

AGENDA

Thursday, August 10, 2017 - 10:00 AM
BOARD OF COUNTY COMMISSIONERS

Beginning Board Order No. 2017-84

CALL TO ORDER

- Roll Call
- Pledge of Allegiance

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

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

1. Board Order No. _____ for Boundary Change Proposal No. CL 17-006, Annexation to Clackamas County Service District No. 1 (Ken Martin, Boundary Change Consultant)
2. Board Order No. _____ for Boundary Change Proposal No. CL 17-007, Annexation to Clackamas River Water (Ken Martin, Boundary Change Consultant)
3. Resolution No. _____ for a Clackamas County Supplemental Budget Greater than 10% and Budget Reduction for Fiscal Year 2017-2018 (Diane Padilla, Budget Manager)

III. 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 Work Sessions. The items on the Consent Agenda will be approved in one motion unless a Board member requests, before the vote on the motion, to have an item considered at its regular place on the agenda.)*

A. Health, Housing & Human Services

1. Approval of a Grant Agreement with LifeWorks Northwest for Relief Nursery Services – *Children, Youth & Families*
2. Approval of Amendment No. 1 to the Intergovernmental Agreement with North Clackamas School District for Kindergarten Partnership Innovation Services – *Children, Youth & Families*
3. Approval of Intergovernmental Agreement No. 8422 with the State of Oregon, acting by and through its Oregon Health Authority and Partnering with Clackamas County Health Centers for Participation in Oregon's Alternative Payment and Care Methodology Program – *Health Centers*

B. Department of Transportation & Development

1. Approval of Amendment No. 2 to the Local Agency Agreement No. 29634 with Oregon Department of Transportation for the Sunnyside Road Adaptive Signal System Project
2. Approval of Contract Amendment No. 2 and Renewal No. 3 for On-Call Hydrogeological Peer Review Services with GSI Water Solutions for the Planning and Zoning Division - *Procurement*

C. Finance Department

1. Resolution No. _____ for a Clackamas County Supplemental Budget Less than 10 % for Fiscal Year 2017-2018
2. Resolution No. _____ for Clackamas County for a Transfer of Appropriations for Fiscal Year 2017-2018

D. Elected Officials

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

E. Community Corrections

1. Approval to Apply for a Grant between Criminal Justice Commission, Justice Reinvestment and Clackamas County to Develop a Pretrial Program

F. Public & Government Affairs

1. Approval of a Contact for Publication Printing Services with Eagle Web Press

IV. DEVELOPMENT AGENCY

1. Approval of a Disposition Agreement and Post Closing Escrow and Development Agreement with G Properties, LLC

V. SERVICE DISTRICT NO. 5 (Street Lighting)

1. Approval of Amendment No. 1 to the Cooperative Improvement Agreement between Oregon Department of Transportation (ODOT) and Clackamas County Service District No. 5 (CCSD#5) for McLoughlin Blvd. Street Lighting

VI. COUNTY ADMINISTRATOR UPDATE

VII. COMMISSIONERS COMMUNICATION

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

www.clackamas.us/bcc/business.html



OFFICE OF COUNTY COUNSEL

PUBLIC SERVICES BUILDING
2051 KAEN ROAD OREGON CITY, OR 97045

August 10, 2017

Board of County Commissioners
Clackamas County

Members of the Board:

Proposal CL 17-006 Approval of Annexation to Clackamas County
Service District No. 1

Stephen L. Madkour
County Counsel

Kathleen Rastetter
Chris Storey
Scott C. Ciecko
Alexander Gordon
Amanda Keller
Nathan K. Boderman
Christina Thacker
Shawn Lillegren
Jeffrey D. Munns
Assistants

Purpose/Outcomes	Conduct Public Hearing/Approve Order
Dollar Amount and Fiscal Impact	None
Funding Source	Not Applicable
Duration	Permanent
Previous Board Action	None
Strategic Plan Alignment	Build Public Trust Through Good Government, hold transparent and clear public processes regarding jurisdictional boundaries
Contact Person	Ken Martin, Boundary Change Consultant Amanda Keller, Assistant County Counsel
Contract No.	Not Applicable

BACKGROUND:

The County Board is charged with making boundary change decisions (annexations, withdrawals, etc.) for many types of special districts (water, sanitary sewer, rural fire protection, etc.) within the County. One type of special district over which the Board has jurisdiction is a county service district and Clackamas County Service District No. 1 is such a district.

Proposal No. CL 17-006 is a proposed annexation to Clackamas County Service District No. 1 ("CCSD#1"). The Board, while the governing body of CCSD#1, is not acting in that capacity in this instance but as the County Board.

State statute and the Metro Code require the Board to hold a public hearing on the proposed annexation. Notice of this hearing invited testimony from any interested party. Notice consisted of: 1) Posting three notices near the territory and one notice near the County hearing room 20 days prior to the hearing; 2) Published notice twice in the Clackamas County Review; 3) Mailed notice sent to affected local governments and all property owners within 100 feet of the area to be annexed.

As required by statute the Board of CCSD#1 has endorsed the proposed annexation. This authority for CCSD#1 was delegated to the Water Environment Services Director, who has endorsed the petition on behalf of CCSD#1. Also as required by statute (ORS 198.720(1)), the City of Happy Valley has approved this petition.

This proposal was initiated by a consent petition of property owners. The petition meets the requirement for initiation set forth in ORS 198.857, ORS 198.750 (section of statute which specifies contents of petition) and Metro Code 3.09.040(a) (lists Metro's minimum requirements for petition). If the Board approves the proposal the boundary change will become effective immediately.

The territory to be annexed is located generally in the eastern part of the District within the City of Happy Valley. The territory contains 28.52 acres, 3 single family units and is valued at \$1,723,529.

REASON FOR ANNEXATION

The property owners desire sewer service for a planned development within the City of Happy Valley which will consist of attached, detached and multi-family homes.

CRITERIA

Oregon Revised Statute 198 directs the Board to "consider the local comprehensive plan for the area and any service agreement executed between a local government and the affected district."

Clackamas County Service District No. 1 and the City of Happy Valley do have an agreement calling for the District to be the provider of sewers inside the City.

Additional criteria can be found in the Metro Code. The code requires a report which addresses the criteria listed below and which includes the following information:

1. The extent to which urban services are available to serve the affected territory, including any extraterritorial extensions of service;
2. Whether the proposed boundary change will result in the withdrawal of territory from the legal boundary of any necessary party¹; and
3. The proposed effective date of the boundary change.

Service availability is covered in the section below. Staff has examined the statutes and determined that approval of this annexation will not cause the withdrawal of the affected territory from the boundary of any necessary party. The proposed effective date (immediately upon adoption) was noted above.

To approve a boundary change, the reviewing entity [the County Board] must apply the following criteria:

¹ A "necessary party" is another governmental entity which includes the same area or provides an urban service to the area.

To approve a boundary change the County must:

- (1) Find that the change is consistent with expressly applicable provisions in:
 - (A) Any applicable urban service agreement adopted pursuant to ORS 195.205;
 - (B) Any applicable annexation plan adopted pursuant to ORS 195.205;
 - (C) Any applicable cooperative planning agreement adopted pursuant to ORS 195.020 (2) between the affected entity and a necessary party;
 - (D) Any applicable public facility plan adopted pursuant to a statewide planning goal on public facilities and services; and
 - (E) Any applicable comprehensive plan;
 - (F) Any applicable concept plan; and
- (2) Consider whether the boundary change would:
 - (A) Promote the timely, orderly and economic provision of public facilities and services;
 - (B) Affect the quality and quantity of urban services; and
 - (C) Eliminate or avoid unnecessary duplication of facilities and services.

There are no cooperative agreements, urban service agreements or annexation plans specifically adopted pursuant to ORS 195 in effect in this area. The original public facility plan for this area does call for service by the District. The proposal is consistent with the Comprehensive Plan as stated in the section below. No concept plans cover this area.

LAND USE PLANNING

REGIONAL PLANNING

General Information

This territory is inside of Metro's jurisdictional boundary and inside the regional Urban Growth Boundary ("UGB").

Regional Framework Plan

The law that requires Metro to adopt criteria for boundary changes specifically states that Metro shall " . . . ensure that a boundary change is in compliance with the Metro regional framework plan as defined in ORS 197.015 and cooperative agreements and urban service agreements adopted pursuant to ORS chapter 195." ORS 197.015 says "Metro regional framework plan means the regional framework plan required by the 1992 Metro Charter or its separate

components.” The Regional Framework Plan was reviewed and found not to contain specific criteria applicable to boundary changes.

There are two adopted regional functional plans, the Urban Growth Management Functional Plan and the Regional Transportation Plan, which were examined and found not to contain any directly applicable standards and criteria for boundary changes.

COUNTY PLANNING

The PUBLIC FACILITIES AND SERVICES Element of the Comprehensive Plan contains the following Goal:

POLICIES

Sanitary Sewage Disposal

* * *

- 6.0 Require sanitary sewerage service agencies to coordinate extension of sanitary services with other key facilities, i.e., water, transportation, and storm drainage systems, which are necessary to serve additional lands.

HAPPY VALLEY PLANNING

According to the application: “The Pleasant Valley Villages project complies with the City of Happy Valley’s Comprehensive Plan through the approval of the project’s Master Plan (MP-02-16); Comprehensive Plan/Zoning Map Amendments (CPA-11-16/LDC-15-16); Planned Unit Developments (PUD-04-16); and Environmental Review Permits (ERP-16-16/ERP-17-16/ERP-18-16).”

FACILITIES AND SERVICES

ORS 195 Agreements. ORS 195 requires agreements between providers of urban services. Urban services are defined as: sanitary sewers, water, fire protection, parks, open space, recreation and streets, roads and mass transit. These agreements are to specify which governmental entity will provide which service to which area in the long term. The counties are responsible for facilitating the creation of these agreements. There are no urban service agreements under ORS 195 relative to sewer service in this area of Clackamas County.

Sewer. The District has a 12-inch sewer line in SE 172nd east of the subject properties and a new 12-inch line is planned to be constructed in SE Hagen Rd. between SE 162nd and SE 172nd.

Water. The territory to be annexed is within the Sunrise Water Authority which serves the area with a 12-inch water line in SE 172nd Avenue and a 6-inch water line in SE Hagen Road.

Police Service. The area receives police service from City of Happy Valley which contracts with the Clackamas County Sheriff’s Department.

Fire. The territory is within the Clackamas County R.F.P.D. #1. This service will not be affected by annexation to the County Service District for sanitary sewers.

Parks and Recreation. The area to be annexed is within the North Clackamas County Parks & Recreation District.

RECOMMENDATION:

Based on the attached Order and Findings, Staff recommends approval of Proposal No. CL-17-006, annexation to Clackamas County Service District No. 1.

Respectfully submitted,



Amanda Keller
Assistant County Counsel

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

In the Matter of Approving
Boundary Change Proposal
No. CL-17-006



ORDER NO. _____

WHEREAS, this matter coming before the Board at this time, and it appearing that the owner of all the land in the territory to be annexed has petitioned to annex the territory to Clackamas County Service District No. 1; and

WHEREAS, it further appearing that that this Board is charged with deciding this proposal for a boundary change pursuant to pursuant to ORS Chapters 198 and Metro Code 3.09; and

WHEREAS it further appearing that staff retained by the County have reviewed the proposed boundary change and issued a report which complies with the requirements of Metro Code 3.09.050(b); and

WHEREAS, it further appearing that this matter came before the Board for a public hearing on August 10, 2017 and that a decision of approval was made on August 10, 2017;

NOW, THEREFORE, IT IS HEREBY ORDERED that Boundary Change Proposal No. CL 17-006 is approved for the reasons stated in attached Exhibit A and the territory described in Exhibit B and depicted on Exhibit C is annexed to Clackamas County Service District No. 1 as of August 10, 2017.

ADOPTED this 10th day of August, 2017.

BOARD OF COUNTY COMMISSIONERS

Chair

Recording Secretary

FINDINGS

Based on the study and the public hearing the Board found:

1. The territory to be annexed contains 28.52 acres, 3 single family units and is valued at \$1,723,529.
2. The property owners desire sewer service for a planned development within the City of Happy Valley which will consist of attached, detached and multi-family homes.
3. Oregon Revised Statute 198 directs the Board to “consider the local comprehensive plan for the area and any service agreement executed between a local government and the affected district.”

Clackamas County Service District No. 1 and the City of Happy Valley do have an agreement calling for the District to be the provider of sewers inside the City.

4. The Metro Code requires a report which addresses the criteria listed below and which includes the following information:
 1. The extent to which urban services are available to serve the affected territory, including any extraterritorial extensions of service;
 2. Whether the proposed boundary change will result in the withdrawal of territory from the legal boundary of any necessary party¹; and
 3. The proposed effective date of the boundary change.

Service availability is covered in the findings below. Staff has examined the statutes and determined that approval of this annexation will not cause the withdrawal of the affected territory from the boundary of any necessary party. The proposed effective date is immediately upon adoption.

5. To approve a boundary change, the reviewing entity [the County Board] must apply the following criteria:

To approve a boundary change the County must:

- (1) Find that the change is consistent with expressly applicable provisions in:
 - (A) Any applicable urban service agreement adopted pursuant to ORS 195.205;
 - (B) Any applicable annexation plan adopted pursuant to ORS

¹ A “necessary party” is another governmental entity which includes the same area or provides an urban service to the area.

- 195.205;
- (C) Any applicable cooperative planning agreement adopted pursuant to ORS 195.020 (2) between the affected entity and a necessary party;
 - (D) Any applicable public facility plan adopted pursuant to a statewide planning goal on public facilities and services; and
 - (E) Any applicable comprehensive plan;
 - (F) Any applicable concept plan; and
- (2) Consider whether the boundary change would:
- (A) Promote the timely, orderly and economic provision of public facilities and services;
 - (B) Affect the quality and quantity of urban services; and
 - (C) Eliminate or avoid unnecessary duplication of facilities and services.

There are no cooperative agreements, urban service agreements or annexation plans specifically adopted pursuant to ORS 195 in effect in this area. The original public facility plan for this area does call for service by the District. The proposal is consistent with the Comprehensive Plan as stated in the findings below. No concept plans cover this area.

6. This territory is inside of Metro's jurisdictional boundary and inside the regional Urban Growth Boundary (UGB).

The law that requires Metro to adopt criteria for boundary changes specifically states that Metro shall " . . . ensure that a boundary change is in compliance with the Metro regional framework plan as defined in ORS 197.015 and cooperative agreements and urban service agreements adopted pursuant to ORS chapter 195." ORS 197.015 says "Metro regional framework plan means the regional framework plan required by the 1992 Metro Charter or its separate components." The Regional Framework Plan was reviewed and found not to contain specific criteria applicable to boundary changes.

There are two adopted regional functional plans, the Urban Growth Management Functional Plan and the Regional Transportation Plan, which were examined and found not to contain any directly applicable standards and criteria for boundary changes.

7. The PUBLIC FACILITIES AND SERVICES Element of the Comprehensive Plan contains the following Goal:

POLICIES

Sanitary Sewage Disposal

* * *

- 6.0 Require sanitary sewerage service agencies to coordinate extension of sanitary services with other key facilities, i.e., water, transportation, and storm drainage systems, which are necessary to serve additional lands.
8. According to the application: "The Pleasant Valley Villages project complies with the City of Happy Valley's Comprehensive Plan through the approval of the project's Master Plan (MP-02-16); Comprehensive Plan/Zoning Map Amendments (CPA-11-16/LDC-15-16); Planned Unit Developments (PUD-04-16); and Environmental Review Permits (ERP-16-16/ERP-17-16/ERP-18-16)."
9. ORS 195 requires agreements between providers of urban services. Urban services are defined as: sanitary sewers, water, fire protection, parks, open space, recreation and streets, roads and mass transit. These agreements are to specify which governmental entity will provide which service to which area in the long term. The counties are responsible for facilitating the creation of these agreements. There are no urban service agreements under ORS 195 relative to sewer service in this area of Clackamas County.
10. The District has a 12-inch sewer line in SE 172nd east of the subject properties and a new 12-inch line is planned to be constructed in SE. Hagen Rd. between SE 162nd and SE 172nd.
11. The territory to be annexed is within the Sunrise Water Authority which serves the area with a 12-inch water line in SE 172nd Avenue and a 6-inch water line in SE Hagen Road.
12. The area receives police service from City of Happy Valley which contracts with the Clackamas County Sheriff's Department.
13. The territory is within the Clackamas County R.F.P.D. #1. This service will not be affected by annexation to the County Service District for sanitary sewer.
14. The area to be annexed is within the North Clackamas County Parks & Recreation District.

CONCLUSIONS AND REASONS FOR DECISION

Based on the Findings, the Board determined:

1. The Metro Code requires the boundary change decision to be consistent with expressly applicable provisions in any urban service provider agreements, cooperative agreements

and annexation plans adopted pursuant to ORS 195. As noted in Findings 5 & 9 there are no such agreements or plans in place in this area. The Board concludes that its decision is not inconsistent with any such agreements and plans.

2. The Metro Code calls for consistency between the Board decision and any "applicable public facility plan adopted pursuant to a statewide planning goal on public facilities and services." The Board notes the original public facility plan for this area does call for sewer service by the District.
3. ORS 198 requires consideration of the comprehensive plan and any service agreements affecting the area. The Board has reviewed the applicable comprehensive plan (Happy Valley's Comprehensive Plan) and concludes this proposal complies with it. All other necessary urban services can be made available.
4. The Board considered the timing & phasing of public facilities to this area, the quantity and quality of services available and the potential for duplication of services. The District has service available to the area to be annexed as noted in Finding No. 10. The Board concludes this annexation is timely, the District has an adequate quantity and quality of services available and that the services are not duplicative.
 - a. The Metro Code at 3.09.050 (B) (2) requires a determination of whether the boundary change will cause withdrawal of the territory from the boundary of any necessary party. An examination of this issue found that no such withdrawals would be caused by approval of this annexation.



AKS ENGINEERING & FORESTRY, LLC
12965 SW Herman Road, Suite 100, Tualatin, OR 97062
P: (503) 563-6151 F: (503) 563-6152

AKS Job #4324

OFFICES IN: TUALATIN, OR - VANCOUVER, WA - SALEM-KEIZER, OR

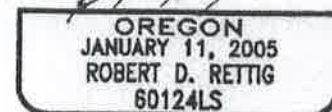
EXHIBIT B

A tract of land located in the Northwest One-Quarter and Southwest One-Quarter of Section 31, Township 1 South, Range 3 East, Willamette Meridian, City of Happy Valley, Clackamas County, Oregon and being more particularly described as follows:

Beginning at the quarter corner common to Section 6, Township 2 South, Range 3 East, and Section 31, Township 1 South, Range 3 East; thence along the centerline of SE 172nd Avenue being the north-south centerline of Section 31 North 01°35'57" East 2636.71 feet to the intersection with the centerline of SE Hagen Road and the True Point of Beginning; thence along the centerline of SE Hagen Road North 89°04'43" West 644.59 feet to the northerly projection of the east line of Lot 37, Block 2 of the plat "Pleasant Valley Golf Estates Replat"; thence along the east line of said Lot 37 South 00°55'51" West 205.11 feet to a 1/2 inch iron rod at the southeast corner thereof; thence along the south line of said Lot 37 North 89°01'00" West 99.88 feet to a 5/8 inch iron rod with a yellow plastic cap inscribed "AKS ENGR." at the southwest corner thereof; thence along the west line of said Lot 37 and the northerly projection thereof North 00°55'22" East 205.01 feet to the centerline of SE Hagen Road; thence along said centerline North 89°04'43" West 576.26 feet to the southerly projection of the west line of the tract per Document Number 2006-013474; thence along the west line of said tract North 01°38'13" East 1320.47 feet to a 10"x7" stone with a chiseled "X" at the northwest corner thereof; thence along the north line of said tract South 89°09'16" East 659.91 feet to a 5/8 inch iron rod with a yellow plastic cap at the northeast corner thereof; thence along the east line of said tract South 01°37'17" West 792.13 feet to a 5/8 inch iron rod with a yellow plastic cap inscribed "OTAK INC." at the northwest corner of said tract per Document Number 2006-011327; thence along the north line of said tract and the easterly projection thereof South 89°10'30" East 660.32 feet to the centerline of SE 172nd Avenue; thence along said centerline South 01°35'57" West 530.32 feet to the True Point of Beginning.

