandum of Understanding (MOU) with the City of Damascus  
for the construction of Trillium Creek Park

<b>Purpose/Outcomes</b>	Amendment to an MOU with the City of Damascus for additional funding to construct Trillium Creek Park.
<b>Dollar Amount and Fiscal Impact</b>	This amendment provides for the transfer of an additional \$27,807 to NCPRD for the construction of Trillium Creek Park.
<b>Funding Source</b>	City of Damascus
<b>Safety Impact</b>	The commitment of additional funds will allow installation of added playground amenities, thus providing more community recreational opportunities.
<b>Duration</b>	This amendment will become effective immediately upon signature.
<b>Previous Board Action/Review</b>	The original MOU for construction of Trillium Creek Park was approved by the Board of County Commissioners on June 6, 2013. On October 17, 2013 the Board approved an amendment to the MOU for additional funds from the City of Damascus to add a shelter.
<b>Contact Person</b>	Jeroen Kok, NCPRD Planning, Development & Resource Manager, 503-742-4421

**BACKGROUND:**

In September, 2013 NCPRD contracted with T Edge Construction, Inc. to build Trillium Creek Park. In October, 2013 the City of Damascus and NCPRD signed an amendment to the MOU that resulted in an additional \$34,000 contribution from the City. The park is now 95% complete. The City has identified \$27,807 in additional funding to add elements of the park that were originally contemplated in the park concept plan, but were not funded previously. This includes eight manufactured rocks and log play elements and associated design and installation labor, and a contribution for additional electrical costs that were not contemplated when the project began. The Damascus City Council approved the amendment to the MOU on May 19, 2014. This amendment to the MOU has been reviewed and approved by County Counsel.

**RECOMMENDATION:**

Staff respectfully recommends that The Board of County Commissioners, acting as the Governing Body of the North Clackamas Parks and Recreation District, approve and sign the amendment to the MOU between NCPRD and the City of Damascus, for additional funding toward construction of Trillium Creek Park.

Respectfully submitted,

Gary Barth  
Director

**SECOND AMENDMENT TO THE MEMORANDUM OF UNDERSTANDING  
BETWEEN NORTH CLACKAMAS PARKS AND RECREATION DISTRICT AND  
CITY OF DAMASCUS**

**RECITALS**

**WHEREAS**, the City of Damascus and North Clackamas Parks and Recreation District have mutual interests in the development of and use of the Trillium Creek Park;

**WHEREAS**, the City of Damascus and North Clackamas Parks and Recreation District are partners to that Memorandum of Understanding executed in May 2013 (“Memorandum of Understanding”) to establish the responsibilities for construction and maintenance of Trillium Creek Park, and approved an amendment to that Memorandum of Understanding in October 2013;

**WHEREAS**, the City of Damascus has approved and paid North Clackamas Parks and Recreation District \$174,924.90 for construction of Trillium Creek Park, as well as the transfer of \$205,075.10 in the City’s share of 2006 Metro Local Share Bond Funds to the use of North Clackamas Parks and Recreation District;

**WHEREAS**, the City has identified an additional \$27,807 in available general funds to fund Trillium Creek Park project, and has requested NCPRD to add eight rocks and logs play structures to the playground, as generally identified in the Trillium Creek Park Concept and Perspective developed by GreenWorks in November, 2012, and agreed to take part in additional electrical services charges as required by PGE,

**AGREEMENT**

**NOW, THEREFORE**, the parties agree as follows:

1. The Memorandum of Understanding between North Clackamas Parks and Recreation District and the City of Damascus is hereby amended to provide that the City will contribute a total of 202,731.90 in general funds towards the construction of Trillium Creek Park; and,
2. Except as set forth in this Second Amendment to the Memorandum of Understanding between North Clackamas Parks and Recreation District and the City of Damascus (“**Second Amendment**”), all other conditions and covenants of the Memorandum of Understanding remain in full force and effect.
3. This Second Amendment shall be governed by and construed under the laws of the State of Oregon.
4. This Second Amendment may be executed in counterparts, each of which, when taken together, shall constitute fully executed originals. Facsimile or other e-mail signatures shall operate as original signatures with respect to this First Amendment.

**[Signature page follows]**

IN WITNESS WHEREOF, the parties have caused this First Amendment to be executed by their duly authorized officers or representatives.

NORTH CLACKAMAS  
PARKS AND  
RECREATION DISTRICT

CITY OF DAMASCUS

By \_\_\_\_\_

*Gene E. Green*  
By

Name \_\_\_\_\_

*Gene E. Green*  
Name

Title \_\_\_\_\_

*City Manager Pro Tem*  
Title

Date \_\_\_\_\_

*June 2, 2014*  
Date

Attest: Recording Secretary \_\_\_\_\_

*Theresa Votion*  
Attest: Recording Secretary

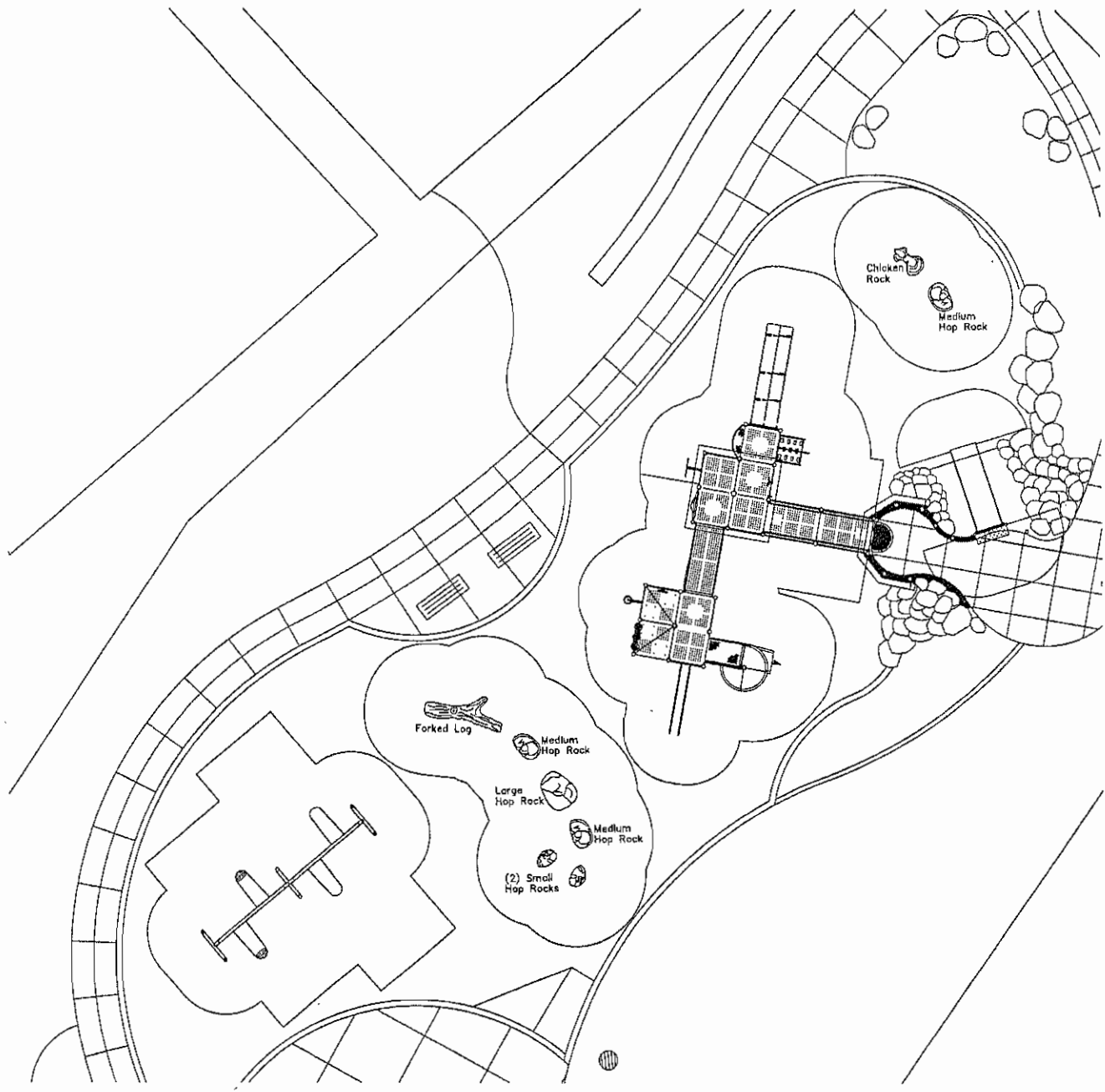
Date \_\_\_\_\_

*6/2/2014*  
Date

Approved as to form \_\_\_\_\_

Approved as to form \_\_\_\_\_





Chicken Rock

Medium Hop Rock

Forked Log

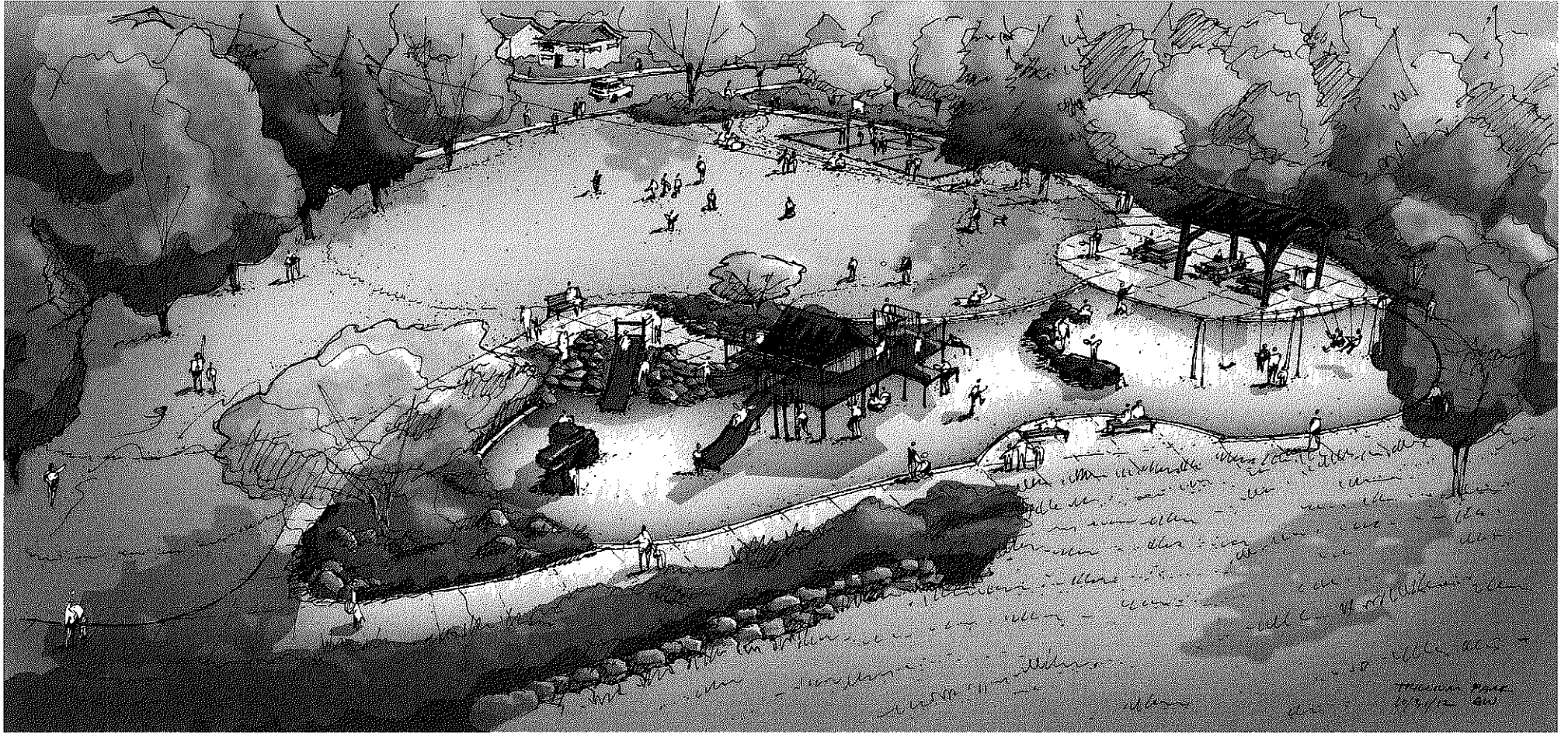
Medium Hop Rock

Large Hop Rock

Medium Hop Rock

(2) Small Hop Rocks

Trillium Creek Park  
Rocks and Ropes Elements  
Scale: 1"=10'  
4/23/14



# Perspective

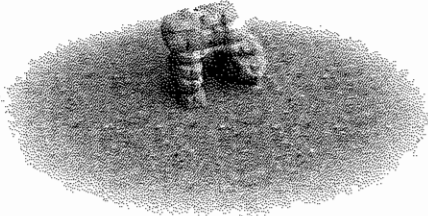
## Trillium Creek Park

November, 2012

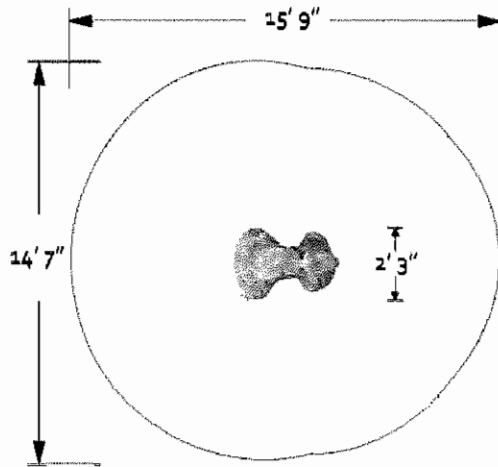


# Chicken Rock

a part of Rocks & Ropes™



Installed in woodchips.

