

AGENDA

Thursday, September 13, 2012 - 10:00 AM
Board of County Commissioners Business Meeting

Beginning Board Order No. 2012-100

I. CALL TO ORDER

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

II. CITIZEN COMMUNICATION *(The Chair of the Board will call for statements from citizens regarding issues relating to County government. This portion of Citizen Communication will proceed for ½ hour. If we are unable to hear everyone who has signed up to speak during this time, we will continue Citizen Communication when our business items conclude after the Consent agenda. 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. READING AND ADOPTION OF PREVIOUSLY HEARD ZDO ORDINANCE *(No public testimony on this item)*

1. ZDO-238 – an Ordinance Amending Chapter 10 and Appendix A of the Clackamas County Comprehensive Plan and Section 1700 of the Clackamas County Zoning & Development Ordinance – (Rhett Tatum, County Counsel) Previously approved May 21, 2012

IV. PRESENTATIONS *(Following are items of interest to the citizens of the County)*

1. Presentation of “This is Clackamas County” – Clackamas County Accomplishments (Gary Schmidt, Public and Government Affairs)
2. Overview of Health Reform and Coordinated Care Organizations in Clackamas County (Cindy Becker, Health, Housing & Human Services)

V. DISCUSSION ITEMS *(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.)*

~NO DISCUSSION ITEMS SCHEDULED

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

1. Resolution No. _____ Approval to Enter a Contingent Loan Agreement between Clackamas County and the Housing Authority of Clackamas County for the Easton Ridge Rehabilitation Project
2. Resolution No. _____ Approval of the Issuance of Revenue Bonds by the Housing Authority of Clackamas County for the Easton Ridge Rehabilitation Project
3. Approval of an Amendment to an Intergovernmental Revenue Agreement with the State of Oregon Commission on Children and Families for the Receipt of Healthy Start Medicaid Funds - CYF
4. Approval of a Mental Health Services Agreement with Good Samaritan Hospital, Corvallis dba Samaritan Mental Health for Acute Inpatient Hospital Psychiatric Services - BH

B. Elected Officials

1. Approval of Previous Business Meeting Minutes – BCC

VII. NORTH CLACKAMAS PARKS & RECREATION DISTRICT

1. Approval of the Agreement with Hawthorne Park Condominium Owners Association for the Maintenance of Hawthorne Park

VIII. WATER ENVIRONMENT SERVICES

1. Approval and Acceptance of a Service Connection Mortgage in the North Clackamas Service Area for Clackamas County Service District No. 1

CITIZEN COMMUNICATION - continued if needed

IX. COUNTY ADMINISTRATOR UPDATE

X. COMMISSIONERS COMMUNICATION

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

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

ORDINANCE NO. ZDO-238

An Ordinance amending Chapter 10 and Appendix A of the Clackamas County Comprehensive Plan and Section 1700 of the Clackamas County Zoning and Development Ordinance

WHEREAS, in June 2010, the County was awarded a Transportation and Growth Management grant by the Oregon Department of Transportation to identify and prioritize safe pedestrian and bicycle connections within the Clackamas Regional Center area, especially between the TriMet Max Green Line and area major employers and to identify gaps and deficiencies in the existing pedestrian and bicycle system; and

WHEREAS, in January 2011, an Intergovernmental Agreement between the Oregon Department of Transportation and the County was executed for the *Clackamas Regional Center Pedestrian/Bicycle Connection Project*; and

WHEREAS, following public outreach and coordination with affected property owners and interested stakeholders, County Transportation Planning staff and a Project Advisory Committee developed the *Clackamas Regional Center Pedestrian/Bicycle Plan* which includes the pedestrian and bicycle projects within the study area; and

WHEREAS, amendments to the Comprehensive Plan and Zoning and Development Ordinance are necessary to adopt and therefore implement the *Clackamas Regional Center Pedestrian/Bicycle Plan*; and

WHEREAS, the proposed amendments are consistent with the Statewide Planning Goals and Guidelines, the Metro Urban Growth Management Functional Plan, the Metro Regional Transportation Plan, and all other applicable state and county laws and regulation; and

WHEREAS, after a duly-noticed public hearing, the Clackamas County Planning Commission recommended approval of ZDO-238 on May 21, 2012; and

WHEREAS, the Board of County Commissioners held a public hearing on June 20, 2012, during which the Board voted unanimously to approve ZDO-238, as proposed, now therefore;

The Board of Commissioners of Clackamas County ordains as follows:

Section 1: Chapter 10, Appendix A and Map X-CRC-7 of the Clackamas County Comprehensive Plan are hereby amended and Map X-CRC-7a is adopted as shown in Exhibit A, hereto attached.

Section 2: The *Clackamas Regional Center Pedestrian/Bicycle Plan*, as shown in Exhibit B, hereto attached, is adopted by reference in Appendix A of the Clackamas County Comprehensive Plan.

Section 3: Section 1700 of the Clackamas County Zoning and Development Ordinance is hereby amended as shown in Exhibit C, hereto attached.

Section 4: This ordinance shall be effective on October 15, 2012.

ADOPTED this 13th day of September 2012

BOARD OF COUNTY COMMISSIONERS

Chair

Recording Secretary



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GARY SCHMIDT
DIRECTOR

PUBLIC AND GOVERNMENT AFFAIRS

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

September, 13, 2012
Board of County Commissioners
Clackamas County

Members of the Board:

QUARTERLY PRESENTATION OF "THIS IS CLACKAMAS COUNTY"

Last February, Public and Government Affairs launched a monthly compilation of milestone accomplishments within County government. The online feature is entitled "This is Clackamas County."

The objective is to inform the public about the many ongoing services, initiatives and programs that benefit our citizens, stakeholders and the public. To date 52 milestone accomplishments have been compiled representing a wide range of County departments, agencies and key initiatives. Public and Government Affairs is pleased to present a Power Point summary of these reports.

Respectfully submitted,

Gary Schmidt
Director, Public and Government Affairs

For information on this issue, please contact Gary Schmidt at (503) 742-5908

September 5, 2012

Board of Commissioners
Clackamas County

Members of the Board:

**Overview of Health Reform and Coordinated Care Organizations
in Clackamas County**

The Clackamas County Community Health, Housing & Human Services Department will be presenting a brief overview of health reform for the general public.

The Legislature passed significant health reform legislation in the 2011 and 2012 sessions which transforms health care for individuals on the Oregon Health Plan. Counties and their partners across the state have joined together to form Coordinated Care Organizations which will change the way health services are delivered by investing in prevention and early intervention, focusing on chronic illnesses, and integrating physical health, behavioral health, and oral health. At the center of the reform is achieving the Triple Aim: Better Health. Better Care. Reduced Cost.

The overview will include a general discussion of health transformation and it's the involvement of Clackamas County.

Respectfully submitted,



Cindy Becker
Director

For information on this issue please contact Cindy Becker at 503-650-5696

September 13, 2012

Board of Commissioners of Clackamas County

Members of the Board:

**Resolution No. _____: Approval to Enter a Contingent Loan Agreement Between
Clackamas County and the Housing Authority of Clackamas County**

The Department of the Health, Housing, and Human Services Division requests approval of Authorizing Resolution No. _____ authorizing the County Administrator on behalf of Clackamas County to enter into a Contingent Loan Agreement between Clackamas County and the Housing Authority of Clackamas County (the "Housing Authority") to provide credit support for bonds to be issued by the Housing Authority in an estimated principal amount of \$17,000,000 to provide long-term financing for the Easton Ridge Apartments Renovation Project.

The Easton Ridge affordable housing complex is located at SE 90th Avenue and SE Causey Avenue, approximately one-quarter mile north of Clackamas Town Center. The property is within a short walk of the region's transportation system, including the Clackamas Town Center Max Station. The close proximity to the Town Center area also provides ready access for residents to a wide range of goods and services, as well as education and employment opportunities.

Easton Ridge was constructed in 1989 by Bowen Hunt Development, and purchased by the Housing Authority in 1996. The property is sited on 8.8 acres and consists of 264 units in 11 three-story buildings and a single-story community building with an on-site property management office. The buildings are wood-frame construction with wood lap siding built on concrete slab foundation.

The building siding has begun to show visible signs of envelope failure due to poor site drainage and moisture penetration at the exterior envelope. Initial due diligence determined a project scope of work which includes:

- (1) Replacing and upgrading the residential building envelope,
- (2) Improving interior ventilation, and
- (3) Addressing poor site drainage.

On October 20, 2011, the Housing Authority Board of Commissioners approved Resolution No. 1886 authorizing the Housing Authority to proceed with further due diligence and engage architect and construction management/ general contractor services to more fully develop a Capital Improvement Plan. Resolution No. 1886 also authorized the Housing Authority to make applications for private-activity bond cap allocation and low income housing tax credits.

On June 21, 2012, the Housing Authority Board of Commissioners approved Resolution No. 1889 approving the Housing Authority's intent to issue bonds for the Easton Ridge Apartments Renovation Project. The Housing Authority submitted its private activity bond volume cap application to the State of Oregon on June 28, 2012 for authority to issue private activity bonds in the amount of approximately \$24,000,000, to provide construction and permanent financing for the Easton Ridge

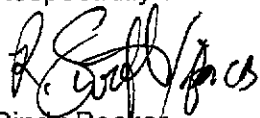
Apartment Renovation Project. The State's Office of Treasury approved the allocation on July 17, 2012.

On July 12, 2012, the Board of Commissioners of Clackamas County in Study Session agreed to support the Project through a Contingent Loan Agreement for the Housing Authority as part of the bond issuance. While not a direct guarantee by the County, it provides a strong credit enhancement in the bond market. The project underwriting will provide a minimum debt coverage ratio of 1.20, a debt service reserve equal to 12 months of debt service (estimated to be \$892,000), and a project operating reserve of \$445,000.

Recommendation:

Staff recommends that the Board approve the Resolution authorizing the County Administrator on behalf of Clackamas County to enter into a Contingent Loan Agreement between Clackamas County and the Housing Authority to provide credit support for bonds to be issued by the Housing Authority an estimated principal amount of \$17,000,000 to provide permanent financing for the Easton Ridge Apartment Renovation Project.

Respectfully submitted,



Cindy Becker
Director

For information on this issue or copies of attachments
Please contact Trell Anderson

BEFORE THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF THE COUNTY OF CLACKAMAS, OREGON

In The Matter of Authorizing Clackamas
County to Enter into a Contingent Loan
Agreement with and in Support of the
Housing Authority of Clackamas County

Resolution No. _____-2012

WHEREAS, the Board of County Commissioners ("Board") of Clackamas County works with the Housing Authority of Clackamas County ("HACC") to provide safe and affordable housing for residents of Clackamas County; and

WHEREAS, one of the largest and heavily utilized HACC properties is the Easton Ridge Apartments, which is in need of capital repairs and improvements to improve living conditions for its residents and extend the useful life of the facility; and

WHEREAS, the HACC is in the process of issuing bonds to finance certain improvements at Easton Ridge Apartments, with the rents and other income from the property to be used to support payments on said bonds; and

WHEREAS, as part of the bond issuance process HACC will seek an evaluation by a bond rating agency and said rating will greatly influence the interest rate that HACC will need to pay on the bonds; and

WHEREAS, after substantial discussion and evaluation of options the Board has determined that a credit support for the HACC bonds in the form of a Contingent Loan Agreement ("Agreement") would substantially lower the interest rates and increase the available proceeds to accomplish the desired livability upgrades and repairs to the Easton Ridge Apartments; and

WHEREAS, the County is not obligated to make payments under the Agreement but may choose to do so at such time, if any, that revenues from the Easton Ridge Apartments are insufficient and the HACC is unable to make up the shortfall from its own revenues and the bond trustee requests funds under the Agreement; and

WHEREAS, the County is willing to enter into the Agreement substantially on the terms and conditions described in the form of Agreement attached hereto as Exhibit A;

BEFORE THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF THE COUNTY OF CLACKAMAS, OREGON

In The Matter of Authorizing Clackamas
County to Enter into a Contingent Loan
Agreement with and in Support of the
Housing Authority of Clackamas County

Resolution No. _____-2012
(Cont'd)

NOW, THEREFORE, BE IT RESOLVED that the County Administrator or his designee may finalize negotiations for the terms and conditions of the Contingent Loan Agreement and is authorized to execute the Agreement and any and all related documents necessary to effectuate the foregoing.

DATED this 13th day of September, 2012.

Charlotte Lehan, Chair

Recording Secretary

CONTINGENT LOAN AGREEMENT

This CONTINGENT LOAN AGREEMENT (this "Agreement") is entered into by and between CLACKAMAS COUNTY, OREGON, a body politic and corporate of the State of Oregon (the "County"), and THE HOUSING AUTHORITY OF CLACKAMAS COUNTY, OREGON, a public body corporate and politic of the State of Oregon (the "Authority").

WHEREAS, the Authority, by its Resolution No. [_____] adopted on [_____] 2012 (the "Resolution"), authorized the issuance of the Authority's Multifamily Housing Revenue Bonds, Series 2012A (Easton Ridge Apartments Project) (the "Bonds"), in an amount not to exceed \$[*Estimated \$17,000,000*] for the purpose of making a loan to Easton Ridge LLC, an Oregon limited liability company of which the Authority is the sole managing member (the "Company") to provide funds with which to finance the [acquisition and] rehabilitation of a 264-unit multifamily housing complex located in Clackamas County, Oregon, known as the Easton Ridge Apartments (the "Project"); and

WHEREAS, the County desires to support and assist in preserving affordable housing units within the County and by Resolution No. [_____] passed on [_____, 2012], approved the form and execution of this Agreement; and

WHEREAS, the Bonds will be payable from loan payments received from the Company for the purpose of paying debt service on the Bonds, and will be further supported by this Agreement; and

WHEREAS, pursuant to the Resolution the Authority has pledged its General Revenues as security for the repayment of the loans made by the County under this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained, the parties hereto covenant and agree as follows:

ARTICLE I

Related Documents; Definitions

Section 1.01 Related Documents. The Authority has entered or will enter into the Indenture, the Trust Deed, the Loan Agreement and the Regulatory Agreement (each as defined below) relating to the Bonds. The Authority shall not amend the Indenture, the Trust Deed, the Loan Agreement or the Regulatory Agreement without the prior written consent of the County so long as this Agreement is in effect.

Section 1.02 Definitions. Unless the context clearly requires otherwise, the following terms shall have the respective meanings set forth below for purposes of this Agreement.

Amounts Available for Contingent Loan Repayment means Project Revenues received from the Company pursuant to Section 7.20(d) of Loan Agreement, plus General Revenues.

Bond Fund means the fund created by the Trustee pursuant to 4.2 of the Indenture.

Bonds mean the Multifamily Housing Revenue Bonds, Series 2012A (Easton Ridge Apartments Project), issued by the Authority in an original aggregate principal amount not to exceed \$[Estimated \$17,000,000] for the purpose of rehabilitating the Project.

Company means Easton Ridge LLC, an Oregon limited liability company of which the Authority is the sole managing member, formed to own and operate the Project.

Contingent Loan Amounts means the funds advanced to the Authority under this Agreement and the interest thereon.

Debt Coverage Ratio means the ratio of Net Project Revenues to Required Debt Service.

Fiscal Year means the fiscal year of the Company, initially the 12-month period ending on December 31 of each year.