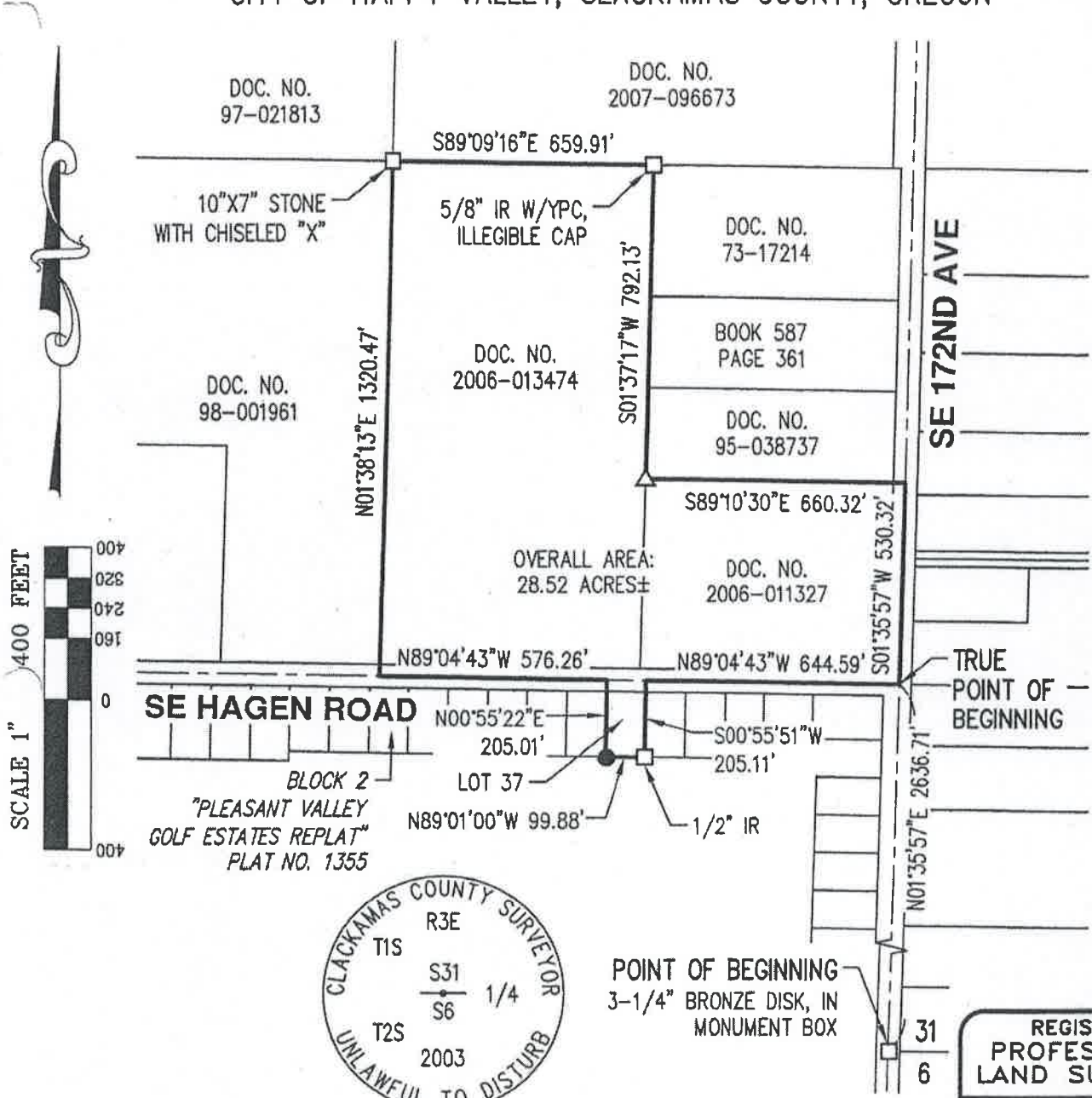
The above described tract of land contains 28.52 acres, more or less.

11/23/16



RENEWS: 12/31/16

LOCATED IN THE NORTHWEST AND SOUTHWEST 1/4 OF SECTION 31,
TOWNSHIP 1 SOUTH, RANGE 3 EAST, WILLAMETTE MERIDIAN,
CITY OF HAPPY VALLEY, CLACKAMAS COUNTY, OREGON



LEGEND

- 5/8" IRON ROD W/YPC INSCRIBED "AKS ENGR."
- △ 5/8" IRON ROD W/YPC INSCRIBED "OTAK INC."
- MONUMENT AS NOTED
- NO. DOCUMENT NUMBER PER CLACKAMAS COUNTY DEED RECORDS
- IR IRON ROD
- W/YPC WITH A YELLOW PLASTIC CAP

PREPARED FOR

PLEASANT VALLEY DEVELOPMENT, LLC
604 W EVERGREEN BLVD
VANCOUVER, WA 98660

DATE: 11/23/2016

AKS ENGINEERING & FORESTRY, LLC 12965 SW HERMAN RD, STE 100 TUALATIN, OR 97062 P: 503.563.6151 F: 503.563.6152 aks-eng.com		EXHIBIT C DRWN: JOH CHKD: RDR AKS JOB: 4324
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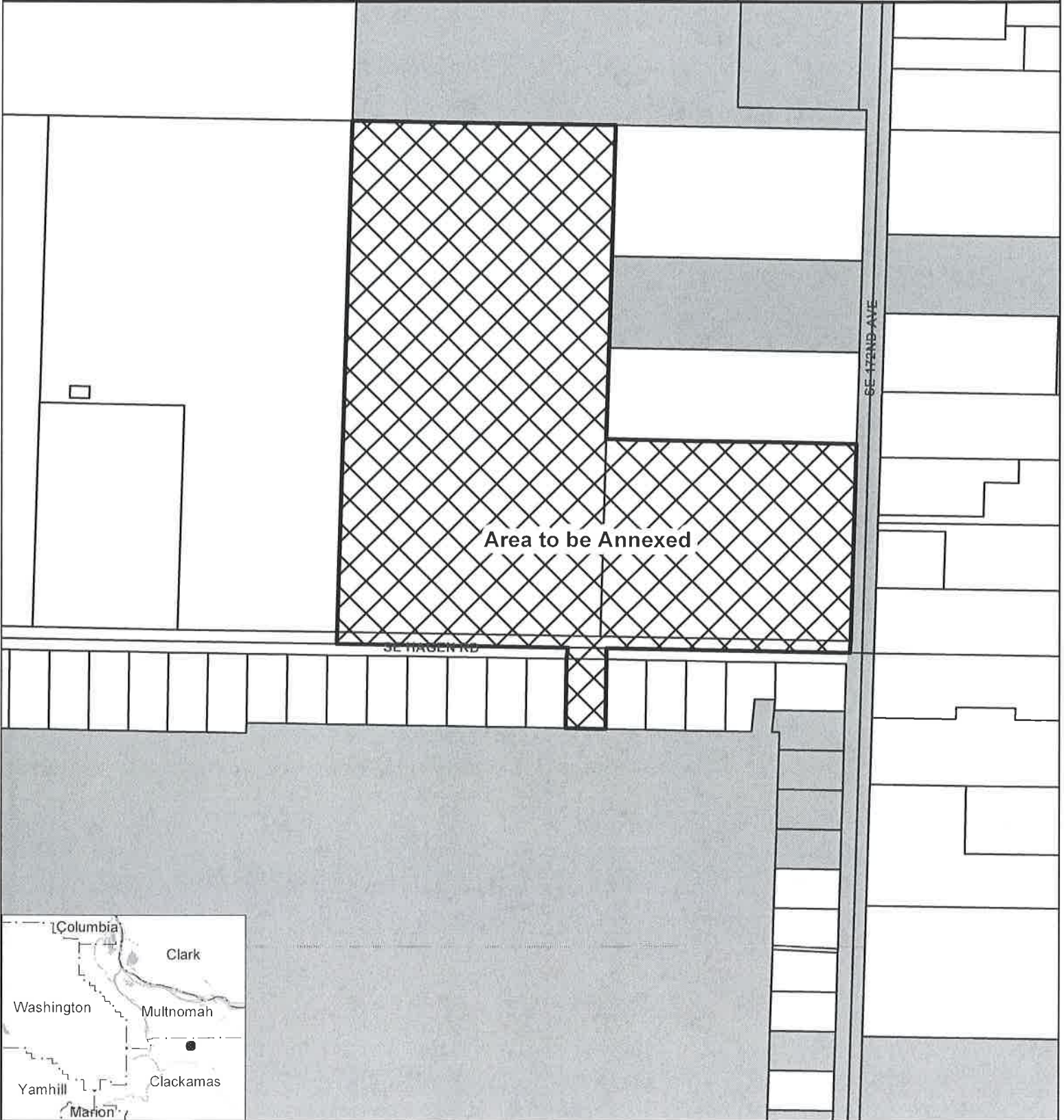


Proposal No. CL-17-006

1S3E31

Annexation to the Clackamas Service District #1

Clackamas County






Area to be Annexed

SE HAGEN RD

SE HEND AVE

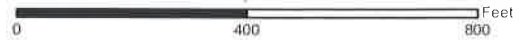


-  Area to be annexed
-  Taxlots
-  Clackamas County Service District #1

Proposal No. CL-17-006



1:4,000



The information on this map was derived from digital databases on Metro's GIS. Care was taken in the creation of this map. Metro cannot accept any responsibility for errors, omissions, or positional accuracy. There are no warranties, expressed or implied, including the warranty of merchantability or fitness for a particular purpose accompanying this product. However, notification of any errors will be appreciated.


METRO
Research Center
600 NE Grand Ave
Portland, OR 97232-2736
(503) 797-1742
<http://www.oregonmetro.gov/drc>



OFFICE OF COUNTY COUNSEL

PUBLIC SERVICES BUILDING
2051 KAEN ROAD OREGON CITY, OR 97045

August 10, 2017

Board of County Commissioners
Clackamas County

Members of the Board:

Boundary Proposal CL 17-007 Approval of Annexation to
Clackamas River Water

Stephen L. Madkour
County Counsel

Kathleen Rastetter
Chris Storey
Scott C. Ciecko
Alexander Gordon
Amanda Keller
Nathan K. Boderman
Christina Thacker
Shawn Lillegren
Jeffrey D. Munns
Assistants

Purpose/Outcomes	Conduct Public Hearing/Approve Order
Dollar Amount and Fiscal Impact	None
Funding Source	Not Applicable
Duration	Permanent
Previous Board Action	None
Strategic Plan Alignment	Build Public Trust Through Good Government, hold transparent and clear public processes regarding jurisdictional boundaries
Contact Person	Ken Martin, Boundary Change Consultant Amanda Keller, Assistant County Counsel
Contract No.	Not Applicable

BACKGROUND:

The County Board is charged with making boundary change decisions (annexations, withdrawals, etc.) for many types of special districts (water, sanitary sewer, rural fire protection, etc.) within the County. One type of special district over which the Board has jurisdiction is a domestic water supply district and Clackamas River Water is such a district.

Proposal No. CL 17-007 is a proposed annexation to Clackamas River Water ("District").

State statute requires the Board to hold a public hearing on the proposed annexation. Notice of this hearing invited testimony from any interested party. Notice consisted of: 1) Posting three notices near the territory and one notice near the County hearing room 20 days prior to the hearing; 2) Published notice twice in the Clackamas County Review; 3) Mailed notice sent to affected local governments and all property owners within 500 feet of the area to be annexed.

As required by statute the Board of the District has endorsed the proposed annexation.

This proposal was initiated by a consent petition of property owners and registered voters. The petition meets the requirement for initiation set forth in ORS 198.855(3) (double majority

annexation law) and ORS 198.750 (section of statute which specifies contents of petition). If the Board approves the proposal the boundary change will become effective immediately.

The territory to be annexed is located generally in the southern part of the District. The territory contains 4.96 acres, is vacant and is valued at \$127,123.

REASON FOR ANNEXATION

The property owner desires water service to facilitate development of one single family dwelling.

CRITERIA

Oregon Revised Statute 198 directs the Board to “consider the local comprehensive plan for the area and any service agreement executed between a local government and the affected district.”

As this territory is outside the Urban Growth Boundary, Metro requirements that are sometimes present in this type of review do not apply in this instance.

LAND USE PLANNING

Regional Planning. The territory is outside the jurisdictional boundary of Metro and outside the regional Urban Growth Boundary.

County Planning. The territory is designated Rural on the Clackamas County Non-urban Area Land Use Plan Map (IV-7). The territory is zoned RRFF-5, Rural Residential Farm Forest, 5 acre minimum lot size.

The following policies from the Public Facilities and Services element of the County's plan are applicable:

Water

* * *

12.0 Require all public water purveyors to design the extension of water facilities at levels consistent with the land use element of the Comprehensive Plan.

* * *

15.0 Require water service purveyors to provide water services for nonurban areas at levels which are appropriate for nonurban use.

There are no service agreements between a local government and the District which affect the territory to be annexed.

FACILITIES AND SERVICES

Sewer. There is no public sewer service in this area.

Water. The territory to be annexed lies within a larger area which is surrounded by the District. The District has a 6-inch water line in south Bradley Road adjacent to the property and the District has plans to replace that line with a 12-inch pipe in the fall of 2017.

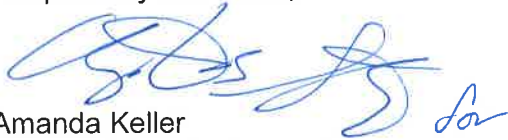
Police Service. The area receives police service at a rural level from the Clackamas County Sheriff's Department.

Fire. The territory is within the Clackamas County R.F.P.D. #1. This service will not be affected by annexation to the water district.

RECOMMENDATION:

Based on the attached Order and Findings, Staff recommends approval of Proposal No. CL 17-007 annexation to Clackamas River Water.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Amanda Keller', with a small 'for' written below it.

Amanda Keller
Assistant County Counsel

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

In the Matter of Approving
Boundary Change Proposal
No. CL-17-007



ORDER NO. _____

WHEREAS, this matter coming before the Board at this time, and it appearing that more than half the electors and owners of more than half the land in the territory to be annexed have petitioned to annex the territory to Clackamas River Water; and

WHEREAS, it further appearing that that this Board is charged with deciding this proposal for a boundary change pursuant to pursuant to ORS Chapters 198; and

WHEREAS it further appearing that staff retained by the County have reviewed the proposed boundary change and issued a report; and

WHEREAS, it further appearing that this matter came before the Board for a public hearing on August 10, 2017 and that a decision of approval was made on August 10, 2017;

NOW, THEREFORE, IT IS HEREBY ORDERED that Boundary Change Proposal No. CL-17-007 is approved for the reasons stated in attached Exhibit A and the territory described in Exhibit B and depicted on Exhibit C is annexed to Clackamas River Water.

ADOPTED this 10th day of August, 2017.

BOARD OF COUNTY COMMISSIONERS

Chair

Recording Secretary

FINDINGS

Based on the study and the public hearing the Board found:

1. The territory to be contains 4.96 acres, is vacant and is valued at \$127,123.
2. The property owner desires water service to facilitate development of one single family dwelling.
3. Oregon Revised Statute 198 directs the Board to "consider the local comprehensive plan for the area and any service agreement executed between a local government and the affected district."
4. The territory is outside the jurisdictional boundary of Metro and outside the regional Urban Growth Boundary.
5. The territory is designated Rural on the Clackamas County Non-urban Area Land Use Plan Map (IV-7). The territory is zoned RRFF-5, Rural Residential Farm Forest, 5 acre minimum lot size.

The following policies from the Public Facilities and Services element of the County's plan are applicable:

Water

* * *

- 12.0 Require all public water purveyors to design the extension of water facilities at levels consistent with the land use element of the Comprehensive Plan.

* * *

1. 15.0 Require water service purveyors to provide water services for nonurban areas at levels which are appropriate for nonurban use.

There are no service agreements between a local government and the District which affect the territory to be annexed.

6. There is no public sewer service in this area.
7. The territory to be annexed lies within a larger area which is surrounded by the District. The District has a 6-inch water line in south Bradley Road adjacent to the property and the District has plans to replace that line with a 12-inch pipe in the Fall of 2017.
8. The area receives police service at a rural level from the Clackamas County Sheriff's Department.
9. The territory is within the Clackamas County R.F.P.D. #1. This service will not be affected by annexation to the water district.

CONCLUSION AND REASON FOR DECISION

Based on the Findings, the Board determined:

1. ORS 198 requires the Board to consider the applicable local comprehensive plan and any service agreements affecting the area. The local comprehensive plan was considered and no conflicts with the Plan were discovered. As noted in Finding No. 5 above the Plan contains no clear restrictions on expansion of water districts in lands designated as Rural. No directly applicable service agreements were found to exist.
2. The District has a water line which can provide adequate service to the property. The Board considered the timing & phasing of public facilities to this area, the quantity and quality of services available and the potential for duplication of services. The District has service available to the area to be annexed as noted in Finding No. 7. The Board concludes this annexation is timely, the District has an adequate quantity and quality of services available and that the services are not duplicative.

EXHIBIT B
LEGAL DESCRIPTION

The north 165 feet of the northwest quarter of the northwest quarter of Section 25, Township 2 South, Range 2 East, of the Willamette Meridian, in the County of Clackamas and the State of Oregon.