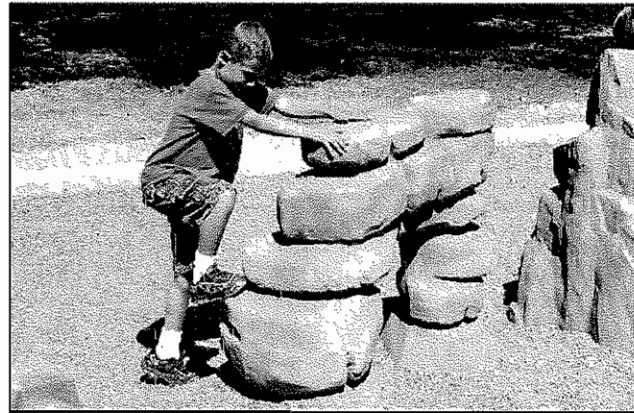


Plan view with use zone.



3' 5"

12" of woodchips -or- EPDM surfacing and fill.  
12" of part must be installed below top of surfacing.






Chicken Rock

Chicken Rock is a great transition piece between Billygoat and Kid Rock. It allows easy down-climbing to a height where kids can step off to other Roamers such as the Hop Rocks.

Material: PolyFiberCrete®  
Finish/Texture: Light sandblast  
Anti-graffiti: Acrylic sealer

Color Options:

-  Limestone
-  Sandstone
-  Granite

For Ages: 2-12  
Estimated Users: 2  
Footing: Integral to part  
Highest Designated Play Surface: 2' 10"  
Installation: Install using strap through center hole. Rebar dowel and epoxy to slab.



To verify product certification visit [www.ipema.org](http://www.ipema.org)

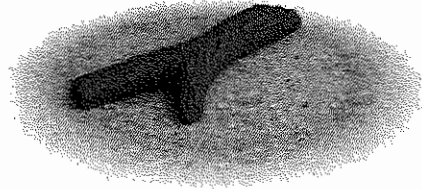
Weights can vary up to 5% and dimensions ± 1-inch.

Rep:	Company:	Phone:
Contractor:		Project:
Part Name: Chicken Rock	Part #: 12206	Weight: 1,059 lbs
Plant: 530-243-6477	Contact: Dan C.	Rev: 4/12 Page: 1/1

**ROCKS & ROPES**  
530-605-2664  
[www.upcparks.com](http://www.upcparks.com)

# Forked Log

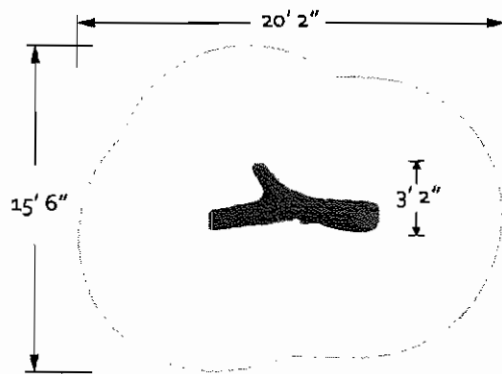
a part of Rocks & Ropes™



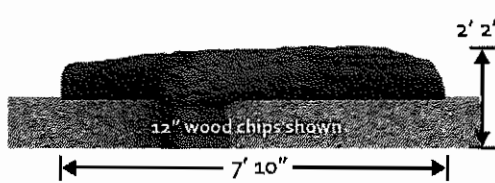
Installed in woodchips.



Forked Log



Plan view with use zone.






12" of woodchips -or- EPDM surfacing and fill.  
12" of part must be installed below top of surfacing.

Forked Log is a low-to-the-ground Roamer designed for fast movement. Its branching path is perfect for a three way connection in a linked-play Roamers area – the perfect piece to be on when playing Hot Lava tag.

Material: PolyFiberCrete®  
Finish/Texture: Light sandblast  
Anti-graffiti: Acrylic sealer

Color Options:

-  Limestone
-  Sandstone
-  Granite

For Ages: 2-12  
Estimated Users: 3  
Footing: Integral to part  
Highest Designated Play Surface: 1' 2"  
Installation: Install using two (2) straps around Log.

Weights can vary up to 5% and dimensions  $\pm$  1-inch.



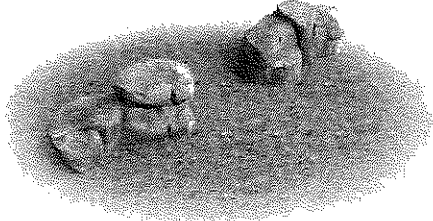
To verify product certification  
visit [www.ipema.org](http://www.ipema.org)

Rep:		Company:		Phone:	
Contractor:			Project:		
Part Name: Forked Log		Part #: 12304		Weight: 1,351 lbs	
Plant: 530-243-6477		Contact: Dan C.		Rev: 4/12 Page: 1/1	

**ROCKS & ROPES™**  
530-605-2664  
[www.upcparks.com](http://www.upcparks.com)

# Large Hop Rock

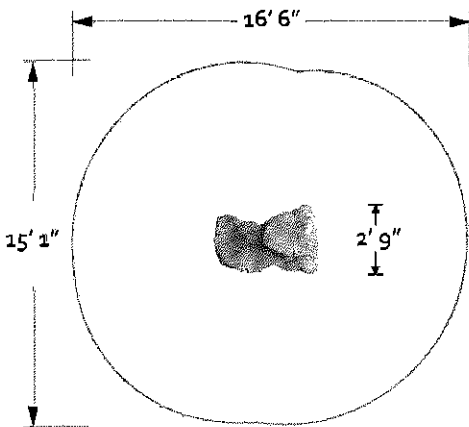
a part of Rocks & Ropes™



Installed in woodchips.

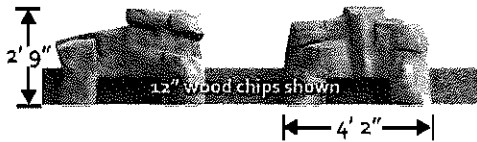


Large Hop Rock



Plan view with use zone.

Two variations of Large Hop Rock - sizes vary 3" ±






12" of woodchips -or- EPDM surfacing and fill.  
12" of part must be installed below top of surfacing.

The Large Hop Rock is great for linking other tall Roamers and Creatures to lower Roamers, where the extra height helps the transition between parts of different heights. Hop Rocks are also great for agility and active, energetic play.

Material: PolyFiberCrete®  
Finish/Texture: Light sandblast  
Anti-graffiti: Acrylic sealer

Color Options:

-  Limestone
-  Sandstone
-  Granite

For Ages: 2-12  
Estimated Users: 2  
Footing: Integral to part  
Highest Designated Play Surface: 1' 9"  
Installation: Install using straps or fork through slot.



To verify product certification visit [www.ipema.org](http://www.ipema.org)

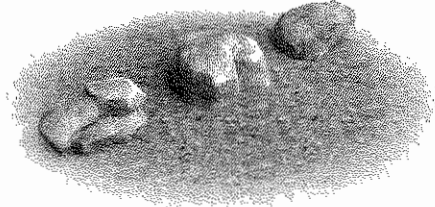
Weights can vary up to 5% and dimensions ± 1-inch.

Rep:		Company:		Phone:	
Contractor:			Project:		
Part Name: Large Hop Rock		Part #: 12404	Weight: 834 lbs		
Plant: 530-243-6477	Contact: Dan C.		Rev: 4/12	Page: 1/1	

**ROCKS & ROPES**  
530-605-2664  
[www.upcparks.com](http://www.upcparks.com)

# Medium Hop Rock

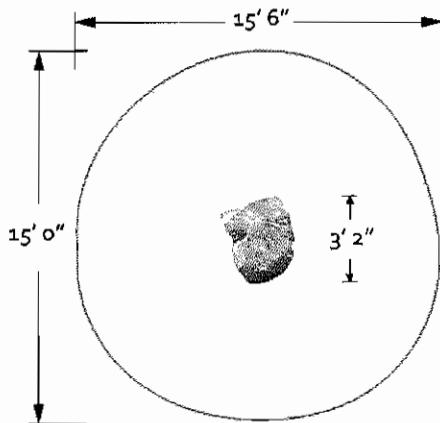
a part of Rocks & Ropes™



Installed in woodchips.



Medium Hop Rock






Plan view with use zone.

The **Medium Hop Rock**, like all Hop Rocks, is used to create an affordable Linked-Play connection between Monoliths and large Roamers. They are great for active play where kids can run, jump and hop!

**Material:** PolyFiberCrete®  
**Finish/Texture:** Light sandblast  
**Anti-graffiti:** Acrylic sealer

**Color Options:**

-  Limestone
-  Sandstone
-  Granite

Three variations of  
 Medium Hop Rock - sizes vary 3" ±



12" of woodchips -or- EPDM surfacing and fill.  
 12" of part must be installed below top of surfacing.

**For Ages:** 2-12  
**Estimated Users:** 1  
**Footing:** Integral to part  
**Highest Designated Play Surface:** 1' 2"  
**Installation:** Install using straps or fork through slot.



To verify product certification  
 visit [www.ipema.org](http://www.ipema.org)

Weights can vary up to 5% and dimensions ± 1-inch.

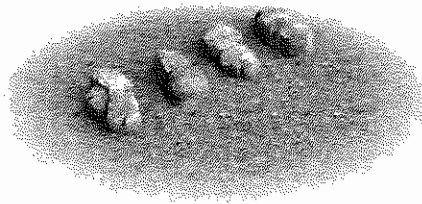
Rep:		Company:		Phone:	
Contractor:			Project:		
Part Name: Medium Hop Rock		Part #: 12403	Weight: 600 lbs		
Plant: 530-243-6477		Contact: Dan C.		Rev: 4/12	Page: 1/1



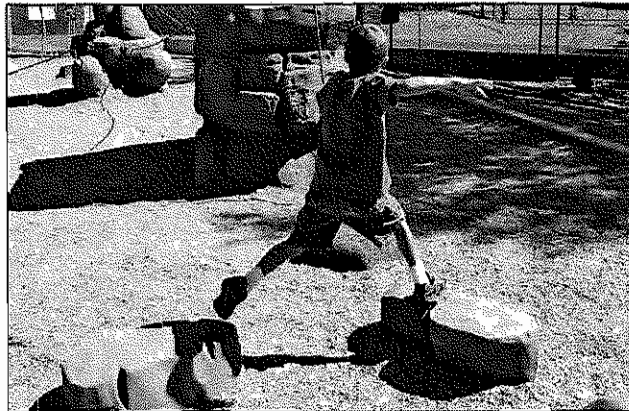
**ROCKS & ROPES**  
 530-605-2664  
[www.upcparks.com](http://www.upcparks.com)

# Small Hop Rock

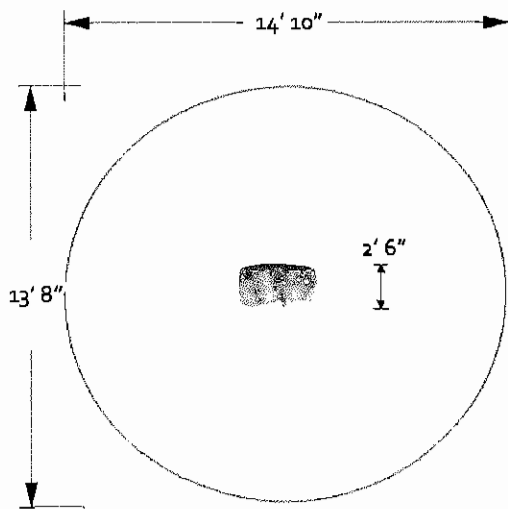
a part of Rocks & Ropes™



Installed in woodchips.



Small Hop Rock






Plan view with use zone.

The Small Hop Rock, like other Hop Rocks, is used to create an affordable Linked-Play connection between Monoliths and large Roamers. They are great for active play where kids can run, jump and hop!

Material: PolyFiberCrete®  
 Finish/Texture: Light sandblast  
 Anti-graffiti: Acrylic sealer

Color Options:

-  Limestone
-  Sandstone
-  Granite

Four variations of Small Hop Rock - sizes vary 1" ±



12" of woodchips -or- EPDM surfacing and fill.  
 12" of part must be installed below top of surfacing.

For Ages: 2-12  
 Estimated Users: 1  
 Footing: Integral to part  
 Highest Designated Play Surface: 0' 9"  
 Installation: Install using straps or fork through slot.



To verify product certification visit [www.ipema.org](http://www.ipema.org)

Weights can vary up to 5% and dimensions ± 1-inch.

Rep:	Company:	Phone:
Contractor:		Project:
Part Name: Small Hop Rock	Part #: 12402	Weight: 357 lbs
Plant: 530-243-6477	Contact: Dan C.	Rev: 4/12 Page: 1/1

**ROCKS & ROPES**  
 530-605-2664  
[www.upcparks.com](http://www.upcparks.com)



26 COPY  
DAN JOHNSON  
MANAGER

**DEVELOPMENT AGENCY**

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

June 12, 2014

Board of County Commissioners  
Clackamas County

Members of the Board:

**Approval of a Resolution Declaring the Public Necessity and Purpose  
for Acquisition of Rights of Way and Easements  
for the Monterey Avenue Extension Project and  
Authorizing Negotiations and Eminent Domain Actions**

<b>Purpose/Outcomes</b>	Under ORS 35.235 and the federal Uniform Act, a local governmental agency is required to declare by resolution or ordinance the necessity and the purpose for which the project is required by enacting a Condemnation Resolution prior to initiating acquisition of the easements or other property rights from abutters to the project.
<b>Dollar Amount and Fiscal Impact</b>	The right of way budget for the project is \$2,100,000 and is included within the \$7,200,000 total approved project budget.
<b>Funding Source</b>	Clackamas County Development Agency: Clackamas Town Center Urban Renewal District
<b>Safety Impact</b>	This project will provide safer access to and from 82 <sup>nd</sup> Avenue and improve east/west connectivity for the traveling public and emergency service providers. Sidewalks, dedicated bike lanes and street lighting are included in the project.
<b>Duration</b>	The Resolution remains active throughout the project's duration and terminates upon completion of the project or when all litigation associated with the project is concluded.
<b>Previous Board Action</b>	Approved moving forward with this project, as recommended by the Clackamas Regional Center Working Group, at a business meeting on April 11, 2013 and subsequent study session on April 16, 2014.  Approved engineering contract with Harper Houf Peterson Righellis Inc. on September 12, 2013.
<b>Contact Person</b>	David Queener, Development Agency Project Mgr @ 503-742-4322 Kath Rose, DTD Sr. Right of Way Agent @ 503-742-4713



**BACKGROUND:**

The Board of County Commissioners has approved funding for the Monterey Avenue Extension Project, which will construct a new roadway from 82<sup>nd</sup> Avenue west to Fuller Road, a distance of approximately 1,200 feet. Improvements will include a two-lane road section, storm drainage facilities, signal modifications, sidewalks, bike lanes, street lighting and landscaping. The Board has authority under ORS Chapter 35 to acquire rights of way and easements by purchase or condemnation proceedings.