General Revenues means all revenues of the Authority from any source (other than Loan Payments (as defined in the Loan Agreement)), but only to the extent that those revenues are available to pay debt service on the Bonds, or to repay loans from the County pursuant to this Agreement, and are not otherwise obligated by law, regulation, contract, covenant, trust deed or otherwise (including restrictions relating to funds made available to the Authority under the U.S. Housing Act of 1937), to another particular purpose.

Indenture means the Trust Indenture relating to the Bonds dated [_____, 2012], between the Authority and the Trustee, as it may be amended or supplemented from time to time in accordance with its terms and the terms of this Agreement.

Loan Agreement means the Loan Agreement relating to the Bonds dated [_____, 2012], between the Authority and the Company.

Management Plan means the Company's plan for stabilizing the Project, including an operating budget. The operating budget may include the managing member's necessary overhead costs and any other information the County may reasonably require.

MSRB means the Municipal Securities Rulemaking Board.

Investment Earnings means all earnings derived from the investment of money held in any of the Funds held by the Trustee under the Indenture.

Net Project Revenues means Project Revenues less Project Operation and Maintenance Costs.

Operating Agreement means the agreement between the Authority as managing member and the investor member(s) that establishes the rights and obligations of the members of the Company with respect to the Project.

Principal and Interest Account means the account of that name in the Bond Fund.

Project Operation and Maintenance Costs means all necessary costs for operating and maintaining the Project, including but not limited to administrative and general expenses, costs of insurance (including reasonable contributions for self-insurance reserves, if any), consulting, technical services and repairs and replacements (to the extent not properly classifiable as capital costs) and reasonable replacement reserves therefor, but excluding depreciation (or reserves therefor), Company management fees to the members of the Company (except to the extent authorized in the Management Plan), amortization of intangibles or other bookkeeping entries of a similar nature, debt service on the Bonds or any other obligations of the Authority or the Company relating to the Project, and operating reserve contributions.

Project Revenues means all amounts due to or received by the Company or by the Trustee for the account of the Company pursuant or with respect to the Project, including without limitation all lease payments, and all Investment Earnings, but excluding Insurance Proceeds, Condemnation Awards, nonrefundable security deposits and proceeds resulting from the foreclosure of the Trust Deed.

Refunding Bonds means any bonds issued to refund all or a portion of the Bonds.

Regulatory Agreement means the Regulatory Agreement (Easton Ridge Apartments Project) between the Authority and the Company dated [_____, 2012].

Required Debt Service means the amount required to pay all scheduled payments of principal of (including mandatory redemption payment with respect to any Bonds that are term bonds) and interest on the Bonds.

Reserve Account means the account of that name in the Bond Fund.

Reserve Requirement means \$[_____]. Notwithstanding the foregoing, upon the optional or extraordinary mandatory redemption, open market purchase or defeasance of a portion of the Bonds, the Reserve Requirement shall be reduced to an amount equal to the maximum annual debt service on the Bonds Outstanding immediately after such redemption or defeasance.

Trust Deed means the Trust Deed (Including Fixture Filing and Assignment of Rents) (Easton Ridge Apartments Project) under which the [Company] is grantor and the County and the Trustee are beneficiaries, securing, among other things, repayment of any loans made by the County under this Agreement.

Trustee means U.S. Bank National Association, or its successor, as trustee under the Indenture.

All other capitalized terms used but not defined in this Agreement shall have the meanings assigned to them in the Indenture.

ARTICLE II

Loans to the Authority

Repayment Terms: Interest Rate: Limitation of Liability

Section 2.01 Loans to the Authority. The County agrees to lend to the Authority the amounts specified in this Agreement on the dates provided in this Agreement, in accordance with the process outlined in Section 2.03.

The total amount of funds to be lent by the County pursuant to this Agreement shall not exceed the principal amount of the Bonds plus interest due and unpaid by the Authority. All funds lent to the Authority pursuant to this Agreement shall be delivered to the Trustee and used to pay debt service on the Bonds or replenish the Reserve Account. No loan funds shall be requested hereunder after the Bonds have been retired or redeemed.

All such loans will be secured by the Trust Deed, as set forth therein, and shall be evidenced by a promissory note from the Authority.

Section 2.02 Notice to County Regarding Project Status.

(1) Within 90 days after the end of each Fiscal Year, the Authority shall calculate the Debt Service Coverage Ratio for the Project for the preceding Fiscal Year, based upon the unaudited financial statements relating to the Project for such Fiscal Year.

(2) If any calculation described in Section 2.02(1) reveals that the Debt Coverage Ratio for the Project for the Fiscal Year for which such annual financial statements are presented was less than 1.10 to 1, the Authority shall promptly notify the County and shall require the Company to submit to the Authority and the County, within 60 days of receipt of the annual audited financial statements for the Project, a Management Plan designed to increase the Debt Coverage Ratio to at least 1.10 to 1 within the next 12 months. The County shall review the Management Plan and, once approved by the County, the Authority shall use its best efforts to implement, or to cause the Company to implement, such Management Plan; provided that unless the County provides notice to the contrary to the Authority and the Company within 30 days of delivery of such Management Plan to the County, the County shall be deemed to have approved the Management Plan 30 days after the date of delivery of the Management Plan to the County.

(3) If there is a draw on the Reserve Account, the Trustee shall so notify the County and the Authority and the Authority shall require the Company to submit to the County, within 30 days, for its approval a Management Plan designed to replenish the Reserve Account to the Reserve Requirement and to provide a Debt Coverage Ratio of 1.10 to 1 within the next 12 months.

(4) Any Management Plan submitted pursuant to Section 2.02(2) or (3) shall be subject to the following provisions:

(a) At the time the Management Plan is submitted, the Authority shall also notify the County of the amounts, if any, that the County will be requested to provide under this Agreement in the next year, based on information provided by the Company. If the Authority projects that the County will be requested to make a loan under this Agreement, the Management Plan shall also include a repayment schedule for Contingent Loan Amounts.

(b) The County may require the Authority to cause the Company to raise Project rents to levels necessary to replenish the Reserve Account to the Reserve Requirement and/or to provide a minimum Debt Coverage Ratio of 1.10 to 1, so long as those rent levels do not exceed the levels permitted in Section 42 of the Internal Revenue Code (1986), as amended, or any restrictive covenants or active leases by which the Project or the Company is bound.

(c) The County may, but is not required to, appoint a Project manager (which may be the County) as part of the Management Plan.

Section 2.03 Timing and Procedures for Appropriations and Loan Requests.

(1) Under the Indenture, the Trustee is required, within two Business Days of any withdrawals from the Reserve Account, to give written notice to the Authority and the County of such withdrawal, which notice shall state the amount of such withdrawal.

(2) Under the Indenture, on or before March 15 of each year, the Trustee is required to give written notice to the County and the Authority of the amount in the Reserve Account and the amount, if any, required to restore the Reserve Account to the Reserve Requirement. Within 30 days of its receipt of such notice from the Trustee indicating that the amount in the Reserve Account is less than the Reserve Requirement, the Authority shall (1) certify to the County the amount, if any, of General Revenues it expects to be available to replenish the Reserve Account to the Reserve Requirement, but such estimate shall not affect the amount of any loan hereunder, and (2) make a request for an appropriation in the amount of the Reserve Requirement less the amount specified by the Trustee in such notice as being on deposit in the Reserve Account, in substantially the form set forth in Attachment A, using information provided by the Company where applicable.

(3) If the County receives notice from the Trustee pursuant to Section 2.03(2) that the amount on deposit in the Reserve Account is less than the Reserve Requirement, the County Administrator shall, within 30 days of receipt of such notice, present to the Board of Commissioners of the County, a request to appropriate funds to make a loan to the Authority in the amount of the Reserve Requirement less the amount specified by the Trustee in such notice as being on deposit in the Reserve Account. The County shall notify the Trustee and the Authority of the amount of any such appropriation within 15 days of the County Commissioners action effecting such appropriation.

(4) If the County staff and the Company have agreed upon a form of Management Plan and loan repayment plan, such Management Plan and loan repayment plan shall be presented to the Board of Commissioners of the County along with the County Administrator's request for appropriation. If the County staff and the Company are unable to reach agreement on a Management Plan and a loan repayment plan, County staff will present a proposed plan to the Board of Commissioners of the County along with the County Administrator's request for appropriation, and the Company may also present a proposed plan to the Board of Commissioners of the County at that time. If it appropriates funds pursuant to the request, the Board of Commissioners of the County shall also approve a Management Plan and loan repayment plan.

(5) If the Board of Commissioners of the County does not appropriate or otherwise make funds available to make a loan as requested by the Authority, the obligation of the County to make the loan shall terminate for that fiscal period, and such termination shall not constitute an event of default hereunder. The County shall give to the Authority and the Trustee written notice of such nonavailability of funds as soon as reasonably practicable, but in no event more than 15 days after the Board of Commissioners of the County approves its budget for the upcoming fiscal year failing to appropriate such funds. If the Trustee has not received notice from the County by June 30 pursuant to this subsection or subsection (3) above, the Trustee shall assume that no funds have been appropriated for the fiscal period.

(6) The Board of Commissioners of the County shall have no legal obligation to appropriate funds as requested hereunder; however, once funds have been appropriated, the County shall be obligated to transfer that amount to the Trustee to replenish the Reserve Account if requested as provided in subsection (7) below.

(7) The Trustee, on behalf of the Authority, shall notify the County on or before each February 1 of the amount, if any, required to restore the Reserve Account to the Reserve Requirement or, if larger, the amount, together with other funds held by the Trustee under the Indenture for that purpose, required to pay principal of and interest on the Bonds on March 1 of the same year. If such funds have been appropriated by the Board of Commissioners of the County, the County shall deliver to the Trustee the amount required on or before the last Business Day of February of that year, and shall deliver to the Trustee, no later than the last Business Day of August of that year, the balance of the amount specified in the notice from the Trustee (to the extent not previously replenished by the Authority or the Company from the sources identified in the Indenture). Pursuant to the Indenture, the Trustee shall notify the County in writing of the amount, if any, required to be delivered to the Trustee by the County on the last Business Day of each February and August. It is understood that the County may make funds available to the Authority as payment is required under the Indenture as described herein.

Section 2.04 Repayment Terms.

(1) All loans hereunder shall be evidenced by a promissory note in substantially the form attached hereto as Attachment B, given by the Authority to the County at the time the first loan is made.

(2) The Authority shall repay the principal of any loan made by the County pursuant to this Agreement, and interest thereon, quarterly, on the first Business Day of each [January, April, July and October], from all Amounts Available for Contingent Loan Repayment unless otherwise provided in the approved Management Plan and loan repayment plan. If no Amounts Available for Contingent Loan Repayment are available to make any quarterly payment, the Authority shall so certify to the County. The Authority shall require in the Operating Agreement and/or Loan Agreement that Project Revenues shall be disbursed in the following order:

- (a) to pay Project Operation and Maintenance Costs;
- (b) to make deposits to the Principal and Interest Account as required by the Indenture and Loan Agreement;
- (c) to make deposits to the Reserve Account sufficient to maintain the Reserve Requirement;
- (d) to repay any loans under this Contingent Loan Agreement; and
- (h) for application in accordance with to the Operating Agreement.

(3) If, after the Bonds are no longer outstanding, there are outstanding loan amounts owing from the Authority to the County, the County may foreclose the Trust Deed by the most expeditious method chosen by the County, after giving the Authority and the Company 90 days' notice, unless the Company is complying with an approved Management Plan and loan repayment plan.

Section 2.05 Interest Rate. The rate of interest borne by each advance hereunder shall be the average interest rate being paid on outstanding general obligation debt of the County, as determined and certified by the County Administrator. The County shall give notice to the Authority and the Company of the applicable interest rate 15 days before each quarterly payment is due.

Section 2.06 Obligations to Make Loans Not a Debt of the County. The obligation of the County to make a loan to the Authority under Section 2.01 hereof is subject to appropriation of funds by the County for the fiscal period in which payments are requested pursuant hereto and shall not in any way be construed to be a debt of the County in contravention of any applicable charter, constitutional or statutory limitation or requirements concerning the creating of indebtedness by the County.

ARTICLE III

Authority Covenants and Agreements

Section 3.01 Payments to the County. The Authority shall cause the Company to reimburse the County for all out-of-pocket costs, including attorneys' fees, incurred by the County in negotiating and entering into this Agreement. Although the County would ordinarily charge a credit enhancement fee for the use of its credit, it is waiving that credit enhancement fee for the Project.

Section 3.02 Insurance and Loss.

(1) Before the County makes any loan under this Agreement and until all Contingent Loan Amounts have been repaid, the Authority shall require that the Company add the County as an additional insured to all policies of insurance against loss and/or damage to the Project. The Authority shall cause the Company to provide copies of such policies to the County.

(2) Pursuant to the Indenture, if, after the disposition of any Condemnation Awards or Insurance Proceeds, the Bonds have been redeemed and there are funds remaining in any of the accounts held by the Trustee or by the Company for the Project, those funds shall be applied first to repayment of any outstanding Contingent Loan Amounts.

Section 3.03 Other Covenants.

(1) The Authority will comply with all regulatory, partnership, operating and other agreements relating to the Project or the Bonds. It will refrain from any action that will result in rendering the Bonds taxable.

(2) The Project will not be sold or transferred during the term of the Agreement, except with the written consent of the County and an opinion of bond counsel that such transfer would not, in and of itself, cause interest on the Bonds to be included in gross income of the owner thereof for federal income tax purposes. The County's consent will not be unreasonably withheld. The County hereby consents to transfer or sale of the Project to the Authority.

(3) The Authority will notify the County of any proposed changes to the Operating Agreement. The Authority shall not make any changes to the Operating Agreement that would affect this Agreement without the approval of the County. Such approval shall not be unreasonably withheld, conditioned or delayed.

ARTICLE IV

County Covenants

Section 4.01 The County covenants that it will take no action that will affect the tax-exempt status of the Bonds or, except as expressly provided herein, limit the Authority's ability to carry out its obligations to the Company under the Operating Agreement.

Section 4.02 Compliance with Continuing Disclosure Requirements. To meet the conditions of paragraph (d)(2) of United States Securities and Exchange Commission Rule 15c2-12 (the "Rule"), as applicable to a participating underwriter for the Bonds, the County shall undertake for the benefit of holders of the Bonds to provide, or cause to be provided, to the MSRB, Annual Reports and notices of County Listed Events, as described below:

(1) Annual Reports. Each Annual Report shall contain annual financial statements for the County, which statements:

(a) Shall be prepared in accordance with applicable generally accepted accounting principles promulgated by the Government Accounting Standards Board ("GASB"), as such principles may be changed from time to time by GASB or its successor;

(b) Need not be audited, except, however, that if and when audited financial statements are otherwise prepared and available to the County they will be provided;

(c) Shall be provided to the Trustee, not later than the last day of the ninth month after the end of each fiscal year of the County (currently, a fiscal year ending June 30), as such fiscal year may be changed as required or permitted by Oregon law;

(d) May be provided in a single or multiple documents, and may be incorporated by reference to other documents that have been filed with each NRMSIR and the SID, or, if the document incorporated by reference is a "final official statement" with respect to other obligations of the County, that has been filed with the MSRB; and

(e) Shall be presented in an electronic format as prescribed by the MSRB and accompanied by identifying information as prescribed by the MSRB.