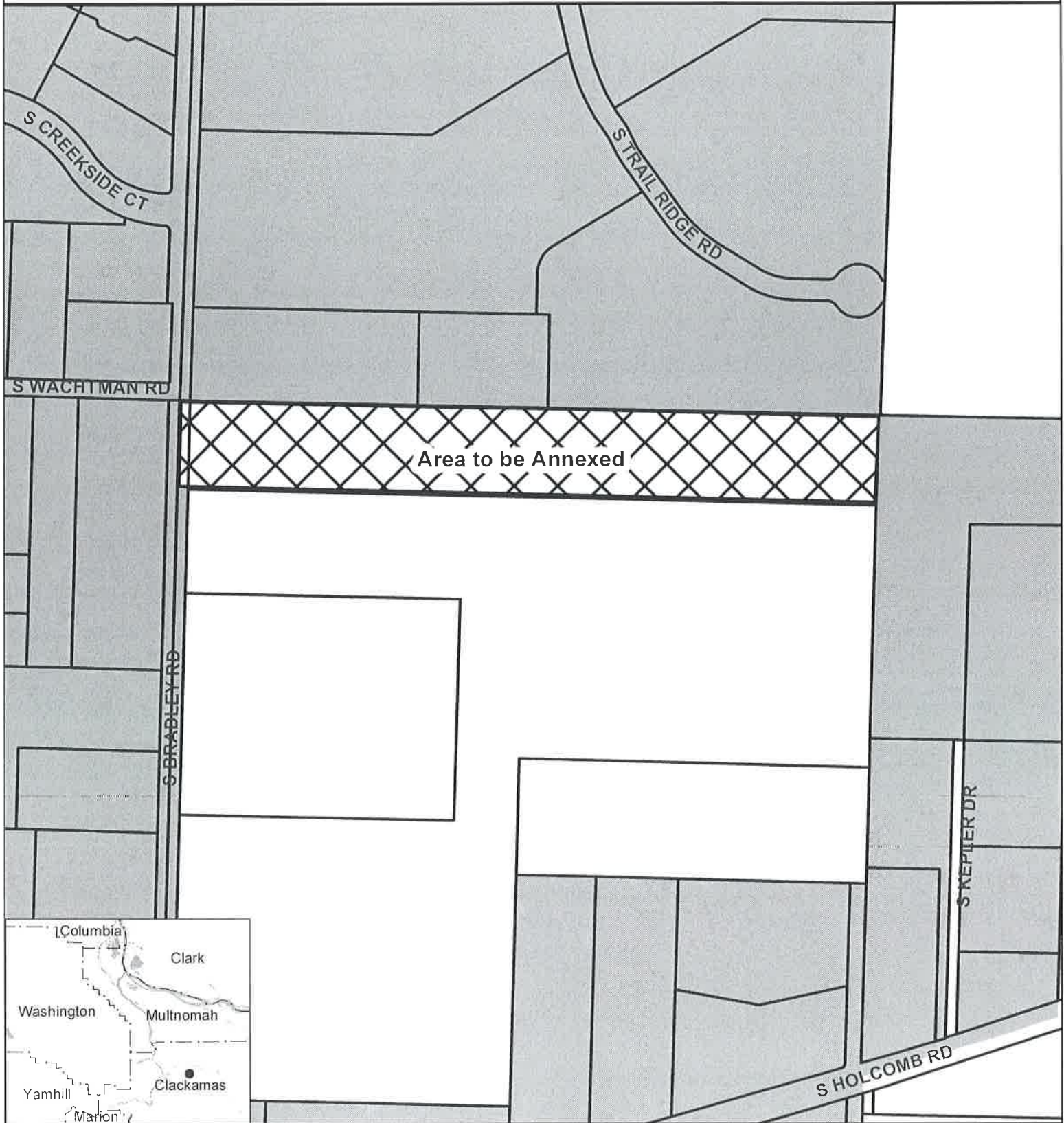


Proposal No. CL-17-007




2S2E25

Annexation to the Clackamas River Water District

Clackamas County



METRO
Research Center
600 NE Grand Ave
Portland, OR 97232-2736
(503) 797-1742
<http://www.oregonmetro.gov/drc>

-  Taxlots
-  Clackamas County Service District #1
-  Area to be annexed

Proposal No. CL-17-007



The information on this map was derived from digital databases on Metro's GIS. Care was taken in the creation of this map. Metro cannot accept any responsibility for errors, omissions, or positional accuracy. There are no warranties, expressed or implied, including the warranty of merchantability or fitness for a particular purpose, accompanying this product. However, notification of any errors will be appreciated.

EXHIBIT C

2 2 E 25B

N.W. 1/4 SEC. 25 T. 2S. R. 2E. W.M.
CLACKAMAS COUNTY

SEE MAP 2 2E 24C

17200

OLCOMB

62

Area To Be Annexed

62-04

NW1/4 of the NW1/4



HOLCOMB VIEW
ACRES

62-04

MAP 2 2E 26A

1000
1.00 Ac.
16282

1100
1.85 Ac.
17075

1900
6.38 Ac.

1901
3.49 Ac.
17170

1800
1.36 Ac.
17190

1501
7.70 Ac.
17288

802
1.12 Ac.
16225

803
1.05 Ac.
16185

800
0.26 Ac.

1101
17141

1102
17165

1104
17221

1103
17195

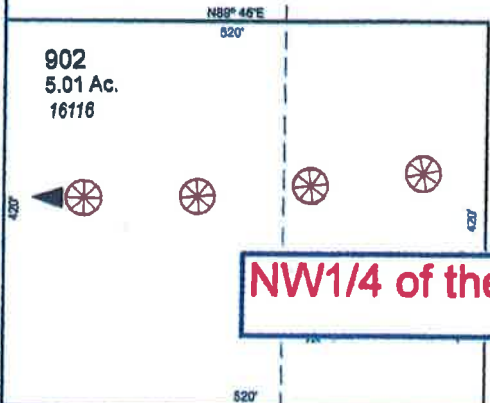
1451
3 333.45'

25 901
4.92 Ac.

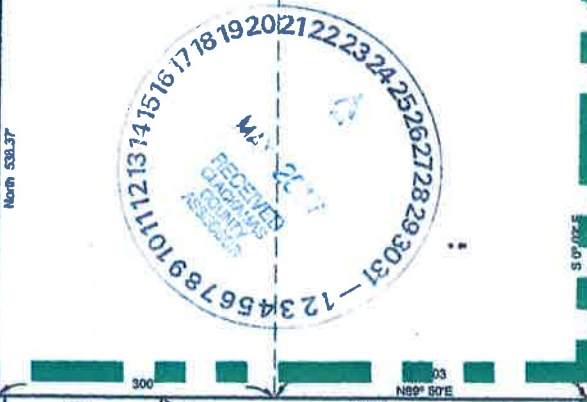
900
18.44 Ac.
16188
16208

902
5.01 Ac.
16116

890
3.39 Ac.
16105



3.26 Ac.
17237





MARC GONZALES
DIRECTOR

DEPARTMENT OF FINANCE

PUBLIC SERVICES BUILDING

2051 KAEN ROAD | OREGON CITY, OR 97045

August 10, 2017

Board of County Commissioners
Clackamas County

Members of the Board:

Approval of a Resolution for a Clackamas County Supplemental Budget
(Greater Than Ten Percent and Budget Reduction) for Fiscal Year 2017-2018

Purpose/Outcome	Supplemental budget change FY 2017-2018
Dollar Amount and Fiscal Impact	The effect is an increase in appropriations of \$945,500
Funding Source	Includes Interfund Transfer
Duration	July 1, 2017-June 30, 2018
Previous Board Action/Review	Budget Adopted June 29, 2017
Strategic Plan Alignment	Build public trust through good government
Contact Person	Diane Padilla, 503-742-5425

BACKGROUND:

Each fiscal year it is necessary to reduce allocations or allocate additional sources of revenue and appropriate additional expenditures to more accurately meet the changing requirements of the operating departments. The attached resolution reflects such changes requested by departments in keeping with a legally accurate budget. These changes are in compliance with ORS 294.471, which allows for governing body approval of supplemental budget changes for items ten percent or greater of the qualifying expenditures of the budget funds(s) being adjusted. The required notices have been published.

The Clackamas County Debt Service Fund is recognizing interfund transfers from the LID Construction Fund and General Fund and budgeting to pay off the Altamont LID series 2000 bonds.

The Local Improvement District Construction Fund is transferring from contingency and materials and services to budget an interfund transfer to the Clackamas County Debt Service Fund.

The effect of this Resolution is an increase in appropriations of \$945,500 including revenues as detailed below:

Interfund Transfers	\$ 945,000.
Total Recommended	<u>\$ 945,000.</u>

RECOMMENDATION:

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

Sincerely,

Diane Padilla
Budget Manager

In the Matter of Providing Authorization
Regarding Adoption of a Supplemental
Budget for Items Greater Than 10
Percent of the Total Qualifying Expenditures
and Making Appropriations for Fiscal
Year 2017-18

Resolution No

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

WHEREAS, a supplemental budget for the period of July 1, 2017 through June 30, 2018, inclusive, has been prepared, published and submitted to the taxpayers as provided by statute;

WHEREAS; a hearing to discuss the supplemental budget was held before the Board of County Commissioners on August 10, 2017.

WHEREAS; the funds being adjusted are:

- . Clackamas County Debt Service Fund
- . Local Improvement District Construction Fund;

It further appearing that it is in the best interest of the County to approve this greater than 10 percent change in appropriations for the period of July 1, 2017 through June 30, 2018.

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS THAT:

Pursuant to its authority under OR 294.473, the supplemental budget be adopted and appropriations established as shown in the attached Exhibit A which by this reference is made a part of this Resolution.

Dated this ____ day of _____, 2017

CLACKAMAS COUNTY BOARD OF COMMISSIONERS

Chair

Recording Secretary

SUMMARY OF SUPPLEMENTAL BUDGET
Exhibit A
CHANGES OF GREATER THAN 10% OF BUDGET
August 10, 2017

Recommended items by revenue source:

Interfund Transfers	\$ 945,500
Total Recommended	<u>\$ 945,500</u>

CLACKAMAS DEBT SERVICE FUND

Revenues:

Interfund Transfer	\$ 945,500
Total Revenue	<u>\$ 945,500</u>

Expenses:

Not Allocated to Organizational Unit	
Debt Service	\$ 945,500
Total Expenditures	<u>\$ 945,500</u>

Clackamas County Debt Service Fund is recognizing interfund transfers from the LID Construction Fund and General Fund and budgeting to pay off the Altamont LID series 2000 bonds.

LOCAL IMPROVEMENT DISTRICT CONSTRUCTION FUND

Expenses:

Public Ways and Facilities	\$ (100,000)
Not Allocated to Organizational Unit	
Contingency	\$ (345,658)
Interfund Transfer	445,658
Total Expenditures	<u>\$ -</u>

Local Improvement District Construction Fund is transferring from contingency and materials and services to budget an interfund transfer to the Clackamas County Debt Service Fund.

August 10, 2017

Board of Commissioners
Clackamas County

Approval of Grant Agreement
with LifeWorks Northwest for Relief Nursery Services

Purpose/Outcomes	Relief Nursery programming includes center-based therapeutic services to children affected by or at risk of experiencing child abuse/neglect, home visitation with parents to increase parenting skills, and respite services.
Dollar Amount and Fiscal Impact	\$72,000 Funded with County General Funds
Funding Source	County General Fund
Duration	July 1, 2017 through June 30, 2018
Previous Board Action	N/A
Strategic Plan Alignment	<ul style="list-style-type: none"> • Individuals and families in need are healthy and safe • Ensure safe, healthy and secure communities
Contact Person	Rodney A. Cook 503-650-5677
Contract No.	8375

BACKGROUND: BACKGROUND:

The Children, Youth & Families Division of the Health, Housing and Human Services Department requests the approval of a local Grant Agreement with LifeWorks Northwest for Relief Nursery programming. Services under this contract will be provided to families with children at risk of and/or that have experienced child abuse/neglect, including therapeutic classroom and home visitation services for a minimum of 16 children and their families, ongoing home-based parent education for up to 20 families, and respite services for 5 families.

This contract is funded with County general funds and has a start date of July 1, 2016 and terminates June 30, 2017, and has a maximum value of \$72,000. It has been reviewed and approved by County Counsel.

RECOMMENDATION:

Staff recommends the Board approval of this type of agreement and authorizes Richard Swift, H3S Director to sign on behalf of Clackamas County.

Respectfully submitted,

Richard Swift, Director
Health, Housing & Human Services

Subrecipient Amendment (FY 16/17)
H3S – Children Youth & Families Division

Subrecipient Agreement Number: 8095

Board Order Number: 033017-A1

Department/Division: H3S/CYF

Amendment No. 1

Subrecipient: North Clackamas School District

Amendment Requested By: Rodney Cook

Changes: Scope of Service

Agreement Budget

Agreement Time

Other:

Justification for Amendment: The Agreement by and between Clackamas County and North Clackamas School District, entered into on 03/30/17 (the Agreement) funds kindergarten readiness support to North Clackamas School District kindergarteners and preschool students and their families.

This Amendment extends the services and term of the Agreement through September 30, 2017, and adds to the maximum compensation, aligning it with the terms of the County's Agreement with the State of Oregon Department of Education Early Learning Division.

Compensation is increased by \$21,585 to a revised maximum value of \$67,286. This Amendment becomes effective July 1, 2017 and continues through September 30, 2017.

Except as amended hereby, all other terms and conditions of the contract remain in full force and effect. The County has identified the changes with "***bold/italic***" font for easy reference.

AMEND:

1. **Term and Effective Date.** This Agreement shall be effective as of January 1, 2017 and shall expire on **June 30, 2017**, unless sooner terminated or extended pursuant to the terms hereof.

TO READ:

1. **Term and Effective Date.** This Agreement shall be effective as of ***January 1, 2017*** and shall expire on ***September 30, 2017***, unless sooner terminated or extended pursuant to the terms hereof.

AMEND:

4. **Grant Funds.** The COUNTY's funding for this Agreement is the State of Oregon Department of Education Early Learning Division #5803 issued to the COUNTY by the Oregon Department of Education Early Learning Division. The maximum, not to exceed, grant amount that the COUNTY will pay on this Agreement is \$45,701.

TO READ:

4. **Grant Funds.** The COUNTY's funding for this Agreement is the State of Oregon Department of Education Early Learning Division #5803 issued to the COUNTY by the Oregon Department of Education Early Learning Division. The maximum, not to exceed, grant amount that the COUNTY will pay on this Agreement is **\$67,286**.

REPLACE:

Exhibit B: North Clackamas School District KPI Budget

WITH:

Exhibit B: BUDGET NCSD KPI Services (Amended)			
<p>Subrecipient: <u>North Clackamas School District</u> Address: <u>12400 SE Freeman Way</u> <u>Milwaukie, OR 97222</u> Contact Person: <u>Karen Rush</u> Phone Number: <u>503-353-6040</u> E-mail: <u>rushk@nclack.k12.or.us</u> Term: <u>January 1, 2017 - September 30, 2017</u> Agreement #: <u>CYF-8095</u></p>			
Budget Category	Budget	Extension 7/1/17-9/30/17	Total Amended Budget
Personnel			
Coach	\$ 6,500.00	\$ -	\$ 6,500.00
Teachers	\$ 1,976.00	\$ 7,840.00	\$ 9,816.00
Instructional Assistants		\$ 6,600.00	\$ 6,600.00
Metropolitan Family Services	\$ 17,210.00	\$ 7,145.00	\$ 24,355.00
Personnel Total	\$ 25,686.00	\$ 21,585.00	\$ 47,271.00
Admin NCSD @ 2.5%	\$ 400.00	\$ -	\$ 400.00
Admin MFS @ 15%	\$ 3,825.00	\$ -	\$ 3,825.00
Administration Total	\$ 4,225.00	\$ -	\$ 4,225.00
Program			
Materials/Food - engagement events	\$ 2,400.00	\$ -	\$ 2,400.00
Connect to Kindergarten materials/supplies	\$ 3,500.00	\$ -	\$ 3,500.00
MFS program supplies	\$ 8,290.00	\$ -	\$ 8,290.00
Interpretation/Translation	\$ 1,600.00	\$ -	\$ 1,600.00
Program Total	\$ 15,790.00	\$ -	\$ 15,790.00
Total Budget	\$ 45,701.00	\$ 21,585.00	\$ 67,286.00
<p>Project Officer: Kimberly Lopez Department: Children, Youth, & Families Division Phone: 503-650-5680 Email: klopez@clackamas.us</p>			


ADD:

Except as set forth herein, the County and Subrecipient ratify the remainder of the Agreement.

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

SUBRECIPIENT

North Clackamas School District
12400 SE Freeman Way
Milwaukie, OR 97222

By: 
Matt Utterback, Superintendent or Designee
Kerensa Mauck, Business Operations
7/20/17
Dated

CLACKAMAS COUNTY

Commissioner: Jim Bernard, Chair
Commissioner: Sonya Fischer
Commissioner: Ken Humberston
Commissioner: Paul Savas
Commissioner: Martha Schrader

Signing on behalf of the Board:

Richard Swift, Director
Health, Housing & Human Services

Dated

Approved to Form:

By: 
County Counsel

11 July 2017
Dated


Rodney A. Cook, Director
Children, Youth & Families Division

7-31-17
Dated

August 10, 2017

Board of County Commissioners
 Clackamas County

Members of the Board:

Approval of an Amendment #1 of the Intergovernmental Agreement with
 North Clackamas School District
for Kindergarten Partnership Innovation Services

Purpose/Outcomes	Programming will increase school readiness skills for preschool and kindergarten students and connect families to early learning and school resources.
Dollar Amount and Fiscal Impact	Adds \$21,585 for a revised maximum value of \$67,286. No County General Funds are involved and no fiscal impact to the County
Funding Source	Oregon Department of Education – Early Learning Division
Duration	July 1, 2017 and terminates September 30, 2017.
Previous Board Action	033017-A1
Strategic Plan Alignment	<ul style="list-style-type: none"> • Individuals and families in need are healthy and safe • Ensure safe, healthy and secure communities
Contact Person	Rodney A. Cook 503-650-5677
Contract No.	CYF-8095

BACKGROUND:

Children, Youth & Families Division of the Health, Housing and Human Services Department requests approval of Amendment 1 of the Intergovernmental Agreement with North Clackamas School District to provide kindergarten readiness supports to NCSD kindergarten and preschool students and their families.

The Amendment adds \$21,585 for a revised maximum value of \$67,286. No County General funds are involved and no match is required. It is effective upon signature for services from July 1, 2017 through September 30, 2017. It has been reviewed and approved by County Counsel.

RECOMMENDATION:

Staff recommends the Board approval of this Agreement and authorizes Richard Swift, H3S Director to sign on behalf of Clackamas County.

Respectfully submitted,

Richard Swift, Director
 Health, Housing & Human Services

Subrecipient Amendment (FY 16/17)
H3S – Children Youth & Families Division

Subrecipient Agreement Number: 8095

Board Order Number: 033017-A1

Department/Division: H3S/CYF

Amendment No. 1

Subrecipient: North Clackamas School District

Amendment Requested By: Rodney Cook

Changes: Scope of Service

Agreement Budget

Agreement Time

Other:

Justification for Amendment: The Agreement by and between Clackamas County and North Clackamas School District, entered into on 03/30/17 (the Agreement) funds kindergarten readiness support to North Clackamas School District kindergarteners and preschool students and their families.

This Amendment extends the services and term of the Agreement through September 30, 2017, and adds to the maximum compensation, aligning it with the terms of the County's Agreement with the State of Oregon Department of Education Early Learning Division.

Compensation is increased by \$21,585 to a revised maximum value of \$67,286. This Amendment becomes effective July 1, 2017 and continues through September 30, 2017.

Except as amended hereby, all other terms and conditions of the contract remain in full force and effect. The County has identified the changes with "***bold/italic***" font for easy reference.

AMEND:

1. **Term and Effective Date.** This Agreement shall be effective as of January 1, 2017 and shall expire on **June 30, 2017**, unless sooner terminated or extended pursuant to the terms hereof.

TO READ:

1. **Term and Effective Date.** This Agreement shall be effective as of ***January 1, 2017*** and shall expire on ***September 30, 2017***, unless sooner terminated or extended pursuant to the terms hereof.

AMEND:

4. **Grant Funds.** The COUNTY's funding for this Agreement is the State of Oregon Department of Education Early Learning Division #5803 issued to the COUNTY by the Oregon Department of Education Early Learning Division. The maximum, not to exceed, grant amount that the COUNTY will pay on this Agreement is \$45,701.

TO READ:

4. **Grant Funds.** The COUNTY's funding for this Agreement is the State of Oregon Department of Education Early Learning Division #5803 issued to the COUNTY by the Oregon Department of Education Early Learning Division. The maximum, not to exceed, grant amount that the COUNTY will pay on this Agreement is ***\$67,286***.