The project has been planned and located in a manner which is most compatible with the greatest public good and which causes the least private injury. The Development Agency (Agency) shall negotiate in good faith in an attempt to reach agreement as to the amount of just compensation owed each affected property owner. To fairly determine the amount of just compensation, staff will utilize the expertise of authorized real estate appraisers and other such experts.

The Agency has developed the final legal descriptions required for acquisition of the rights of way and easements for the nine properties affected by the Project. If, during the course of the project, design or construction modifications should effect acquisitions, staff will bring subsequent revisions to the Board for authorization.

The resolution directs the Agency to resolve issues of just compensation through good faith negotiations. It requires the Manager of the Agency to notify the Board if exercise of the power of eminent domain becomes necessary. Only after this process is completed does it authorize the Office of County Counsel to file a condemnation action.

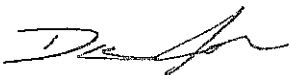
Staff respectfully requests that the Board approve a Resolution of Necessity and Purpose for the Monterey Avenue Extension Project for the acquisition of necessary rights of way and easements to provide for construction of the project.

The Resolution has been reviewed and approved by County Counsel.

**RECOMMENDATION:**

Staff respectfully recommends that the Board of County Commissioners approve the Resolution authorizing the acquisition of rights of way and easements by negotiation if possible, or condemnation, if necessary.

Respectfully Submitted,



Dan Johnson  
Development Agency Manager

Attachment

For information on this issue or copies of attachments  
please contact Kath Rose, Sr. Right of Way Agent at (503) 742-4713

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

In the Matter of the Monterey Avenue  
Extension Project, Declaring the Necessity  
and Purpose for Acquisition of Rights of  
Way and Easements, and Authorizing  
Negotiations and Eminent Domain Actions



Order No. \_\_\_\_\_  
(Page 1 of 2)

This matter comes before the Board of County Commissioners of Clackamas County, Oregon (the "Board") at its regularly scheduled meeting on June 12, 2014; and,

It appearing that the Board previously approved funding for the Monterey Avenue Extension Project No. DA-00038 ("Project"), which will provide for the construction of a new portion of SE Monterey Avenue connecting SE 82<sup>nd</sup> Avenue on the east to SE Fuller Road on the west, including sidewalks, bike lanes and street lighting, that the Project is consistent with the powers and purposes of County government, and that the Project is necessary for the continued growth, safety and welfare of the community; and,

It further appearing to the Board that the Project has been planned and located in a manner which is most compatible with the greatest public good and causes the least private injury; and,

It further appearing to the Board that the acquisition of the rights of way and easements, described in Exhibit "A" is a necessary part of the Project and therefore is also consistent with the powers and purposes of County government; and necessary for the continued growth, safety and welfare of the community; and,

It further appearing to the Board that immediate possession of the rights of way and easements described in Exhibit "A" may be necessary and will be in the public interest in order to commence and complete the Project in a timely manner; and,

It further appearing that the Board has authority under ORS Chapter 35 to acquire rights of way and easements by purchase or eminent domain proceedings.

NOW, THEREFORE, IT IS HEREBY RESOLVED that this Board declares it necessary and in the public interest that the County immediately start acquisition of rights of way and easements described in Exhibit "A", either through negotiation and agreement, purchase, or, if necessary, by commencement of eminent domain proceedings.

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

In the Matter of the Monterey Avenue  
Extension Project, Declaring the Necessity  
and Purpose for Acquisition of Rights of  
Way and Easements, and Authorizing  
Negotiations and Eminent Domain Actions



Order No. \_\_\_\_\_  
(Page 2 of 2)

IT IS FURTHER ORDERED THAT:

1). The Clackamas County Development Agency immediately, and in good faith, attempt to negotiate agreements as to amount of just compensation owed each owner of each property identified in Exhibit "A". In so doing, the department is authorized to retain real estate appraisers, negotiators, and other such experts deemed necessary to fairly determine the amount of just compensation owed; and,

2). If the Manager of the Clackamas County Development Agency (the "Manager") determines that changes to the design of the Project, unanticipated field conditions, or the need to accommodate uneconomic remnants makes it necessary or desirable to modify the rights of way and easements required for the Project, the Manager shall promptly bring before the Board, and the Board shall promptly consider a resolution amending Exhibit "A"; and,

3). It is the intention of the Board that the required rights of way and easements identified in Exhibit "A" be obtained through good faith negotiation. The Board acknowledges that the exercise of the power of eminent domain may be necessary. The Manager shall inform the Board when the Manager deems eminent domain necessary. Thereafter, the Office of County Counsel is authorized to file complaints in condemnation and take such other steps as it determines necessary for the immediate possession of required rights of way and easements and the successful litigation of the condemnation action, including the retention of real estate appraisers, experts and other consultants deemed necessary to the successful conclusion of that litigation.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
John Ludlow, Chair

\_\_\_\_\_  
Mary Raethke, Recording Secretary



27  COPY  
DAN JOHNSON  
MANAGER

**DEVELOPMENT AGENCY**

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

June 12, 2014

Board of County Commissioners  
Clackamas County

Members of the Board:

**Approval of a Cost Recovery Agreement with the United States Forest Service for an Environmental Assessment of the Skibowl Waterline Extension Project in Government Camp**

<b>Purpose/Outcomes</b>	This agreement commits the Agency to reimburse the Forest Service for costs related to an environmental assessment required for the Skibowl waterline extension in Government Camp.
<b>Dollar Amount and Fiscal Impact</b>	The total estimated cost for this work is \$8,534 and was previously budgeted within the overall project costs.
<b>Funding Source</b>	Clackamas County Development Agency: Government Camp Urban Renewal District
<b>Safety Impact</b>	After completion, the new waterline will provide needed fire flows and hydrants to the Skibowl base area.
<b>Duration</b>	The agreement will terminate on December 31, 2015.
<b>Previous Board Action</b>	The Board of County Commissioners previously approved funds for this project in the 2013-14 budget. The project is also included in the 2014-15 budget under consideration.
<b>Contact Person</b>	David Queener, Senior Project Planner, Clackamas County Development Agency – (503) 742-4322

**BACKGROUND**

One of the primary goals of the Government Camp Urban Renewal Plan is to provide the infrastructure necessary to facilitate new development. To date, the Development Agency has installed over 10,000 feet of 12” waterlines and 30 fire hydrants throughout the community. Without these lines, many properties would have lacked the capacity to develop and the community would have been at a greater risk of a fire.

Skibowl’s master plan includes redevelopment of their base area that includes a mix of uses. In order for this to occur, their access to adequate water supply needs to be upgraded as their existing facilities are served only by a well. An extension of a 12” waterline to the base area will provide the capacity needed for redevelopment and improved fire protection. In addition, this line will be extended to the sewage treatment plant to provide the water needed when they expand their plant in the near future.

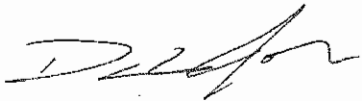
The new waterline must cross through Forest Service land, which requires a Special Use Permit. Prior to issuance of the permit, an environmental assessment must be completed to ensure that construction will not negatively impact plants or wildlife in the area.

Forest Service staff will complete the analysis and documentation needed for an anticipated determination of Categorical Exclusion, which will allow the project to proceed. They have estimated the work to cost \$8,534. They will begin the work immediately in order to provide the necessary approvals in time to allow construction to be completed this year.

**RECOMMENDATION:**

Staff respectfully recommends the Board authorize the Chair to sign the Cost Recovery Agreement with the United States Forest Service for costs related to an environmental assessment of the Skibowl waterline extension project in Government Camp.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Dan Johnson", written in a cursive style.

Dan Johnson  
Development Agency Manager

## **CATEGORY 6 MAJOR COST RECOVERY AGREEMENT**

**Between**

**USDA, FOREST SERVICE, Mt. Hood National Forest,**

**and Clackamas County Development Agency**

This agreement is entered into between the UNITED STATES DEPARTMENT OF AGRICULTURE, FOREST SERVICE, Mt. Hood National Forest (the Forest Service), and the Clackamas County Development Agency (the applicant) under 36 CFR 251.58.

### **A. RECITALS**

1. On 5/14/14, the Forest Service accepted the applicant's application for use and occupancy of National Forest System lands (hereinafter "the application"), which is enumerated in Appendix A. The Forest Service shall assess the applicant a cost recovery fee for the agency's costs to process the application.
2. The Forest Service has determined that the fee for processing the application falls within category 6 under the applicable Forest Service processing fee schedule and/or that the fee for monitoring the applicant's special use authorization falls within category 6 under the applicable Forest Service monitoring fee schedule.
4. The geographic area to be covered by this agreement is from Tyrolean Drive next to Highway 26 in Government Camp, through the Skibowl West parking lot to the Government Camp Sanitation District. See Appendix B.
5. The application has been submitted or the applicant's special use authorization is being issued under the Mineral Leasing Act, or under other authorities and the applicant has waived payment of reasonable costs. Therefore, the Forest Service is entitled to recover its full actual costs incurred in processing the application or monitoring the authorization.
6. Payment of a processing fee by the applicant does not obligate the Forest Service to authorize the applicant's proposed use and occupancy. If the application is denied or withdrawn in writing, the applicant is responsible for costs incurred by the Forest Service in processing the application up to and including the date the agency denies the application or receives written notice of the applicant's withdrawal. If the applicant withdraws the application, the applicant also is responsible

for any costs subsequently incurred by the Forest Service in terminating consideration of the application.

7. The Forest Service shall determine the appropriate level of environmental analysis for the application and inform the applicant prior to initiating the environmental analysis.

8. Information associated with this agreement may be released to the public in accordance with the provisions of the Freedom of Information Act and Privacy Act.

## **PART I - PROCESSING FEES**

### **B. BASIS FOR PROCESSING FEES**

Processing fees for the application are based upon the direct and indirect costs that the Forest Service incurs in reviewing the application, conducting environmental analyses of the effects of the proposed use, reviewing any applicant-generated environmental documents and studies, conducting site visits, evaluating the applicant's technical and financial qualifications, making a decision on whether to issue the authorization, and preparing documentation of analyses, decisions, and authorizations for the application. The processing fee for the application shall be based only on costs that are necessary for processing the application. "Necessary for" means that but for the application, the costs would not have been incurred. The processing fee shall not include costs for studies for programmatic planning or analysis or other agency management objectives, unless they are necessary for processing the application. Proportional costs for analyses, such as capacity studies, that are necessary for the application may be included in the processing fee.

### **C. AGREEMENT**

In consideration of the foregoing, the parties agree as follows:

1. Scope of Work. The Forest Service shall develop a scope of work for processing the application and an estimate of the agency's costs to process the application, which will be incorporated into this agreement as Appendix C. This scope of work shall report direct costs in categories that correspond to those in the agency's accounting system, e.g., job code, personnel compensation based upon the cost to the government (salary and benefits), travel, and other direct services, materials, and supplies. In addition, the estimate of the agency's processing costs shall include the agency's indirect costs based upon the approved annual indirect cost rate. Classification of costs as direct or indirect shall be in accordance with the published Forest Service budget for the applicable fiscal year.

2. Environmental Analysis. The Forest Service shall supervise the preparation of the environmental analysis associated with the application in compliance with applicable legal requirements, including public review of the analysis, analysis of public comments, and decision documentation. In exercising this responsibility, the Forest Service shall endeavor to foster

cooperation among other agencies involved in the process, and to integrate National Environmental Policy Act requirements and other environmental review and consultation requirements to avoid, to the fullest extent possible, duplication of efforts by those agencies. However, the Forest Service shall not delegate to any other agency its authority over the scope and content of the environmental analysis, or approval or denial of the application.

3. Billing. The Forest Service shall bill the applicant prior to commencement of work. The applicant agrees to pay the estimated processing fee of **\$8,534**. Cost breakdown available in Appendix C. The bill for the estimated processing fee will follow after signature of this document.

4. Payment. The applicant shall pay the estimated processing fee within 30 days of the date the bill for the fee is issued. The Forest Service shall not initiate processing the application until the estimated processing fee is paid. If the applicant fails to pay the estimated processing fee or the fee is late, the Forest Service shall cease processing the application until the fee is paid.

5. Statement of Costs. The Forest Service shall upon completion of the project report costs incurred for processing the application by providing a financial statement from the agency's accounting system to the applicant.

6. Underpayment. When the estimated processing fee is lower than the full actual costs of processing an application submitted under the Mineral Leasing Act, or lower than the full reasonable costs (when the applicant has not waived payment of reasonable costs) of processing an application submitted under other authorities, the applicant shall pay the difference between the estimated and full actual or reasonable processing costs within 30 days of billing.

7. Overpayment. If payment of the processing fee exceeds the full actual costs of processing an application submitted under the Mineral Leasing Act, or the full reasonable costs (when the applicant has not waived payment of reasonable costs) of processing an application submitted under other authorities, the Forest Service shall either (a) refund the excess payment to the applicant or (b) at the applicant's request, credit it towards monitoring fees due.