(2) Reporting of Listed Events. The County shall give, or cause to be given, notice of the occurrence of any of the following events (each, a "County Listed Event") with respect to the Bonds to the MSRB in an electronic format as prescribed by the MSRB, in a timely manner but not in excess of 10 Business Days after the occurrence of the Listed Event, with a copy to the Authority and the Company:

1. Modifications to rights of holders, if material;
2. Rating changes;
3. Bankruptcy, insolvency, receivership, or similar event of the County; and
4. Consummation of a merger, consolidation, or acquisition involving the County or the sale of all or substantially all of the assets of the County (other than in the ordinary course of business), the entry into a definitive agreement to undertake such action or the termination of a definitive agreement relating to any such actions, other than pursuant to the terms of such agreement, if material.

(3) Termination of County's Continuing Disclosure Obligations. The County's obligations under this undertaking shall terminate upon the payment or legal defeasance of all of the Bonds. In addition, the County's obligations under this undertaking shall terminate if those provisions of the Rule which require the County to comply with this undertaking become legally inapplicable in respect of the Bonds for any reason, as confirmed by an opinion of nationally recognized bond counsel or other counsel familiar with federal securities laws delivered to the County and the Authority, and the Authority provides timely notice of such termination to the MSRB.

ARTICLE V

Rights and Remedies

Section 5.01 Events of Default. The Authority shall be in default under this Agreement if (1) it fails to make when due any payment on outstanding loan amounts when Amounts Available for Contingent Loan Repayments are available to make such payment, or (2) it is in default on any regulatory, partnership, operating or other agreement related to the Bonds, including the Indenture, and such default has been declared pursuant to the terms of such instrument and remains uncured beyond any applicable notice or cure period.

However, if by reason of acts of God, strikes, lockouts, acts of public enemies, insurrections, riots, epidemics, civil disturbances, or any other similar cause or event not reasonably within the control of the Authority, the Authority is unable in whole or in part to make any such payment on outstanding loan amounts or is in default of any regulatory, partnership, operating, or other agreement related to the Bonds, including the Indenture, the Authority shall not be deemed in default during the continuance of such inability.

Section 5.02 Rights of County Upon Making Loans. If the County has made any loans to the Authority hereunder and such loans and interest thereon have not been repaid in full, the County may take any one or more of the following steps:

(1) If the Authority owes the County more than \$[] under this Agreement, and whether or not the Authority is in default, the County may, but is not required to, direct the Trustee to call the Bonds for extraordinary mandatory redemption in accordance with Section 3.2(3)(c) of the Indenture, but only if the Board of Commissioners of the County has appropriated the amounts necessary to pay all principal and interest due upon that extraordinary mandatory redemption. In addition, the County shall consult with the Authority before directing such extraordinary mandatory redemption and shall work with the Authority to reach a mutually agreeable repayment schedule; and

(2) If the Authority is in default in its repayment obligations with respect to any loans made to the Authority by the County hereunder (an "Authority Default") and if, and only if, the Bonds are no longer outstanding the County may (a) declare the entire principal balance of the loan (if not then due and payable) to be due and payable immediately, together with all interest accrued thereon to the date of such acceleration, and (b) foreclose its lien on the Project, anything in this Agreement to the contrary notwithstanding. The County may waive such Authority Default and may rescind and annul such declaration and its consequences; but no such waiver, rescission or annulment shall extend to or affect any subsequent Authority Default or impair any right incident thereto.

Section 5.03 Right to Enforce Agreement. Either party may proceed to protect and enforce its rights in equity or at law for mandamus or for the specific performance of any covenant or agreement contained herein, or for the enforcement of any other appropriate legal or equitable remedy, as it may deem most effectual to protect and enforce any of its rights or interests hereunder. The parties agree that the Company and its members shall have the right, but not the obligation, to cure any default by the Authority with respect to its obligations under this Agreement.

Section 5.04 No Remedy Exclusive. No remedy conferred upon or reserved to the County by this Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or thereafter existing at law or in equity or by statute, and either party hereto shall be free to pursue, at the same time, each and every remedy, at law or in equity, which it may have under this Agreement, or otherwise.

Section 5.05 No Implied Waiver. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. For the exercise of any remedy, it shall not be necessary to give any notice, other than such notice as may be expressly required herein.

ARTICLE VI

Miscellaneous

Section 6.01 Governing Law: Venue. This Agreement is governed by and shall be construed in accordance with the substantive laws of the State of Oregon (without regard to any conflict of laws rule or principle that would give effect to the laws of another jurisdiction) and shall be liberally construed so as to carry out the purposes hereof. Except as otherwise required by applicable law, any action under this Agreement shall be brought in the Circuit Court in and for Clackamas County and/or in the United States District Court of Oregon.

Section 6.02 Notice. All notices or other communications required hereunder shall be in writing and shall be sufficiently given if addressed and mailed by first-class, certified or registered mail, postage prepaid and return receipt requested, as follows:

To the County:	Clackamas County 2051 Kaen Road Oregon City, Oregon 97405 Attention: County Administrator
To the Authority:	Housing Authority of Clackamas County 13900 S. Gain Street Oregon City, Oregon 97405 Attn: Executive Director
To the Investor Member:	PNC Real Estate Tax Credit Capital Institutional Fund 47 Limited Partnership 121 S.W. Morrison Street, Suite 1300 Portland, Oregon 97204-3143

Copies of any notices required to be given to the County or the Authority hereunder shall also be delivered to the Investor Member. The County, the Authority or the Investor Member may, by notice given hereunder, designate any further or different address to which subsequent notices, certificates, requests or other communications shall be sent. Notices shall be deemed served upon deposit of such notices in the United States mail in the manner provided above.

Section 6.03 Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the County and the Authority and their successors. This Agreement may not be assigned, except that the Authority shall have the right to assign to the Trustee its right to obtain funds, if available, from the County hereunder for the benefit of the owners of the Bonds.

Section 6.04 Severability. In the event any provision of this Agreement shall be held to be invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 6.05 Amendments; Additional Bonds; Refunding Bonds. This Agreement may not be effectively changed, modified or altered, except by an instrument in writing duly executed by the County and the Authority (or their successors in title). If the Bonds are rated by a rating agency, then no such amendment will be permitted unless the Company and the Trustee have received written confirmation from the rating agency that such amendment will not result in a reduction or withdrawal of the rating on the Bonds. If the Bonds are not rated by a rating agency, then no such amendment will be permitted unless the parties make a determination, after reasonable investigation, that such amendment will neither (i) adversely affect the County's obligation to make loans pursuant to this Agreement; nor (ii) increase the possibility of the Authority requesting funding by the County pursuant to this Agreement.

If the Authority issues Refunding Bonds at any time, all references in this Agreement to "Bonds" shall be deemed to be references to "Refunding Bonds" for all purposes, without further action by the parties hereto, but only if the average and maximum annual debt service on the Refunding Bonds does not exceed the average and maximum annual debt service on the Bonds and if the final maturity of the Refunding Bonds does not extend beyond the final maturity of the Bonds.

Section 6.06 Waiver of Breach. No waiver of any breach of any covenant or agreement contained herein shall operate as a waiver of any subsequent breach of the same covenant or agreement or as a waiver of any breach of any other covenant, agreement, or undertaking, the nondefaulting party may nevertheless accept from the other any payment or payments or performance hereunder without in any way waiving its right to exercise any of its rights and remedies provided for herein or otherwise with respect to any such default or defaults that were in existence at the time such payment or payments or performance were accepted by it.

Section 6.07 No Rights Created in Third Parties. The terms of this Agreement are not intended to establish nor to create any rights in any persons or entities other than the County, the Authority and the respective successors and assigns of each. Notwithstanding the foregoing, the County and the Authority agree that the Company, its Members and the Trustee shall have the right to require the Authority and the County to carry out this Agreement and perform their respective duties under this Agreement, all in accordance with the Indenture.

Section 6.08 Time of Essence. Time and all terms and conditions shall be of the essence of this Agreement.

Section 6.09 Termination of Agreement. This Agreement shall terminate upon payment in full of all principal of and interest on the Bonds (or defeasance thereof pursuant to Article IX of the Indenture), and the repayment in full of all Contingent Loan Amounts.

Section 6.10 Execution in Counterparts. This document may be executed in counterparts.

IN WITNESS WHEREOF, the County and Authority have caused this Agreement to be executed in their respective names by their duly authorized officers, and have caused this Agreement to be dated as of [_____, 2012].

CLACKAMAS COUNTY, OREGON

By _____
[NAME]
[Title]

[NAME]
[Title]

Approved as to Form.

[NAME]
[Title]

HOUSING AUTHORITY OF CLACKAMAS COUNTY, OREGON

By _____
[NAME]
[Title]

Attachment A
Contingent Loan Agreement
REQUEST FOR APPROPRIATION

Date _____

Appropriation Request Number _____

BOND FUND STATUS

(1) Calculation of Net Minimum Balance

- | | |
|--|---------------------------|
| (a) Bond Debt Service required for the subsequent fiscal year of County | _____ |
| (b) Plus Reserve Requirement | (one year's debt service) |
| (c) Less Projected Net Operating Income for the subsequent Fiscal Year (from Project Operations section below) | (_____) |

Net Minimum Balance

(2) Current Reserve Account Balance

(3) Net Minimum Balance Less Reserve Account Balance ((1)-(2))

(4) Less Anticipated Authority General Revenues Available for Debt Service (_____)

(5) Current Maximum Request Under Contingent Loan Agreement (Reserve Requirement - (2))

(6) Current Anticipated Request Under Contingent Loan Agreement

(7) Balance Outstanding Under Agreement as of today

PROJECT OPERATIONS

(Note: Please attach Project Operation Statement and Project Calculations)

Prior Year Operations

- | | |
|-------------------------------------|---------|
| Project Revenues | _____ |
| Less Operation and Maintenance Cost | (_____) |
| Net Operation Income | _____ |

Projected Subsequent Year Operations

- | | |
|--------------------------------------|---------|
| Project Revenues | _____ |
| Less Operation and Maintenance Costs | (_____) |
| Projected Net Operating Income | _____ |

This request for appropriation is subject to all terms and conditions of the Contingent Loan Agreement for the Easton Ridge Project, dated _____, _____. In accordance with the Agreement, we hereby request development of a mutually agreeable Project Management and Loan Repayment Plan.

Date: _____

By: _____

Housing Authority of Clackamas County

Attachment B
Contingent Loan Agreement

FORM OF PROMISSORY NOTE

PROMISSORY NOTE

\$ _____, 20__

FOR VALUE RECEIVED, THE HOUSING AUTHORITY OF CLACKAMAS COUNTY, a public body corporate and politic of the State of Oregon (together with its permitted successors and assigns, the "Borrower"), having an address [_____], promises to pay to the order of CLACKAMAS COUNTY, OREGON, a body politic and corporate of the State of Oregon or its successors or assigns (the "Holder"), at its office at [_____] or at such other place as may be designated in writing by the Holder, in legal tender of the United States, the principal sum of \$ _____ as provided herein, together with interest thereon at the rates, at the times and in the amounts provided below.

All capitalized terms used but not defined herein shall have the meanings ascribed to them in the Contingent Loan Agreement (as the same may be modified, amended or supplemented from time to time, the "Agreement") dated [_____, 2012], the Borrower and the Holder.

The Borrower shall repay the principal of this Note, and interest hereon, quarterly, on the first Business Day of each January, April, July and October, from all Amounts Available for Contingent Loan Repayment, unless otherwise provided in the approved Management Plan and loan repayment plan. This Note shall bear interest at the average interest rate being paid on outstanding general obligation debt of the Holder, as determined and certified by the County Administrator.

The obligations of the Borrower under this Note are secured by a Trust Deed (Including Fixture Filing and Assignment of Rents) (Easton Ridge Apartments Project) under which the [Company] is grantor and the County and the Trustee are beneficiaries (as the same may be modified, amended or supplemented from time to time, the "Trust Deed").

At no time shall interest be payable on this Note or under the Mortgage or the Loan Agreement at a rate in excess of the maximum permitted by law. The Borrower shall not be obligated or required to pay, nor shall the Holder per permitted to charge or collect, interest at a rate in excess of such maximum rate. If by the terms of this Note or of the Trust Deed or Agreement, the Borrower is required to pay interest at a rate in excess of such maximum rate, the rate of interest hereunder or thereunder shall be deemed to be reduced immediately and automatically to such maximum rate, and any such excess payment previously made shall be immediately and automatically applied to the unpaid balance of the principal sum hereof and not to the payment of interest.

Amounts payable hereunder representing late payments, penalty payments or the like shall be payable to the extent allowed by law.

No delay or omission on the part of the Holder in exercising any remedy, right or option under this Note or the Agreement shall operate as a waiver of such remedy, right or option. In any event a waiver on any one occasion shall not be construed as a waiver or bar to any such remedy, right or option on a future occasion. The rights, remedies and options of the Holder under this Note and the Agreement are and shall be cumulative and are in addition to all of the rights, remedies and options of the Holder at law or in equity or under any other agreement.

This Note may not be changed orally. Presentment for payment, notice of dishonor, protest and notice of protest are hereby waived. The acceptance by the Holder of any amount after the same is due shall not constitute a waiver of the right to require prompt payment, when due, of all other amounts due hereunder. The acceptance by the Holder of any sum in an amount less than the amount then due shall be deemed an acceptance on account only and upon condition that such acceptance shall not constitute a waiver of the obligation of the Borrower to pay the entire sum then due, and the Borrower's failure to pay such amount then due shall be and continue to be a default notwithstanding such acceptance of such amount on account, as aforesaid. This Note shall be construed in accordance with and governed by the laws of the State of Oregon.

HOUSING AUTHORITY OF CLACKAMAS COUNTY

By: _____
[Name, Title]

September 13, 2012

Board of Commissioners
Clackamas County

Members of the Board:

**Resolution No. _____: Approval of the Issuance of Revenue Bonds
by the Housing Authority of Clackamas County**

The Health, Housing, and Human Services Department requests approval of Resolution 1893 approving the plan of financing and the issuance of tax-exempt obligations by the Housing Authority of Clackamas County for the rehabilitation of the Easton Ridge Apartments, located at 9009 SE Causey Avenue, Happy Valley, Oregon. The proceeds of the obligations will be lent to Easton Ridge LLC, an Oregon limited liability company of which the Housing Authority is the sole managing member, which will acquire, improve and operate the project. The Easton Ridge Apartment complex is an important asset in providing housing for low-income persons in Clackamas County.

The Internal Revenue Code provides that in order for a private activity bond (such as the obligations to be issued by the Housing Authority to finance the Easton Ridge Apartments project), to be tax-exempt, certain public approval requirements set out in Section 147(f) of the Code must be satisfied. Section 147(f) of the Code requires approval by the applicable elected representative of the governmental unit that issues a tax-exempt private activity bond, and a governmental unit having jurisdiction over the area in which the facility to be financed is located, after a public hearing following reasonable public notice.

The Housing Authority held a public hearing regarding the Easton Ridge Apartments project on July 2, 2012 following the publication of notice of such meeting in the Oregonian, in accordance with the requirements of Section 147(f) of the Code. No comments were received from the public during the comment period or at the public hearing. Minutes of the public hearing are provided as an attachment to this resolution.