REPLACE:

Exhibit B: North Clackamas School District KPI Budget

WITH:

Exhibit B: BUDGET NCSD KPI Services (Amended)			
<p>Subrecipient: <u>North Clackamas School District</u> Address: <u>12400 SE Freeman Way</u> <u>Milwaukie, OR 97222</u> Contact Person: <u>Karen Rush</u> Phone Number: <u>503-353-6040</u> E-mail: <u>rushk@nclack.k12.or.us</u> Term: <u>January 1, 2017 - September 30, 2017</u> Agreement #: <u>CYF-8095</u></p>			
Budget Category	Budget	Extension 7/1/17-9/30/17	Total Amended Budget
Personnel			
Coach	\$ 6,500.00	\$ -	\$ 6,500.00
Teachers	\$ 1,976.00	\$ 7,840.00	\$ 9,816.00
Instructional Assistants		\$ 6,600.00	\$ 6,600.00
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Personnel Total	\$ 25,686.00	\$ 21,585.00	\$ 47,271.00
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Administration Total	\$ 4,225.00	\$ -	\$ 4,225.00
Program			
Materials/Food - engagement events	\$ 2,400.00	\$ -	\$ 2,400.00
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MFS program supplies	\$ 8,290.00	\$ -	\$ 8,290.00
Interpretation/Translation	\$ 1,600.00	\$ -	\$ 1,600.00
Program Total	\$ 15,790.00	\$ -	\$ 15,790.00
Total Budget	\$ 45,701.00	\$ 21,585.00	\$ 67,286.00
<p>Project Officer: Kimberly Lopez Department: Children, Youth, & Families Division Phone: 503-650-5680 Email: klopez@clackamas.us</p>			

ADD:


Except as set forth herein, the County and Subrecipient ratify the remainder of the Agreement.

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

SUBRECIPIENT

North Clackamas School District
12400 SE Freeman Way
Milwaukie, OR 97222

By:



Matt Utterback, Superintendent or Designee
Kerensa Mauck, Business Operations
7/20/17
Dated

CLACKAMAS COUNTY

Commissioner: Jim Bernard, Chair
Commissioner: Sonya Fischer
Commissioner: Ken Humberston
Commissioner: Paul Savas
Commissioner: Martha Schrader


Signing on behalf of the Board:

Richard Swift, Director
Health, Housing & Human Services


Dated

Approved to Form:

By:



County Counsel
11 July 2017
Dated



Rodney A. Cook, Director
Children, Youth & Families Division
7-31-17
Dated

August 10, 2017

Board of County Commissioner
Clackamas County

Members of the Board:

Approval of an Intergovernmental Agreement (IGA) #8422 with the State of Oregon, acting by and through its Oregon Health Authority, and partnering with Clackamas County Health Centers Division, in participation in Oregon's Alternative Payment and Care Methodology (APCM) program

Purpose/Outcomes	Intent of the APCM Program is to align payment for participating community health centers with high quality, efficient provision of patient-centered health care in order to incentivize high-value services over a volume of visits.
Dollar Amount and Fiscal Impact	The Agreement has no maximum value as it is an IGA generating revenue for Clackamas County's Federally Qualified Health Center (FQHC).
Funding Source	State of Oregon, Oregon Health Authority. No County General Funds are involved.
Duration	Effective July 1, 2017 and terminates on July 1, 2020
Strategic Plan Alignment	1. Provide patient-centered health center services to vulnerable populations so they can experience improved health. 2. Ensure safe, health and secure communities
Previous Board Action	There has been no previous board action on this item.
Contact Person	Deborah Cockrell, FQHC Director – 503-742-5495
Contract No.	8422

BACKGROUND:

The Clackamas County Health Centers Division (CCHCD) requests the approval of an Intergovernmental Agreement with the State of Oregon, Oregon Health Authority. CCHCD's Federally Qualified Health Center (FQHC) is a participant in Oregon's Alternative Payment and Care Methodology (ACPM) Program. This IGA is intended to incentivize patient engagement with CCHCD medical care teams in order to improve patient health outcomes. By participating in the APCM Program, it will allow the Clackamas County Health Centers Division (CCHCD) to provide health related services to Clackamas County residents.

This Agreement is effective July 1, 2017 and continues through July 1, 2020. This agreement was approved by County Counsel on July 18, 2017.

**PARTICIPATION AGREEMENT
OREGON'S ALTERNATIVE PAYMENT AND CARE METHODOLOGY PROGRAM**

Parties:

Clackamas County _____ (“Health Center”)

Oregon Health Authority (“OHA” or the “Authority”)

July 1, 2017 (“Effective Date”)

Clackamas County, by and through its Health Centers Division enters into this Participation Agreement (“Agreement”) which describes the terms of participation in Oregon’s Alternative Payment and Care Methodology (“APCM”) program (the “Program” or the “APCM Program”) for Federally Qualified Health Centers (“FQHCs”) and Rural Health Clinics (“RHCs”) and the respective obligations of Health Center and OHA. The Program parameters are guided by the Oregon State Plan Amendment (“SPA”) Transmittal # 12-08, Attachment 4.19-B; Methods and Standards for Establishing Payment Rates: Alternate Payment Methodology, approved on 9/12/12 by CMS and OAR 410-147-0360 (attached as **Exhibit 1**).

The intent of the APCM Program is to align payment for participating community health centers with high quality, efficient provision of patient-centered health care in order to incentivize high-value services over a volume of visits. Both parties understand that the Program is intended to incent a significant transition in patient-centered care, and that it will likely result in a reduction in traditional, billable patient visits. At the same time, the Program should result in an increase in non-billable engagement, known as Care STEPs (Services that Engage Patients), with the patient. Further, both parties agree to work together to address unanticipated challenges and concerns on the part of either party in order to reach mutually acceptable solutions.

ATTACHMENTS

This Agreement includes and incorporates the following:

Attachment A Oregon APCM Program Accountability Plan

Attachment B APCM Rate Methodology Worksheet

Attachment C APCM Care STEPs

Attachment D Reconciliation Template

Attachment E Attribution Policy

Attachment F APCM Exclusion Agreement for Wrap Cap Reimbursement

Exhibit 1 Oregon State Plan Amendment Transmittal #122-08, Attachment 4-19-B: Methods and Standards for Establishing Payment Rates: Alternative Payment Methodology

Exhibit 2 OARs 410-120-0000, 410-147-0120, 410-147-0140

Exhibit 3 Eligible Patient Flow-Chart (illustration)

AGREEMENT

Section 1. Definitions. Capitalized terms used in this Agreement have the following meanings unless the context requires otherwise.

“3131 Report” means the tool by which new APCM enrollments are identified and uploaded to OHA through the MMIS Provider Web Portal, sent weekly or less frequently as determined by Health Center.

“820 Report” means the monthly report received by Health Center from OHA that outlines all charges and payments for Health Center’s APCM-enrolled patients.

“APCM Eligible OHP” means one of the following Oregon Health Plan benefit packages: (1) BMH: OHP Plus; (2) BMM: Qualified Medicare Beneficiary and OHP with Limited Drug; (3) BMD: OHP with Limited Drug; and (4) CWX: Prenatal Expansion for CAWEM clients., and (5) other OHP benefit package that OHA has agreed will result in a PMPM Payment.

“APCM Establishing Visit” means a face-to-face intake (including a traditional office, home, group, virtual, or Telemedicine Visit) that includes, at minimum, a medical history, problem list review, and medication and allergy review. In the case of a virtual or Telemedicine Visit, the visit must be a “synchronous (live two-way interactive) video transmission resulting in real time communication.” Telemedicine Visits must be in accordance with OAR 410-130-0610 “Telemedicine”. An Establishing Visit may be provided by a Health Care Professional acting within the scope of his/her practice, certification, or licensure as defined in OAR 410-147-0120(100) (**Exhibit 2**). In order to accurately track and report Establishing Visits that are non-billable, Health Center must document such visits in the medical record or practice management system and identify and report them to OHA using a method or manner determined by the Learning Community. APCM Establishing Visits must be provided in compliance with OAR 410-147-0140(6) and (7) (**Exhibit 2**), which prohibits Health Centers from “unbundling” services that are normally rendered during a single visit for the purpose of generating multiple encounters.

“APCM Enrollment Change Report” has the meaning given in Section 5(C).

“APCM Enrollment Report” means the report sent to the Health Center by OHA to confirm initial enrollment (e.g., the Day-One List) in the Health Center’s APCM Program, and provided after each additional patient list upload by Health Center.

“APCM Learning Community” has the meaning given in Section 3(A).

“APCM Program” has the meaning given in paragraph 1 of this Agreement.

“Care STEPS” means the activities described in **Attachment C**.

“Day-One List” has the meaning given Section 5(A).

“Disqualifying Visit” has the meaning given in Section 5(E)(3)(a).

“Eligible Patient” has the meaning given in Section 5(B).

“Eligible PMPM Patient” has the meaning given in Section 5(C).

“Engagement Period” has the meaning given in Section 5(C).

“ER Utilization” means per patient utilization rates of the emergency room.

“Health Care Professional” means an individual defined in OAR 410-120-0000(100).

“Leaked Patient” has the meaning given in Section 5(E)(3)(a).

“Non-Engaged Closure Report” has the meaning given in Section 5(D).

“Non-Engaged Patient” has the meaning given in Section 5(E)(2).

“OPCA” means the Oregon Primary Care Association.

“PDR” means the Patient Data Report, a monthly report received by Health Center from OHA that identifies Health Center’s successful APCM enrollments, identifies active Eligible PMPM Patients, Eligible Patients with a current end date, and patients who will be removed from Health Center’s APCM Program.

“PIP” has the meaning given in Section 7.

“PMPM” means per member per month.

“PPS” means Prospective Payment System.

"Primary Care Visit" means a visit in which a patient receives carved-in APCM services (e.g., non-obstetrical medical visit), which visit may or may not constitute an APCM Establishing Visit. If the provider is eligible for PPS payments, a Primary Care Visit would result in a PPS payment.

"Term" has the meaning given in Section 2.

"Total Cost of Care" is described to in **Attachment A, Cost(3)**

Section 2. Term and Termination.

- A. Term. This term of this Agreement shall be three years (the "Term") commencing July 1st, 2017. The Agreement may be terminated prior to the end of the Term as described in Sections B and C. Upon expiration of the Term or earlier termination as the case may be, Health Center shall be entitled to payment under the APCM Program for all services satisfactorily rendered through the termination date.
- B. Termination by the Health Center. Health Center may terminate this Agreement upon 30 days prior written notice.
- C. Termination by the Authority. OHA may terminate this Agreement if Health Center fails to meet the expectations of a Performance Improvement Plan, as described in Section 7.

Section 3. Program Participation and Accountability.

- A. Minimum Participation Requirements. Health Center agrees to (a) include all Health Center sites and all its Eligible Patients in the APCM Program, (b) to maintain sufficient capacity to meet all its reporting requirements described in this Agreement, and (c) to participate in the APCM Learning Community. The "APCM Learning Community" is comprised of OHA, OPCA, staff and management of Health Centers enrolled in the APCM Program who volunteer to be involved in the further development and operationalization of the APCM Program.
- B. Accountability for Program Participation. By participating in the APCM Program, Health Center agrees to the requirements outlined in the APCM Program Accountability Plan, **Attachment A**. The Accountability Plan reflects the mutual agreement of Health Center, OHA and OPCA on Program requirements with respect to quality, access, cost and utilization, and population management. In order to track and review Health Center program participation, the Health Center agrees to produce and submit quarterly data to OPCA and OHA in accordance with **Attachment A**.
- C. Program Development. The APCM Learning Community agrees to work collaboratively to develop acceptable methodology to incorporate additional carved-out services and payments. Participating Health Centers will have the opportunity to join OHA and OPCA and other members of the APCM Learning Community to further develop APCM Program methodology, consider programmatic expansion, and evaluate program effectiveness. The group has agreed to meet October 2017 to discuss health center assumptions of risk if it fails to meet the requirements of a Performance Improvement Plan, and again in January 2018 to discuss strategic ways to address access concerns and measure model transformation investments moving forward. Decisions reached at these two meetings will be incorporated in future amendments as mutually agreed by the parties.
- D. Unintended Consequences. The APCM Learning Community agrees to work collectively to address unintended consequences of program implementation to the satisfaction of both parties, adjusting details of this Agreement as needed.

Section 4. APCM Program Rates and Payment.

- A. APCM Rate Calculation. Health Center, with the help of OPCA, will work with the Authority to complete a financial and patient member month analysis to compute Health Center's APCM rates in accordance with the methodology outlined in **Attachment B**. There will be a "wrap cap" APCM rate paid for all managed care patients, as well as a full APCM rate paid for open card patients.
- B. Rate Adjustment. The APCM rates, once established, will be adjusted annually by the Medicare Economic Index (MEI) in compliance with Federal statute governing the Prospective Payment System (PPS). A Change

in Scope (CiS) will be developed that is in concert with the intent and definition of existing CiS regulation for PPS, converting the methodology to a PMPM calculation to align with the APCM rates. All changes to the rate assumptions and methodology must be in writing and are only effective when agreed to in writing by both parties.

- C. Payment Methodology. The Authority agrees to pay Health Center its PMPM payments each month. OHA shall pay a prorated daily PMPM amount for individuals added or deleted from Health Center's APCM Program during the month. The Authority will send an Enrollment Change Report (ECR), including reason codes, notifying the Health Center of the individuals added or deleted during the month.
- D. Included and Excluded Services. The APCM rates are PMPM rates paid to Health Center for medical services as defined in Health Center's established PPS rate calculation (as defined by Federal law). Mental health, dental health and obstetrical services (prenatal and deliveries) are excluded initially from the APCM Rate and Program, but Health Center will work through the Learning Community on feasibility and methodologies for including these initially carved out (excluded) services in the future. See **Attachment F** for included and excluded service codes.
- E. Open Card and School Based Health Services. Open Card clients are included in the APCM program, and a unique Open Card rate is established. School based health patients and services are also included in the program and payment calculations.
- F. Quarterly and Annual Reconciliation with Annual Adjustment. Health center will complete the quarterly reconciliation comparing revenue earned under the APCM Program with revenue it would have earned under traditional PPS, in accordance with the SPA guidance and **Attachment D**. This reconciliation is a floor to assure that the APCM payment is at least as much as the PPS payments would have provided for the same time period. OHA will complete an Annual Payment Reconciliation by October 31st of each year. Health Center is not required to return dollars in excess of PPS payments, as determined by the calculation. However, Health Center will be reimbursed on or before December 31st by OHA for any amount below the PPS payment level based on the Annual Payment Reconciliation completed by OHA.

Section 5. APCM Program Eligible Patients.

- A. Day-One List. Health Center shall prepare and upload a "Day One" patient list, which is the list of patients for which the Health Center will be reimbursed an APCM Rate effective the first month of Health Center's participation in the Program (the "Day-One List") if the patients are eligible for the Oregon Health Plan and not enrolled with a separate participating Health Center. Health Center shall load its Day-One List through the MMIS Provider Web Portal.
- B. Eligible Patient. In order to be an Eligible Patient included on the Day-One List, or confirmed thereafter on the APCM Enrollment Report and added to Health Center's APCM Program (each an "Eligible Patient"), a patient must:
 - 1. Be covered by APCM Eligible OHP; and
 - 2. Have been provided a traditional, billable face-to-face office visit in the prior 18 months at the Health Center (or, in the period following the creation of the Day One List, have been provided an APCM Establishing Visit (which includes a traditional, billable office visit, during a 12-month look back period. Health Center is prohibited from using an 18 month look back for an APCM Establishing Visit after the "Day-One" patient list is loaded through the MMIS Provider Web Portal.
 - 3. After the "Day-One" list, Health Center shall use a 12-month look back for an APCM Establishing Visit. and
 - 4. Be attributed to Health Center after adjusting for attribution and leakage (e.g., patients overlapping with other FQHCs, RHCs, or primary care providers). See "Leakage", Section E(3) below.
 - 5. Leaked Patients, as described in Section 5(E)(6) below, may only be re-enrolled into Health Center's APCM Program as an Eligible Patient after the final leakage date of service indicated on the APCM Enrollment Change Report, and effective the date that Health Center provides a face-to-face visit, as described in Section 5(B)(2).

C. Patient Engagement. A patient who is included on Health Center's APCM Enrollment Report as successfully enrolled remains an Eligible Patient for which Health Center receives a PMPM payment (and "Eligible PMPM Patient") so long as (a) the patient is covered by APCM Eligible OHP, (b) the Health Center provides the patient with at least a Establishing Visit (which includes a traditional billable office visit) or Care STEP every 8 quarters (such 8-quarter period referred to as the "Engagement Period"), and (c) patient has not become and remained a "Leaked Patient" (as defined in Section E(4) below).

D. OHA Reports. OHA will provide the following reports to Health Center:

1. a monthly Patient Data Report (PDR), which includes (among other individuals) the list of patients currently receiving the PMPM payment.
2. an "APCM Enrollment Report" following OHA's receipt of the Day-One List and each subsequent list of Eligible Patients thereafter;
3. an 820 report, which lists all the charges and payment details for Health Center's APCM patients.
4. a monthly "APCM Enrollment Change Report", which indicates patients who were served by other primary care providers in a 6-month look back period (as outlined in Section E(5)),
5. a quarterly "Non-Engaged Closure Report" notifying Health Center of closing enrollments due to lack of engagement.

All enrollment changes will be documented on an APCM Enrollment Change Report or a Non-Engaged Closure Report and provided to Health Center prior to being finalized.

E. PMPM Payment Stops; Adding and Removing Patients.

1. Adding Patients. After the date of the "Day One" List, Health Center may add new patients to its APCM Program using a 3131 Report after providing the patient an APCM Establishing Visit (which includes a traditional billable office visit). New patients become Eligible PMPM Patients if they obtain APCM Eligible OHP within 12 months of receiving the APCM Establishing Visit (which includes a traditional billable office visit) and are attributed to the Health Center. New Eligible PMPM Patients will be confirmed by OHA on the APCM Enrollment Report and added to the Health Center's PDR.
2. Losing or Obtaining OHP Coverage. Patient who have been provided with an APCM Establishing Visit (which includes a traditional billable office visit) in the last 12 months at the Health Center, but who were previously not covered by APCM Eligible OHP, may be added to the APCM patient list report (the 3131 report) effective the date of the APCM Establishing Visit. PMPM payments will begin on the first day the patient obtains APCM Eligible OHP and only be issued for timeframes that the APCM-enrolled patient is an Eligible Patient (e.g., has APCM Eligible OHP coverage).
3. List Management. Health Center is responsible for maintaining changes to its APCM patient list report (3131 report), which includes but is not limited to removing people who known to have died, moved out of area, and been dismissed by Health Center.
4. Non-Engaged Patient. If an otherwise Eligible PMPM Patient does not receive at least one primary care visit or Care STEP during an Engagement Period, the PMPM payment with respect to such patient will stop as of the day after the end of the 8th quarter. After a patient is unenrolled through the Non-Engaged Closure Report, Health Center must provide an APCM Establishing Visit to re-enroll a patient in the APCM Program. OHA will only run the Non-Engaged Closure Report for Eligible PMPM Patients each quarter. Patients who are not covered by APCM Eligible OHP will not be included in the Non-Engaged Closure Report. The non-engaged patient removal process is outlined more fully in **Attachment E**.
5. Request for Review. OHA will consider a "Request for Review" when the Health Center provides evidence that an Establishing Visit, billable office visit, or Care STEP occurred within the prior eight quarters. (See Attribution Policy)
6. Leakage.
 - a) A "Leaked Patient" is a patient who is included in Health Center's APCM Program but whose APCM enrollment ends due to the patient having been provided, in the prior 6 months, with one APCM Establishing Visit or Primary Care Visit by another provider that qualifies for PPS payments or provided with two or more Primary Care Visits or APCM Establishing Visits by another provider that does not

qualify for PPS payments (in all cases, a "Disqualifying Visit"). PMPM payments to Health Center with respect to a Leaked Patient stop as of the date of the first Disqualifying Visit for each of the two scenarios.