#### 8. Disputes

a. If the applicant disagrees with the estimated dollar amount of the processing costs, the applicant may submit a written request before the disputed fee is due for substitution of alternative estimated costs to the immediate supervisor of the authorized officer who determined the estimated costs. The written request must include supporting documentation.

b. If the applicant pays the full disputed processing fee, the Forest Service shall continue to process the application during the supervisory officer's review of the disputed fee, unless the applicant requests that the application processing cease.

c. If the applicant fails to pay the full disputed processing fee, the Forest Service shall suspend further processing of the application pending the supervisory officer's determination of an appropriate processing fee and the applicant's payment of that fee.



d. The authorized officer's immediate supervisor shall render a decision on a disputed processing fee within 30 calendar days of receipt of the written request from the applicant. The supervisory officer's decision is the final level of administrative review. The dispute shall be decided in favor of the applicant if the supervisory officer does not respond to the written request within 30 days of receipt.

9. Lack of Administrative Appeal. A decision by an authorized officer to assess a processing fee or to determine the estimated costs is not subject to administrative appeal. A decision by an authorized officer's immediate supervisor in response to a request for substitution of alternative estimated costs likewise is not subject to administrative appeal.

10. Amendment. Modifications to this agreement shall be made in writing and shall be signed and dated by both parties.

11. Expiration and Termination. This agreement expires on 12/31/2015. Either party, in writing, may terminate this agreement in whole or in part at any time before it expires. The applicant is responsible for all Forest Service costs covered by this agreement that are incurred up to the date of expiration or termination.

12. Principal Point of Contact. The Forest Service and the applicant shall each establish a principal point of contact for purposes of this agreement.

The Forest Service's contact is Leanne Veldhuis, Special Uses Program Manager, 503-622-2030.

The applicant's contact is David Queener, Senior Project Planner, 503-742-4322.

---

**This agreement is accepted subject to all its terms and conditions.**

**BOARD OF COUNTY COMMISSIONERS**  
**Acting as the Governing Body of the**  
**Clackamas County Development Agency**

By: \_\_\_\_\_  
John Ludlow, Chair

\_\_\_\_\_ Date

**Zigzag Ranger District**

By: \_\_\_\_\_  
Bill Westbrook, District Ranger

\_\_\_\_\_ Date

## **APPENDIX A**

### **Applications and Authorizations Subject to this Agreement**

#### Application

An application was received in March 2014 to extend a 12" diameter waterline approximately 1300 feet from Tyrolean Drive west to the access road for the Government Camp Sewage Treatment Plant. The location of the site is shown in Appendix B. Also being undertaken is issuing a permit for this use.

#### Authorizations

If the environmental analysis for the proposed action shows that this project is approved, the facilities will be authorized as authorization ZIG225 under Use Code 914, Water Transmission Pipeline, 12" Diameter or Greater.



## **APPENDIX C**

### **Scope of Work**

The scope of work covered by the agreement is for the Mt. Hood National Forest to analyze the environmental effects of installing new waterline in the proposed area. The line will be placed underground a minimum of 3 feet in depth in either existing asphalt or drainage ditches. All shoulders, drainage ditches and paved surfaces will be restored as part of the project. The scope of work also includes issuing Special Use Permit ZIG225.



COPY 29

DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT

June 12, 2014

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

Board of County Commissioners, acting as Clackamas County Service District No. 5 Board  
Clackamas County

Members of the Board:

A Resolution Authorizing Transfer of  
Appropriations for Fiscal Year 2013-2014 for  
Clackamas County Service District No. 5

<b>Purpose/Outcomes</b>	Transfer of appropriations for the 2013-2014 budget to ensure adequate funds to cover PGE electricity costs
<b>Dollar Amount and Fiscal Impact</b>	None
<b>Funding Source</b>	District Rate Assessment
<b>Safety Impact</b>	None
<b>Duration</b>	Fiscal Year 2013-2014
<b>Previous Board Contact</b>	None
<b>Contact Person</b>	Wendi Coryell, Service District Specialist - DTD Engineering – 503-742-4657
<b>Contract No.</b>	None

**BACKGROUND:**

Clackamas County Service District No. 5 is requesting to transfer appropriations between major categories to recognize the 2013-2014 increased Portland General Electric (PGE) rate changes which exceed the current year budget.

Transfers are a method of moving budgeted appropriations during the fiscal year as required by state budget law per ORS 294.463. There is no financial impact incurred as a result of transfers as appropriations for these amounts have been accomplished through the initial budget process.

The attached resolution meets the requirements of transferring funds in order for the District to maintain a budget which provides adequate funds needed to cover the street lighting electrical cost. Service District No. 5 is transferring from contingency to electric in order to pay the 2013-2014 increase in PGE electrical costs approved by the Oregon Public Utility Commission and took effect December 9, 2013.

**RECOMMENDATION:**

Staff respectfully recommends that the Board adopt the attached Resolution and Exhibit A to maintain an accurate budget.

For additional information, please contact Wendi Coryell at 503-742-4657.

Sincerely,

Wendi Coryell, Service District Specialist  
Clackamas County Service District No. 5

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

A Resolution Authorizing Transfer  
of Appropriations for Fiscal Year  
2013-2014 for the Clackamas  
County Service District No. 5



RESOLUTION No.  
page 1 of 1

WHEREAS, during the fiscal year, changes in appropriated expenditures may become necessary and appropriations may need to be increased, decreased or transferred from appropriation category to another.

WHEREAS, transfer of appropriations for the period of July 1, 2013 through June 30, 2014 is necessary to continue to prudently manage the distribution of those expenditures.

WHEREAS, the fund being adjusted is  
the:

Service District No. 5 Street Lighting Fund

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS, acting as Clackamas County Service District No. 5 Board, THAT:

Pursuant to its authority under ORS 294.463, transfer of appropriation within the fiscal year budget is authorized as shown in the attached Exhibit A which by this reference is made a part of this Resolution.

ADOPTED this \_\_\_\_ day of June, 2014.

BOARD OF COUNTY COMMISSIONERS,  
Acting as the Governing Body of Clackamas County Service District No. 5

\_\_\_\_\_  
Chair

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

**TRANSFER REQUESTS**

Exhibit A

**Service District No. 5 Street Lighting Fund**

Decrease:		
Contingency (Account 499001)		<u>\$ 50,000.</u>
Total		<u>\$ 50,000.</u>

Increase:		
Electric (Account 436100)		<u>\$ 50,000.</u>
Total		<u>\$ 50,000.</u>

Transfer from the Contingency account into the Electric account to recognize the 2013-2014 increased cost of electricity due to the PGE Rate Case approved by the Oregon Public Utility Commission which took effect December 9, 2013.



Water Quality Protection  
Surface Water Management  
Wastewater Collection & Treatment

J. Michael Read  
Interim Director

June 12, 2014

Board of County Commissioner  
Clackamas County

Members of the Board:

**APPROVAL OF A SECTION 00500 AGREEMENT BETWEEN CLACKAMAS COUNTY SERVICE DISTRICT NO. 1 AND STETTLER SUPPLY COMPANY FOR THE KELLOGG CREEK WPCP AERATION BASIN IMPROVEMENTS PROJECT**

<b>Purpose/Outcomes</b>	The aeration basin diffusers at the Kellogg Creek Water Pollution Control Plant (WPCP) are at the end of their useful life and must be replaced. Replacing the diffuser system with newer technology will result in improved, reliable and uniform dispersal of air into the waste stream – an important element of the treatment process.
<b>Dollar Amount and Fiscal Impact</b>	This agreement is for an amount not to exceed \$442,579 and is funded in the Clackamas County Service District No. 1 FY2013-14 and FY2014-15 budget.
<b>Funding Source</b>	Clackamas County Service District No. 1 – no General County Funds are involved.
<b>Safety Impact</b>	Decreases the amount of time maintenance personnel are exposed to the dangers of working on old equipment.
<b>Duration</b>	June 2014 thru November 2014
<b>Previous Board Action</b>	None.
<b>Contact Person</b>	J. Michael Read, Interim Director – Water Environment Services – 503-742-4560
<b>Contract No.</b>	P112065

**BACKGROUND:**

The existing diffuser system in the Kellogg Creek Water Pollution Control Plant (WPCP) aeration basin, was installed in the late 1970's when the plant was constructed. Diffusers are used to efficiently distribute this large volume of air, maximizing the bacterial treatment process. This project will replace the existing system with newer technology air diffusers advanced in both diffusion of air and in energy savings, including replacement of outdated diffusers, relevant supply piping, aged baffle walls, failed joint sealants in construction joints, and other related elements. The total cost of the project has been offset by funds granted from the Energy Trust of Oregon.

On April 28, 2014 and May 2, 2014 the District publicly advertised the Clackamas County Service District No. 1 Kellogg Creek WPCP Aeration Basin Improvements Project. In addition, the District held a mandatory pre-bid site visit for potential bidders on May 6, 2014, allowing extensive interaction between



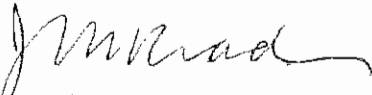
District personnel and potential bidders. On May 22, 2014 the District opened received bids and confirmed that the low responsive bidder is eligible to perform work in the State of Oregon and is not on the States ineligible list. Of the bids received, it has been determined that Stettler Supply Company (dba Stettler Supply and Construction) is the low responsive bidder. All labor and materials anticipated for this work are included in the not to exceed amount. This agreement has been reviewed and approved by County Counsel.

**RECOMMENDATION:**

Staff recommends:

1. The Board of County Commissioners, acting as the governing body of Clackamas County Service District #1, 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. Approve the Section 00500 Agreement between Clackamas County Service District No. 1 and Stettler Supply Company for the Kellogg Creek WPCP Aeration Basin Improvements Project for an amount not to exceed \$442,579.00; and
3. The Interim Director of Water Environment Services be authorized to execute the agreement between Clackamas County Service District No. 1 and Stettler Supply Company without further Board action.

Respectfully,



J. Michael Read  
Interim Director

SECTION 00500

AGREEMENT

THIS AGREEMENT is dated as of the \_\_\_\_\_ day of \_\_\_\_\_ in the year 20\_\_  
by and between Clackamas County Service District No. 1 (hereinafter called OWNER) and  
\_\_\_\_\_  
\_\_\_\_\_(hereinafter called Contractor).

OWNER and Contractor, in consideration of the mutual covenants hereinafter set forth, agree as follows:

Article 1. WORK

- 1.1 Contractor shall complete all Work as specified or indicated in the Contract Documents. The Work is generally described as follows:  
  
Kellogg Creek Water Pollution Control Plant – Aeration Basin Improvements Project

Article 2. THE PROJECT

The Project for which the Work is described in the Contract Documents.

Article 3. ENGINEER

- 3.1 The term Engineer is defined in the Supplementary Conditions.
- 3.2 Engineer is to act as OWNER's representative, assume all duties and responsibilities and have the rights and authority assigned to Engineer in the Contract Documents in connection with completion of the Work in accordance with the Contract Documents.

Article 4. CONTRACT TIMES

- 4.1 All time limits for milestones, if any, substantial completion, and completion and readiness for final payment are stated in the Contract Documents and are of the essence of the Contract.
- 4.2 The Contractor shall commence work within 10 calendar days after receipt of written Notice-to-Proceed. Contractor shall substantially complete all of the Work within 135 calendar days of Notice-to-Proceed, and all of the Work shall be completed and ready for final payment in accordance with Paragraph 14.07 of the General Conditions within 165 calendar days after Notice-to-Proceed. The written Notice-to Proceed will be forwarded to the Contractor after the Contractor submits the signed Agreement, Performance Bond and Payment Bond, and Certificate of Insurance to the OWNER and these documents have been approved as to form by the OWNER's attorney, and signed by the OWNER. In addition, the

Contractor shall adhere to timeframes for Interim Milestones, if any are identified in Section 01313. Interim Milestones identified in Section 01313 (if any) shall be made substantially complete and operational within the times specified in Section 01313.

- 4.3 Contractor and OWNER recognize that time is of the essence of this Agreement and that OWNER will suffer financial loss if the Work is not completed within the times specified in Paragraph 4.2 above, plus any extensions thereof allowed in accordance with Article 12 of the General Conditions. The parties also recognize the delays, expense, and difficulties involved in proving in a legal or arbitration proceeding, the actual loss suffered by OWNER if the Work is not completed on time. Accordingly, instead of requiring any such proof, OWNER and Contractor agree that as liquidated damages for delay (but not as a penalty) Contractor shall pay OWNER five hundred dollars (\$500.00) for each calendar day that expires after the time specified in Paragraph 4.2 above for Substantial Completion until all of the Work is substantially complete. After Substantial Completion, if Contractor shall neglect, refuse or fail to complete the remaining Work within the days specified in paragraph 4.2 above for completion and readiness for final payment or any proper extension thereof granted by OWNER, Contractor shall pay OWNER five hundred dollars (\$500.00) for each calendar day that expires after the time specified in Paragraph 4.2 above for completion and readiness for final payment for all of the Work, plus any fees or penalties imposed by regulators for other violations. In addition, Liquidated Damages for failure to substantially complete Interim Milestone Work identified in Section 01313 (if any) shall be five hundred dollars (\$500.00) for each calendar day that expires after the times specified in Section 01313.

Article 5. CONTRACT PRICE

- 5.1 OWNER shall pay Contractor for completion of the Work in accordance with Contract Documents an amount in funds equal to the sum of the amounts determined pursuant to Article 5.2 below.
- 5.2 For all Work, in accordance with Section 00301 – Bid Form:

A. Total Base Bid Amount: \$ \_\_\_\_\_  
(in figures)

Article 6. PREVAILING WAGE RATES

- 6.1 CONTRACTOR agrees that the provisions required by ORS 279C.830 pertaining to CONTRACTOR'S payment of prevailing wage rates shall be included as part of this Agreement. Each worker in each trade or occupation employed in the performance of the contract either by the CONTRACTOR, subcontractor, or other person doing or contracting for whole or any part of the work on this Contract shall be paid not less than the applicable prevailing wage in effect for this Contract.