The Board of Commissioners of Clackamas County is the "applicable elected representative" of the Housing Authority within the meaning of Code Section 147(f)(2)(E) and a unit having jurisdiction over the area in which the Easton Ridge project is located.

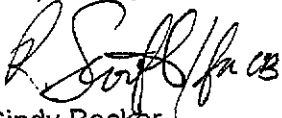
The obligations are expected to be payable primarily from project revenues, general revenues of the Housing Authority and amounts payable pursuant to a Contingent Loan Agreement with the County which will be separately considered by the Board of Commissioners. The adoption of this Resolution is intended to comply with the requirements of Section 147(f) of the Code in order to permit the issuance of tax-exempt obligations to finance the Easton Ridge Apartments project. This approval is not intended to create any obligation on the part of the County to repay such obligations.

No County General Funds are involved.
Reviewed by Legal Council Retained by the Housing Authority.

Recommendation:

Staff recommends that the Board approve this Resolution to issue revenue bonds by the Housing Authority of Clackamas County.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "C. Becker" with a date "1/13" written at the end.

Cindy Becker
Director

For information on this issue or copies of attachments
Please contact Trell Anderson at 503-655-8506.

BEFORE THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF THE COUNTY OF CLACKAMAS, OREGON

In The Matter of Authorizing the Issuance of Revenue Bonds by the Housing Authority of Clackamas County, in the Principal Amount of Not to Exceed \$24,000,000, to Provide Funds to Finance Low-Income Housing in Clackamas County.

Resolution No. _____-2012

WHEREAS, ORS 456.120(18) provides that a housing authority may, among other things and if certain conditions are met, "loan money to ... an individual, partnership, corporation or other association to finance, plan, undertake, construct, acquire, manage or operate a housing project"; and

WHEREAS, ORS 456.055 and 456.175 provide that a housing authority may issue bonds, notes, interim certificates, debentures or other obligations for any of its corporate purposes; and

WHEREAS, the Housing Authority of Clackamas County (the "Authority") has advised the Board of County Commissioners of Clackamas County, Oregon (the "County"), that the Authority intends to issue certain bonds, notes or other obligations (the "Obligations") in the maximum aggregate principal amount of not to exceed \$24,000,000, pursuant to ORS 456.005 to 456.235 and a plan of financing (the "Plan of Financing") with respect to the rehabilitation of an existing facility known as the Easton Ridge Apartments Project located at 9009 SE Causey Avenue, Happy Valley, Oregon, to provide housing for low-income persons (the "Project"); and

WHEREAS, the Authority has advised the County that, following timely notice thereof being published in a newspaper of general circulation throughout Clackamas County, Oregon, a public hearing was held on July 2, 2012, in accordance with the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), on the proposed issuance of the Obligations pursuant to a Plan of Financing for the Project; and

WHEREAS, the Authority has provided the County with a written summary of the public testimony and any written comments received at such public hearing; and

WHEREAS, the Code requires that the issuance of the Obligations be approved by the County;

BEFORE THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF THE COUNTY OF CLACKAMAS, OREGON

In The Matter of Authorizing the Issuance of Revenue Bonds by the Housing Authority of Clackamas County, in the Principal Amount of Not to Exceed \$24,000,000, to Provide Funds to Finance Low-Income Housing in Clackamas County.

Resolution No. _____-2012
(Cont'd)

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF CLACKAMAS COUNTY, OREGON, that the County approves the Plan of Financing for the Project, and each issue of Obligations that is timely issued by the Authority for the Project in accordance with the Plan of Financing, the proceeds of which Obligations will be used to make a loan to an Oregon limited liability company of which the Authority will be the sole managing member. This approval is intended to comply with the requirements of Section 147(f) of the Code in order to permit the issuance of Obligations. This approval, however, is not intended to imply that the Obligations are issued on behalf of the County or that the County is under any obligation to repay the Obligations.

DATED this 13th day of September, 2012.

Charlotte Lehan, Chair

Recording Secretary

MINUTES OF PUBLIC HEARING

The Housing Authority of Clackamas County, Oregon (the "Authority") conducted a public hearing on Monday, July 2, 2012, at 10:00 a.m., at the offices of the Authority located at 13930 S. Gain Street, Oregon City, Oregon.

The purpose of the hearing was to consider public testimony on the proposed issuance by Authority, pursuant to ORS 456.005 to 456.235 and a plan of financing with respect to the Easton Ridge Apartments project described below (the "Project"), of certain obligations the interest on which will be excluded from gross income for federal income tax purposes pursuant to Sections 103 and 142 of the Internal Revenue Code of 1986, as amended (the "Code").

Project Description:	Finance a portion of the cost of rehabilitating and equipping a 264-unit apartment complex known as Easton Ridge Apartments, to provide housing for low-income persons.
Maximum Amount of Obligations:	Not to Exceed \$24,000,000
Project Operator:	An Oregon limited liability company to be formed of which the Authority will be the sole managing member
Project Location:	9009 SE Causey Avenue, Happy Valley, Oregon 97086

The hearing was called to order by Trell Anderson, Executive Director of the Authority, at 10:06 a.m. No one from the public appeared to present testimony. No written comments were received prior to or at the hearing. The hearing was adjourned at 10:10 a.m.

Trell Anderson, Executive Director

6

September 13, 2012

Board of Commissioners
Clackamas County

Members of the Board:

**Approval of an Amendment to an Intergovernmental Revenue Agreement with the State of Oregon acting by and through its Oregon Commission on Children and Families
For the Receipt of Healthy Start Medicaid Funds**

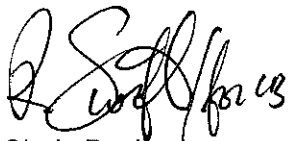
The Children, Youth & Families Division of the Health, Housing and Human Services Department requests the approval of an Amendment to an Intergovernmental Revenue Agreement with the State of Oregon acting by and through its Oregon Commission on Children and Families for the receipt of Healthy Start Medicaid funds. The amendment adds additional funding for the remainder of the biennium.

Total amount of this agreement is \$200,000 an increase of \$70,000. Funds are budgeted in the Healthy Start Medicaid grant stream for fiscal year 2011-2013 to cover this agreement. No County General Funds are involved. This agreement is effective upon acceptance by all parties and will terminate June 30, 2013. This contract was approved by County Counsel on July 12, 2011.

Recommendation:

We recommend the approval of this amendment and that Cindy Becker be authorized to sign on behalf of the Board of County Commissioners.

Respectfully submitted,



Cindy Becker
Director

September 13, 2012

Board of Commissioners
Clackamas County

Members of the Board:

**Approval of a Mental Health Services Agreement with
Good Samaritan Hospital Corvallis dba Samaritan Mental Health for
Acute Inpatient Hospital Psychiatric Services**

Clackamas County Behavioral Health Division (CCBHD) of the Health, Housing & Human Services Department requests the approval of a renewal Mental Health Services Agreement with Good Samaritan Hospital Corvallis dba Samaritan Mental Health.

This contract provides for medically necessary acute inpatient hospital psychiatric services for Clackamas County Oregon Health Plan enrollees for whom services have been authorized by CCBHD. This is a renewal agreement that was last approved by the Board on March 27, 2008.

The agreement is based on preauthorized fee-for-service at Medicaid rates currently in effect when the service is provided. The agreement has no upper limit; expenditures are controlled and monitored by CCBHD staff who authorize and monitor service on an on-going basis. The contract is funded with Oregon Health Plan funds; no County general funds are involved. The effective date of the agreement is retroactive back to July 1, 2012 due to language negotiations and terminates on December 31, 2012.

Recommendation

We recommend the approval of this agreement and that Cindy Becker be authorized to sign on behalf of the Board of County Commissioners.

Respectfully submitted,



Cindy Becker
Director

For information on this issue or copies of attachments,
please contact Emily M. Zwetzig at (503)742-5318.

**ACUTE INPATIENT PSYCHIATRIC SERVICES AGREEMENT
(BEHAVIORAL HEALTH SERVICES AGREEMENT)**

This Behavioral Health Services Agreement is between Clackamas County acting by and through its Department of Human Services, Behavioral Health Division, hereinafter called "COUNTY" and GOOD SAMARITAN HOSPITAL dba SAMARITAN MENTAL HEALTH, hereinafter called "CONTRACTOR".

AGREEMENT

1.0 Engagement

COUNTY hereby engages CONTRACTOR to provide services as described in Exhibit C, Scope of Work, attached hereto and incorporated herein. This agreement sets forth the terms under which CONTRACTOR will contract with COUNTY to provide acute inpatient psychiatric services to Oregon Health Plan Medicaid recipients enrolled with COUNTY's Mental Health Organization and residents of Clackamas County who are eligible for services as uninsured, indigent individuals.

2.0 Term

Services provided under the terms of this agreement shall commence **July 1, 2012**. This agreement shall terminate **December 31, 2012** unless terminated by one or both parties as provided for below. This agreement may be renewed annually and amended by mutual consent of both parties.

3.0 Compensation and Fiscal Records

3.1 Compensation. COUNTY shall compensate CONTRACTOR as specified in Exhibit B, Compensation and Payment, for satisfactorily performing contracted services. 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 agreement, should CONTRACTOR fail to perform or document the performance of contracted services, COUNTY shall immediately withhold payments hereunder. Such withholding payment for cause may continue until CONTRACTOR 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 CONTRACTOR.

3.3 Financial Records. CONTRACTOR and its subcontractors shall maintain complete and legible financial records pertinent to authorized Covered Services delivered and payments received. Such records shall be maintained in accordance with Generally Accepted Accounting Principles and/or other applicable accounting guidelines such as outlined in Office of Management and Budget circulars A-87, A-122 and A-133. Financial records and supporting documents shall be retained for at least five (5) years after 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 CONTRACTOR were in excess of the amount to which CONTRACTOR was entitled, CONTRACTOR shall repay the amount of the excess to COUNTY.

4.0 Manner of Performance

4.1 Compliance with Applicable Laws and Regulations, and Special Federal Requirements. CONTRACTOR shall comply with all Federal, State and local laws, rules and regulations applicable to work performed under this agreement, including, but not limited to, all applicable Federal and State civil rights and rehabilitation statutes, rules and regulations, and as listed in Exhibit F, Compliance with Applicable Law, attached hereto and incorporated herein. CONTRACTOR shall comply with OAR 410-120-1380, which establishes the requirements for compliance with Section 4751 of OBRA 1991 and ORS 127.649, Patient Self-Determination Act.

4.2 Special Federal Requirements. Common rule restricts lobbying (Volume 55, No. 38 of Federal Register February 1990).

4.3 Subcontracts. CONTRACTOR shall not enter into any subcontracts for any of the work scheduled under this agreement without obtaining prior written approval from COUNTY. CONTRACTOR shall not be relieved of any of CONTRACTOR's obligations hereunder by virtue of any such subcontract, and shall remain directly responsible for compliance with all the terms of this agreement.

4.4 Independent Contractor. CONTRACTOR certifies that it is an independent contractor and not an employee or agent of County, State or Federal government. Responsibility for all taxes, assessments, and any other charges imposed upon employers shall be the solely the responsibility of CONTRACTOR.

4.5 Workers' Compensation. CONTRACTOR certifies that it is an insured employer for purposes of the Oregon Workers' Compensation law (ORS Chapter 656) and is solely liable for any Workers' Compensation coverage under this agreement.

5.0 General Conditions

5.1 Indemnification. CONTRACTOR 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 CONTRACTOR, and CONTRACTOR's officers, agents, and employees, in performance of this agreement.

CONTRACTOR 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 CONTRACTOR, or its agents or employees under this agreement.

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

5.2 Insurance. During the term of this agreement, CONTRACTOR 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

CONTRACTOR shall obtain, at CONTRACTOR'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 \$1,000,000 per occurrence/ \$2,000,000 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

CONTRACTOR shall also obtain at CONTRACTOR'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 \$1,000,000.

5.2.3 Professional Liability

Required by COUNTY Not required by COUNTY

CONTRACTOR agrees to furnish COUNTY evidence of professional liability insurance in the amount of not less than \$1,000,000 combined single limit per occurrence/\$2,000,000 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 Additional Insurance Provisions. All required insurance other than Professional Liability, Workers' Compensation, and Personal Automobile Liability insurance shall include "Clackamas County, its agents, officers, and employees" as an additional insured.

5.2.5 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 the 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.

5.2.6 Insurance Carrier Rating. Coverages provided by CONTRACTOR 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.

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

5.2.8 Independent Contractor Status. The service or services to be rendered under this agreement are those of an independent contractor. CONTRACTOR is not an officer, employee or agent of COUNTY as those terms are used in ORS 30.265.

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

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

5.3 Controlling State Law. This agreement shall be governed and construed in accordance with the laws of the State of Oregon. Any action or suit involving this agreement shall be filed and tried in Clackamas County, Oregon.

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

5.5 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 or provisions 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.

5.6 Waiver. The failure of either party to enforce any provision of this agreement 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 for the activity contracted herein except as set forth in this agreement.

5.8 Oregon Constitutional Limitations. 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 would conflict with such law, are deemed inoperative to that extent.

5.9 Public Contracting Requirements. Pursuant to the requirements of ORS 279B-020 and ORS 279B.220 through 279B.335 and Article XI, Section 10, of the Oregon Constitution, the following terms and conditions are made a part of this agreement:

5.9.1 CONTRACTOR shall:

a. Make payments promptly, as due, to all persons supplying to CONTRACTOR labor or materials for the performance of the work provided for in this agreement.

b. Pay all contributions or amounts due the Industrial Accident Fund from such CONTRACTOR or subcontractor incurred in performance of this agreement.

c. Not permit any lien or claim to be filed or prosecuted against Clackamas 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 CONTRACTOR fails, neglects, or refuses to make prompt payment of any claim for labor or services furnished to CONTRACTOR or a subcontractor by any person in connection with this agreement as such claim becomes due, the proper officer representing Clackamas 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 CONTRACTOR by reason of this agreement.

5.9.3 CONTRACTOR 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 personal 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.

5.9.4 CONTRACTOR shall promptly, as due, make payment to any person or partnership, association, or corporation furnishing medical, surgical, and hospital care or other needed care and attention incident to sickness and injury, to the employees of CONTRACTOR, of all sums that CONTRACTOR agrees to pay for the services and all monies and sums that CONTRACTOR collected or deducted from the wages of its employees pursuant to any law, contract or agreement for the purpose of providing or paying for such services.

5.10 Integration. This agreement contains the entire agreement between COUNTY and CONTRACTOR and supersedes all prior written or oral discussions or agreements.

6.0 Term and Termination

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

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

6.2.1 The terms of the OHP Medicaid Demonstration Project are modified, changed or interpreted in such a way that the services are no longer allowable or appropriate for purchase under this agreement or are no longer eligible for the funding authorized by this agreement.

6.2.2 The termination, suspension or expiration of the *MHO Contract*.

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. Alternatively, the parties may agree to modify the agreement to accommodate a reduction in funding.

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

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

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

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

6.3 Notice of Default. COUNTY may also issue written notice of default (including breach of contract) to CONTRACTOR and terminate the whole or any part of this agreement if CONTRACTOR substantially fails to perform the following specific provisions: Exhibit D(2)(A) Licenses and, Certification; Exhibit D(2)(C) Quality Assurance and Utilization Review; and Exhibit D(3) Recordkeeping and Reporting. The rights and remedies of COUNTY related to defaults (including breach of contract) by CONTRACTOR shall not be exclusive and are in addition to any other rights and remedies provided by law or under this agreement.