- b) Each month, OHA shall review claims from the prior six months to identify Leaked Patients and provide Health Center with notice of disenrollment as a result of leakage on the monthly APCM Enrollment Change Report. The Enrollment Change Report shall include the Leaked Patient's Recipient ID, APCM start date and "new" end date (that will be input to stop PMPM payments based on earliest Disqualifying Visit), date of service of the Disqualifying Visit, and leakage type (e.g., FQHC, RHC, tribal organization or other). Health Center shall repay to OHA any PMPM payments received on account of Leaked Patients after the disenrollment date. Repayments will be reported to the Health Center on its 820 Report and OHA shall collect such repayments from future payments to Health Center. This reattribution process is outlined more fully in **Attachment E**.
- c) Health Center may only add a Leaked Patient back into its APCM Program as a newly Eligible Patient in accordance with subsection B above, but in no event shall the restart date be sooner than the "Final Leakage DOS" on the APCM Enrollment Change Report.
- d) OHA shall not make any enrollment changes to Health Center's APCM Program for the first three months of Health Center's participation in the APCM Program.
- e) Health Center may request a review of an enrollment change due to leakage to indicate that the Disqualifying Visit was the result of Health Center's referral to the other primary care provider or relates to a specialty service. Such review request must be made within 30 days of the date of the pertinent APCM Enrollment Change Report and include the following information:
 - i. Recipient ID of the referred patient
 - ii. Service or condition that caused referral
 - iii. Provider's specialty or type that saw the referred patient
 - iv. Name of provider/organization that saw the referred patient

OHA will notify Health Center of its decision on reconsideration within 30 days of the request.

Section 6. Quality.

- A. Health Center agrees to report CCO measures for Health Center's APCM Eligible OHP patients. (See Attachment A for the full list of required and option measures and improvement target values)
- B. The CCO aggregate performance average (CCO average), when available, will serve as the target value for each quality metric. OPCA will communicate and update target values each July to reflect annual averages in the prior year, which are published annually in OHA's CCO Metrics Report.
- C. If Health Center does not meet CCO averages on at least 4 of the 8 required metrics over a four quarter period, OHA and Health Center, with the assistance of OPCA in Health Center's discretion, will agree on a Performance Improvement Plan, as described in Section 7.
- D. Health Center will report a Patient Experience and Access Measure on a quarterly basis. OPCA will spearhead a best practices approach to a measurement methodology that is clinically actionable and reflective of the Agency for Healthcare and Quality (AHRQ) Consumer Assessment of Healthcare Providers and Systems (CAHPS) survey, with the goal of achieving alignment on methodology by July 2018.
- E. The timeline for a four-quarter quality measure review period will start on July 1st, 2017 for existing APCM Health Centers¹. Starting with Phase 5, a Health Centers that is new to the APCM Program will have a one year (4 quarter) lag between its APCM Program start date and the 1st quarter of quality metrics review period.

¹ Phase 4 participants, who started on July 1st, 2016 and have been operating under a 'lame duck' agreement, will be given a 2 year (8 quarter) lag before their quality metrics review period begins. Their quality metrics review period clock will not start until July 1st, 2018 (Q3, 2018).

Section 7. Performance Improvement Plan Guidelines

- A. If Health Center does not meet CCO averages on at least 4 of 8 metrics over 4 consecutive quarters, OHA and Health Center will agree on a Performance Improvement Plan ("PIP"). Health centers are encouraged, though not required, to include OPCA in the negotiation process.
- B. The PIP will require the selection of focus measures for improvement, which will be selected through a collaborative process between the involved parties. Targets for improvement are also selected via a collaborative discussion between involved parties. The "Minnesota Method" may be considered as a way to establish target values.
- C. The PIP may include process requirements such as documentation of clinic QI process, and analysis of patient complexity to identify barriers to improvement. If Health Center enters a PIP, it will have an additional 4 quarters to demonstrate improvement. If Health Center does not meet the minimum requirements for access or quality improvement as agreed to under a PIP, Health Center will be at risk for termination from the APCM Program.

[Signature Page Follows]

This Agreement may only be amended by a writing identified as an amendment and signed by both parties on signature lines intended for that purpose. An exchange of emails or other informal communication will not act to amend the terms and conditions of this Agreement. This agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement constitutes the entire agreement and understanding between the parties with respect to its subject matter and supersedes any prior agreement or understanding. This Agreement shall be effective as of the Effective Date.

Health Center Signature

By: _____
Name: Richard Swift
Title: Director – Health, Housing, & Human Services

Date: _____

Authority Signature

By: _____
Name:
Title:

Date: _____

This agreement is retro-active due to late receipt from Oregon Health Authority.

RECOMMENDATION:

Staff recommends the Board approval of this agreement and authorizes Richard Swift, H3S Director to sign on behalf of Clackamas County.

Respectfully submitted,

Richard Swift, Director
Health, Housing, and Human Services



M. BARBARA CARTMILL
DIRECTOR

DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT

DEVELOPMENT SERVICES BUILDING
150 BEAVERCREEK ROAD OREGON CITY, OR 97045

August 10, 2017

Board of County Commissioner
Clackamas County

Members of the Board:

**Approval of Amendment No. 2 to the Local Agency Agreement No. 29634 with
Oregon Department of Transportation (ODOT) for the
Sunnyside Road Adaptive Signal System Project**

Purpose/Outcomes	Amendment No. 2 to Local Agency Agreement with ODOT for the Sunnyside Road Adaptive Signal Project.
Dollar Amount and Fiscal Impact	Total Project Cost Estimate: \$1,392,098 Federal-Aid STP funds: \$1,249,130 Road Fund Match (10.27%): \$142,968
Funding Source	Federal-Aid Surface Transportation Program (STP) County Road Funds
Duration	Completion of the Project or ten (10) years following the date of final execution
Previous Board Action	7/10/2014 – BCC approval of Amendment No. 1 12/12/2013 – BCC Approval of Local Agency Agreement No. 29634
Strategic Plan Alignment	With the implementation of new Adaptive Signal Control Technology along with extensive vehicle detection upgrades, this project will help grow a vibrant economy and ensure safe communities by improving safety and travel time reliability on the busiest arterial corridor maintained by County.
Contact Person	Bikram Raghubansh, Project Manager 503-742-4706

This is a second amendment to the original intergovernmental agreement between Clackamas County and the Oregon Department of Transportation (ODOT) to deploy Adaptive Signal Control Technology (ASCT) on SE Sunnyside Road between 82nd Avenue and 122nd Avenue. This project consists of the installation of Intelligent Transportation System (ITS) technology which includes new Advanced Traffic Management System (Central Signal Management System), new Advanced Traffic Controllers (ATC), and complete replacement of existing outdated video detection cameras with more reliable smart sensor radar detection system for up to thirteen (13) signalized intersections along Sunnyside Road. Implementation of ASCT is expected to improve travel time reliability on this corridor between the segment of Clackamas Town Center, I-205 freeway ramps, Sunnyside Hospital, and Happy Valley area.

This amendment will transfer additional \$364,191 STP funds to this project from re-programming remaining PE funds from SE 172nd Ave: Foster Rd to Sunnyside Rd project. These additional funds will help expand upgrade of additional vehicle detection system within the project limits.

This agreement has been reviewed and approved by County Counsel.

RECOMMENDATION:

Staff respectfully recommends that the Board of County Commissioners approve the attached Amendment No. 2 to the original Local Agency Agreement for the Sunnyside Road Adaptive Signal System Project.

Respectfully submitted,

Mike Bezner
Assistant Director

AMENDMENT NUMBER 02
Surface Transportation Program-Urban Local Agency Agreement
Sunnyside Road Adaptive Signal System
Clackamas County

This is Amendment No. 02 to the Agreement between the **STATE OF OREGON**, acting by and through its Department of Transportation, hereinafter referred to as "State," and **CLACKAMAS COUNTY**, acting by and through its elected officials, hereinafter referred to as "Agency," entered into on January 16, 2014 and Amendment Number 1 on August 11, 2014.

It has now been determined by State and Agency that the Agreement referenced above shall be amended to increase STP federal funds for the Construction phase and, update language.

1. **Effective Date.** This Amendment shall become effective on the date it is fully executed and approved as required by applicable law.
2. **Amendment to Agreement.**

Revised Attachment No. 1, to Agreement No. 26934, Special Provisions, Paragraph 4, Page 4, which reads as follows:

4. Agency shall have a current Indirect Cost Allocation Plan and an approved indirect rate from its federal cognizant agency prior to invoicing indirect costs. A copy of the current approved rate from the federal cognizant agency or State must be attached to invoices with indirect costs. If Agency does not have a current approved rate, it can apply directly to its federal cognizant agency for an Indirect Cost Rate. If the Agency has no federal cognizant agency, it can submit an indirect Cost Rate proposal to State for review and approval for State invoices. Without an approved Indirect Cost Rate State will only pay Agency for Direct Costs.

Shall be deleted in its entirety and replaced with the following:

4. **Indirect Cost Rate.**
 - a. As required by 2 CFR 200.331(a)(4), the indirect cost rate(s) for this project at the time the agreement is written is 35.57 percent (35.57%). This rate may change during the term of this Agreement upon notice to ODOT and ODOT's subsequent written approval.
 - b. If the approved rate(s) change(s) during the term of this Agreement, Agency shall invoice ODOT using the current indirect cost rate(s) for the project on file with ODOT at the time the work is performed. If Agency does not have approved indirect cost rate(s) on file with ODOT at the time the work is performed, Agency shall invoice ODOT using a zero percent (0%) rate.

Insert new Exhibit B, Federal Funding Accountability and Transparency Act (FFATA) Subaward Reporting

Terms of Agreement, Paragraph 2, Page 1, which reads:

2. The Project will be conducted as a part of the Federal-Aid Surface Transportation Program (STP) under Title 23, United States Code. The total Project cost is estimated at \$986,224, which is subject to change. STP urban funds for this Project will be limited to \$884,939. The Project will be financed with STP funds at the maximum allowable federal participating amount, with Agency providing the match and any non-participating costs, including all costs in excess of the available federal funds.

Shall be deleted in its entirety and replaced with the following:

2. The Project will be conducted as a part of the Federal-Aid Surface Transportation Program (STP) under Title 23, United States Code. The total Project cost is estimated at \$ 1,392,098, which is subject to change. STP urban funds for this Project will be limited to \$1,249,130. The Project will be financed with STP funds at the maximum allowable federal participating amount, with Agency providing the 10.27 percent match for all eligible costs and any non-participating costs, including all costs in excess of the available federal funds.

Insert new Terms of Agreement, Paragraph 18 and 19, to read as follows:

18. Agency shall ensure compliance with the Cargo Preference Act and implementing regulations (46 CFR Part 381) for use of United States-flag ocean vessels transporting materials or equipment acquired specifically for the Project. Strict compliance is required, including but not limited to the clauses in 46 CFR 381.7(a) and (b) which are incorporated by reference. State and Agency shall also include this requirement in all contracts and ensure that contractors include the requirement in their subcontracts.
19. By signing this Federal-Aid Agreement Agency agrees to comply with the provisions of the Federal Funding Accountability and Transparency Act (FFATA) and is subject to the following award terms: <http://edocket.access.gpo.gov/2010/pdf/2010-22705.pdf> and <http://edocket.access.gpo.gov/2010/pdf/2010-22706.pdf>. If, in the preceding fiscal year, Agency received more than eighty (80%) of its gross revenues from the federal government, those federal funds exceed \$25,000,000 annually, and the public does not have access to information about the compensation of executives through reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 or section 6104 of the Internal Revenue Code of 1986, Agency shall report the total compensation and names of its top five executives to State. Agency shall report said information to State within fourteen (14) calendar days of execution of this Agreement and annually thereafter, utilizing the FFATA form attached hereto as Exhibit "B".

3. **Counterparts.** This Amendment may be executed in two or more counterparts (by facsimile or otherwise) each of which is an original and all of which when taken together are deemed one agreement binding on all Parties, notwithstanding that all Parties are not signatories to the same counterpart.
4. **Original Agreement.** Except as expressly amended above, all other terms and conditions of the original Agreement are still in full force and effect. Agency certifies that the representations, warranties and certifications in the original Agreement are true and correct as of the effective date of this Amendment and with the same effect as though made at the time of this Amendment.

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

This Project is in the 2015-2018 Statewide Transportation Improvement Program, (Key #18305) that was adopted by the Oregon Transportation Commission on December 18, 2014 (or subsequently approved by amendment to the STIP).

SIGNATURE PAGE TO FOLLOW

CLACKAMAS COUNTY, by and through its elected officials

By _____
Chair
Date _____

By _____
Recording Secretary
Date _____

LEGAL REVIEW APPROVAL
(If required in Agency's process)

By _____
Agency Counsel
Date _____

Agency Contact:
Bikram Raghubansh, Senior Traffic Engineer
150 Beaver Creek Road
Oregon City, OR 97045
503-731-4706
BikramRag@co.clackamas.or.us

STATE OF OREGON, by and through its Department of Transportation

By _____
Highway Division Administrator
Date _____

APPROVAL RECOMMENDED

By _____
Technical Services Manager/Chief Engineer
Date _____

By _____
State Traffic Roadway Engineer
Date _____

By _____
Region 1 Manager
Date _____

APPROVED AS TO LEGAL SUFFICIENCY

By _____
Assistant Attorney General
Date: _____

State Contact:
Mahasti Hastings, Local Agency Liaison
123 NW Flanders Street
Portland, OR 97209
503-731-8595
Mahasti.v.hastings@odot.state.or.us



MIKE MCCALLISTER
PLANNING AND ZONING DIRECTOR

DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT

DEVELOPMENT SERVICES BUILDING
150 BEAVERCREEK ROAD OREGON CITY, OR 97045

Board of County Commissioners
Clackamas County

Members of the Board:

Approval of Contract Amendment #2, Renewal #3 for On-Call Hydrogeological Peer Review
Services with GSI Water Solutions for the Planning and Zoning Division

Purpose/Outcome	Amendment #2 increases the max value to \$200,000 over a 4-year period and Renewal #3 extends the term through June 30, 2018.
Dollar Amount and Fiscal Impact	\$50,000, no fiscal impact as fees are actually paid by applicant.
Funding Source	Development Review Application Fees
Duration	July 1, 2017-June 30, 2018
Previous Board Action/Review	Annual renewal (\$50,000 maximum per year)
Strategic Plan Alignment	To Honor, Utilize, Promote and Invest in our Natural Resources by ensuring ground water resources in rural areas are adequate to accommodate new development in the County.
Contact Person	Mike McCallister, Planning Director 503-742-4522

BACKGROUND: The Clackamas County Zoning and Development Ordinance requires applicants submitting certain development related land use applications (partitions, subdivisions, new industrial, commercial and institutional uses) in Ground Water Limited Areas to submit a hydrogeologic review report demonstrating the aquifer is capable of sustaining the proposed development with sufficient potable water. The hydrogeologic review report is subject to "peer review" by a qualified professional of the County's choice to ensure the report is complete, assumptions are generally accepted and all conclusions and recommendations in the report are reasonable.

RECOMMENDATION: Planning and Zoning Division respectfully requests that the Board of County Commissioners approves this amendment and renewal with GSI Water Solutions to continue to provide Hydrogeological Peer Review Services for development related applications submitted to the Planning and Zoning Division.

This contract has been reviewed and approved by County Counsel.

Respectfully submitted,

Mike McCallister, Planning Director
Planning and Zoning Division

Place on the _____ Agenda by Procurement

AMENDMENT #2 / RENEWAL #3

TO THE CONTRACT DOCUMENTS WITH GROUND WATER SOLUTIONS, INC DBA GSI WATER SOLUTIONS, INC. FOR ON-CALL HYDROGEOLOGIC PEER REVIEW SERVICES

This Amendment #2 / Renewal #3 is entered into between **Ground Water Solutions, Inc., dba GSA Water Solutions, Inc.** (“Contractor”) and Clackamas County (“County”) and it shall become part of the Professional Services Contract entered into between both parties on October 28, 2014.

The Purpose of the Amendment #2 / Renewal #3 is to make the following changes to the Contract:

1. Section I. **SCOPE** is hereby changed as follows:

The Contract termination date is hereby changed from June 30, 2017 to **June 30, 2018**. County is exercising the option to renew the final one-year optional renewal available on this Contract. County and Contractor acknowledge that services may have been performed after the termination date and the parties desire to continue this Contract and ratify any such work pursuant to this Amendment. The maximum fiscal year compensation authorized under this contract remains at \$50,000.00. Fiscal year is defined as July 1 to June 30. The maximum compensation authorized, for the life of this contract, shall not exceed \$200,000.00.

ORIGINAL CONTRACT	\$ 50,000.00
Renewal #1	\$ 50,000.00
Amendment #1 / Renewal #2	\$ 50,000.00
<u>Amendment #2 / Renewal #3</u>	<u>\$ 50,000.00</u>
TOTAL AMENDED CONTRACT	\$ 200,000.00

2. Section II. **SERVICES TO BE PROVIDED** is hereby changed as follows:

Add “On-Call” language to this section:

The services under this Contract are on an “on-call” or “as-needed basis,” and no Work may be performed until a detailed task scope of work is developed and agreed to by the parties for a specific project. Each task scope of work must minimally include: a detailed description of services to be provided, a schedule of key milestones for completion of the task, the maximum fee for completion of the task, and any obligations of the County to complete the task. No task scope of work may commence until an amendment is made to this Contract or an official County Purchase Order is issued and that specifically incorporates by reference this Contract and the agreed upon task scope of work. No task scope of work may modify this Contract and its terms and conditions unless an amendment is made to this Contract.

3. ADD Section VIII. EXECUTION AND COUNTERPARTS:
VIII. **EXECUTION AND COUNTERPARTS:**

This Contract may be executed in several counterparts, each of which shall be an original, all of which shall constitute but one and the same instrument.

Except as expressly amended above, all other terms and conditions of the Contract shall remain in full force and effect.

By signature below, the parties agree to this Amendment #2 / Renewal #3, effective upon the date of the last signature below.

Groundwater Solutions, Inc.
Dba GSA Water Solutions, Inc.
55 SW Yamhill Street
Portland OR 97204

Clackamas County Board of County
Commissioners by:

Authorized Signature

Chair

Name / Title (Printed)

Recording Secretary

Date

Date

Telephone

Approved as to Form:

779884-84

Oregon Business Registry #

County Counsel

DBC – Oregon

Entity Type / State of Formation

Date



August 10, 2017

Board of County Commissioners
Clackamas County

Members of the Board:

Approval of a Resolution for a Clackamas County Supplemental Budget
(Less Than Ten Percent) for Fiscal Year 2017-2018

Purpose/Outcome	Supplemental Budget changes for Clackamas County FY 2017-2018
Dollar Amount and fiscal Impact	The effect has an increase in appropriation of \$94,892
Funding Source	Charge for Services
Safety Impact	N/A
Duration	July 1, 2017-June 30, 2018
Previous Board Action/Review	Budget Adopted June 29, 2017
Strategic Plan Alignment	Build public trust through good government
Contact Person	Diane Padilla, 503-742-5425

BACKGROUND:

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

The Community Corrections Fund is recognizing Justice Reinvestment revenue and budgeting for contract services costs for parenting programs.

The effect of this Resolution is an increase in appropriations of \$94,892 including revenues as detailed below:

Charge for Services	\$ 94,892.
Total Recommended	<u>\$ 94,892.</u>

RECOMMENDATION:

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

Sincerely,

Diane Padilla
Budget Manager

In the Matter of Providing Authorization
Regarding Adoption of a Supplemental
Budget for Items Less Than 10
Percent of the Total Qualifying Expenditures
and Making Appropriations for Fiscal
Year 2017-18

Resolution No

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

WHEREAS, a supplemental budget for the period of July 1, 2017 through June 30, 2018 inclusive, has been prepared, published and submitted to the taxpayers as provided by statute;

WHEREAS; the funds being adjusted are:

. Community Corrections Fund;

It further appearing that it is in the best interest of the County to approve this less than 10 percent appropriations for the period of July 1, 2017 through June 30, 2018.