## Article 7. PAYMENT PROCEDURES

### 7.1 Progress Payments and Retainage

- A. Payment for all work under the Contract will be made at the price or prices bid, and those prices shall include full compensation for all incidental work.
- B. If the Contract is for a public work and the Contract price is \$10,000.00 or more, supply and file, and require every Subcontractor to supply and file, with the OWNER and with the Wage and Hour Division, Bureau of Labor and Industries, 1400 S.W. Fifth Avenue, Portland, Oregon, 97201, a statement in writing that conforms to the requirements of ORS 279C.854. The schedule for submitting payroll information is as follows: Once before the first payment and once before the final payment is made; in addition, for projects exceeding ninety (90) days for completion, submissions are to be made at ninety (90) day intervals.
- C. Make progress estimate of work performed in any calendar month and submit to the Engineer for approval by the fifth (5<sup>th</sup>) day of the following month. These estimates shall include value of labor performed and materials incorporated in the work since commencing work under the Contract. Such estimates need not be made by strict measurements and may be approximate only, and shall be based upon the whole amount of money that will become due according to terms of the Contract when Project has been completed.
- D. If the Contract price is determined, in whole or in part, on a Lump Sum basis, prepare an itemized cost breakdown relating thereto and have the Engineer approve in accordance with Division 1 requirements; progress estimates based on said itemized cost breakdown may be the basis for progress payments. Upon direction by the Engineer provide for revision of the costs breakdown to reflect the true costs of the work as it progresses.
- E. If the Contract price is determined wholly on a unit basis, Engineer may use Unit Prices bid in making progress estimates on the work. In case said Unit Prices do not, in the opinion of the Engineer, truly represent actual relative costs of different parts of work, a percentage of the Unit Price may be used in making progress estimate adjustments.
- F. If the OWNER receives written notice of any unsettled claims for damages or other costs due to Contractor's operations including, without limitation, claims from any County Department or other governmental agency, an amount equal to the claim may be withheld from the progress or final payments until such claim has been resolved to the satisfaction of Engineer.
- G. Progress payments will be made by OWNER on a monthly basis within thirty (30) days after receipt of the Contractor's estimate of work performed, or 15 days after the payment is approved by the Engineer, whichever is the earlier date. Negotiable warrants will be issued by OWNER for the amount of the approved estimate, less five percent (5%) retainage. Such amount of retainage shall be withheld and retained by OWNER until it is included in

and paid to Contractor as part of the final payment of the Contract amount. Securities in lieu of retainage will be accepted, or if Contractor elects, retainage as accumulated will be deposited by OWNER in an interest-bearing account pursuant to ORS Chapter 279 for progress payments. After fifty percent (50%) of the Work under Contract is completed, and the Work is progressing satisfactorily, the OWNER may elect to eliminate further retainage on any remaining monthly Contract payments. Said elimination or reduction of retainage shall be allowed only upon written application by the Contractor, which application shall include written approval of the Contractor's Surety.

- H. The Engineer may decline to approve an application for payment and may withhold such approval if, in the Engineer's opinion, the work has not progressed to the point indicated by the Contractor's submittal in paragraph C above. The Engineer may also decline to approve an application for payment or may reduce said payment or, because of subsequently discovered evidence or subsequent inspections, he may nullify the whole or any part of any payment previously made to such extent as may be necessary in his opinion to protect the OWNER from loss because of: (1) defective work not remedied, (2) third party claims filed or failure of the Contractor to make payments properly to Subcontractors for labor, materials or equipment, unless Surety consents to such payment, (3) reasonable doubt that the Work can be completed for the unpaid balance of the Contract sum, (4) damage to another contractor's work, (5) reasonable indication that the Work will not be completed within the Contract time (6) unsatisfactory prosecution of the Work by the Contractor, (7) claims against the Contractor by the OWNER, (8) failure of Contractor to submit updated project schedules as specified.

When the above grounds are removed, payment shall be made for amounts withheld because of them. Withholding of progress payments or partial payments under the criteria set forth above shall not entitle the Contractor to interest on such withheld payments or partial payments.

- I. If Contractor fails to complete the Project within the time limit fixed in the Contract or any extension, no further estimate may be accepted or progress or other payments allowed until the Project is completed, unless approved otherwise by OWNER.
- J. Progress estimates are for the sole purpose of determining progress payments and are not to be relied on for any other purpose. The making of a progress payment shall not be construed as an acceptance of any of the work or materials under the Contract.
- K. When the progress estimate indicates that the progress payment would be less than one thousand dollars (\$1000), no progress payment will be made for that estimate period, unless approved by the Engineer.
- L. Contractors are required to provide the OWNER with a list of Contractor's personnel who are authorized to personally receive contract payments. This written authorization must be signed by an officer of the Contracting

company and will be placed on file in the OWNER'S office. No payment will be released to an unauthorized person.

## 7.2 Final Estimate and Final Payment

- A. Pursuant to ORS Chapter 279C, notify the Engineer in writing when work is considered complete and Engineer shall, within fifteen (15) days after receiving notice, make a final inspection and either accept the work or notify Contractor of work yet to be performed on the Contract. If accepted, Engineer shall so notify Contractor, and will make a final estimate and prepare a Certificate of Completion recommending acceptance of the Work as of a certain date.
- B. If the Contractor believes the quantities and amounts specified in the final estimate and Certificate of Completion prepared by the Engineer to be incorrect, Contractor shall submit to the Engineer within fifteen (15) days of mailing of the Engineer's final estimate and Certificate of Completion to the Contractor's last known address as shown in the records of the OWNER, an itemized statement of any and all claims for additional compensation under the Contract which are based on differences in measurements or errors of computation. Any such claim not so submitted and supported by an itemized statement within said fifteen (15) day period is expressly waived and the OWNER shall not be obligated to pay the same. Nothing contained herein shall limit the requirements of Section 00700, Subsection 10.05, Claims and Disputes.
- C. Upon receipt of the executed Certificate of Completion from the Contractor, and approval by the Engineer, the Engineer will process the final payment.
- D. Provided Contractor submits a claim in the manner and time as required in B. above, the Engineer, as soon as practicable, will consider and investigate the claim or claims of the Contractor for compensation earned under the Contract and not included in the Engineer's final estimate and Certificate of Completion. The Engineer will then promptly advise the Contractor of acceptance or rejection of the claim in full or part. If the Engineer allows the Contractor's claims in full or in part, Engineer will prepare a revised final estimate and Certificate of Completion, including all such items allowed and will submit the same to the Contractor.
- E. The Contractor shall execute and return the revised Certificate of Completion within five (5) days of its receipt together with notice of his acceptance or rejection of the amount there stated as being full compensation earned under the Contract.
- F. If the Engineer rejects the claim or claims, he will issue written notice of rejection mailed to the Contractor's last known address as shown in the records of the OWNER.
- G. The Contractor shall commence any suit or action to collect or enforce the claim or claims for any additional compensation arising from differences in measurements or errors of computation in the final estimate within a period

of one (1) year following the original mailing of the Engineer's final estimate and Certificate of Completion to the Contractor's last known address as shown in the records of the OWNER. The Engineer's issuance of a revised final estimate pursuant to this subsection does not alter the original final estimate date. If said suit, action or proceeding is not commenced in said one (1) year period, the final estimate and Certificate of Completion or revised final estimate and Certificate of Completion, if revisions are made, shall be conclusive with respect to the amount earned by the Contractor, and the Contractor expressly waives any and all claims for compensation and any and all causes of suit or action for the enforcement thereof that he might have had.

- H. Upon return of the fully executed Certificate of Completion from the Contractor, the Engineer will submit the Certificate of Completion and final estimate to the OWNER for approval. Upon approval and acceptance by the OWNER, Contractor will be paid a total payment equal to the amount due under the Contract including retainage.
- I. Monies earned by the Contractor are not due and payable until the procedures set forth in these Specifications for inspection, approval and acceptance of the Work, for determination of the work done and the amount due therefore, for the preparation of the final estimate and Certificate of Completion processing the same for payment, for consideration of the Contractor's claim, or claims, if any, and for the preparing of a revised final estimate and Certificate of Completion and processing same for payment have been carried out.
- J. Non-resident Contractor will provide OWNER with evidence that provisions of ORS Chapter 279A.120 have been satisfied; this is a prerequisite to final payment.
- K. Execute and deliver to OWNER, in form approved by the Attorney, a receipt for all amounts paid or payable to Contractor under the Contract, and a release and waiver of all claims against OWNER arising out of or relating to the Contract and furnish satisfactory evidence that all amounts due for labor, materials and other obligations under the Contract have been fully and finally settled or are fully covered by the Performance and Payment Bond and or insurance protecting OWNER, its officers, agents and employees as well as Contractor. This is a condition of final payment and Contractor will not be entitled to final payment on release of retainage nor interest thereon until execution and delivery of said Receipt, Release & Waiver.
- L. If OWNER declares a default of the Contract and Surety completes said Contract, all payments after declaration of default and retainages held by OWNER shall be paid to Surety and not to Contractor in accordance with terms of the Contract.
- M. Acceptance by Contractor of final payment shall release OWNER and Engineer from any and all claims by Contractor whether known or unknown, arising out of and relating to the Work. No payment, however, final or oth-

erwise shall operate to release Contractor or his Sureties from warranties or other obligations required in the performance of the Contract.

## Article 8. CONTRACT DOCUMENTS

### 8.1 Contents

- A. The Contract Documents which comprise the entire agreement between OWNER and Contractor concerning the Work consist of the following:
1. This Agreement
  2. Performance Bond
  3. Payment Bond
  4. General Conditions
  5. Supplementary Conditions
  6. Specifications and Drawings (including Appendices if any) as listed in Table of Contents of the Contract Documents, including the referenced Oregon State prevailing hourly wage rates for Public Works Contracts in Oregon requirements.
  7. Reference record information as identified in Table of Contents of the Contract Documents.
  8. Exhibits to this Agreement (enumerated as follows):
    - a. Addenda number(s) \_\_\_ to \_\_\_ included as Exhibit 1.
    - b. Bid Form
    - c. Bid Bond
    - d. Noncollusion Affidavit
    - e. Resident/Nonresident Bidder Status
    - f. First-tier Subcontractor Disclosure Form
  9. The following which may be delivered or issued on or after the effective Date of the Agreement and are not attached hereto:
    - a. Notice to Proceed.
    - b. Written Amendments.
    - c. Work Change Directives.
    - d. Change Order(s).
- B. The documents listed in Paragraph 8.1.A are attached to this Agreement (except as expressly noted otherwise above).



Article 9. MISCELLANEOUS

- 9.1 Terms used in this Agreement will have the meaning indicated in the General Conditions, and as revised by Supplementary Conditions.
- 9.2 No assignment by a party hereto of any rights under or interests in the Contract will be binding on another party hereto without the written consent of the party sought to be bound; and, specifically but without limitation, moneys that may become due and moneys that are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.
- 9.3 OWNER and Contractor each binds itself, its partners, successors, assignees, and legal representatives in respect to all covenants, agreements, and obligations contained in the Contract Documents.
- 9.4 Any provision or part of the Contract Documents held to be void or unenforceable under any Law or Regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon OWNER and Contractor, who agree that the Contract Documents shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.
- 9.5 Two Year Maintenance and Warranty
  - A. In addition to and not in lieu of any other warranties required under the Contract, make all necessary repairs and replacements to remedy, in a manner satisfactory to the OWNER and at no cost to OWNER, any and all defects, breaks, or failures of the Work occurring within two (2) years following the date of Acceptance of the Work due to faulty or inadequate materials or workmanship. Repair damage or disturbances to other improvements under, within, or adjacent to the Work, whether or not caused by settling, washing, or slipping, when such damage or disturbance is caused, in whole or in part, from activities of the Contractor in performing his duties and obligations under this Contract when such defects or damage occur within the warranty period. The two-year maintenance period required shall, with relation to such required repair, be extended two (2) years from the date of completion of such repair. Where equipment and/or systems are specified to have a longer warranty period, Contractor shall be bound to the longer warranty period for the specific Contractor furnished equipment and/or system.
  - B. If Contractor, after written notice, fails within ten (10) days to proceed to comply with the terms of this section, OWNER may have the defects corrected, and Contractor and Contractor's Surety shall be liable for all expense incurred. In case of an emergency where, in the opinion of the OWNER, delay would cause serious loss or damage, repairs may be made without notice being given to Contractor and Contractor or Surety shall pay the cost of repairs. Failure of the OWNER to act in case of an emergency

shall not relieve Contractor or Surety from liability and payment of all such costs.

- C. As a means of providing surety during the maintenance period, the Contractor shall provide to the OWNER written and legally attested proof of surety in the amount of not less than 10 percent of the final contract amount. The maintenance guarantee shall be one of the following types:
1. Continuance of the contract performance bond at the original or a reduced amount.
  2. Maintenance bond in a format and with the conditions acceptable to the OWNER.
  3. Cash deposit to the OWNER's Treasury, with a treasurer's receipt acting as proof of surety.
  4. Other arrangements, as may be proposed by the contractor and accepted by the OWNER.

#### Article 10. GOVERNING LAW

- 10.1 It is expressly understood that this Agreement in all respects shall be governed by the laws of the State of Oregon and the ordinances of the Clackamas County Service District No. 1 and Clackamas County.

#### Article 11. ASSIGNMENT OF ANTITRUST RIGHTS

- 11.1 By entering into this Agreement, the Contractor irrevocably assigns to OWNER any claim or cause of action which the Contractor now has or which may accrue in the future, including at OWNER's option, the right to control any such litigation, by reason of any violation of 15 USC Section 1-15 or ORS 646.725 or ORS 646.730, in connection with any goods or services provided to the Contractor by any person which are used, in whole or in part, for the purpose of carrying out the Contractor's obligations under this Agreement.
- 11.2 Contractor shall require any subcontractor to irrevocably assign to the OWNER, as a third party beneficiary, any right, title or interest that has accrued or may accrue to the subcontractor by reason of any violation of 15 USC Section 1-15, ORS 646.725 or ORS 646.730, including, at the OWNER's option, the right to control any litigation arising thereunder, in connection with any goods or services provided to the subcontractor by any person, in whole or in part, for the purpose of carrying out the subcontractor's obligations as agreed to by the Contractor in pursuance of the completion of this Agreement.
- 11.3 In connection with this assignment, it is an express obligation of the Contractor that it shall take no action which in any way diminishes the value of the rights conveyed or assigned hereunder to the OWNER. It is an express obligation of the Contractor to advise the OWNER's legal counsel:

- A. In advance of its intention to commence any action on its own behalf regarding such claims or causes of action;
- B. Immediately, upon becoming aware of the fact that an action has been commenced on its own behalf by some other person or persons, of the pendency of such action; and
- C. The date on which it notified the obligor(s) of any such claims for relief or causes of action of the fact of its assignments to the OWNER.