6.4 Transition. Any such termination of this agreement shall be without prejudice to any obligations or liabilities of either party already accrued prior to such termination. CONTRACTOR and COUNTY shall continue to perform all duties and obligations under this agreement with respect to Clients under care of CONTRACTOR to the date of termination.

7.0 Notices

Any notice under this agreement shall be deemed received the earlier of the time of delivery of two (2) business days after mailing certified and postage prepaid through the U.S. Postal Service addressed as follows:

If to CONTRACTOR:

Good Samaritan Hospital Corvallis dba
Samaritan Mental Health
3509 NW Samaritan Drive
Corvallis, OR 97330

If to COUNTY:

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

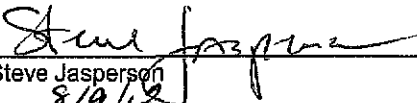
This agreement consists of seven (7) sections plus the following attachments, which by this reference are incorporated herein:

- Exhibit A Definitions
- Exhibit B Compensation and Payment
- Exhibit C Scope of Work
- Exhibit D Performance Standards
- Exhibit E Fraud and Abuse
- Exhibit F Compliance with Applicable Law

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

GOOD SAMARITAN HOSPITAL CORVALLIS

dba Samaritan Mental Health

By: 
Steve Jaspersen
8/19/12

Date
3509 NW Samaritan Drive
Street Address
Corvallis, Oregon 97330
City/State/Zip
(541)768-5235 /
Phone / Fax Numbers

CLACKAMAS COUNTY

Commissioner: Charlotte Lehan, Chair
Commissioner: Jim Bernard
Commissioner: Jamie Damon
Commissioner: Ann Liningier
Commissioner: Paul Savas

Signing on Behalf of the Board:

Cindy Becker, Director
Health, Housing and Human Services Department
Date

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EXHIBIT A

DEFINITIONS

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

"Agreement": this Behavioral Health Services Agreement between COUNTY and CONTRACTOR for the provision services.

"AMH": the State of Oregon, acting by and through its Department of Human Services, Addiction and Mental Health Division.

"Clackamas Mental Health Organization (CLACKAMAS MHO)": COUNTY's administrative structure responsible for the management of mental health services for OHP Members who are enrolled with COUNTY as their Mental Health Organization.

"Client": 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.

"Covered Services": medically appropriate services specified in OAR 410-141-0480, "Oregon Health Plan Benefit Package of Covered Services". Covered Services are limited in accordance with OAR 4100-141-0500, "Excluded Services and Limitations for Oregon Health Plan Clients". The term "Covered Services" may be expanded, limited, or otherwise changed pursuant to the MHO Contract and OARs. Covered Services may also refer to authorized services provided to uninsured, indigent clients.

"DMAP": the State of Oregon, acting by and through its Department of Human Services, Division of Medical Assistance Programs.

"Mental Health Organization (MHO)": a prepaid health plan under contract with the State of Oregon, Department of Human Services under the OHP Medicaid Demonstration Project and State Children's Health Insurance Program.

"MHO Contract": the Oregon Health Plan Mental Health Organization Contract between AMH and COUNTY, as amended from time to time.

"OAR": the Oregon Administrative Rules duly promulgated by DMAP and AMH and as amended from time to time.

"OHP Member": an individual found eligible by a division of the Oregon Department of Human Services to receive services under the OHP Medicaid Demonstration Project or State Children's Health Insurance Program and who is enrolled with COUNTY as the Mental Health Organization under the MHO Contract.

"Oregon Health Plan (OHP) Medicaid Demonstration Project": the project which expands Medicaid eligibility to Oregon residents.

"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 a Client, 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 UB04 claim form, submitted for payment of covered health services rendered to an eligible Client that is submitted within the required 120 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

COMPENSATION AND PAYMENT

1. Compensation

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

2. Usual and Customary Charges

CONTRACTOR shall bill COUNTY according to their Usual and Customary fee schedule.

3. Method of Payment

To receive payment CONTRACTOR shall submit a UB 04 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 410-141-0420, "Oregon Health Plan Prepaid Health Plan Billing and Payment Under the Oregon Health Plan". Claims may be submitted to PH Tech in either paper or electronic format.

PH Tech shall pay CONTRACTOR on behalf of COUNTY, by the 45th 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 CONTRACTOR if CONTRACTOR 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 CONTRACTOR fails to submit fee-for-service bills within 120 calendar days of the date of service. The timely filing requirement is extended to 18 months when there is a Third Party Resource as the primary payor and to 12 months when Medicare is primary.

4. Non-Covered Services

CONTRACTOR shall follow OAR 410-141-0420, "Oregon Health Plan Prepaid Health Plan Billing and Payment Under the Oregon Health Plan", when submitting fee-for-service claims for services provided to Client that are not Covered Services.

5. Payment in Full

Except as expressly provided below, payments to CONTRACTOR made by COUNTY for services provided under the terms of this agreement shall constitute payment in full. CONTRACTOR shall not bill, charge, seek compensation, remuneration or reimbursement from, or have any recourse against AMH 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 copays, coinsurance, deductibles or any other cost sharing, if any and as applicable. CONTRACTOR 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 CONTRACTOR shall not exceed the reimbursement amount in effect as of the date of service.

6. Overpayments

Any payments made by COUNTY to which CONTRACTOR is not entitled under the terms of this agreement shall be considered an overpayment and shall be refunded by CONTRACTOR at the request of COUNTY, in accordance with OAR-410-120-1280, "Billing" and OAR 410-120-1397, "Recovery of Overpayments to Providers – Recoupments and Refunds", provided that the request for refund is made within twelve (12) months from the date of payment from COUNTY to CONTRACTOR.

7. Third Party Resources and Coordination of Benefits

Pursuant to the MHO Contract, COUNTY is the payer of last resort when there is other insurance or Medicare in effect. CONTRACTOR shall bill and collect from liable third party resources prior to billing COUNTY. If both the third party resource and COUNTY reimburse CONTRACTOR for the same service, COUNTY shall be entitled to a refund for the exact amount of duplicate payment received by CONTRACTOR.

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

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 applicable confidentiality laws. 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.

8. Pay for Performance

COUNTY may offer to CONTRACTOR the opportunity to participate in a Pay for Performance program. Such a program will be designed to encourage quality improvement and client focused care and may include financial incentives for achievement of performance targets. The Pay for Performance program will be subject to funding availability. CONTRACTOR will not be eligible to receive performance payments during any time period CONTRACTOR is out of compliance with the terms and conditions of this agreement.

EXHIBIT C

SCOPE OF WORK

CONTRACTOR agrees to provide the services described below when approved by COUNTY's clinical review process. CONTRACTOR shall provide services in accordance with OAR 410-141-0520, "Prioritized List of Health Services"; OAR 410-141-0480, "Oregon Health Plan Benefit Package of Covered Services"; and OAR 410-141-0500, "Excluded Services and Limitations to Oregon Health Plan Clients and DMAP Members", and any other administrative rules to which CONTRACTOR is subject, as such rules may be revised from time to time. Services provided are to be within the scope of CONTRACTOR's licenses and certification, and the licenses, certifications and training of its employed and contracted staff providing direct services under this agreement.

1. Acute Inpatient Psychiatric Services (DRG 424-432)

Intensive 24-hour treatment services occurring in a secure, appropriately licensed mental health facility. Services are provided under the direction of a licensed psychiatrist by a multidisciplinary treatment team of qualified mental health professionals. Services may include an initial assessment; history and physical; psychiatric care; individual, group, family and/or activity therapies; social skill development; nutritional care; medically appropriate physical health care; and room and board.

2. Services Included in Compensation

Compensation as described in Exhibit B is all-inclusive of inpatient hospital services and includes:

- Emergency department services exclusive of physician services;
- Admitting history and physical;
- Room and board;
- Inpatient attending and consulting physician services;
- Medically appropriate laboratory and diagnostic tests;
- Nursing services;
- Central supply; and
- Pharmacy services.

3. Transfer to Long-Term Care

COUNTY and AMH may determine, during the course of an admission, that the Client meets criteria for long-term care rather than acute inpatient psychiatric care. The parties agree that CONTRACTOR will provide care under the terms of this agreement from the date the Client is determined eligible for long-term care until such time as CONTRACTOR and COUNTY agree to transfer the Client elsewhere.

4. Coordination of Care

CONTRACTOR's medical and social services staff shall consult with COUNTY staff concerning the inpatient treatment of the Client, as well as discharge planning, to enable COUNTY to coordinate with the Client's health care provider(s) and to fulfill its obligation of assuring that Client's receive Covered Services within one (1) calendar week following discharge from acute inpatient psychiatric care. In order to ensure continuity of patient care, CONTRACTOR agrees not to discharge the Client prior to discharge planning and care coordination with COUNTY. COUNTY and CONTRACTOR shall ensure that in the process of coordinating care, the Client's privacy is protected consistent with the confidentiality requirements in 45 CFR parts 160 and 164 subparts A and E, to the extent that they are applicable, and consistent with other State law or Federal regulations governing privacy and confidentiality of mental health records.

5. Seclusion and Restraint Policy

CONTRACTOR must fully inform the Client and his/her parent or legal guardian of the rules, guidelines and expectation of its seclusion and restraint policies at the time of admission, if CONTRACTOR is certified to use such practices in accordance with OAR 309-032-1100 through 309-032-1230. CONTRACTOR shall document that each staff has been trained and is competent in minimizing the use of intrusive behavior intervention such as physical holdings, seclusion and/or restraint. CONTRACTOR agrees to provide COUNTY with a copy of its behavior management policies and special treatment procedures, and to inform COUNTY of any incident that occurs during use of seclusion and restraint techniques, or of any complaint by Client and/or his/her parent or legal guardian related to seclusion and restraint.

6. Standards of Care

CONTRACTOR shall:

- A. Provide services in a manner that assures continuity and coordination of the health care services provided to each Client;
- B. Accept Clients for treatment on the same basis that CONTRACTOR accepts other clients and render services to Clients in the same manner as provided to CONTRACTOR's other patients. CONTRACTOR shall not discriminate against Clients because of source of payment, race, gender, national origin, ancestry, religion, marital status, sexual orientation, age or diagnosis;
- C. 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);
- D. Advise or advocate on behalf of Clients in regard to treatment options, without restraint from COUNTY;
- E. Provide Clients with access to services without undue delay and as soon as necessary in light of the member's mental health condition. CONTRACTOR shall comply with access standards as set forth in the MHO Contract and COUNTY policies and procedures;
- F. Ensure that all personnel providing services to Clients under this agreement are properly trained and qualified to render the services they provide. CONTRACTOR 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;
- G. Maintain facilities and equipment appropriate for provision of services to Clients of a type and quality consistent with administrative rules promulgated by the State of Oregon Department of Human Services and the American's with Disabilities Act; and
- H. Ensure that all providers and staff employed or contracted by CONTRACTOR 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.

EXHIBIT D

PERFORMANCE STANDARDS

1. Interpretation and Administration of Agreement

CONTRACTOR acknowledges that this agreement between COUNTY and CONTRACTOR is subject to the underlying MHO Contract between COUNTY and AMH, Oregon Administrative Rules related to the Oregon Health Plan Medicaid Demonstration Project and State Children's Health Insurance Program concerning mental health services, the Oregon Revised Statutes concerning the Oregon Health Plan, and other applicable Oregon statutes and administrative rules concerning mental health services. If CONTRACTOR believes that any provision of this agreement or COUNTY's interpretation thereof is in conflict with Federal and State statutes or regulations, CONTRACTOR shall notify COUNTY in writing immediately.

2. General Performance Standards

COUNTY shall monitor services provided by CONTRACTOR and has the right to require CONTRACTOR's compliance with AMH 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.

- A. Licenses and Certifications. By signing this agreement, CONTRACTOR assures that all licenses and certifications required by statute or administrative rule are and will remain current and valid for all of CONTRACTOR's employees and independent contractors providing direct service and for all of CONTRACTOR's facilities in which services are provided. CONTRACTOR assures that it is certified under OAR 309-012-0130 et. seq. or licensed under ORS Chapter 443 by the State of Oregon to deliver specified services.
- B. Eligibility and Authorization of Services. CONTRACTOR 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. CONTRACTOR shall participate in the COUNTY concurrent review process. CONTRACTOR understands that authorization for services will be based upon this review process.
- C. Quality Assurance and Utilization Review. CONTRACTOR shall cooperate with, and participate in, COUNTY's quality assurance and utilization review programs. Further, CONTRACTOR shall have a planned, systematic, and ongoing process for monitoring, evaluating and improving the quality and appropriateness of Covered Services provided to Clients consistent with the requirements of the MHO Contract and with practice guidelines established by COUNTY.

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

- D. Contractual Compliance. CONTRACTOR shall ensure that all providers and staff employed or contracted by CONTRACTOR 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. CONTRACTOR shall have the right to appeal actions by COUNTY or decisions concerning interpretation of the MHO Contract as they apply to this agreement. Appeals shall be made in writing.

- (1) 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.
- (2) If CONTRACTOR disputes a decision by COUNTY that arises from interpretation of the MHO Contract, COUNTY will submit the facts of the dispute to the AMH Medicaid Policy Unit for determination within fourteen (14) business days of receipt from CONTRACTOR. Administrative review of decisions of the AMH Medicaid Policy Unit may be made as outlined in the MHO Contract.

3. Staff Credentials

COUNTY delegates to CONTRACTOR the credentialing and recredentialing of employed and contracted staff who provide services to Clients under this agreement. Pursuant to OAR 410-141-120 Provision of Health Services, CONTRACTOR must, at a minimum, obtain and verify documents that provide evidence of credentials and complete database queries, as follows:

- Appropriate education and academic degrees;
- Licenses or certificates, as required;
- Relevant work history or qualifications;
- Completion of a successful criminal history records check through the Oregon Law Enforcement Data System; and
- Positive clearance by the National Practitioner Data Bank and the List of Parties Excluded from Federal Procurement or Nonprocurement Programs.

CONTRACTOR 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 "List of Parties Excluded from Federal Procurement or Nonprocurement Programs" in accordance with Executive Orders No. 12549 and No. 16289, "Debarment and Suspension" (2 CFR Part 180). CONTRACTOR 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. CONTRACTOR may not submit claims for services provided after the date of such exclusion, conviction or termination.

COUNTY reserves the right to review, upon reasonable notice and at CONTRACTOR's site, the actual documents describing the degrees, licenses and certifications of CONTRACTOR's employees and independent contractors for purposes of verification pursuant to the requirements of the MHO Contract.

CONTRACTOR assures that all of CONTRACTOR's 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 licenses or registered. CONTRACTOR 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.

CONTRACTOR shall provide COUNTY with a list of all staff and independent contractors who will provide services to Clients under this agreement. The list shall be submitted to COUNTY within thirty (30) days of the effective date of this agreement and shall be updated as information changes or as changes as made to CONTRACTOR's staff. The list shall document the academic degree, license, certification, and/or qualifications of each employee and independent contractor providing services under this agreement. The list shall also reflect, where applicable, the academic specialty or other applicable evidence of specialized qualifications of such individuals.