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS THAT:

Pursuant to its authority under OR 294.471, the supplemental budget be adopted and appropriations established as shown in the attached Exhibit A which by this reference is made a part of this Resolution.

Dated this ____ day of _____, 2017

CLACKAMAS COUNTY BOARD OF COMMISSIONERS

Chair

Recording Secretary

SUMMARY OF SUPPLEMENTAL BUDGET
Exhibit A
CHANGES OF LESS THAN 10% OF BUDGET
August 10, 2017

Recommended items by revenue source:

Charge for Services	\$ 94,892
Total Recommended	<u>\$ 94,892</u>

COMMUNITY CORRECTIONS

Revenues:

Charge for Services	\$ 94,892
Total Revenue	<u>\$ 94,892</u>

Expenses:

Public Protection	\$ 94,892
Total Expenditures	<u>\$ 94,892</u>

Community Corrections Fund is recognizing Justice Reinvestment revenue and budgeting for contract services costs for parenting programs.



August 10, 2017

Board of County Commissioners
Clackamas County

Members of the Board:

Approval of a Resolution for Clackamas County for
Transfer of Appropriations for Fiscal Year 2017-2018

Purpose/Outcome	Budget change FY 2017-2018
Dollar Amount and Fiscal Impact	No fiscal impact. Transfer of existing appropriations.
Funding Source	Includes Interfund Transfers
Duration	July 1, 2017-June 30, 2018
Previous Board Action/Review	Budget Adopted June 29, 2017
Strategic Plan Alignment	Build public trust through good government
Contact Person	Diane Padilla, 503-742-5425

BACKGROUND: Periodically during the fiscal year it is necessary to transfer appropriations to more accurately reflect the changing requirements of the operating departments.

Transfers are a method of moving budgeted appropriations during the fiscal year as required by state budget law per ORS 294.463. There is no financial impact incurred as a result of transfers as appropriations for these amounts have been accomplished through the initial budget process.

The attached resolution accomplishes the above mentioned changes as requested by the following operating departments in keeping with a legally accurate budget.

The General Fund- Not Allocated to Organizational Unit is transferring from contingency to correct PGA allocated costs to reflect the transfer of a position from Technology Services to the Communications and Engagement Program.

The General Fund – Not Allocated to Organizational Unit is transferring from contingency to budget interfund transfers to the Capital Projects Reserve Fund and Clackamas County Debt Service Fund.

The General Fund – Not Allocated to Organizational Unit is transferring from contingency and budgeting for digital learning software for the Human Resources Department which was originally budgeted in fiscal year 2016-17 and is being carried over to fiscal year 2017-18 for completion.

The Capital Projects Reserve Fund is recognizing an interfund transfer from the General Fund and budgeting for an increase in cost to complete the CCOM video surveillance upgrade project.

RECOMMENDATION:

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

Sincerely,

Diane Padilla
Budget Manager

In the Matter of Providing Authorization
To Transfer Appropriations Within
the Fiscal Year 2017-18

Resolution No.

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

WHEREAS, transfer of appropriations for the period of July 1, 2017 through June 30, 2018, inclusive is necessary to continue to prudently manage the distribution of those expenditures for the needs of Clackamas County residents;

WHEREAS; the funds being adjusted are:

- . General Fund- Not Allocated to Organizational Unit
- . General Fund – Human Resources
- . Capital Projects Fund;

It further appearing that it is in the best interest of the County to approve this transfer of appropriations for the period of July 1, 2017 through June 30, 2018.

BE RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS THAT:

Pursuant to its authority under OR 294.463, transfer of appropriation within the fiscal year budget is authorized as shown in the attached Exhibit A which by this reference is made a part of this Resolution.

Dated this ____ day of _____, 2017

CLACKAMAS COUNTY BOARD OF COMMISSIONERS

Chair

Recording Secretary

TRANSFER REQUEST
Exhibit A
August 10, 2017

GENERAL FUND

Expenses:

Not Allocated to Organizational Unit

Material and Services

\$ 150,090

Interfund Transfer

524,842

Contingency

(699,932)

Total Expenditures

\$ (25,000)

GENERAL FUND

Expenses:

Human Resources

\$ 25,000

Total Expenditures

\$ 25,000

General Fund- Not Allocated to Organizational Unit is transferring from contingency to correct PGA allocated costs to reflect the transfer of a position from Technology Services to the Communications and Engagement Program.

The General Fund – Not Allocated to Organizational Unit is transferring from contingency to budget interfund transfers to the Capital Projects Reserve Fund and Clackamas County Debt Service Fund.

The General Fund – Not Allocated to Organizational Unit is transferring from contingency and budgeting for digital learning software for the Human Resources Department which was originally budgeted in fiscal year 2016-17 and is being carried over to fiscal year 2017-18 for completion.

CAPITAL PROJECTS FUND

Expenses:

Public Ways and Facilities

\$ 25,000

Total Expenditures

\$ 25,000

Capital Projects Reserve Fund is recognizing an interfund transfer from the General Fund and budgeting for an increase in cost to complete the CCOM video surveillance upgrade project.

DRAFT

Approval of Previous Business Meeting Minutes:

July, 6, 2017

July 13, 2017

BOARD OF COUNTY COMMISSIONERS BUSINESS MEETING MINUTES

A complete video copy and packet including staff reports of this meeting can be viewed at

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

Thursday, July 6, 2017 – 10:00 AM

Public Services Building

2051 Kaen Rd., Oregon City, OR 97045

**PRESENT: Commissioner Jim Bernard, Chair
Commissioner Sonya Fischer
Commissioner Ken Humberston
Commissioner Paul Savas
Commissioner Martha Schrader**

CALL TO ORDER

- Roll Call
- Pledge of Allegiance

I. CITIZEN COMMUNICATION

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

1. Les Poole, Gladstone – Road funding, zoning at Park Ave., supporting the Fair.

II. PUBLIC DISCUSSION ITEM

Public & Government Affairs

1. **Resolution No. 2017-85** Reaffirming Clackamas County's Commitment to Combat Climate Change

Gary Schmidt, Public & Government Affairs presented the staff report.

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

*Commissioner Savas excused to attend another meeting.

Chair Bernard asked if anyone wished to speak.

1. Lisa Adaito, Lake Oswego- spoke in support of the resolution.
2. Sandy Polishuk, Portland – spoke in support of the resolution.
3. Elizabeth Willis, Wilsonville, Representing the League of Women Voters – spoke in support of resolution.
4. Dorothy Atwood, Lake Oswego – Supports version one of the resolution.

AMOTION:

Commissioner Fischer: I move we approve the resolution reaffirming Clackamas County's Commitment to combat climate change with the following amendment, after Now, therefore add a new paragraph that reads: *Support efforts to encourage the use of new lower omission technologies in public buses such as those operated by transit agencies and school districts.*

Commissioner Humberston: Second.

all those in favor/opposed:

Commissioner Fischer: Aye.

Commissioner Humberston: Aye.

Commissioner Schrader: Aye.

Chair Bernard: Aye - the motion passes 4-0.

Commissioner Bernard stated there were two people who came late to speak under Citizen Communication, we will take their comments now:

1. Damien Hall, Attorney representing Cypress Creek Renewables, who are developing two a solar projects in Clackamas County. Submitted written testimony.
2. Chris Hawes, Damascus – wanted to thank the County for their work and support with the Damascus Lane property.

III. CONSENT AGENDA

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

MOTION:

Commissioner Humberston: I move we approve the consent agenda.
Commissioner Schrader: Second.
all those in favor/opposed:
Commissioner Fischer: Aye.
Commissioner Humberston: Aye.
Commissioner Schrader: Aye.
Chair Bernard: Aye – the Ayes have it, the motion passes 4-0.

A. Health, Housing & Human Services

1. Approval of an Intergovernmental Agreement between Community Solutions for Clackamas County and the State of Oregon Department of Energy for Weatherization Services – *Community Solutions*
2. Approval of Service Contract Renewals between Clackamas County and Alpha Energy Savers, Inc.; Green Energy Solutions, Inc.; Green Horizons Weatherization LLC; Performance Insulation and Energy Services, Inc.; Richart Family Inc. and Energy Comfort and Construction LLC for Multiple Weatherization Projects – *Community Solutions*
3. Approval of Amendment No. 8 to the Neighborhood Stabilization Program 1 Agreement with Oregon Housing and Community Services for the Transfer of Program Income – *Housing & Community Development*
4. Approval of Amendment No. 5 to the Neighborhood Stabilization Program 2 Agreement with Oregon Housing and Community Services for the Transfer of Program Income – *Housing & Community Development*
5. Approval of Amendment No. 2 to the Neighborhood Stabilization Program 3 Agreement with Oregon Housing and Community Services for Grant Closeout – *Housing & Community Development*
6. Approval of Amendment No. 4 to the Intergovernmental Agreement with Multnomah County, for a Public Health Officer – *Public Health*
7. Approval of an Agency Services Contract with Compass Group USA, Inc. d.b.a. Bateman Community Living for Food Service for Five Clackamas County Older Americans Act Nutrition Program Meal Sites – *Social Services*
8. Approval of an Interagency Agreement with North Clackamas Parks & Recreation District, Milwaukie Center, to Provide Social Services for Clackamas County Residents age 60 and over – *Social Services*
9. Approval of an Agency Service Agreement with Clackamas Women’s Services for Emergency Shelter for Victims of Domestic Violence – *Social Services*

B. Juvenile Department

1. Approval of Personal Services Contract Amendment No. 2 and Renewal No. 2 with the Boys and Girls Aid Society to Provide Emergency Shelter Services for Youth - *Procurement*

C. Business & Community Services

1. Approval of a Memorandum of Understanding between the Local Workforce Development Board, Clackamas Workforce Partnership, and Others Relating to the Operation of the WorkSource Clackamas One-Stop Service Delivery System

IV. NORTH CLACKAMAS PARKS & RECREATION DISTRICT

1. Approval of a Grant Agreement with the Oregon State Marine Board as part of the Maintenance Assistance Program for FY 2017-18
2. Approval of Amendment No. 2 to an Agreement with Enviser, Inc. for Full Coverage Mechanical Services to Maintain Facility Equipment at the North Clackamas Aquatic Park - *Procurement*

V. COUNTY ADMINISTRATOR UPDATE

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

VI. COMMISSIONERS COMMUNICATION

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

MEETING ADJOURNED – 11:23 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. You may also order copies from any library in Clackamas County or the Clackamas County Government Channel. www.clackamas.us/bcc/business.html

BOARD OF COUNTY COMMISSIONERS BUSINESS MEETING MINUTES

A complete video copy and packet including staff reports of this meeting can be viewed at

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

Thursday, July 13, 2017 – 10:00 AM

Public Services Building

2051 Kaen Rd., Oregon City, OR 97045

PRESENT: Commissioner Jim Bernard, Chair
Commissioner Sonya Fischer
Commissioner Ken Humberston
Commissioner Paul Savas
Commissioner Martha Schrader

CALL TO ORDER

- Roll Call
- Pledge of Allegiance

I. CITIZEN COMMUNICATION - NONE

II. PUBLIC HEARINGS

1. **Board Order No. 2017-86** for Boundary Change Proposal CL 17-003, Annexation to Clackamas County Service District No. 1

Chris Storey, Assistant County Counsel, Ken Martin, Boundary Change Consultant presented the staff report.

Chair Bernard opened the public hearing and asked if anyone wished to speak, seeing none he closed the public hearing and asked for a motion.

MOTION:

Commissioner Humberston: I move we approve the Board Order for Boundary Change Proposal CL 17-003, Annexation to Clackamas County Service District No. 1.

Commissioner Fischer: Second.

all those in favor/opposed:

Commissioner Fischer: Aye.

Commissioner Humberston: Aye.

Commissioner Schrader: Aye.

Commissioner Savas: Aye.

Chair Bernard: Aye – the Ayes have it, the motion passes 5-0.

2. **Board Order No. 2017-87** for Boundary Change Proposal CL 17-004, Annexation to Clackamas River Water

Chris Storey, Assistant County Counsel, Ken Martin, Boundary Change Consultant presented the staff report.

~Board Discussion~

Chair Bernard opened the public hearing and asked if anyone wished to speak, seeing none he closed the public hearing and asked for a motion.

MOTION:

Commissioner Humberston: I move we approve the Board Order for Boundary Change Proposal CL 17-004, Annexation to Clackamas County Service District No. 1.

Commissioner Fischer: Second.

all those in favor/opposed:

Commissioner Fischer: Aye.

Commissioner Humberston: Aye.

Commissioner Schrader: Aye.

Commissioner Savas: Aye.

Chair Bernard: Aye – the Ayes have it, the motion passes 5-0.

III. CONSENT AGENDA

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

MOTION:

Commissioner Savas: I move we approve the consent agenda.
Commissioner Schrader: Second.
all those in favor/opposed:
Commissioner Fischer: Aye.
Commissioner Humberston: Aye.
Commissioner Schrader: Aye.
Commissioner Savas: Aye.
Chair Bernard: Aye – the Ayes have it, the motion passes 5-0.

A. Health, Housing & Human Services

1. Approval of an Agency Service Agreement with Northwest Housing Alternatives, Inc. for HomeBase Program Operations and Financial Assistance – *Social Services*
2. Approval of an Intergovernmental Sub-recipient Agreement with Foothills Community Church/Molalla Adult Community Center to Provide Social Services for Clackamas County Residents age 60 and over – *Social Services*
3. Approval of an Intergovernmental Sub-recipient Agreement with City of Gladstone/Gladstone Senior Center to Provide Social Services for Clackamas County Residents age 60 and over – *Social Services*
4. Approval of an Intergovernmental Sub-recipient Agreement with Legal Aid Services of Oregon to Provide Housing Rights and Referral and Legal Assistance for Clackamas County Residents – *Social Services*
5. Approval of an Agency Service Agreement with Northwest Housing Alternatives, Inc. for Temporary Emergency Housing, Homelessness Prevention and Rapid Re-Housing – *Social Services*
6. Approval of an Intergovernmental Sub-recipient Agreement with Senior Citizen Council of Clackamas County to Provide Social Services for Clackamas County Residents age 60 and over – *Social Services*
7. Approval of an Intergovernmental Sub-recipient Agreement with City of Oregon City/Pioneer Community Center to Provide Social Services for Clackamas County Residents age 60 and over – *Social Services*
8. Approval of Intergovernmental Agreement No. 154752 with the State of Oregon, Department of Human Services, Aging and People with Disabilities Division for the Provision of Services to Clackamas County Residents age 60 and over – *Social Services*
9. Approval of Intergovernmental Agreement No. 154433 with the State of Oregon, Department of Human Services, Aging and People with Disabilities Division for the Provision of Services to Clackamas County Residents age 60 and over – *Social Services*
10. Approval of an Intergovernmental Sub-recipient Agreement with Hoodland Senior Center to Provide Social Services for Clackamas County Residents age 60 and over – *Social Services*
11. Approval of an Intergovernmental Agreement with City of Sandy, Oregon, for Operations for the Mt Hood Express Bus Service – *Social Services*

12. Approval of an Intergovernmental Sub-recipient Agreement with City of Lake Oswego/Lake Oswego Adult Community Center to Provide Social Services for Clackamas County Residents age 60 and over – *Social Services*
13. Approval of an Agency Sub-recipient Agreement with Friends of the Estacada Community Center to Provide Social Services for Clackamas County Residents age 60 and over – *Social Services*
14. Approval of Amendment No. 3 to an Agency Service Contract with Clackamas Women's Services Providing Coordinated Housing Assessments – *Social Services*
15. Approval of an Agency Sub-recipient Agreement with Canby Adult Center to Provide Social Services for Clackamas County Residents age 60 and over - *Social Services*
16. Approval of Amendment No. 2 to an Agency Service Contract with Northwest Housing Alternatives, Inc. Providing Coordinated Housing Assessments – *Social Services*
17. Approval of Amendment No. 3 to Intergovernmental Agreement No. 148508 with the State of Oregon, Acting by and through its Oregon Health Authority, for Choice Model Services (formerly Adult Mental Health Initiative) – *Behavioral Health*
18. Approval of a Declaration of Deed Restriction (Fire Separation Distance) Document to be Recorded on Clackamas County Owned Properties for Clackamas Women's Services and the Housing and Community Development Division – *Housing and Community Development*

B. Department of Transportation & Development

1. Approval of Amendment No. 2 to Supplemental Project Agreement No. 25214 with Oregon Department of Transportation for Salmon River (Elk Park Road) Bridge No. 6574 Project
2. Approval of Supplemental Project Agreement No. 31172 with Oregon Department of Transportation for the South Ivy Street Project in Canby

C. Juvenile Department

1. Approval of Amendment and Renewal No. 3 to the Personal Services Contract with Todos Juntos to Provide Diversion Panel Services - *Procurement*
2. Approval of Amendment and Renewal No. 3 to the Personal Services Contract with Parrott Creek Child and Family service to Provide Diversion Panel Services - *Procurement*
3. Approval of Amendment No. 3 and Renewal No. 2 to the Personal Services Contract with Parrott Creek Child and Family Services to Provide Sex Offender Treatment to Youth - *Procurement*

D. County Counsel

1. **Board Order No. 2017-88** Delegating Decision Making Authority to a Hearings Officer for Matters Arising Under Section 6 of Clackamas County Service District No. 1 Rules and Regulations
2. **Board Order No. 2017-89** Delegating Decision Making Authority to a Hearings Officer for Matters Arising Under Chapter 2.01 of the County Code (Foreclosed Property)

3. Approval of an Intergovernmental Agreement between 13 Counties for Sharing of Costs Associated with the MERS Litigation

IV. COUNTY ADMINISTRATOR UPDATE

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

V. COMMISSIONERS COMMUNICATION

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

MEETING ADJOURNED – 10:38 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. You may also order copies from any library in Clackamas County or the Clackamas County Government Channel. www.clackamas.us/bcc/business.html



Capt. Jenna Morrison
Director

CLACKAMAS COUNTY COMMUNITY CORRECTIONS
 1024 MAIN STREET • OREGON CITY • OREGON • 97045
 TELEPHONE 503-655-8603 • • • FAX 503-650-8942

August 10, 2017

Board of County Commissioners
Clackamas County

Members of the Board:

Approval to Apply for a Grant between Criminal Justice Commission, Justice Reinvestment and
Clackamas County to Develop a Pretrial Program

Purpose/Outcome	Establish a Pretrial Program, expand Short-Term Transition Leave and Corrections Substance Abuse Programs
Dollar Amount and Fiscal Impact	\$2,411,582
Funding Source	Criminal Justice Commission
Duration	July 1, 2017-June 30, 2019
Previous Board Action/Review	No previous action
Strategic Plan Alignment	Provide supervision, resources, intervention, and treatment services. Ensure Safe, Healthy and Secure Communities
Contact Person	Captain Jenna Morrison, Director, Community Corrections – 503-655-8725

BACKGROUND: Community Corrections is working the Court and District Attorney’s Office to develop a Pretrial Program. This grant will also allow for expansion of the Short-Term Transitional Leave (STTL) program and Corrections Substance Abuse Program (CSAP). The STTL program provides housing and resources for people releasing from prison with up to 120 days remaining on their sentence. Community Corrections provides supervision, housing, and resources to assist these clients in their transition into the community. The CSAP program currently provides residential treatment and programming to 56 clients at the Residential Services locations in Milwaukie for up to one year. This grant will allow that program to expand services to 80 clients. By creating the Pretrial Program and expanding the STTL and CSAP programs, Community Corrections expects to reduce recidivism and the prison population while increasing public safety and offender accountability. Ten percent of the award will support Victim Services programs and 3% will be dedicated back to the Criminal Justice Commission for a Random Control Trial.

RECOMMENDATION: Community Corrections respectfully requests that the Board of County Commissioners approves the grant application to the Criminal Justice Commission, Justice Reinvestment, to develop a Pretrial Program.