11.4 Furthermore, it is understood or agreed that in the event that any payment under any such claim is made to the Contractor, it shall promptly pay over to the OWNER its proportionate share thereof, if any, assigned to the OWNER hereunder.

Article 12. RECORDS RETENTION

12.1 Contractor shall maintain all standard records and accounts as required by the Contract Documents throughout the life of the Agreement and for a period of three years after the termination of the Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in duplicate by their respectively authorized officers or representatives as of the day and year first above written.

WATER ENVIRONMENT SERVICES for  
CLACKAMAS COUNTY SERVICE DISTRICT NO. 1

CONTRACTOR:

OWNER:

\_\_\_\_\_  
Company

\_\_\_\_\_  
Director

\_\_\_\_\_  
Address

\_\_\_\_\_  
Date

\_\_\_\_\_  
City, State, Zip

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Federal Tax ID Number

\_\_\_\_\_  
Date

\*\*END OF SECTION\*\*

SECTION 00610

PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS, that we \_\_\_\_\_

\_\_\_\_\_ as PRINCIPAL, and \_\_\_\_\_

\_\_\_\_\_ a corporation, duly authorized to do a general surety business in Oregon, as SURETY, and jointly and severally held and bound unto \_\_\_\_\_

\_\_\_\_\_ the OBLIGEE herein, in the sum of \_\_\_\_\_

\_\_\_\_\_ (dollars) (\$)

for the payment of which we jointly and severally bind ourselves, our heirs, executors, administrators, successors, and assigns, firmly by these presents:

THE CONDITION OF THIS BOND IS SUCH THAT

WHEREAS, \_\_\_\_\_ (Contractor)

the PRINCIPAL herein, on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ entered into a contract with the OBLIGEE which contract documents consist of the "Invitation to Bid"; the "Instructions to Bidders", the "Bid Proposal, Schedule of Prices and Subcontractor Form", the "Bid Bond", the "Performance Bond and the Payment Bond", the "Certificate of Insurance", the "Prevailing Wage Rates for Public Contracts in Oregon" the "Standard Specifications and Special Provisions", " the "Plans and Drawings", and the "Agreement Form" all as hereto attached and made a part hereof, whereby said PRINCIPAL undertakes to do all labor, furnish all plant and equipment, and furnish all material, in accordance with all the terms and conditions set forth in said contract documents; and to save harmless the OBLIGEE from any claim for damages or injury to property or persons arising by reason of said work, as set out more fully in said contract documents; and to do and perform all things in said contract documents required, in the time and manner under the terms and conditions therein set forth; and in conformity with all laws, state and national, applicable thereto.

NOW, THEREFORE, if said PRINCIPAL herein shall commencing with the date hereof and continuing for one year after the complete performance of the contract and the final acceptance of the work in the contract, save harmless the OBLIGEEES, its officers and agents, from all claims therefore, or from any claim for damages or injury to property or persons arising by reason of said work; and shall, in the time and manner, and under the terms and conditions

prescribed, well and faithfully do, perform, and furnish all matters and things as by them in said contract undertaken, and as by law, state and national, prescribed, then this obligation shall be void; but otherwise it shall remain in full force and effect.

PROVIDED, HOWEVER, that this bond is subject to the following conditions:

(a) In no event shall the SURETY be liable for a greater sum than the penalty of this bond.

(b) The said SURETY for the value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the contract or to the work to be performed thereunder or the specifications accompanying the same shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the contract or to the work or to the specifications.

(c) The PRINCIPAL herein shall faithfully and truly observe and comply with the terms of the contract and shall well and truly perform all matters and things by him undertaken to be performed under said contract upon the terms proposed therein and shall promptly, as due, make payment to any person, copartnership, association, or corporation furnishing medical, surgical and hospital care or other needed care and attention incidental to sickness or injury to the employees of such PRINCIPAL, pursuant to the laws of this state and any contract entered into pursuant thereto or collected or deducted from the wages of said employees pursuant to any law, contract or agreement for the purpose of providing or paying for such services, and shall do all things required of said PRINCIPAL by the laws of this state.

This bond is given and received under the authority of ORS Chapter 279, the provisions of which hereby are incorporated into this bond and made a part hereof.

Provide the following information:

Bond #: \_\_\_\_\_

Agent Contact Name: \_\_\_\_\_

Agent Address: \_\_\_\_\_

Agent Phone Number: \_\_\_\_\_

IN WITNESS WHEREOF, the parties hereto have caused this bond to be executed in one original, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_(SEAL)

\_\_\_\_\_(SEAL)

\_\_\_\_\_(SEAL)

\_\_\_\_\_(SEAL)

PRINCIPLE

WITNESSES:

\_\_\_\_\_(SEAL)

\_\_\_\_\_(SEAL)

\_\_\_\_\_(SEAL)

SURETY

The attorney-in-fact who executes this bond in behalf of the surety company, must attach a copy of his power-of-attorney as evidence of his authority.

To each executed original of this bond, there must be attached a complete set of the contract documents, as the term is defined in Section 00500 Agreement, Article 8.1.A, with all corrections, interlineations, signatures, etc., completed reproduced therein.

**\*\*END OF SECTION\*\***

SECTION 00620

PAYMENT BOND

KNOW ALL MEN BY THESE PRESENTS, that we \_\_\_\_\_

\_\_\_\_\_

as PRINCIPAL, and \_\_\_\_\_

\_\_\_\_\_

a corporation, duly authorized to do a general surety business in Oregon, as SURETY, and jointly and severally held and bound unto

\_\_\_\_\_

the OBLIGEE herein, in the sum of \_\_\_\_\_

\_\_\_\_\_ (dollars) (\$)

for the payment of which we jointly and severally bind ourselves, our heirs, executors, administrators, successors, and assigns, firmly by these presents:

THE CONDITION OF THIS BOND IS SUCH THAT

WHEREAS, \_\_\_\_\_  
(Contractor)

the PRINCIPAL herein, on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ entered into a contract with the OBLIGEE which contract documents consist of the "Invitation to Bid"; the "Instructions to Bidders", the "Bid Proposal, Schedule of Prices and Subcontractor Form", the "Bid Bond", the "Performance Bond and the Payment Bond", the "Certificate of Insurance", the "Prevailing Wage Rates for Public Contracts in Oregon" the "Standard Specifications and Special Provisions", " the "Plans and Drawings", and the "Agreement Form" all as hereto attached and made a part hereof, whereby said PRINCIPAL undertakes to promptly make payment for all labor, services, material, and sums due the workmen's compensation board or equivalent, the collector of internal revenue, the unemployment compensation trust fund, and the treasurer of the State of Oregon in conformity with all laws, state and national, applicable thereto.

NOW, THEREFORE, if said PRINCIPAL herein shall promptly pay all persons furnishing labor, services and material, and sums due for workmen's compensation insurance or equivalent, social security and unemployment compensation, sums due to the Department of Revenue, to him and to his subcontractor, or to their assigns, on or about said work then this obligation shall be void; but otherwise it shall remain in full force and effect.

PROVIDED, HOWEVER, that this bond is subject to the following conditions:

(a) All materialmen, and all persons who shall supply such laborers, mechanics, or subcontractors with material, supplies or provisions for carrying on such work, shall have a direct right of action against the PRINCIPAL and SURETY on this bond, second only to the right of the OBLIGEE under this bond, which right of action shall be asserted in proceedings instituted in the appropriate court of the State of Oregon, and insofar as permitted by the laws of Oregon, such right of action shall be asserted in a proceeding instituted in the name of the OBLIGEE to the use and benefit of the person, firm, or corporation instituting such action and of all other persons, firms, or corporations having claims hereunder, and any other person, firm or corporation having a claim hereunder shall have the right to be made a party to such proceeding (but not later than one year after the complete performance of said contract and final acceptance of the work in the contract) and to have such claim adjudicated in such action and judgment rendered thereon.

(b) In no event shall the SURETY be liable for a greater sum than the penalty of this bond.

(c) The said SURETY for the value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the contract or to the work to be performed thereunder or the specifications accompanying the same shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the contract or to the work or to the specifications.

(d) The PRINCIPAL herein shall faithfully and truly observe and comply with the terms of the contract and shall promptly make payments to all persons supplying labor or material for any prosecution of the work provided for in such contract and shall not permit any lien or claim to be filed or prosecution against the OBLIGEES, on account of any labor or material furnished, and shall promptly pay all contributions or amount due the workmen's compensation board or equivalent and all contributions or amounts due the state employment compensation trust fund incurred in the performance of said contract, and shall also pay all sums of money withheld from the employees and payable to the state tax commission pursuant to ORS 316.711, and shall do all things required of said PRINCIPAL by the laws of this state.

This bond is given and received under the authority of ORS Chapter 279, the provisions of which hereby are incorporated into this bond and made a part hereof.

Provide the following information:

Bond #: \_\_\_\_\_

Agent Contact Name: \_\_\_\_\_

Agent Address: \_\_\_\_\_

Agent Phone Number: \_\_\_\_\_



IN WITNESS WHEREOF, the parties hereto have caused this bond to be executed in one original, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_(SEAL)

\_\_\_\_\_(SEAL)

\_\_\_\_\_(SEAL)

\_\_\_\_\_(SEAL)

PRINCIPLE

WITNESSES:

\_\_\_\_\_(SEAL)

\_\_\_\_\_(SEAL)

\_\_\_\_\_(SEAL)

SURETY

The attorney-in-fact who executes this bond in behalf of the surety company, must attach a copy of his power-of-attorney as evidence of his authority.

To each executed original of this bond, there must be attached a complete set of the contract documents, as the term is defined in Section 00500 Agreement, Article 8.1.A, with all corrections, interlineations, signatures, etc., completed reproduced therein.

**\*\*END OF SECTION\*\***

SECTION 00301

BID FORM

To: Clackamas County Service District No. 1  
Address: 150 Beaver Creek Road, Oregon City, Oregon 97045.  
Project Title: Kellogg Creek Water Pollution Control Plant – Aeration Basin Improvements Project

1. BIDDER'S DECLARATION:

The undersigned BIDDER proposes and agrees, if this Bid is accepted, to enter into an Agreement with OWNER in the form included in the Bidding Documents to perform and furnish all Work as specified or indicated in the Contract Documents for the Bid Price and within the times indicated in this Bid and in accordance with the other terms and conditions of the Contract Documents.

2. BIDDER ACCEPTS:

BIDDER accepts all of the terms and conditions of the Advertisement or Invitation to Bid and Instructions to Bidders, including without limitation those dealing with the disposition of Bid security. This Bid will remain subject to acceptance for sixty (60) consecutive calendar days after the day of Bid opening. BIDDER will sign and deliver the required number of counterparts of the Agreement with the Bonds and other documents required by the Bidding Documents within ten (10) consecutive calendar days after the date of OWNER's Notice of Award.

3. BIDDER'S REPRESENTATIONS:

In submitting this Bid, BIDDER represents, as more fully set forth in the Agreement, that:

- A. BIDDER has examined and carefully studied the Bidding Documents, the other related data identified in the Bidding Documents, and the following Addenda, receipt of all which is hereby acknowledged: (List Addenda by Number and Date):

Addenda Number	Date of Issue
None	
_____	_____
_____	_____
_____	_____
_____	_____

- B. BIDDER has visited the site and become familiar with and is satisfied as to the general, local and site conditions that may affect cost, progress, performance, and furnishing of the Work.
- C. BIDDER'S authorized representative attended the mandatory pre-bid conference is hereby acknowledged.

- D. BIDDER understands and is satisfied as to all Federal, State and local Laws and Regulations that may affect cost, progress, performance, and furnishing of the Work. This includes BIDDER acknowledgment that the provisions of ORS 279C.350 and amendments thereto and regulations issued thereunder, relating to prevailing wages, benefits and other requirements are to be complied with.
- E. BIDDER has obtained and carefully studied (or assumes responsibility for having done so) all such additional or supplementary examinations, investigations, explorations, tests, studies and data concerning conditions (Surface, Subsurface and Underground Facilities) at or contiguous to the site or otherwise which may affect cost, progress, performance of the Work or which relate to any aspect of the means, methods, techniques, sequences and procedures of construction required by the Bidding Documents to be employed by BIDDER, and safety precautions and programs incident thereto.
- F. BIDDER does not consider that any additional examinations, investigations, explorations, tests, studies or data are necessary for the determination of this Bid for performance of the Work, at the price bid and within the times and in accordance with the other terms and conditions of the Bidding Documents.
- G. BIDDER has correlated the information known to BIDDER, information and observations obtained from visits to the site, reports and drawings identified in the Bidding Documents and all additional examinations, investigations, explorations, tests, studies and data with the Bidding Documents.
- H. BIDDER has given ENGINEER written notice of all conflicts, errors, ambiguities or discrepancies that BIDDER has discovered in the Bidding Documents and the written resolution thereof by ENGINEER is acceptable to BIDDER, and the Bidding Documents are generally sufficient to indicate and convey understanding of all terms and conditions for the performance of the Work for which this Bid is submitted.
- I. Where conflicts, errors, ambiguities or discrepancies have been discovered in or between the Contract Documents and/or other related documents, and where said conflicts, etc., have not been resolved through interpretations of clarifications by the ENGINEER as described in Section 00100 – Instructions to Bidders, because of insufficient time or for any other reason, BIDDER has included in the Bid the greater quantity or better quality of Work, or compliance with the more stringent requirement resulting in a higher Bid.
- J. This Bid is genuine and not made in the interest of or on behalf of any undisclosed person, firm or corporation and is not submitted in conformity with any agreement or rules of any group, association, organization or corporation; BIDDER has not directly or indirectly induced or solicited any other BIDDER to submit a false or sham Bid; BIDDER has not solicited or induced any person, firm or corporation to refrain from bidding; and BIDDER has not sought by collusion to obtain for itself any advantage over any other BIDDER or over OWNER.
- K. BIDDER agrees to comply with the provisions of ORS 279C.800 through 279C.870 or Davis Bacon Act (40 U.S.C 276a) as applicable.