4. Recordkeeping and Reporting

A. Clinical Records, Access and Confidentiality

- (1) **Clinical Records.** CONTRACTOR shall ensure maintenance of recordkeeping consistent with OAR 410-141-0180, "Oregon Health Plan Prepaid Health Plan Recordkeeping." 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, CONTRACTOR 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, DMAP, AMH, COUNTY and all their duly authorized representatives the right of access to CONTRACTOR'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 CONTRACTOR to bear the risk of potential financial losses. These records shall be made available for the purpose of making audit, examination, excerpts and transcriptions. CONTRACTOR 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. CONTRACTOR 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. CONTRACTOR 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.** CONTRACTOR shall assure that COUNTY and any other cooperating mental 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. CONTRACTOR shall release mental health service information requested by COUNTY or a provider involved in the care of an Client within ten (10) business days of receiving a signed release. Except as provided in ORS

179.505(9), CONTRACTOR 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. CONTRACTOR shall cooperate with AMH 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.

B. Consumer Complaints

- (1) CONTRACTOR shall maintain a record of all complaints made to CONTRACTOR by the Client related to services provided under this agreement. A complaint means any expression of dissatisfaction, whether oral or written, submitted by an Client or representative, related to any aspect of CONTRACTOR's operations, activities or behavior that pertains to availability, delivery or quality of care. The expression may be in whatever form or communication or language that is used by the Client, but must incorporate the Oregon Health Plan Complaint Form (OHP 3001), and state the reason for the dissatisfaction and the Client's desired resolution. CONTRACTOR shall provide a copy of its consumer complaint policy and procedure to COUNTY upon request.
- (2) CONTRACTOR shall submit to COUNTY a summary of Client complaints on a quarterly basis, within thirty (30) calendar days of the end of each calendar quarter, using the form provided by COUNTY for that purpose.
- (3) CONTRACTOR shall post information on Client rights and responsibilities and its consumer complaint process in a visible location in all offices, clinics and other service locations.

5. Reporting

A. Abuse Reporting

CONTRACTOR shall comply with all processes and procedures of abuse reporting, investigations, and protective services as described in ORS 430.735 through 430.765, Abuse Reporting for Mentally Ill and OAR 410-009-0050 through 410-009-0160, "Abuse Reporting and Protective Services in Community Programs and Community Facilities".

B. Reporting of Critical Incidents

CONTRACTOR shall submit a report of any critical incident involving an Client occurring on CONTRACTOR's premises and/or involving CONTRACTOR's staff and/or occurring during the course of treatment by CONTRACTOR. Incidents that shall be reported include, but are not limited to, injury, accident, major illness, death, act of physical aggression, medication error, suspected abuse or neglect, or any other unusual incident that presents a risk to health and safety of the Client. Incident reports shall be submitted in writing and shall include, at a minimum, the date of the incident, the persons involved, the details of the incident, and the quality and performance actions taken by CONTRACTOR to initiate investigation of the incident and correct any identified deficiencies. Incident reports shall be submitted to COUNTY within 24 hours of the occurrence of the incident.

C. Third-Party Resource Information

CONTRACTOR 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. CONTRACTOR shall make these records available for audit and review consistent with the provisions of the MHO Contract.

D. Encounter Data

CONTRACTOR shall submit to COUNTY accurate and complete encounter data in the form of a CMS 1500 claim form for each contact with an Client. CONTRACTOR 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 an Client. Each encounter claim shall include such information as required in the MHO Contract and meet specifications as a Valid Claim. CONTRACTOR shall use the most current DSM Multi-Axial Classification System. DSM codes shall be reported at the highest level of specificity.

E. Oregon Patient/Resident Care System (OP/RCS)

CONTRACTOR shall submit OP/RCS data for all Clients receiving Covered Services under this agreement. CONTRACTOR shall submit OP/RCS data to AMH via electronic media in the specific CPMS format. CONTRACTOR shall submit CPMS data within twelve (12) hours of admission to acute inpatient psychiatric care.

F. Data Submission Timeliness

CONTRACTOR assures that any and all data used for COUNTY's analysis of access, capacity, quality, consumer satisfaction, financial solvency, encounter data submission, and other data submission shall be submitted to COUNTY within time frames sufficient to allow COUNTY to meet AMH reporting requirements as described in the MHO Contract.

6. Monitoring

A. Agreement Compliance Monitoring

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

B. Evaluation Projects

CONTRACTOR agrees to participate with COUNTY in any evaluation project or performance report as designed by COUNTY or applicable State or Federal agency. CONTRACTOR 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.

EXHIBIT E

FRAUD AND ABUSE

CONTRACTOR shall comply, and, as indicated, cause all employees and subcontractors to comply with, the following requirements related to fraud and abuse.

1. General

- A. CONTRACTOR, 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).
- B. CONTRACTOR, 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.200 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.
- C. CONTRACTOR 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.
- D. CONTRACTOR 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.

2. Fraudulent Billing, False Claims and Disciplinary Guidelines

- A. If it is determined that services billed by CONTRACTOR and paid with Medicaid funds 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 Medicaid 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 CONTRACTOR on probationary status and suspend billing authority until the issue is resolved
 - Termination of this agreement.
- B. COUNTY shall promptly refer all verified cases of fraud and abuse to the Medicaid Fraud Control Unit, consistent with the Memorandum of Understanding between the State of Oregon

Department of Human Services and the Medicaid Fraud Control Unit. COUNTY shall also refer cases of suspected fraud and abuse to the Medicaid Fraud Control Unit prior to verification.

3. Participation of Suspended or Excluded Providers

CONTRACTOR shall ensure that Covered Services are not 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.

EXHIBIT F

COMPLIANCE WITH APPLICABLE LAW

CONTRACTOR 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.

1. Miscellaneous Federal Provisions

CONTRACTOR shall comply with all Federal laws, regulations, and executive orders applicable to the Contract or to the delivery of Services. Without limiting the generality of the foregoing, CONTRACTOR expressly agrees to comply with the following laws, regulations and executive orders to the extent they are applicable to (a) Title VI and VII of the Civil Rights Act of 1964, (b) Sections 503 and 504 of the Rehabilitation Act of 1973, (c) the Americans with Disabilities Act of 1990, (d) Executive Order 11246, (e) the Health Insurance Portability and Accountability Act of 1996, (f) the Age Discrimination in Employment Act of 1967, and the Age Discrimination Act of 1975, (g) the Vietnam Era Veterans' Readjustment Assistance Act of 1974, (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, (j) all Federal law governing operation of Community Mental Health Programs, 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 the agreement and required by law to be so incorporated. No Federal funds may be used to provide Covered Services in violation of 42 USC 14402.

2. Equal Employment Opportunity

If this agreement, including amendments, is for more than \$10,000, then CONTRACTOR shall 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).

3. Non-Discrimination

CONTRACTOR 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. CONTRACTOR shall also comply with all applicable requirements of state civil rights and rehabilitation statutes and rules. CONTRACTOR shall comply with the requirements of Title II of the Americans with Disabilities Act and Title VI of the Civil Rights Act by assuring communication and delivery of Covered Services to Clients who have difficulty communicating due to a disability, or limited English proficiency or diverse cultural and ethnic backgrounds, and shall maintain written policies, procedures and plans in accordance with the requirements of OAR 410-141-0220.

4. Pro-Children Act

CONTRACTOR shall comply with the Pro-Children Act of 1994 (codified at 20 USC Section 6081 et. seq.).

5. Drug Free Workplace

CONTRACTOR shall 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 CONTRACTOR's workplace. CONTRACTOR 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.

6. Clinical Laboratory Improvement Amendments

All laboratory testing sites providing Covered Services under this agreement shall have either a Clinical Laboratory Improvement Amendments (CLIA) certificate of waiver or a certificate of registration along with CLIA identification number. Those laboratories with certificates of waiver will provide only the eight types of tests permitted under the terms of the waiver. Laboratories with certificates of registration may perform a full range of laboratory tests.

7. Clean Air, Clean Water, Environmental Protection Agency Regulations

If this agreement, including amendments, exceeds \$100,000 then CONTRACTOR shall comply with all applicable standards, orders or requirements issued under Section 206 of the Clean Air Act (42 USC 7), Federal Water Pollution Control Act, (33 USC 1251 to 1387), Executive Order 11738, and Environmental Protection Agency (EPA) regulations which prohibit the use of facilities included on the EPA List of Violating Facilities. Any violations shall be reported to the Department of Health and Human Services and to the appropriate Regional Office of the Environmental Protection Agency.

8. Energy Efficiency

CONTRACTOR shall comply and cause all employees and 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 USC 6201 et. seq. (Pub. L. 94-163).

9. Resource Conservation and Recovery

CONTRACTOR 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 (42 USC 6901 et. seq.). Section 6002 of that Act 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 Parts 247-253.

10. Audits

CONTRACTOR 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."

11. Marketing

CONTRACTOR shall not initiate contact or market independently to potential Clients in an attempt to influence an individual's enrollment with COUNTY, without the express written consent of AMH. Pursuant to OAR 410-141-0270(1), CONTRACTOR may not conduct, directly or indirectly, door-to-door, telephonic, mail or other cold call marketing practices to entice potential Clients to enroll with CLACKAMAS MHO, or to not enroll with another Mental Health Organization. CONTRACTOR shall not seek to influence an individual's enrollment with COUNTY in conjunction with the sale of any other insurance. CONTRACTOR may engage in activities intended to provide outreach to CLACKAMAS MHO's enrolled OHP Members for the purpose of enhancing mental health promotion or education within CLACKAMAS MHO's Service Area. Marketing materials expressly for the purpose of mental health promotion, education or outreach do not require prior approval.

12. Truth in Lobbying

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

- (a) No Federal appropriated funds have been paid or will be paid, by or on behalf of CONTRACTOR, 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.
- (b) 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, CONTRACTOR shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying" in accordance with its instructions.

13. Conflict of Interest

CONTRACTOR 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, CONTRACTOR shall apply the definitions in the State Public Ethics Law as if they applied to CONTRACTOR for "Actual conflict of interest," ORS 244.020(1), "potential conflict of interest," ORS 244.020(14), and "OHP Member of household," ORS 244.020(12).

14. Protected Health Information

CONTRACTOR is a "covered entity" for the purposes of the provisions of the Health Insurance Portability and Accountability Act (HIPAA), Title II, Subtitle F, Administrative Simplification, or the Federal regulations implementing the Act. CONTRACTOR shall develop and implement such policies and procedures for maintaining the privacy and security of records and authorizing the use and disclosure of records consistent with HIPAA and/or other Federal, State, and local laws, rules and regulations applicable to the work performed under this agreement. CONTRACTOR shall ensure that the confidential records are secure from unauthorized disclosure. Electronic storage and transmission of confidential Client information and records shall assure accuracy, backup to retention and safeguards against tampering, back dating and alteration.



BOARD OF COUNTY COMMISSIONERS BUSINESS MEETING MINUTES

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

Thursday, May 31, 2012 – 10:00 AM

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

PRESENT: Commissioner Charlotte Lehan, Chair
Commissioner Jim Bernard
Commissioner Ann Lininger
Commissioner Paul Savas
Commissioner Jamie Damon

I. CALL TO ORDER

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

MOTION:

Commissioner Bernard: I move we approve the order of the Agenda.

Commissioner Lininger: Second.

Chair Lehan – all those in favor/opposed:

Commissioner Savas: Aye.

Commissioner Damon: Aye.

Commissioner Lininger: Aye.

Commissioner Bernard: Aye.

Chair Lehan: Aye.

Chair Lehan – The Ayes have it and the motion passes 5-0.

II. PRESENTATIONS

1. Presentation by Oregon Impact on DUII Education for Local Youth
Tim Heider, Public and Government Affairs presented the staff report. He introduced Janelle Meredith, Oregon Impact, Heather Hobson, Milwaukie High School parent and John Foote, Clackamas County District Attorney who all spoke about the importance of the DUII Education program for local youth. Commissioner Damon introduce student from Estacada High School who participated in the "Fatal DUII Crash Simulations".

~Board Discussion~

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

2. Presentation and Acceptance of the Traffic Safety Commission's 2011 Annual Report
Joe Marek, County Engineering, presented the staff report and showed a brief PowerPoint regarding the Traffic Safety Commission 2011 annual report. The Traffic Safety Commission is very committed to the safety of the County's transportation system and has dedicated countless time, effort and expertise in their roles as members of this commission. They share in Clackamas County's firm belief that citizens can play an important part in the development of policies and programs for traffic safety in our County. Joe introduce Tiffany Hicks, Children, Youth and Families who spoke about the Strategic Prevention Framework State Incentive Grant, this grant is designed to help with the prevention of binge drinking among young adults 18 to 25. He also introduced Walt McCallister, ODOT Transportation Safety Division, who spoke about the partnership with the County regarding traffic safety.

~Board Discussion~

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

MOTION:

Commissioner Bernard: I move we accept the Traffic Safety Commission's 2011 Annual Report.

Commissioner Savas: Second.

Chair Lehan – all those in favor/opposed:

Commissioner Savas: Aye.
Commissioner Damon: Aye.
Commissioner Lininger: Aye.
Commissioner Bernard: Aye.
Chair Lehan: Aye.
Chair Lehan – The Ayes have it and the motion passes 5-0.

3. Presentation and Acceptance of the Safe Communities 2011 Annual Report
Joe Marek and Patty McMillan, County Engineering presented the staff report. He stated the mission of the Safe Communities program is to reduce injuries and fatalities in Clackamas County. Joe introduce Tiffany Hicks, Children, Youth and Families who spoke about the Strategic Prevention Framework State Incentive Grant, this grant is designed to help with the prevention of binge drinking among young adults 18 to 25. He also introduced Walt McCallister, ODOT Transportation Safety Division, who spoke about the partnership with the County regarding traffic safety.

~Board Discussion~

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

MOTION:

Commissioner Damon: I move we accept the Safe Communities 2011 Annual Report.
Commissioner Lininger: Second.
Chair Lehan – all those in favor/opposed:
Commissioner Savas: Aye.
Commissioner Damon: Aye.
Commissioner Lininger: Aye.
Commissioner Bernard: Aye.
Chair Lehan: Aye.
Chair Lehan – The Ayes have it and the motion passes 5-0.

III. DISCUSSION ITEMS *(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.)*

~NO DISCUSSION ITEMS SCHEDULED

IV. CITIZEN COMMUNICATION)

1. Ed Kirchhofer, Clackamas Fire District No. 1, spoke in support of the ambulance RFP.
2. Ted Kunze, Canby Fire District, spoke in support of RFP for ambulance services – resume contract renewal.
3. Gary McQueen, Sandy Fire District, supports a process similar to Washington County that would allow the extension of the ambulance contract provided the needs are met County wide.
4. Vince Stafford, Molalla Fire District, spoke regarding ambulance RFP - great working relationship with current provider – should extend contract – duel process.
5. Karl Koenig, Representing the Professional Fire Fighters. Local 1159 – spoke in support of RFP for ambulance service plan.
6. Mike Dyke, Tualatin Valley Fire & Rescue – supports a long-term contract with the current ambulance provider.
7. David Jorling, Lake Oswego – spoke in support of light rail – the County cannot breach the current agreement with Tri-met.
8. John Ludlow, Wilsonville – Candidate for Clackamas County Chair – Sheriff's budget cuts.
9. Bob Shannon, Damascus – where is funding for light rail coming from?