Grant Lifecycle form attached.

Respectfully submitted,

Captain Jenna Morrison
Director, Community Corrections

Grant Application Lifecycle Form

Use this form to track your potential grant from conception to submission.

Sections of this form are designed to be completed in collaboration between department program and fiscal staff.

** CONCEPTION **

Note: The processes outlined in this form are not applicable to disaster recovery grants.

Section I: Funding Opportunity Information - To be completed by Requester

Lead Department: Grant Renewal? Yes No

Name of Funding Opportunity: Criminal Justice Commission Justice Reinvestment Grant
Funding Source: Federal State Local: _____
Requestor Information (Name of staff person initiating form): Nora Jones
Requestor Contact Information: 503-655-8780
Department Fiscal Representative: Nora Jones
Program Name or Number: Pre-Trial Program/Short Term Transitional Leave, Corrections Substance Abuse Program expansion

Brief Description of Project:

Clackamas County has previously applied for and received Justice Reinvestment (JRI) dollars over the past 2 biennium. The goals of the JRI grant are to reduce recidivism, reduce prison populations, increase public safety and to hold offenders accountable. The proposal for the 2017-2019 biennium is to fund 3 programs. With the passing of HB3078 the term that inmates can be released early into the community has increased from 90 days to 120 days. In the past Community Corrections has had dedicated beds for those releases at the residential center. The request to increase public safety is to expand the program to include a dedicated Probation Officer to work with this population prior to release and 6 months post release to ensure the safest most successful transition back into the community. CSAP is a long standing program in Clackamas County that provides substance abuse treatment and addresses criminogenic needs in a residential treatment setting. Previously Community Corrections has expanded CSAP with JRI dollars. The current total bed count is 56 and the request is to increase the capacity to 80 total beds. This meets the goals of the grant by increasing public safety, reducing recidivism, reducing prison beds and holding offenders accountable. The last program that we are requesting JRI dollars to fund is a new pretrial service program. The Clackamas County Courts, District Attorney's Office, Jail, Clackamas Indigent Defense and Community Corrections are partnering to ensure that better release decisions are being made, public safety is being upheld and failures to appear and forced release are being minimized. Pretrial programs have shown to increase public safety and hold offenders accountable.

Name of Funding (Granting) Agency: Criminal Justice Commission

Agency's Web Address for Grant Guidelines and Contact Information:

<http://www.oregon.gov/cjc/jri-grant/Pages/default.aspx>

OR

Application Packet Attached: Yes No

Completed By: Jenna Morrison 8/2/2017
Date

** NOW READY FOR SUBMISSION TO DEPARTMENT FISCAL REPRESENTATIVE **

Section II: Funding Opportunity Information - To be completed by Department Fiscal Rep

Competitive Grant Non-Competing Grant/Renewal Other Notification Date: 7/1/2017
CFDA(s), if applicable: _____
Announcement Date: 7/10/2017 Announcement/Opportunity #: _____
Grant Category/Title: _____ Max Award Value: \$2,411,582

Allows Indirect/Rate: _____
Application Deadline: 8/31/2017
Grant Start Date: 7/1/2017
Grant End Date: 6/30/2019
Completed By: Nora Jones
Pre-Application Meeting Schedule: _____ 8/1/2017

Match Requirement: n/a
Other Deadlines: _____
Other Deadline Description: _____

Section III: Funding Opportunity Information - To be completed at Pre-Application Meeting by Dept Program and Fiscal :

Mission/Purpose:

1. How does the grant support the Department's Mission/Purpose/Goals?

It is the mission of Clackamas County Community Corrections is to provide supervision, resources, intervention, treatment & victim services to justice involved individuals and crime victims so they can experience and contribute to a safe community. The tenets of the Justice Reinvestment grant and the programs that Community Corrections plans to fund meet and serve the mission statement.

2. How does the grant support the Division's Mission/Purpose/Goals? (If applicable)

The Divivisions mision matches the Departments.

3. What, if any, are the community partners who might be better suited to perform this work?

There are no community partners better suited to perform this work, however many community partners will be invloved.

4. What are the objectives of this grant? How will we meet these objectives?

The objectives are to 1) Reduce recidivism which will be accomplished through an expansion of CSAP which has a 76% success rate. 2) Reduce prison population which will be accomplished through the expansion of CSAP. With additional beds available, offenders that at highest risk of revocation to prison will be offered CSAP as a "last chance" option. Research also suggests that is more people are released to pretrial supervision they are less likely to go to prison. 3) Increase public safety which will be accomplished through all three programs. Offenders engaged in residential treatment are not in the community and are less likely to commit crimes. Pretrial programs keep high risk offenders in jail and release lower level offenders into the community allowing them to continue using their community supports. Increased supervision and structure of newly released inmates increases their chances for success. 4) Hold offenders accountable which again is accomplish thorough increased supervision for sentenced offenders and more accountability for pretrial clients.

5. Does the grant proposal fund an existing program? If yes, which program? If no, what should the program be called and what is its purpose?

The grant will enhance CSAP and Short Term Transitional Leave, which are existing programs.

Organizational Capacity:

1. Does the organization have adequate and qualified staff? If yes, what types of staff are required? If no, can staff be hired within the grant timeframe?

Community Corrections does have adequate and qualified staff to meet the needs of the programs and will hire additional staff as needed.

2. Is there partnership efforts required? If yes, who are we partnering with, what are their roles and responsibilities, and are they committed to the same goals?

The pretrial program requires partnerships with the Courts, the District Attorney's Office, the Jail and the Defense. All parties have attended a 1 week training to prepare for a pretrial program. All parties are committed to working together in order to ensure the success of the pretrial program.

3. If this is a pilot project, what is the plan for sunseting the program or staff if it does not continue (e.g. making staff positions temporary or limited duration, etc.)?

It is not a pilot project.

4. If funding creates a new program, does the department intend that the program continue after initial funding is exhausted? If so, how will the department ensure funding (e.g. request new funding during the budget process, discontinue or supplant a different program, etc.)?

Community Corrections will continue to fund the most successful programs that it offers. Community Corrections Act funds and continued JRI funding will fund successful programs in the future.

Collaboration

1. List County departments that will collaborate on this award, if any.

Clackamas County Jail, Clackamas County Courts, Clackamas County District Attorney's Office and the Clackamas County Indigent Defense.

Reporting Requirements

1. What are the program reporting requirements for this grant?

Grantees will be required to submit semi-annual progress reports.

2. What is the plan to evaluate grant performance? Are we using existing data sources? If yes, what are they and where are they housed? If not, is it feasible to develop a data source within the grant timeframe?

Community Corrections will dedicate the policy analyst position to gathering and evaluating data for the 3 projects. The grant will also fund a validation study to ensure that the risk assessment that is used for the pretrial program is working at predicting risk.

3. What are the fiscal reporting requirements for this grant?

Grantees will be required to report program expenditures quarterly.

Fiscal

1. Will we realize more benefit than this grant will cost to administer?

Yes.

2. What other revenue sources are required? Have they already been secured?

Community Corrections will provide additional resources to the short term transitional leave program and the CSAP program as these are already existing programs that will be enhanced by JRI funding.

3. Is there a match requirement? If yes, how much and what type of funding (CGF, Inkind, Local Grant, etc.)?

No

4. Is this continuous or one-time funding? If one-time funding, how will program funding be sustained?

Community Corrections will continue to fund the most successful programs that it offers. Community Corrections Act funds and continued JRI funding will fund successful programs in the future

5. Does this grant cover indirect costs? If yes, is there a rate cap? If no, can additional funds be obtained to support indirect expenses and what are they?

The grant allows for 10% of operating costs.

Program Approval:

Name (Typed/Printed)	Date	Signature
** NOW READY FOR PROGRAM MANAGER SUBMISSION TO DIVISION DIRECTOR**		

Section IV: Approvals

DIVISION DIRECTOR OR ASSISTANT DIRECTOR (or designee, if applicable)		
Name (Typed/Printed)	Date	Signature

DEPARTMENT DIRECTOR		
Jenna Morrison	8/2/2017	
Name (Typed/Printed)	Date	Signature

IF APPLICATION IS FOR FEDERAL FUNDS, PLEASE SEND COPY OF THIS DOCUMENT, BY EMAIL OR BY COURIER, TO FINANCE. ROUTE ORIGINAL OR SCANNED VERSION TO COUNTY ADMIN.

Section V: Board of County Commissioners/County Administration

*(Required for all grant applications. All grant **awards** must be approved by the Board on their weekly consent agenda regardless of amount per local budget law 294.338.)*

For applications less than \$150,000:

COUNTY ADMINISTRATOR	Approved: <input type="checkbox"/>	Denied: <input type="checkbox"/>
Name (Typed/Printed)	Date	Signature

For applications greater than \$150,000 or which otherwise require BCC approval:

BCC Agenda item #: Date:

OR

Policy Session Date:

County Administration Attestation

County Administration: re-route to department contact when fully approved.

Department: keep original with your grant file.



BOARD OF COUNTY COMMISSIONERS

PUBLIC SERVICES BUILDING

2051 KAEN ROAD | OREGON CITY, OR 97045

August 14, 2017

Criminal Justice Commission
885 Summer St NE
Salem, Oregon 97301

This letter is to inform you that on August 10, 2017 the Clackamas County Board of Commissioners reviewed the 2017-2019 Criminal Justice Commission, Justice Reinvestment Grant application.

On August 10, 2017 at the Board of County Commissioners Business Meeting, the Board officially approved the application between Clackamas County and the Criminal Justice Commission, Justice Reinvestment and submission of the application for grant funding. (BCC Agenda item # E.1).

Thank you.

Sincerely,

**CLACKAMAS COUNTY
BOARD OF COMMISSIONERS**

Jim Bernard, Chair
On Behalf of the Clackamas County Board of Commissioners



Board of County Commissioners
Clackamas County

Members of the Board:

Approval of Contract for
Publication Printing Services with Eagle Web Press

Purpose/Outcome	Approval of one-year contract.
Dollar Amount and Fiscal Impact	PGA Publications: \$180,000.00 for FY 2017-2018 NCPRD Publications: \$25,000.00 for FY 2017 - 2018
Funding Source	Funds are budgeted in PGA's 100-0152-00-43240 Funds are budgeted in NCPRD's 113-5400-07706-431000
Duration	Effective upon execution through June 30, 2019
Previous Board Action/Review	N/A
Strategic Plan Alignment	Build public trust through good government
Contact Person	Gary Schmidt, Public and Government Affairs, 503-742-5908
Contract No.	N/A

BACKGROUND:

Public and Government Affairs issued an RFP for Publication Printing Services on June 8, 2017 receiving one (1) response from the incumbent contractor, Eagle Web Press. The original contract with Eagle Web Press expired on June 30, 2017 with a maximum annual compensation authorized not to exceed \$180,000.00.

PGA partnered with NCPRD on this contract to include the printing needs of NCPRD in an effort to generate efficiency and increased buying power. NCPRD has added an additional \$25,000.00 to the maximum annual compensation authorized by the contract in addition to PGA's \$180,000.00. The new maximum annual compensation authorized under this contract is \$205,000.00.

Publications being produced by this contract include:

- Citizens News
- Trash Talk
- Dog Notes
- Discovery Guide

Page 2

Staff Report – Eagle Web Press Contract

The contract is written for one (1) year and a new RFP will be issued prior to the expiration of this contract. PGA and Procurement are working on a more strategic approach to advertising this RFP in an effort to increase the number of proposers responding to our request.

The scope of services will remain the same, adding the Discovery Guild, as described in the original agreement.

This contract has been reviewed and approved by County Counsel.

RECOMMENDATION:

Staff respectfully recommends the Board approve the contract with Eagle Web Press for Publication Printing Services.

Respectfully submitted,

Gary Schmidt, Director
Public and Government Affairs

Place on the Board agenda ___August 10, 2017___ by the Procurement Division.



CLACKAMAS COUNTY GOODS AND SERVICES CONTRACT

This Goods and Services Contract (this "Contract") is entered into between Eagle Web Press ("Contractor"), and Clackamas County, a political subdivisions of the State of Oregon ("County") for the purposes of providing Publication Printing Services.

I. TERM

This Contract shall become effective upon signature of both parties and shall remain in effect until June 30, 2018. This Contract and any amendments to this Contract will not be effective until approved in writing by an authorized representative of the Board of County Commissioners of Clackamas County. This Contract supersedes and cancels any prior contracts between the parties hereto for similar services.

II. SCOPE OF WORK

This Contract covers the Scope of Work as described in RFP #2017-44 Publication Printing Services published on June 8, 2017, attached and hereby incorporated by reference as Attachment "A." This Contract consists of the following documents which are listed in descending order of precedence and are attached and incorporated by reference, this Contract, Attachment "A", and the Contractor's Proposal attached and hereby incorporated by reference as Attachment "B." Work shall be performed in accordance with a schedule approved by the County. The Contractor shall meet the highest standards prevalent in the industry or business most closely involved in providing the appropriate goods or services. The County's Representative for this contract is:

Public and Government Affairs

Amy Kyle, akyle@clackamas.us, (503) 742-5973.

North Clackamas Parks and Recreation Division

Jennifer Kraxberger, jkraxberger@clackamas.us, (503) 742-4344.

III. COMPENSATION

1. PAYMENT.

Public and Government Affairs

The County agrees to compensate the Contractor on a fixed fee basis as detailed in this Contract. The maximum annual compensation authorized under this Contract shall not exceed \$180,000.00 and the total Contract compensation shall not exceed \$180,000.00.

North Clackamas Parks and Recreation District

The County agrees to compensate the Contractor on a fixed fee basis as detailed in this Contract. The maximum annual compensation authorized under this Contract shall not exceed \$25,000.00 and the total Contract compensation shall not exceed \$25,000.00.

2. TRAVEL EXPENSE REIMBURSEMENT. Authorized: Yes No

If travel expense reimbursement is authorized in this Contract, such expenses shall only be reimbursed at the rates in the County Contractor Travel Reimbursement Policy, hereby incorporated by reference, in effect at the time of the expense is incurred.

3. **INVOICES.** Invoices submitted for payment in connection with this Contract shall be properly documented and shall indicate pertinent County contract and/or purchase order numbers. All charges shall be billed monthly (unless a different payment period is outlined in Attachment A) and will be paid net thirty (30) days from receipt of invoice and shall be subject to Oregon Revised Statute (“ORS”) 293.462. Invoices shall be submitted to the County Representative at:

Public and Government Affairs

Caren Anderson, canderson3@clackamas.us, (503) 655-8422.

North Clackamas Parks and Recreation Division

Melina DeFrancesco, mdefrancesco@ncprd.com, (503) 742-4347.

IV. CONTRACT PROVISIONS

1. **ACCESS TO RECORDS.** Contractor shall maintain books, records, documents, and other evidence and accounting procedures and practices sufficient to reflect properly all costs of whatever nature claimed to have been incurred and anticipated to be incurred in the performance of this Contract. County and their duly authorized representatives shall have access to the books, documents, papers, and records of Contractor which are directly pertinent to this Contract for the purpose of making audit, examination, excerpts, and transcripts. Such books and records shall be maintained by Contractor for a minimum of three (3) years, or such longer period as may be required by applicable law, following final payment and termination of this Contract, or until the conclusion of any audit, controversy or litigation arising out of or related to this Contract, whichever date is later.

2. **AVAILABILITY OF FUNDS.** County certifies that sufficient funds are available and authorized for expenditure to finance costs of this Contract within its current annual appropriation or expenditure limitation, provided, however, that continuation of this Contract, or any extension, after the end of the fiscal period in which it is written, is contingent on a new appropriation or limitation for each succeeding fiscal period sufficient in amount, in the exercise of the County’s reasonable administrative discretion, to continue to make payments under this Contract.

3. **CAPTIONS.** The captions or headings in this Contract are for convenience only and in no way define, limit, or describe the scope or intent of any provisions of this Contract.

4. **COMPLIANCE WITH APPLICABLE LAW.** Contractor shall comply with all federal, state, county, and local laws, ordinances, and regulations applicable to the work to be done under this Contract. Contractor specifically agrees to comply with all applicable requirements of federal and state civil rights and rehabilitation statutes, rules, and regulations. Contractor shall also comply with the Americans with Disabilities Act of 1990 (Pub. L. No. 101-336), Title VI of the Civil Rights Act of 1964, Section V of the Rehabilitation Act of 1973, ORS 659A.142, and all regulations and administrative rules established pursuant to those laws. Contractor further agrees to make payments promptly when due, to all persons supplying to such Contractor, labor or materials for the prosecution of the work provided in this Contract; pay all contributions or amounts due the Industrial Accident Funds from such Contractor responsibilities incurred in the performance of this Contract; not permit any lien or claim to be filed or prosecuted against the County on account of any labor or material furnished; pay to the Department of Revenue all sums withheld from employees pursuant to ORS 316.167. If Contractor fails or refuses to make any such payments required herein, the appropriate County official may pay such claim. Any payment of a claim in the manner authorized in this section shall not relieve the Contractor or Contractor’s surety from obligation with respect to unpaid claims. Contractor shall promptly pay any person or entity that furnishes medical care to Contractor’s employees those sums which Contractor agreed to pay for such services and all money Contractor collected or deducted from employee’s wages to provide such services.

5. EXECUTION AND COUNTERPARTS. This Contract may be executed in several counterparts, each of which shall be an original, all of which shall constitute but one and the same instrument.

6. GOVERNING LAW. This Contract shall be governed and construed in accordance with the laws of the State of Oregon without regard to principles of conflicts of law. Any claim, action, or suit between County and Contractor that arises out of or relates to the performance of this Contract shall be brought and conducted solely and exclusively within the Circuit Court for Clackamas County, for the State of Oregon. Provided, however, that if any such claim, action, or suit may be brought in a federal forum, it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon.

7. HAZARD COMMUNICATION. Contractor shall notify County prior to using products containing hazardous chemicals to which County employees may be exposed. Products containing hazardous chemicals are those products defined by Oregon Administrative Rules, Chapter 437. Upon County's request, Contractor shall immediately provide Material Safety Data Sheets for the products subject to this provision.

8. INDEMNITY, RESPONSIBILITY FOR DAMAGES. Contractor shall be responsible for all damage to property, injury to persons, and loss, expense, inconvenience, and delay which may be caused by, or result from, the conduct of work, or from any act, omission, or neglect of Contractor, its subcontractors, agents, or employees. The Contractor agrees to indemnify, hold harmless and defend the County, and their officers, elected officials, agents and employees from and against all claims and actions, and all expenses incidental to the investigation and defense thereof, arising out of or based upon damage or injuries to persons or property caused by the errors, omissions, fault or negligence of the Contractor or the Contractor's employees, subcontractors, or agents.

9. INDEPENDENT CONTRACTOR STATUS. The service(s) to be rendered under this Contract are those of an independent contractor. Although the County reserves the right to determine (and modify) the delivery schedule for the Work to be performed and to evaluate the quality of the completed performance, County cannot and will not control the means or manner of Contractor's performance. Contractor is responsible for determining the appropriate means and manner of performing the work. Contractor is not to be considered an agent or employee of County for any purpose, including, but not limited to: (A) The Contractor will be solely responsible for payment of any Federal or State taxes required as a result of this Contract; (B) This Contract is not intended to entitle the Contractor to any benefits generally granted to the County employees, including, but not limited to, vacation, holiday and sick leave, other leaves with pay, tenure, medical and dental coverage, life and disability insurance, overtime, Social Security, Workers' Compensation, unemployment compensation, or retirement benefits (except insofar as benefits are otherwise required by law if the Contractor is presently a member of the Oregon Public Employees Retirement System); and (C) If the Contractor has the assistance of other persons in the performance of this Contract, and the Contractor is a subject employer, the Contractor shall qualify and remain qualified for the term of this Contract as an insured employer under ORS Chapter 656.