L. Certifies that BIDDER has not discriminated against minority, women, or emerging small business enterprises in obtaining subcontracts.

M. NOT USED.

4. TOTAL BASE BID:

- a. Total Base Bid Amount: OWNER will pay CONTRACTOR for completion of the Work in accordance with the Contract Documents an amount in current funds equal to the sum of the amounts determined pursuant to the following:
- b. The Total Base Bid Amount will be the sum of the Lump Sum Bid Amount for all Work identified in the Bid Documents plus an Owner Contingency Allowance (OCA) as identified in paragraph 4.c below.
- c. An Owner contingency allowance (OCA) amount for potential Owner use in the amount of \$20,000.00 dollars for Owner's use in-full, in-part or not at all shall be included in the Total Base Bid price. The OCA may only be used if and when authorized by the OWNER. The OCA may be used in-part, in-full or not at all. Use of the OCA shall only be through the Change Order process if and when authorized by the OWNER. Any or all of the OCA that remains unused shall be deducted from the Contract Amount at the time of final Payment.
- d. Lump Sum Bid Amount

(1) All Work as identified in the Bid Documents excluding the OAC:

\$ FOUR HUNDRED TWENTY TWO THOUSAND FIVE  
(words) HUNDRED SEVENTY NINE DOLLARS  
\$ 422,579<sup>00</sup>  
(figures)

(2) The OCA Amount identified below:

Twenty Thousand dollars, \$20,000.00

(3) Total Base Bid: The sum of amounts identified in paragraph 4.d.(1) and paragraph 4.d.(2).

\$ FOUR HUNDRED FORTY TWO THOUSAND FIVE  
(words) HUNDRED SEVENTY NINE DOLLARS  
\$ 442,579<sup>00</sup>  
(figures)

5. Completion.

BIDDER agrees that the Work will be substantially completed and finally completed and ready for final payment in accordance with Paragraph 14.07 of the General Conditions on or before the dates or within the number of calendar days indicated in the Agreement. BIDDER agrees that Work associated with all defined interim milestones will be completed on or before the dates or within the number of calendar days indicated in the Agreement.

BIDDER accepts the provisions of the Agreement as to liquidated damages in the event of failure to achieve substantial completion, and make the Work finally complete and ready for final payment, and for completion of all defined interim milestones, within the Contract Times specified in the Agreement.

6. Attached Documents.

The following documents are attached to and made an integral part of this Bid. Failure to submit any of these documents shall render the bid non-responsive. Error in completing these documents may render the bid non-responsive.

- a. Required Bid Security in the amount of five (5) percent of the Bid amount in the form of a certified or bank check, or Bid Bond per Section 00310 – Bid Bond.
  - b. Required BIDDER'S Noncollusion Affidavit form per Section 00320.
  - c. Required BIDDER'S Resident/Nonresident BIDDER Status form per Section 00330.
  - d. Shop Drawing submittals in accordance with Section 00100 – Instructions to Bidders, Article 23.
7. The following document shall be submitted within two (2) working hours after the time and date specified for submission of Bids and shall be made an integral part of the Bid.
- a. Required BIDDER'S First-Tier Subcontractor Disclosure Form per Section 00340.

8. Bidder Contact for Communications.

BIDDER'S person to contact for additional information about this Bid:

Name: Stettler Supply Company

Phone and facsimile no.: 503-585-5550 / 503-581-6799

E-Mail Address: trevors@stettlersupply.com

9. Defined Terms.

Terms used in this Bid have the meanings indicated in the Instructions to Bidder, the General Conditions, and the Supplementary Conditions.

10. BIDDER.

SUBMITTED on May 22nd, 20 14.

Oregon State CONTRACTOR License No. 33228.

If BIDDER is:

An Individual:

By \_\_\_\_\_  
(Individual's Signature)

\_\_\_\_\_  
(Printed Name)

doing business as \_\_\_\_\_

Business address: \_\_\_\_\_

Phone and facsimile no.: \_\_\_\_\_

A Partnership:

By \_\_\_\_\_  
(Firm name)

\_\_\_\_\_  
(General Partner's Signature)

\_\_\_\_\_  
(Printed Name)

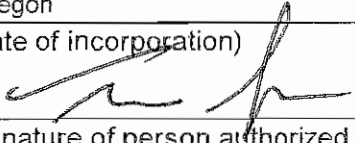
Business address: \_\_\_\_\_

Phone and facsimile no.: \_\_\_\_\_

A Corporation:

By Stettler Supply Company  
(Corporation name)

Oregon  
(State of incorporation)

By   
(Signature of person authorized to sign)

Trevor Spires  
(Printed Name)

Secretary/Treasurer  
(Title)

(Corporate Seal)

Attest   
(Secretary)  
Trevor Spires

Business address: 4420 Ridge Drive NE, Salem OR 97301

Phone and facsimile no.: 503-585-5550 / 503-581-6799


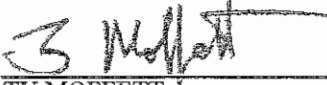
**\*\*END OF SECTION\*\***





liquidated damages; that his is a reasonable estimate of the damages the OWNER will suffer; that this is not a penalty.

SIGNED AND SEALED this 22ND day of MAY, 2014.

STETTLER SUPPLY COMPANY dba STETTLER SUPPLY & CONSTRUCTION	(SEAL)	TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA	(SEAL)
By: 		By: 	
TREVOR SPIRES		TY MOFFETT	
Its: SECRETARY		Its: ATTORNEY-IN-FACT	
"BIDDER"		"SURETY"	

If the BIDDER is operating under an assumed business name, there must also be set forth in the first paragraph of the bond the names of all the partners or the individual owning the business, and the bond must be executed by one of them.

If the BIDDER is a corporation or a Limited Liability Company, the bond must be executed by one of the officers authorized to execute bonds, showing his official title and the seal of the corporation.

The bond must be executed by an attorney-in-fact for the surety company, shown on the face thereof the Oregon agent for service, and bear the seal for the surety company. Where the bond is executed by an agent, there must be included a copy of the authority of the agent to act for the surety company at the time of the execution of the bond.

To each executed original of this bond, there must be attached a complete set of Contract Documents, with all corrections, interlineations, signatures, etc., completely reproduced therein.

**\*\*END OF SECTION\*\***



POWER OF ATTORNEY

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
St. Paul Fire and Marine Insurance Company
St. Paul Guardian Insurance Company

St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company

Attorney-In Fact No. 218303

Certificate No. 005574889

KNOW ALL MEN BY THESE PRESENTS: That Farmington Casualty Company, St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company are corporations duly organized under the laws of the State of Connecticut, that Fidelity and Guaranty Insurance Company is a corporation duly organized under the laws of the State of Iowa, and that Fidelity and Guaranty Insurance Underwriters, Inc., is a corporation duly organized under the laws of the State of Wisconsin (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint

A.G. Sadowski, Derek A. Sadowski, Kathleen M. Sadowski, and Ty Moffett

of the City of Salem, State of Oregon, their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 25th day of July, 2013.

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
St. Paul Fire and Marine Insurance Company
St. Paul Guardian Insurance Company

St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company



State of Connecticut
City of Hartford ss.

By: [Signature]
Robert L. Raney, Senior Vice President

On this the 25th day of July, 2013, before me personally appeared Robert L. Raney, who acknowledged himself to be the Senior Vice President of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

In Witness Whereof, I hereunto set my hand and official seal.
My Commission expires the 30th day of June, 2016.



[Signature]
Marie C. Tetreault, Notary Public

This Power of Attorney is granted under and by the authority of the following resolutions adopted by the Boards of Directors of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, which resolutions are now in full force and effect, reading as follows:

**RESOLVED**, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the Company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her; and it is

**FURTHER RESOLVED**, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary; and it is

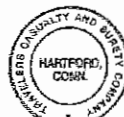
**FURTHER RESOLVED**, that any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary; or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority; and it is

**FURTHER RESOLVED**, that the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any Power of Attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such Power of Attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding on the Company in the future with respect to any bond or understanding to which it is attached.

I, Kevin E. Hughes, the undersigned, Assistant Secretary, of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company do hereby certify that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this 22nd day of May, 20 14.

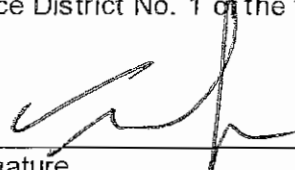
  
Kevin E. Hughes, Assistant Secretary



To verify the authenticity of this Power of Attorney, call 1-800-421-3880 or contact us at [www.travelersboud.com](http://www.travelersboud.com). Please refer to the Attorney-In-Fact number, the above-named individuals and the details of the bond to which the power is attached.

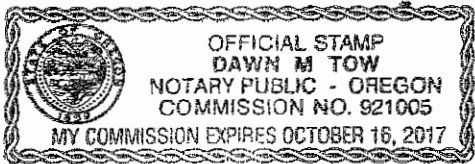


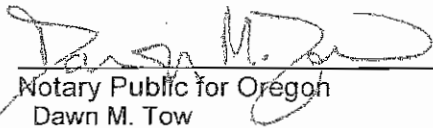
I state that Stettler Supply Company (name of this firm) understands and acknowledges that the above representations are material and important, and will be relied on by the Tri-City Service District in awarding the contract for which this Bid is submitted. I understand and this firm understands that any misstatement in this affidavit is and shall be treated as fraudulent concealment from the Clackamas County Service District No. 1 of the true facts relating to the submission of Bids for this contract.



\_\_\_\_\_  
Signature  
Trevor Spires  
Stettler Supply Company Secretary/Treasurer  
\_\_\_\_\_  
Name of Company/Position

Sworn to and subscribed before me this 22nd day of May, 2014.



  
\_\_\_\_\_  
Notary Public for Oregon  
Dawn M. Tow  
This commission expires 10/16/2017

\*\*END OF SECTION\*\*

**CONSENT RESOLUTION**

WHEREAS, the undersigned are all of the Directors and Shareholders of *Stettler Supply Company*, an Oregon corporation (the "*Corporation*"); and

WHEREAS, the undersigned wish to take the action as hereinafter set forth pursuant to the Oregon Business Corporation Act; and

WHEREAS, the undersigned Shareholders and Directors of the Corporation wish to take the following actions.

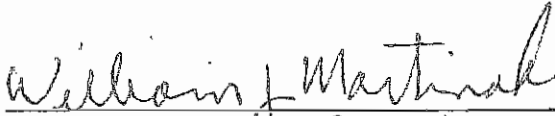
NOW, THEREFORE, the following resolutions are unanimously adopted:

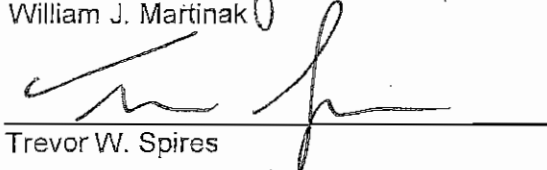
RESOLVED, that the following individuals shall serve as Directors of Corporation during the fiscal year ending December 31, 2014 or until their successors are duly elected and qualified to serve: William J. Martinak and Trevor W. Spires.

BE IT FURTHER RESOLVED, that the following individuals shall serve as Officers of the Corporation during the fiscal year ending December 31, 2014, or until their successors are duly appointed and qualified to serve.

President: William J. Martinak  
Secretary/Treasurer Trevor W. Spires

IN WITNESS WHEREOF, the undersigned have hereunto set their hands effective as of December 31, 2013.

  
\_\_\_\_\_  
William J. Martinak

  
\_\_\_\_\_  
Trevor W. Spires

## SECTION 00330

## RESIDENT/NONRESIDENT BIDDER STATUS

Oregon law requires that the OWNER, in determining the lowest responsive bidder, must add a percent increase on the bid of a nonresident bidder equal to the percent, if any, of the preference given to that bidder in the state in which that bidder resides.

Consequently, each bidder must indicate whether it is a resident or nonresident bidder. A resident bidder is a bidder that has paid unemployment taxes or income taxes in the State of Oregon during the 12 calendar months immediately preceding submission of this bid, has a business address in Oregon, and has stated in its bid whether the bidder is a "resident bidder." A "nonresident bidder" is a bidder who is not a resident bidder.

The undersigned bidder states that it is: (check one)

1. A resident bidder:  X
2. A nonresident bidder: \_\_\_\_\_

Indicate state in which bidder resides:  Oregon

## CONSTRUCTION CONTRACTORS REGISTRATION

Oregon law requires that all contractors must be registered with the Construction Contractors Board in order to submit a bid to do work and to do work as a contractor. The undersigned bidder states that it is now registered with the Oregon Construction Contractors Board.

Indicate the Bidder's Registration No.  33228



Signature

Trevor Spires, Secretary/Treasurer  
Stettler Supply Company

Name of Company

\*\*END OF SECTION\*\*

SECTION 00340

FIRST-TIER SUBCONTRACTOR DISCLOSURE FORM

Project Name: Kellogg Creek Water Pollution Control Plant – Aeration Basin Improvements Project

Bid #: \_\_\_\_\_ Bid Closing: Date: 05/22/2014 Time: 2:00 PM

Bids which are submitted by Bid Closing, but for which a required disclosure submittal has not been made by the specified Disclosure Deadline, are not responsive and shall not be considered for Contract award.