V. CONSENT AGENDA

Chair Lehan asked the Clerk to read the consent agenda by title, she then asked for a motion.

MOTION:

Commissioner Bernard: I move we approve the Consent Agenda.

Commissioner Lininger: Second.

Chair Lehan – all those in favor/opposed:

Commissioner Savas: Aye.

Commissioner Lininger: Aye.

Commissioner Damon: Aye.

Commissioner Bernard: Aye.

Chair Lehan: Aye.

Chair Lehan – The Ayes have it and the motion passes 5-0.

A. Health, Housing & Human Services

1. Approval of Contract with Oregon Department of Transportation for Federal 5311 Rural Transportation Program Funds for Operating Expenses of the Mountain Express Bus Service in the Hoodland Area - ss
2. Request for Approval to Apply for a Federal Grant from the US Department of Labor, Veterans Workforce Investment Program - csc
3. Approval of an Intergovernmental Agreement between the Community Development Division and the Estacada School District for the School Based Health Center Project - cd
4. Board Order No. **2012-28** Approving of Mental Health Director's Designees to Authorize a Custody Hold Under ORS 426.233 - BH
5. Approval of Amendment No. 4 to an Intergovernmental Agreement with Multnomah County for a Public Health Officer - CH
6. Approval of a Facilities Use Agreement with North Clackamas School District No. 12 - CH
7. Approval of Amendment No. 2 to an Agreement with Oregon Health & Science University to Provide Consultation for Emergency Medical Services - CH
8. Approval of a Professional, Technical, and Consultant Service Contract with FolkTime, Inc. to Provide Peer Support Services - BH
9. Approval of a Renewal Intergovernmental Agreement with the Oregon Department of Consumer and Business Services, Senior Health Insurance Benefits Assistance (SHIBA) to Support the Volunteer Connection's SHIBA Program in Providing Information, Counseling and Assistance to Seniors and Other Medicare Recipients on Health Insurance Matters – ss
10. Approval to Apply for the Substance Abuse and Mental Health Services Administration Primary and Behavioral Health Care Integration Grant - BH

B. Department of Transportation & Development

1. Approval of an Intergovernmental Agreement with Oak Lodge Sanitary District for Preliminary Engineering Study for the Boardman Creek Fish Habitat Restoration Project
2. Approval of Amendment No. 1 to the Contract Documents with Harper Houf Peterson Righellis, Inc. for Consulting Engineering Services for Engineering Design and Plans for the Industrial Way Construction Project - FIN

C. Finance Department

1. Board Order No. **2012-38** Closing the Change Fund Account for the Community Solutions WFI Coffee Cart
2. Board Order No. **2012-39** Closing the Petty Cash Fund Account for the Community Solutions WFI Coffee Cart

D. Elected Officials

1. Approval of Previous Business Meeting Minutes – BCC
2. Approval of the Intergovernmental Agreement Between the Clackamas County Sheriff's Office and the USDA. Forest Service, Mt. Hood National Forest Law Enforcement

E. County Counsel

1. Resolution No. **2012-40** Authorizing the Withdrawal from Special Advocacy Fund

F. Department of Emergency Management

1. Approval of Amendment No. 1 of the Intergovernmental Agreement with the City of Portland for the 2011 Urban Area Security Initiative (UASI) Grant Award

VI. COUNTY ADMINISTRATOR UPDATE

Steve Wheeler gave a budget update regarding the Sheriff's office.

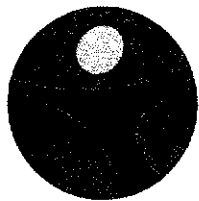
VII. COMMISSIONERS COMMUNICATION

The Board adjourned for a special Budget Committee meeting.

MEETING ADJOURNED – 11:50 AM

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

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



**NORTH CLACKAMAS
PARKS & RECREATION DISTRICT**

Administration

150 Beaver Creek Rd.
Oregon City, OR 97045
503.742.4348 phone 503.742.4349 fax
ncprd.com

September 13, 2012

Board of County Commissioners acting as the NCPRD Board of Directors
Clackamas County



Members of the Board:

**Approval of the Agreement Between NCPRD and the
Hawthorne Park COA for the Maintenance of Hawthorne Park**

Attached is an agreement between NCPRD and the Hawthorne Park Condominium Owners Association (COA) for the maintenance of Hawthorne Park. Hawthorne Park is located on the south side of SE King Road near SE 75th Avenue. The Clackamas County Development Agency (Agency) partnered with HP Development through a Development Agreement, to develop a project with affordable or "workforce" housing units and a small neighborhood park. The Development Agreement required the Agency to purchase and develop a one acre public park.

The Development Agreement includes a requirement that the Hawthorne Park COA fund maintenance expenses of the park for twenty years after completion. This requirement is recorded in the declaration for the condominium development and purchasers of the homes were made aware of this requirement. The park must be maintained to NCPRD standards, which are incorporated in the Development Agreement.

The COA prefers to contract with NCPRD for maintenance services. Maintenance for the first two years after completion of the park construction does not include lawn areas or landscaping beds as these are the responsibility of the construction contractor during the establishment period. NCPRD services include maintenance of play areas and site furnishings, garbage pickup and leaf removal.

The maintenance agreement was supported by the NCPRD Advisory Board at a meeting on May 9, 2012, and reviewed with the NCPRD Board at a Study Session on July 17, 2012. County Counsel has reviewed and approved the agreement.

RECOMMENDATION:

Staff and the District Advisory Board respectfully recommend the NCPRD Board approve the maintenance agreement.

Sincerely,

Gary Barth
Director, NCPRD

For information on this issue or copies of attachments, please contact Michelle Healy @ 503-742-4348 or via email at: michellehealy@clackamas.us

MAINTENANCE AGREEMENT BETWEEN
NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
And
HAWTHORNE PARK CONDOMINIUM OWNERS ASSOCIATION
For
MAINTENANCE OF HAWTHORNE PARK

THIS MAINTENANCE AGREEMENT (this "Agreement") is entered into by and between the North Clackamas Parks and Recreation District ("District"), a county service district formed and existing under the provisions of ORS Chapter 451, and Hawthorne Park Condominium Owners Association ("Association"), an Oregon corporation.

Recitals:

- A. WHEREAS, Association desires District to assume certain maintenance obligations with respect to the park land described in the tax records of Clackamas County as tax lot 12E32AB01300 ("HP Park"); and .
- B. WHEREAS, District is willing to undertake the maintenance obligations on the terms and conditions set forth herein; and
- C. WHEREAS, this maintenance agreement is the culmination of the obligations set forth in that certain Owner Participation and Development Agreement ("OPDA") by and between Clackamas County Development Agency ("Agency") and HP Development Incorporated ("HP") as approved by the Board of County Commissioners, Clackamas County on December 11, 2008 (County Recording Division No. 2008-4491) and subsequently amended on November 12, 2009 (County Recording Division No. 2009-4399). The OPDA provided for the construction of public park improvements by the Agency on property acquired by the Agency from HP, and also requires the Association fund maintenance of the park for a period of 20 years after completion of park construction.

Agreement:

In consideration of the terms and agreements set forth below, the District and the Association hereby agree as follows:

- 1. **Services.** The District will provide site maintenance services for HP Park, including all necessary labor, equipment, materials, utilities and tools. Maintenance will include, but not be limited to, garbage service twice weekly, seasonal leaf removal, vandalism repair, graffiti removal, winterization, hard surface maintenance, play equipment maintenance dog bag station, playground chips, sand and inspections (collectively, the "Scope of Services"). The Hawthorne Park maintenance bid is attached as Exhibit A. To the extent there is any inconsistency between Exhibit A and this Agreement, the terms of this Agreement shall control. In addition to the Scope of Services, the parties agree that:

- a. Landscaping services including, but not limited to, mowing, edging, trimming, pruning, irrigation, fertilization, weed control in turf and landscape beds and replacement of dead or dying plant materials, are the responsibility of the park construction contractor, PCR Inc., for a period of 24 months after the completion of park construction.
 - b. Services do not include the cost of replacement parts for necessary maintenance or replacement due to normal wear and tear, which is not covered by equipment warranties, or parts or replacement of park amenities or equipment that is vandalized, stolen or damaged due to other circumstances. The Association is advised to consult its insurance provider regarding coverage for damage to park amenities and equipment.
 - c. The Association is responsible for utility expenses associated with the park, including water service for landscape irrigation and the farm pump, and electrical service for lighting and irrigation controllers. The Association shall contract with local utilities to provide these services. Billing for these services shall be directed to the Association.
 - d. Standard park signage, including, but not limited to, entry signs and park rules signage will be installed by the Agency. Maintenance of standard park signage will be the responsibility of the District.
 - e. Educational and interpretive signage, such as descriptions of native plants and other park amenities will be installed by the Agency. The maintenance of these signs is the responsibility of the Association.
2. **Standard of Services.** The District agrees to perform its services with that standard of care, skill and diligence normally provided by a competent organization in the performance of similar services. Park maintenance standards are attached as Exhibit B and Association agrees that such standards constitute an appropriate level of service as contemplated herein.
 3. **Payment for Services.** Association will pay District for the performance of services outlined above the sum of \$1,690.64 annually. Payment will be made in advance, in quarterly installments of \$422.66. The payments will commence in October of 2012. The first payment in October 2012 will include a pro-rated amount of \$69.48 for the last fifteen (15) days of September 2012. Payments will be made by the 10th day of the month and will be due in April, July, October and January. Each year on July 1, the payment for the services will increase by a percentage equal to the increase in the consumer price index (CPI-W for Portland, Oregon) for the most recent one-year period preceding the date of increase for which statistics are available.
 4. **Term.** Unless earlier terminated, this Agreement shall commence September 16, 2012, and shall remain in full force and effect until December 31, 2014.

5. **Additional Work.** If additional work is required beyond the Scope of Services described above, the following shall apply:
 - a. If the cost of services is less than or equal to \$1,000, the District will complete the repairs in a timely manner and bill the Association for the cost of services. The Association will pay amounts due within 30 days receipt of billing.
 - b. If the cost of services exceeds \$1,000, the District will consult with the Association in a timely manner to seek input regarding alternatives prior to completing the services. The District will consider the Association's input in making its decision regarding alternatives. Upon completion of the services, the District will bill the Association for the cost of services. The Association will pay amounts due within 30 days receipt of billing.

6. **Interest.** Amounts due and unpaid will bear interest as provided by statute.

7. **Governing Law and Public Contracting Law.** This Agreement shall be governed by the laws of the State of Oregon. Provisions of Oregon public contracting law, ORS 279.310 through 279.342, as applicable, are incorporated herein by reference.

8. **Termination.** This Agreement may be terminated only by (i) written mutual agreement of both parties, (ii) upon expiration of the term of the Agreement as provided in Section 4, or (iii) if the District elects to accept full responsibility for park operations and maintenance in their sole and absolute discretion.

NORTH CLACKAMAS
 PARKS AND RECREATION
 DISTRICT

HAWTHORNE PARK
 CONDOMINIUM OWNERS
 ASSOCIATION

 Signature

Adam J. Brittle
 Signature

 Name

Adam J. Brittle
 Name

 Title

HOA President
 Title

 Date

9/2/2012
 Date



North Clackamas Parks and Recreation District Maintenance Costs (12-13)

Exhibit A

Program Name: Maintenance Division Hawthorne Park Maintenance Bid
 Price is for 12 months of service

Once a week service includes, fertilization twice a year, leaf removal, garbage service twice weekly, vandalism repair, graffiti removal, irrigation repair and monitoring, winterization, hard surface maintenance, dog bag station, playground chips, sand and inspections.

Units of svc:	
---------------	--

Staffing:		Hourly rate \$	x Program Hrs.	Hours	Direct Costs:
Labor Cost full time		\$ 34.73		26	\$ 902.98
Labor Costs PT		\$ 16.60		0	\$ -
Supervisor Salary		\$ 47.31		2.6	\$ 123.01
unemploy & workers comp		\$ 0.42		0	\$ -
		\$ -			\$ -
		\$ -			\$ -
		\$ -			\$ -
		\$ -			\$ -
		\$ -			\$ -
Program coordinator or supervisor:	salary or hourly rate \$		% or hours		\$ -

	\$ 1,025.99
--	-------------

Facility Rental Fees	Hourly rate	\$ -	x Hours		\$ -
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Equipment/ Miscellaneous-fees, mileage, etc.					
Fertilizer / hebicides	\$ 300.00			Equipment Repairs	\$ 22.40
Maintenance Supplies	\$ 70.56			Vandalism Repair	\$ 12.80
Dog Bags	\$ 6.40			Misc. & Safety Equip.	\$ 172.50
Electrical Cost	\$ -			Fuel	\$ 36.72
Water Cost	\$ -			Contract Maint	\$ -
Trash Removal	\$ 43.27			Total Equipment	\$ 664.65
				Total Direct Costs:	\$ 1,690.64

Indirect Costs:	
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
Total Indirect Costs:	
	\$ -
Grand Total Costs Direct/ Indirect:	
	\$ 1,690.64

Revenue (Based fees):	
In-District or Over 62	
Fee per participant	\$ -
Number of participants	
Total In-District revenue	\$ -
Out-of-District or Under 62	
Fee per participant	\$ -
Number of participants	
Total Out-of-District revenue	\$ -

Additional Revenue:	
Misc revenue	\$ -
	\$ -
	\$ -
Additional Revenue	
	\$ -
Total program fees revenue	
	\$ -

Revenue - Costs = Profit +/- Loss - \$ (1,690.64)

EXHIBIT B

Park Maintenance Standards

- A. Mow turf and blow pathways once every 7-10 days during the mowing season from April through November, with additional mowing as needed the remainder of the year to maintain a well-manicured turf.
- B. Maintain turf at a level of 2 1/2-inches except in the early spring where the mower will be set at 3 inches. The mowers will be lowered to 2 ½ inches around June.
- C. Conduct documented park inspection at least once per quarter during the year.
- D. Edge around walks, curbs, and plant beds every other week during the growing season.
- E. Spray broadleaf weeds in turf as necessary during the mowing season to maintain a predominantly weed-free turf.
- F. Weed eating as needed along the edges of the plant beds and tree rings to maintain uniform turf appearance.
- G. Program irrigation systems by June 1 and as needed throughout the summer. Inspect irrigation systems every two weeks during the mowing season.
- H. Operate irrigation system to maintain healthy turf and conserve water (i.e., one inch of water per week).
- I. Winterize irrigation system in the fall.
- J. Fertilize lawn areas in the spring and fall.
- K. Fertilize shrubs and trees in the spring.
- L. Apply bark mulch once a year to plant beds in the spring.
- M. Remove leaves from facilities in the fall once every two weeks or as necessary.
- N. Prune shrubs and trees in the fall or winter.
- O. Apply herbicides only when necessary to control weeds in shrub beds/flower beds, around trees, and other areas not accessible to mowers.
- P. Remove trash and litter every 7-10 days or more frequently from April through November, and as needed the remainder of the year.

- Q. Visually inspect playgrounds and play structures weekly. Level and add safety chips as necessary to maintain uniform depth. Remove damaged equipment from use as necessary. Cordon off area with caution tape if play equipment is unsafe. Repair damaged equipment within two weeks.
- R. Plant seasonal flowers under signs (spring).
- S. Remove graffiti within 72 hours or as required by Clackamas County ordinance.
- T. Maintain park structures, signage and other appurtenances in a clean, attractive, safe, and structurally sound condition.



Water Quality Protection
Surface Water Management
Wastewater Collection & Treatment
Michael S. Kuenzi, P.E.
Director

September 13, 2012

Board of Commissioners
Clackamas County

Members of the Board:

**APPROVAL AND ACCEPTANCE OF A SERVICE CONNECTION
MORTGAGE IN THE NORTH CLACKAMAS SERVICE AREA FOR
CLACKAMAS COUNTY SERVICE DISTRICT NO. 1**

The property owner listed on the attached service connection mortgage has qualified under the requirements of the District's Rules and Regulations, which allow for payment of systems development charges by semi-annual installment payments secured by a mortgage on the property owned by Norman and Rita Faris and Hala Nemeah.

Map and Tax Lot: 12E35A 00800. The mortgage is in the amount of \$ 17,165.70 and will be repaid over a ten-year period. District counsel has reviewed and approved the mortgage as to form.

RECOMMENDATION

We respectfully recommend that the Board of Commissioners accept the attached service connection mortgage as allowed by CCSD No.1 Rules and Regulations.

Sincerely,

Michael S. Kuenzi, P.E.
Director

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

No Change in Tax Statements

After recording, return to:

Water Environment Services
Clackamas County Service District No.1
150 Beaver Creek Rd
Oregon City, OR 97045

Space Left Blank for Recording Stamp

Accepted By Clackamas County

Agenda Date & Number: _____

OR

Board Order Number: _____

**CLACKAMAS COUNTY SERVICE DISTRICT NO. 1
SERVICE CONNECTION MORTGAGE**

THIS MORTGAGE is made this 5th day of September, 2012 by and between Norm & Rita Faris, Hala Nemeh (herein called "Mortgagors") and Clackamas County Service District No. 1, Clackamas County, Oregon (hereinafter called "District").

RECITAL

Mortgagor has voluntarily applied to District to connect to the public sewerage system. By its duly adopted Rules and Regulations, District has imposed system development and collection sewer charges of \$ 17,165.70 for the privilege of connecting the property described on Exhibit A for tax lot 12E 35A 00800 attached hereto and incorporated by reference, to the District's sewerage system.

Mortgagor desires to defer payment of the system development and collection sewer charges and the District has agreed to such deferral. Therefore the parties agree as follows:

1. **Definitions.** As used herein the following terms shall have the following meanings.

1.1 **Event of Default.** Any of the happenings and occurrences described in paragraph 4.

1.2 **Fixtures.** To the extent of Mortgagor's interest therein, all fixtures now, or to any time hereafter, attached to or used in any way in connection with the operation, use or occupation of the Real Property, including, without limitation, all machinery and equipment, furniture and furnishings, screens, awnings, storm windows and doors, window shades, floor coverings, shrubbery, plants, boilers, tanks, furnaces, radiators, fire prevention and extinguishing apparatus, security and access control apparatus, communications apparatus, all heating, lighting, plumbing, gas, electric, ventilation, refrigerating, air conditioning and incinerating equipment of whatever kind and nature, all of which are hereby declared and shall be deemed to be fixtures and accessory to the fee and part of the Real Property as between

the parties hereto, their heirs, legal representatives, successors and assigns and all persons claiming by, through or under them.

1.3 Improvements. All buildings and other improvements and all additions thereto and alterations thereof now, or at any time hereafter, located upon the Land or any part thereof.

1.4 Indebtedness. The promissory note made by Mortgagor, payable to District, dated this date, in the amount of \$ 17,165.70 the final payment of which, if not sooner paid is due July 31, 2022, as may be extended, renewed, modified, or amended, and including any adjustments and interest, principal and payment terms.

1.5 Land. The property described on attached Exhibit A.

1.6 Obligations. The covenants, promises and other obligations (other than the Indebtedness) made or owing by Mortgagor to or due District under this Mortgage.

1.7 Real Property. The Land, the Improvements and the Fixtures together with all rights, privileges, permits, licenses, tenements, hereditaments, rights-of-way, easements and appurtenances of the Land, and all right, title and interest of Mortgagor in and to any streets, ways, alleys or strips adjoining the Land or any part thereof.

2. Grant. To secure payment of the Indebtedness and performance and discharge of the Obligations, Mortgagor hereby grants, bargains, sells and conveys and assigns to Mortgagor, a mortgage on the real property.

3. Covenants. Until the entire Indebtedness has been paid in full, Mortgagor covenants and agrees as follows:

3.1 Repayment of Indebtedness. Mortgagor agrees to pay to the District system development and collection sewer charges of \$17,165.70 in not less than (20) equal installments of \$ 858.28 on the first day of January and July of each year, together with and in addition to each said installment, interest on the unpaid principal balance, as of the principal payment date, at the prime rate of interest being charged on that date by the bank doing business in Oregon and having the largest deposits. Payments received shall be applied first to accrued interest and then to principal.

3.2 Future Advances. The parties hereto agree that if there is a change in class of service requiring the payment of additional system development and collection sewer charges, District, at its option and if the owner qualifies pursuant to the criteria in the Rules and Regulations, may allow those additional system development and collection sewer charges to be financed and secured by this mortgage without loss of priority.

3.3 Compliance with Laws. Mortgagor will promptly and faithfully comply with, conform to, and obey all present and future laws, ordinances, rules, regulations and requirements of every duly constituted governmental authority or agency which may be

applicable to it or to the Real Property, or any part thereof, or to the use or manner of use, occupancy, possession, operation, maintenance, alteration, repair or reconstruction of the Real Property, or any part thereof, whether or not such law, ordinance, rule, order, regulation or requirement necessitates structural changes or improvements or interferes with the use or enjoyment of the Real Property.

3.4 Payment of Taxes and Other Government Charges. Mortgagor will promptly pay and discharge, or cause to be paid and discharged, before delinquency, all real estate and personal property taxes and other taxes and assessments, water and sewer rates and charges, and other governmental charges and any interest or costs for penalties with respect thereto, and charges for any easement or agreement maintained for the benefit of the Real Property which at any time prior to or after the execution of this Mortgage may be assessed, levied or imposed upon the Real Property, or the rent or income received therefrom, or any use of occupancy thereof, and any other taxes, assessments, fees and governmental charges levied, imposed or assessed upon or against Mortgagor or any of Mortgagor's properties.

3.5 Repair. Mortgagor will keep the Real Property in good order and condition and make all necessary or appropriate repairs, replacements and renewals thereof, and will use Mortgagor's best efforts to prevent any act or thing which might impair the value or usefulness of the Real Property. Mortgagor shall not make any alternations or additions to the Improvements or remove any of the Improvements if such alternations, additions or removal would impair the value of the Real Property.

3.6 Inspection. District shall have the right, individually or through agents, at all reasonable times to inspect the Real Property.

3.7 Indemnification. Mortgagor shall indemnify and hold District and District's agents, legal representatives, heirs, successors and assigns harmless against any and all claims, demands, losses, liabilities, costs and expenses (including, without limitation, attorney fees at trial and on any appeal or petition for review) arising out of or in any way related to or affecting the Real Property or Mortgagor's use thereof.

3.8 Construction Liens. Mortgagor shall not permit or suffer any construction or similar lien on any of the Real Property, except as such liens may be filed in the normal course by contractors, suppliers and the like. Mortgagor shall remove or cause the removal of all such liens by payment of amounts due on account thereof. If Mortgagor desires to contest any such lien, immediately upon the commencement of any litigation concerning the same, Mortgagor may contest the lien by posting a bond necessary for its removal.

4. **Events of Default.** Each of the following shall be an Event of Default.

4.1 **Failure to Pay.** The failure of the Mortgagor to pay any portion of the Indebtedness when it is due.

4.2 **Other Defaults.** The failure of Mortgagor to observe or perform any of the Obligations, other than as specified in this paragraph 4, within 10 days after notice from District specifying the nature of the deficiency. No notice of default and opportunity to cure shall be required if during the prior 12 months District has already sent a notice to Mortgagor concerning a deficiency in performance of the same obligation.

4.3 **Insolvency.** The insolvency of Mortgagor; abandonment of the Real Property, or any parcel or portion thereof; an assignment by Mortgagor for the benefit of creditors; the filing by Mortgagor of a voluntary petition in bankruptcy or an adjudication that Mortgagor is bankrupt; the appointment of a receiver for the property of Mortgagor; or the filing of an involuntary petition in bankruptcy and the failure of Mortgagor to secure the dismissal of the petition within 30 days after filing. Any Event of Default under this paragraph 4 shall apply and refer to Mortgagor, any guarantor of the Indebtedness, and to each of the individuals or entities which are collectively referred to as "Mortgagor."

4.4 **Transfer.** The sale, conveyance, transfer or other disposition of the Real Property, or any part thereof, or any interest therein, including the transfer of possessory rights therein, directly or indirectly, either voluntarily, involuntarily or by operation of law, by contract, deed or otherwise, without District's prior written consent, which consent shall not be unreasonably withheld. The District may attach such conditions to its consent as District may determine in its sole discretion, including without limitation, an increase in the interest rate or the payment of transfer of assumption fees and the payment of administrative and legal fees and costs incurred by District.

4.5 The default under any superior encumbrance to this mortgage.

5. **Remedies.** Upon the occurrence of any Event of Default, District may exercise any one or more of the following remedies:

5.1 **Acceleration.** Declare the unpaid portion of the Indebtedness to be immediately due and payable.

5.2 **Foreclosure.** Foreclose this Mortgage in the manner provided by law for mortgage foreclosures.

5.3 **Receiver.** District shall be entitled, as a matter of right, without notice and ex parte, and without regard to the value or occupancy of the security, or the solvency of Mortgagor or the adequacy of the Real Property as security, to have a receiver appointed to

enter upon and take possession of the Real Property, collect the rents therefrom, and apply the same as the court may direct. Any receiver appointed may serve without bond. District shall not be disqualified to serve as receiver. The expense of the receivership (including counsel fees and other costs) shall be secured by this Mortgage.

5.4 Remedies Cumulative and Concurrent. The rights and remedies of District as provided in the Indebtedness and this Mortgage shall be cumulative and concurrent and may be pursued separately, successively, or together against Mortgagor or against other obligors, or against the Real Property, or any one or more of them, at the sole discretion of District, and may be exercised as often as occasion therefore shall arise.

5.5 Nonwaiver. The election of District not to exercise any option or remedy which they may have under this Mortgage with respect to any Event of Default shall not be deemed a waiver of District's right to exercise such rights or options as to any proceeding or subsequent Event of Default, nor shall it be deemed a waiver with respect to that Event of Default or any other remedy available to District under this Mortgage, the Note or applicable law.

5.6 Termination of Services. Mortgagor agrees that sanitary sewer service is necessary and vital for the continued use and functioning of the subject real property. If a default occurs under the terms of this Trust Deed, which default is not cured thirty days following written notice to Mortgagor, the beneficiary, in addition to any other remedies, may terminate sewer service to the subject property. Mortgagor, or its successors or assigns, shall be responsible for all costs associated with disconnection of service and reconnection to the public sewerage system.

6. Miscellaneous.

6.1 District's Right to Act. Upon an Event of Default, District may, at District's option and without waiver of the default, perform the same on behalf of Mortgagor. Expenditures made or charges incurred by District for the foregoing purposes shall be paid by Mortgagor to District immediately upon demand and shall be secured by this Mortgage. Nothing herein shall require District to advance monies for any purpose or to do any other act, and District shall not incur any personal liability because of District's action or inaction under this paragraph.

6.2 Attorney Fees and Costs. In the event action is instituted to enforce or interpret any of the terms of this Mortgage, the prevailing party shall be entitled to recover from the losing party reasonable attorney fees incurred in the action, as set by court, at trial, on appeal or review.

6.3 Time of Essence. Time is of the essence in the payment of the Indebtedness and the Performance of the Obligations under and secured by this Mortgage.

6.4 Applicable Law. This Mortgage shall be governed by and construed according to the laws of the State of Oregon.

6.5 Interpretation. In interpreting this Mortgage, the singular shall include the plural. If Mortgagor consists of more than one person or entity, each such person and entity shall be jointly and severally liable to pay the Indebtedness and perform the Obligations.

6.6 Severability. In case any one or more of the Obligations shall be invalid, illegal or unenforceable in any respect, the validity of the Indebtedness and remaining Obligation shall be in no way effected, prejudiced or disturbed thereby.

6.7 Modification. This Mortgage may not be changed, waived, discharged or terminated orally, but only by an instrument or instruments in writing, signed by the party against which enforcement of the change, waiver, discharge or termination is asserted.

IN WITNESS WHEREOF, the Mortgagor has set his/her/their hand on the day and year first herein above written.

[Signature]
(Legal owner)

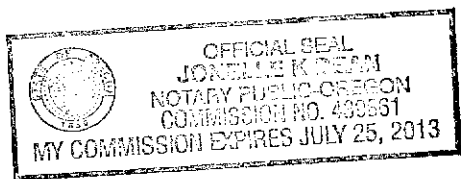
[Signature]
(Legal owner)

8755 SE MARQUE WAY
Mailing Address HARRY VALLEY OR 97034

8755 SE MARQUE WAY
Mailing Address

STATE OF OREGON)
) ss.
County of Clackamas)

Personally appearing the above named NORM FARIS and RITA FARIS, as LEGAL OWNERS and acknowledged the foregoing instrument to be THEIR voluntary act and deed on this 5th day of September, 2007.
2012



Jonelle K. Dean
Notary Public for Oregon
My Commission Expires: July 25, 2013

HALA NEMETH
(Legal owner)

(Legal owner)

4897 Scheidy's RD
Mailing Address

Mailing Address

Whitehall, PA 18052

STATE OF PA)
County of Lehigh) ss.

Personally appearing the above named HALA NEMETH, as LEGAL OWNERS and acknowledged the foregoing instrument to be THEIR voluntary act and deed on this 30 day of Aug., 2012.

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Dolores M. Breitfeld, Notary Public
Whitehall Twp., Lehigh County
My Commission Expires April 27, 2016
MEMBER, PENNSYLVANIA ASSOCIATION OF NOTARIES

Dolores M. Breitfeld
Notary Public for Lehigh County
My Commission Expires: 04/27/2016

EXHIBIT A

LEGAL DESCRIPTION

All that certain parcel of land situate in the County of Clackamas, State of Oregon, being known and designated as follows:

A tract in the Northeast one-quarter of Section 35, Township 1 South, Range 2 East of the Willamette Meridian, in the City of Happy Valley, County of Clackamas and State of Oregon, described as follows:

Beginning at an iron pipe which marks the Northwest corner of that tract of land described in Book 115, Page 287, Deed Records, said point being on the North line of Section 35 and South 89° 55' West 1340.30 feet from the Northeast corner of Section 35; thence North 89° 55' East along the North line of said Section 35, 193.31 feet to the true point of beginning; thence South 01° 07' 30" East 345.00 feet to the center of a creek; thence North 57° 12' 30" East along the center of said creek, 117.47 feet to a point; thence North 01° 07' 30" West 281.50 feet to a point on the North line of Section 35; thence South 89° 55' West along the North line of said Section 35, 100.00 feet to the true point of beginning.

Tax ID: 00125778