**INSTRUCTIONS:**

The bidder will check the box below stating "Not Applicable" if the bid value of the designated project is less than \$100,000. This form must be submitted either with the bid or within two (2) working hours after the advertised bid closing date and time, but no later than the submittal date and time stated in this bid packet.

Unless otherwise stated in the solicitation, this document shall not be submitted by facsimile. It is the responsibility of bidders to submit this disclosure form and any additional sheets with the project name clearly marked, at the location indicated by the specified disclosure deadline. See "Instructions to Bidders".

List below the Name, Dollar Value, and Category of Work for each first-tier subcontractor that would be furnishing labor, or labor and materials, for which disclosure is required. Check the box stating "No First-Tier Subcontractors" if there are no first-tier subcontractors subject to disclosure. ATTACH ADDITIONAL SHEETS IF NECESSARY.

**BIDDER DISCLOSURE:**

NOT APPLICABLE – Amount bid for this project is less than \$100,000.

NO FIRST-TIER SUBCONTRACTORS – No first-tier subcontractors will be furnishing labor or labor and materials in connection with this project.

SUBCONTRACTOR NAME	DOLLAR VALUE	CATEGORY OF WORK
1. <u>NONE</u>	<u>N/A</u>	<u>N/A</u>
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____

The above listed first-tier subcontractor(s) are providing labor, or labor and material, with a Dollar Value equal to or greater than:

- a) 5% of the total Contract Price or \$15,000, whichever is greater. [If the Dollar Value is less than \$15,000 do not list the subcontractor above.]
- or
- b) \$350,000 regardless of the percentage of the total Contract Price.

Form Submitted By (Bidder Name): Stettler Supply Company

Contact Name: Trevor Spires Phone #: 503-585-5550

**\*\*END OF SECTION\*\***



# CLACKAMAS COUNTY WATER ENVIRONMENT SERVICES

## KELLOGG CREEK WATER POLLUTION CONTROL PLANT AERATION BASIN IMPROVEMENTS PROJECT

Bids due 2:00 pm, May 22  
INVITATION TO BID

### RECEIPT OF BIDS

Sealed Bids for construction of the Kellogg Creek Water Pollution Control Plant Aeration Basin Improvements Project will be received by Clackamas County Water Environment Services at 150 Beaver Creek Road, Oregon City, Oregon 97045 until the BID CLOSING TIME at 2:00 p.m. local time, on May 22, 2014, at which time the bids will be publicly opened and read. No bids will be received after BID CLOSING TIME. Bidders must deliver First Tier Subcontractor Disclosure Forms to the same location within two working hours of the BID CLOSING TIME in accordance with ORS 279C.370. The First-Tier Subcontractor Disclosure Form shall be submitted in a sealed envelope separate from the Bid no later than 4:00 p.m. the same day.

A contract will be awarded or bids rejected within sixty (60) days after opening bids.

### GENERAL DESCRIPTION OF WORK

The Work contemplated under this project includes providing replacement aeration diffuser system piping and diffusers and modification to existing diffuser piping and diffuser system, demolition and replacement of baffle walls, replacement of joint sealants at concrete expansion joints, miscellaneous metal Work, demolition and disposal Work, and other related Work as identified in the Bid Documents.

### DOCUMENT PROCUREMENT

Bidding Documents may be obtained at the office of the OWNER by contacting: Water Environment Services, 150 Beaver Creek Road, Oregon City, Oregon 97045; Telephone: (503) 742-4567. Bidding Documents can also be viewed at [www.clackamas.us/wes](http://www.clackamas.us/wes) under Bids & RFPs where it will be the BIDDERS responsibility to inform the OWNER of their contact information for future additional information such as Addendums or other project related clarifications.

Each complete set of Bidding Documents is comprised of Volume 1 - Contract Documents. Parties procuring Bidding Documents will be included on an official plan holder's list maintained by the OWNER. Bidding Documents will be provided without charge if picked up at the Water Environment Services office. Parties requesting that Bidding Documents be delivered by mail are required to prepay a \$20.00 handling and postage fee per set of Bidding Documents. Parties requesting Bidding Documents shall provide a street address (not Post Office Box) where additional information (Addenda, etc.) may be delivered via the U.S. Postal Service (registered mail with return receipt requested) or via an express mail carrier. Parties requesting Bid Documents shall also provide telephone and facsimile contact phone numbers, and an official company contact person name with their e-mail address. Bidders agree that additional information may be also delivered via facsimile or e-mail transmission.

The Bidding Documents may be examined at the following Plan Centers:  
Daily Journal of Commerce Plan Center  
921 SW Washington Street, Suite 210  
Portland, Oregon 97205  
Phone: (503) 274-0624, Fax: (503) 274-2616  
Oregon Contractor Plan Center  
14625 SE International Way  
Milwaukie, Oregon 97222  
Phone: (503) 650-0148, Fax: (503) 650-8273

### GENERAL INFORMATION AND TECHNICAL QUESTIONS

For general information regarding this project, prospective bidders may contact Mr. Dewayne Kilewer, Project Manager for Clackamas County Water Environment Services at (503) 742-4572 or via email at [DewayneKli@co.clackamas.or.us](mailto:DewayneKli@co.clackamas.or.us).

Technical questions regarding this project shall be submitted in writing to the attention of Mr. Tim Mills and Mr. Brett Teel, Brown and Caldwell, via email at [tmills@brwncaid.com](mailto:tmills@brwncaid.com) and [bteel@brwncaid.com](mailto:bteel@brwncaid.com).

### BID SECURITY

Each Bid shall be accompanied by bid security made payable to OWNER in an amount not less than five (5) percent of the Bid price and in the form of a certified or bank check or bid bond. No bid will be considered unless accompanied by such deposit, to be forfeited to the Clackamas County Water Environment Services in the event the successful BIDDER shall fail or refuse to enter into a contract with the OWNER for the performance and construction of the aforesaid Work.

### CONTRACT SECURITY

The successful BIDDER shall furnish a performance and payment bond guaranteeing faithful performance, faithful payment and fulfillment of the obligation of a one-year guarantee period.

### MANDATORY PRE-BID CONFERENCE AND SITE TOURS

A mandatory pre-bid conference will be held on May 6, 2014, at the project site and will commence at 9:00 a.m. Interested prospective prime BIDDERS must attend and interested sub-bidders and suppliers are encouraged to attend and participate in the conference. Bids received from prime BIDDERS who did not attend the mandatory pre-bid conference will not be opened or considered. Representatives of the OWNER and ENGINEER will conduct the pre-bid conference and site tours and attend to receiving attendance sign-in from prospective prime Bidders.

The purpose of the pre-bid conference and site tour is to discuss the scope of the project and bidding requirements and to acquaint bidders with site conditions. Detailed technical questions may be submitted in writing but they will be answered, if warranted, by addenda later.

Oral statements may not be relied upon and will not be binding or legally effective.

The pre-bid conference and site tour will commence at the Kellogg Creek Water Pollution Control Plant Administration Building conference room, located at 11525 SE McLoughlin Blvd, Milwaukie, Oregon 97222.

### SITE VISITS

Prospective BIDDERS and sub-bidders are required to become familiar with and satisfy themselves as to the general, local and site conditions that may affect the cost, progress, performance and furnishing of the Work. Appointments for site visits shall be arranged and scheduled as described in Section 00100 - Instructions to Bidders Article 8.1.B.

### OTHER

In order to bid and perform public work, the Successful BIDDER and its subcontractors, prior to Contract award, shall hold or obtain such licenses as may be required by State Statutes, and federal and local laws and regulations. BIDDERS must be registered with the Oregon Construction Contractor's Board in accordance with ORS 701 prior to submitting a bid.

This project is for public works subject to ORS 279C.800 to 279C.870 or if applicable the federal prevailing rate of wage required under the Davis-Bacon Act (40 USC 276a). BIDDER's attention is directed to the requirements and conditions of employment to be observed and minimum wage rates to be paid under this contract as specified in ORS 279C.800 to ORS 279C.870 or if applicable the federal prevailing rate of wage required under the Davis-Bacon Act (40 USC 276a).

BIDDERS shall be qualified in accordance with the applicable parts of ORS 279C in order to submit a bid for public work in Oregon.

The project does not require a contractor or subcontractor to be licensed under ORS 468A.720 for asbestos abatement.

The successful BIDDER will be required to furnish performance and payment bonds for faithful performance of the Contract in the full amount of the contract price.

### RIGHT TO PROTEST AWARD

An adversely affected or aggrieved BIDDER must submit to Water Environment Services a written protest of the OWNER's intent to award within 7 days after issuance of the notice of intent to award the contract. Protests and/or disputes are to be submitted in accordance with Clackamas County Local Contract Review Board Rules, Division C-046-0470 as may be found on the Clackamas County website, <http://www.clackamas.us/code>.

Each Bid must contain a statement as to whether the Bidder is a resident bidder as defined in ORS 279C.365(h). Out of state Bidders may have a percentage added to their bids in accordance with ORS 279A.120.

Clackamas County Service District No. 1 reserves the right to reject all Bids and to waive informalities, in accordance with ORS 279C.395.

Dated this 28th day of April, 2014.  
Published Apr. 28 & May 2, 2014.

10541632



Water Quality Protection  
Surface Water Management  
Wastewater Collection & Treatment

J. Michael Read  
Interim Director

June 12, 2014

Board of County Commissioners  
Clackamas County

Members of the Board:

Amendment No. 4 to the Agreement between Clackamas County Service District No. 1 and the  
City of Johnson City for  
Wholesale Sanitary Sewer Services

<b>Purpose/Outcome</b>	Amendment No. 4 to the agreement between Clackamas County Service District No.1 and the City of Johnson City outlines a rate phase-in schedule allowing the City two additional years to prepare for paying the then current District wholesale rate. The schedule begins with fiscal year 2013-14 and concludes fiscal year 2017-18.
<b>Dollar Amount and Fiscal Impact</b>	Johnson City has 278 Equivalent Dwelling Units (EDU). The additional two years of a lower rate equates to a loss to the District of approximately \$12,000. No general funds are affected.
<b>Funding Source</b>	None.
<b>Safety Impact</b>	None.
<b>Duration</b>	Effective July 1, 2014 and terminates on June 30, 2018.
<b>Previous Board Action/Review</b>	The original agreement was approved by the Board of County Commissioners on 12/07/1971; Amendment No. 1 on 10/03/1978; Amendment No. 2 on 03/31/1988; and Amendment No. 3 on 06/17/2010.
<b>Contact Person</b>	Liz Garcia, Business Services Manager – Water Environment Services - 503-742-4563
<b>Contract No.</b>	WES71-1122, WES78-1897, WES88-312

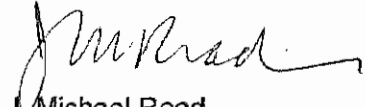
**BACKGROUND:**

The City of Johnson City is a wholesale sanitary sewer customer of Clackamas County Service District No. 1 (CCSD #1). Until July 2010, the City of Johnson City was assessed a per Equivalent Dwelling Unit (EDU) rate substantially lower than the District's then wholesale rate. Amendment No. 3 to the Agreement allowed for a gradual phase-in of rate increases over a five year period at which time the City would be charged the then current rate. In an effort to avoid a large increase at the end of the phase-in period, Amendment No. 4 allows the City two additional years to prepare for paying the then current District wholesale rate.

**RECOMMENDATION:**

Staff recommends the Board authorize the Chair to execute Amendment No. 4 to the Agreement between Clackamas County Service District No. 1 and the City of Johnson City and authorize staff to execute such other ancillary documents as may be necessary to effectuate the purposes thereto.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "J. Michael Read". The signature is fluid and cursive, with a long horizontal stroke at the end.

J. Michael Read  
Interim Director

**AMENDMENT No. 4  
BETWEEN  
CLACKAMAS COUNTY SERVICE DISTRICT NO. 1  
AND  
THE CITY OF JOHNSON CITY**

This AMENDMENT NO. 4 (this "Amendment No. 4") is made and entered into this 19<sup>th</sup> day of May, 2014, by and between CLACKAMAS COUNTY SERVICE DISTRICT NO. 1, a county service district ("District"), and the CITY OF JOHNSON CITY, an Oregon municipality ("Johnson City").

WHEREAS, Johnson City receives wastewater treatment services from the District pursuant to an agreement between the parties dated November 23, 1971, as amended on October 3, 1978, March 1, 1988 and May 17, 2010 ("Amendment #3"), (collectively the "Existing Agreements"); and

WHEREAS, the parties desire to continue the services provided under the Existing Agreements, while extending the rate phase-in schedule and removing the provision for the Low Income User Charge Reduction Program;

NOW, THEREFORE, for good and sufficient consideration, the parties hereby agree that:

1. Amendment #3, Section 2 "Low Income User Charge Reduction Program" is hereby stricken and removed in its entirety.
  
2. Amendment #3, Exhibit A rate phase-in schedule is hereby replaced in its entirety with the following:  
  
See Exhibit A, "Johnson City Rate Phase-In Schedule" attached hereto and incorporated by reference.
  
3. The District and Johnson City ratify the remainder of the Existing Agreements and affirm that no other changes are made hereby.

*[Signature Page Follows]*

In witness thereof, the parties execute this Amendment No. 4 as of the date set forth above.

CITY OF JOHNSON CITY

CLACKAMAS COUNTY SERVICE  
DISTRICT NO. 1

*Gay Marshall*  
Mayor

\_\_\_\_\_  
Chair

*5/19/14*  
Date

\_\_\_\_\_  
Date

ATTEST: *Judy K. Davis*  
City Recorder

ATTEST: \_\_\_\_\_  
Secretary

EXHIBIT A

**Johnson City Rate Phase-In Schedule**

<u>Fiscal Year</u>	<u>Monthly Per-Customer Rate</u>
2013-14	\$16
2014-15	\$22
2015-16	\$27
2016-17	\$33

Beginning with fiscal year 2017-18, the City of Johnson City will pay the then current in-District wholesale rate for Clackamas County Service District No. 1. At that time, if the rate increase is more than \$6 per month, the parties agree to work together to determine whether a continued phase-in approach is required.