At present, the Contractor certifies that he or she, if an individual is not a program, County or Federal employee. The Contractor, if an individual, certifies that he or she is not a member of the Oregon Public Employees Retirement System.

10. INSURANCE. Insurance policies, which cannot be excess to a self-insurance program, are to be issued by an insurance company authorized to do business in the State of Oregon. Contractor shall provide insurance as indicated below:

A. COMMERCIAL GENERAL LIABILITY

The Contractor agrees to furnish the County evidence of commercial general liability insurance with a combined single limit of not less than \$1,000,000 for each claim, incident, or occurrence, with an aggregate limit of \$2,000,000 for bodily injury and property damage for the protection of the County, its officers, elected officials, agents, and employees against liability for damages because of personal injury, bodily injury, death or damage to property, including loss of use thereof, in any way related to this Contract. The general aggregate shall apply separately to this project / location. The County, at its option, may require a complete copy of the above policy.

B. AUTOMOBILE LIABILITY

The Contractor agrees to furnish the County evidence of business automobile liability insurance with a combined single limit of not less than \$1,000,000 for bodily injury and property damage for the protection of the County, its officers, elected officials, agents, and employees against liability for damages because of bodily injury, death or damage to property, including loss of use thereof in any way related to this Contract. The County, at its option, may require a complete copy of the above policy.

C. Contractor shall provide County a certificate of insurance naming the Clackamas County and its officers, elected officials, agents, and employees as an additional insured. If Contractor's insurance policy does not include a blanket endorsement for additional insured status when/where required by written contract (as required in this Contract), the insurance, shall include Clackamas County and its officers, elected officials, agents, and employees as expressly scheduled additional insured. Use CG 20 10 or its equivalent. Such insurance shall provide sixty (60) days written notice to the County in the event of a cancellation or material change and include a statement that no act on the part of the insured shall affect the coverage afforded to the County under this insurance. This policy(s) shall be primary insurance with respect to the County. Any insurance or self-insurance maintained by the County shall be excess and shall not contribute to it.

D. If the Contractor has the assistance of other persons in the performance of this Contract, and the Contractor is a subject employer, the Contractor agrees to qualify and remain qualified for the term of this Contract as an insured employer under ORS 656. The Contractor shall maintain employer's liability insurance with limits of \$100,000 for each accident, \$100,000 per disease for each employee, and \$500,000 each minimum policy limit.

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

F. There shall be no cancellation, material change, exhaustion of aggregate limits or intent not to renew insurance coverage without 60 days written notice by the Contractor to the County. This policy(s) shall be primary insurance with respect to the County. Any insurance or self-insurance maintained by the County shall be excess and shall not contribute to it.

G. Contractor shall require that all of its subcontractors of any tier provide insurance coverage (including additional insured provisions) and limits identical to the insurance required of the Contractor under this Contract, unless this requirement is expressly modified or waived by the County.

11. LIMITATION OF LIABILITIES. Except for liability arising under or related to Section 14 or 21(B), neither party shall be liable for (i) any indirect, incidental, consequential or special damages under this Contract or (ii) any damages of any sort arising solely from the termination of this Contract in accordance with its terms. This Contract is expressly subject to the debt limitation of Oregon counties set forth in Article XI, Section 10, of the Oregon Constitution, and is contingent upon funds being

appropriated therefore. Any provisions herein which would conflict with law are deemed inoperative to that extent.

12. NOTICES. Except as otherwise expressly provided in this Contract, any communications between the parties hereto or notices to be given hereunder shall be given in writing by personal delivery, facsimile, or mailing the same, postage prepaid, to Contractor or County at the address or number set forth on the signature page of this Contract, or to such other addresses or numbers as either party may hereafter indicate. Any communication or notice so addressed and mailed shall be deemed to be given five (5) days after mailing. Any such communication or notice delivered by facsimile shall be deemed to be given when receipt of transmission is generated by the transmitting machine. To be effective against County, such facsimile transmission must be confirmed by telephone notice to County's supervising representative. Any communication or notice by personal delivery shall be deemed to be given when actually delivered.

13. OWNERSHIP OF WORK PRODUCT. All work product of Contractor that results from this Contract (the "Work Product") is the exclusive property of County. County and Contractor intend that such Work Product be deemed "work made for hire" of which County shall be deemed the author. If for any reason the Work Product is not deemed "work for hire," Contractor hereby irrevocably assigns to County all of its right, title, and interest in and to any and all of the Work Product, whether arising from copyright, patent, trademark or trade secret, or any other state or federal intellectual property law or doctrine. Contractor shall execute such further documents and instruments as County may reasonably request in order to fully vest such rights in County. Contractor forever waives any and all rights relating to the Work Product, including without limitation, any and all rights arising under 17 USC § 106A or any other rights of identification of authorship or rights of approval, restriction or limitation on use or subsequent modifications.

14. REPRESENTATIONS AND WARRANTIES. Contractor represents and warrants to County that (1) Contractor has the power and authority to enter into and perform this Contract; (2) this Contract, when executed and delivered, shall be a valid and binding obligation of Contractor enforceable in accordance with its terms; (3) the Work under this Contract shall be performed in a good and workmanlike manner and in accordance with the highest professional standards; and (4) Contractor shall at all times during the term of this Contract, be qualified, professionally competent, and duly licensed to perform the Work. The warranties set forth in this section are in addition to, and not in lieu of, any other warranties provided.

- a. Performance Warranty. Contractor warrants that the goods provided to the County shall consistently perform according to the performance characteristics described in the Scope of Work.
- b. Service Warranty. Contractor warrants that the services provided herein to the County, if any, will be performed in a workmanlike manner and in accordance with the highest professional standards. Contractor's liability and County's remedy under this services warranty are limited to Contractor's prompt correction of such services, provided that written notice of such alleged defective services shall have been given by the County to Contractor. The County agrees to provide Contractor reasonable access to the goods for purposes of repair or replacement under this services warranty. Failure of Contractor to promptly correct problems pursuant to this Service Warrant shall be deemed a material breach of this Contract.

15. SURVIVAL. All rights and obligations shall cease upon termination or expiration of this Contract, except for the rights and obligations set forth in Sections of Section IV: 1, 6, 8, 11, 13, 14, 15, and 21.

16. SEVERABILITY. If any term or provision of this Contract is declared by a court of competent

jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Contract did not contain the particular term or provision held to be invalid.

17. SUBCONTRACTS AND ASSIGNMENTS. Contractor shall not enter into any subcontracts for any of the work required by this Contract, or assign or transfer any of its interest in this Contract by operation of law or otherwise, without obtaining prior written approval from the County. In addition to any provisions the County may require, Contractor shall include in any permitted subcontract under this Contract a requirement that the subcontractor be bound by this section and Sections 1, 8, 13, 15, and 27 as if the subcontractor were the Contractor. County's consent to any subcontract shall not relieve Contractor of any of its duties or obligations under this Contract.

18. SUCCESSORS IN INTEREST. The provisions of this Contract shall be binding upon and shall inure to the benefit of the parties hereto, and their respective authorized successors and assigns.

19. TAX COMPLIANCE CERTIFICATION. Contractor must, throughout the duration of this Contract and any extensions, comply with all tax laws of this state and all applicable tax laws of any political subdivision of this state. Any violation of this section shall constitute a material breach of this Contract. Further, any violation of Contractor's warranty in this Contract that Contractor has complied with the tax laws of this state and the applicable tax laws of any political subdivision of this state also shall constitute a material breach of this Contract. Any violation shall entitle County to terminate this Contract, to pursue and recover any and all damages that arise from the breach and the termination of this Contract, and to pursue any or all of the remedies available under this Contract, at law, or in equity, including but not limited to: (A) Termination of this Contract, in whole or in part; (B) Exercise of the right of setoff, and withholding of amounts otherwise due and owing to Contractor, in an amount equal to County's setoff right, without penalty; and (C) Initiation of an action or proceeding for damages, specific performance, declaratory or injunctive relief. County shall be entitled to recover any and all damages suffered as the result of Contractor's breach of this Contract, including but not limited to direct, indirect, incidental and consequential damages, costs of cure, and costs incurred in securing replacement performance. These remedies are cumulative to the extent the remedies are not inconsistent, and County may pursue any remedy or remedies singly, collectively, successively, or in any order whatsoever.

The Contractor represents and warrants that, for a period of no fewer than six calendar years preceding the effective date of this Contract, has faithfully complied with: (A) All tax laws of this state, including but not limited to ORS 305.620 and ORS chapters 316, 317, and 318; (B) Any tax provisions imposed by a political subdivision of this state that applied to Contractor, to Contractor's property, operations, receipts, or income, or to Contractor's performance of or compensation for any work performed by Contractor; (C) Any tax provisions imposed by a political subdivision of this state that applied to Contractor, or to goods, services, or property, whether tangible or intangible, provided by Contractor; and (D) Any rules, regulations, charter provisions, or ordinances that implemented or enforced any of the foregoing tax laws or provisions.

20. TERMINATION. This Contract may be terminated for the following reasons: (A) This Contract may be terminated at any time by mutual consent of the parties, or by the County for convenience upon thirty (30) days' written notice to the Contractor; (B) County may terminate this Contract effective upon delivery of notice to Contractor, or at such later date as may be established by the County, if (i) federal or state laws, rules, regulations, or guidelines are modified, changed, or interpreted in such a way that either the work under this Contract is prohibited or the County are prohibited from paying for such work from the planned funding source; or (ii) any license or certificate required by law or regulation to be held by the Contractor to provide the services required by this Contract is for any reason denied, revoked, or not renewed; (C) This Contract may also be immediately terminated by the County for default (including

breach of Contract) if (i) Contractor fails to provide services or materials called for by this Contract within the time specified herein or any extension thereof; or (ii) Contractor fails to perform any of the other provisions of this Contract or so fails to pursue the work as to endanger performance of this Contract in accordance with its terms, and after receipt of notice from the County, fails to correct such failure within ten (10) business days; or (D) If sufficient funds are not provided in future approved budgets of the County (or from applicable federal, state, or other sources) to permit the County in the exercise of its reasonable administrative discretion to continue this Contract, or if the program for which this Contract was executed is abolished, County may terminate this Contract without further liability by giving Contractor not less than thirty (30) days' notice.

21. REMEDIES. (A) In the event of termination pursuant to Section 20(A), (B)(i), or (D), Contractor's sole remedy shall be a claim for the sum designated for accomplishing the work multiplied by the percentage of work completed and accepted by the County, less previous amounts paid and any claim(s) which the County has against Contractor. If previous amounts paid to Contractor exceed the amount due to Contractor under Section 21(A), Contractor shall pay any excess to County on demand. (B) In the event of termination pursuant to Sections 20(B)(ii) or 20(C), the County shall have any remedy available to it in law or equity. If it is determined for any reason that Contractor was not in default under Sections 20(B)(ii) or 20(C), the rights and obligations of the parties shall be the same as if the Contract was terminated pursuant to Section 20(A). (C) Upon receiving a notice of termination of this Contract, Contractor shall immediately cease all activities under this Contract, unless County expressly directs otherwise in such notice of termination. Upon termination of this Contract, Contractor shall deliver to County all documents, information, works-in-progress and other property that are or would be deliverables had the Contract work been completed. Upon County's request, Contractor shall surrender to anyone County designates, all documents, research or objects or other tangible things needed to complete the work.

22. NO THIRD PARTY BENEFICIARIES. County and Contractor are the only parties to this Contract and are the only parties entitled to enforce its terms. Nothing in this Contract gives, is intended to give, or shall be construed to give or provide any benefit or right, whether directly, indirectly or otherwise, to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this Contract.

23. TIME IS OF THE ESSENCE. Contractor agrees that time is of the essence under this Contract.

24. FOREIGN CONTRACTOR. If the Contractor is not domiciled in or registered to do business in the State of Oregon, Contractor shall promptly provide to the Oregon Department of Revenue and the Secretary of State, Corporate Division, all information required by those agencies relative to this Contract. The Contractor shall demonstrate its legal capacity to perform these services in the State of Oregon prior to entering into this Contract.

25. FORCE MAJEURE. Neither County nor Contractor shall be held responsible for delay or default caused by fire, terrorism, riot, acts of God, or war where such cause was beyond, respectively, County's or Contractor's reasonable control. Contractor shall, however, make all reasonable efforts to remove or eliminate such a cause of delay or default and shall upon the cessation of the cause, diligently pursue performance of its obligations under this Contract.

26. WAIVER. The failure of County to enforce any provision of this Contract shall not constitute a waiver by County of that or any other provision.

27. COMPLIANCE. Pursuant to the requirements of ORS 279B.020 and 279B.220 through 279B.235 and Article XI, Section 10, of the Oregon Constitution, the following terms and conditions are made a

part of this Contract: (A) Contractor shall: (i) Make payments promptly, as due, to all persons supplying to the Contractor labor or materials for the prosecution of the work provided for in this Contract; (ii) Pay all contributions or amounts due the Industrial Accident Fund from such Contractor or subcontractor incurred in the performance of this Contract; (iii) Not permit any lien or claim to be filed or prosecuted against the County on account of any labor or material furnished. (B) If the Contractor fails, neglects or refuses to make prompt payment of any claim for labor or services furnished to the Contractor or a subcontractor by any person in connection with this Contract as such claim becomes due, the proper officer representing the 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 the Contractor by reason of this Contract. (C) The Contractor shall pay employees for work in accordance with ORS 279B.020 and ORS 279B.235, which is incorporated herein by this reference. All subject employers working under the contract are either employers that will comply with ORS 656.017 or employers that are exempt under ORS 656.126. (D) The Contractor shall promptly, as due, make payment to any person or copartnership, association or corporation furnishing medical, surgical and hospital care or other needed care and attention incident to sickness and injury to the employees of the Contractor, of all sums which the Contractor agrees to pay for such services and all moneys and sums which the Contractor collected or deducted from the wages of the Contractor's employees pursuant to any law, contract or agreement for the purpose of providing or paying for such services.

28. DELIVERY. All deliveries shall be F.O.B. destination with all transportation and handling charges paid by the Contractor, unless specified otherwise in this Contract. Responsibility and liability for loss or damage shall remain with the Contractor until final inspection and acceptance, when responsibility shall pass to the County except as to latent defects, fraud and Contractor's warranty obligations.

29. INSPECTIONS. Goods and services furnished under this Contract will be subject to inspection and test by the County at times and places determined by the County. If the County finds goods and services furnished to be incomplete or not in compliance with the Contract, the County, at its sole discretion, may either reject the goods and services, require Contractor to correct any defects without charge, or negotiate with Contractor to sell the goods and services to the County at a reduced price, whichever the County deems equitable under the circumstances. If Contractor is unable or refuses to cure any defects within a time deemed reasonable by the County, the County may reject the goods and services and cancel the Contract in whole or in part. Nothing in this paragraph shall in any way affect or limit the County's rights as a Buyer, including the rights and remedies relating to rejection under ORS 72.6020 and revocation of acceptance under ORS 72.6080.

30. MERGER. THIS CONTRACT CONSTITUTES THE ENTIRE AGREEMENT BETWEEN THE PARTIES WITH RESPECT TO THE SUBJECT MATTER REFERENCED THEREIN. THERE ARE NO UNDERSTANDINGS, AGREEMENTS, OR REPRESENTATIONS, ORAL OR WRITTEN, NOT SPECIFIED HEREIN REGARDING THIS CONTRACT. NO AMENDMENT, CONSENT, OR WAIVER OF TERMS OF THIS CONTRACT SHALL BIND EITHER PARTY UNLESS IN WRITING AND SIGNED BY ALL PARTIES. ANY SUCH AMENDMENT, CONSENT, OR WAIVER SHALL BE EFFECTIVE ONLY IN THE SPECIFIC INSTANCE AND FOR THE SPECIFIC PURPOSE GIVEN. CONTRACTOR, BY THE SIGNATURE HERETO OF ITS AUTHORIZED REPRESENTATIVE, ACKNOWLEDGES HAVING READ AND UNDERSTOOD THIS CONTRACT AND CONTRACTOR AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS.

ATTACHMENT A

PGA and NCPRD will each provide a contract representative that will be the primary contact for the services provided to each department.

Mailing: For all publications, Contractor will mail the publications via Contractor's presort standards USPS rate based on household count. Contractor will invoice PGA or NCPRD based on the actual incurred USPS charge.

Publication Format: All publications will be created in InDesign and will be provided to Contractor in Adobe PDF format.

PGA Printing:

PGA prints a quarterly publication called "Citizen News" and bi-annually includes inserts called "Trash Talk" and "Dog Notes". Citizen News should reach residents February 1, May 1, August 1, and November 1 of each year. Time frames may be modified as approved by the PGA representative.

Approximate run size is 180,000. Additional copies may be requested and will be delivered to PGA. PGA will proof all text. Proofing is not required by the Contractor.

NCPRD Printing:

NCPRD prints a publication called "Discovery Guide" three (3) times per year (Summer, Fall and Winter/Spring). Actual timeframes will be coordinated with the NCPRD representative.

Approximate run size is 15,000; 20,000 for Summer guide with inserts and brochures. North Clackamas Parks and Recreation will require a soft proof for the publication of the "Discovery Guide".

**ATTACHMENT B
CONTRACTOR RESPONSE**

**EAGLE WEB PRESS CO.
PUBLICATION PRINTING SERVICES – PROPOSALS #2017-44**

5.2. Proposer's Experience and Qualifications

Eagle Web Press is a commercial web press facility satisfying printing needs in the Pacific Northwest for 47 years. We maintain a state-of-the-art printing plant featuring a Goss Community open web press, Web Press Corporation Quad Stack units for UV printing, Heidelberg M600 Heat-Set Press, an electronic pre-press department, a bindery, a mailing and shipping facility. Our customers include local, state, and federal governments, periodical publishers, product suppliers, and colleges and universities. Eagle Web Press' experienced managers and employees are dedicated to giving our valued customers the best service and product available.

The following are projects for public entities in which we have provided printing and mailing services within the past five years.

1. City of Portland Parks and Recreation
Quarterly catalogs and special projects from 16 to 140 pages, quantities ranging from 2,000 to 125,000 copies, which are printed, bound, mailed and delivered.
2. City of Vancouver Parks and Recreation
Quarterly catalog, 40 pages, 80,000 copies, printed, bound, mailed and delivered.
3. Mt. Hood Community College
Quarterly schedule of community education classes, 40 pages, 160,000 copies, printed, bound, mailed and delivered.
4. City of Eugene Parks and Recreation
Quarterly Catalog, 104 pages, 16,000 copies, printed, bound, mailed and delivered.
5. Lower Columbia College
Quarterly Schedule of Classes, 40 pages, 50,000 copies, printed, bound, mailed and delivered.
6. Clackamas County and North Clackamas Parks and Recreation
Quarterly Citizen News + Trash Talk + Dog Notes; 12 -20 Page Tabloid, 180,000 printed and mailed. Three times per year; Discovery Guide 32 page catalog, 14,000 printed, bound, mailed and delivered.

Eagle Web Press understands customers have strict scheduling requirements. We strive to meet each customer's unique needs by carefully scheduling each phase of the project from receipt of electronic files to delivery. Daily production meetings with all team members present will be held to review all phases of production and to address any potential conflicts with other projects. Jobs are closely monitored through Logic; a Windows based data collection and tracking system, by department from initial estimate

to the customer's receipt of the final product. Eagle Web Press will easily schedule and accommodate the Clackamas County "Citizen News" which bi-annually includes inserts called "Trash Talk" and "Dog Notes", and North Clackamas Parks and Recreation Discover Guide.

Our experienced sales executives and customer service representatives are available to answer customer questions and work to solve any customer problems. Eagle Web Press maintains regular business hours Monday through Friday, 8:00AM to 5:00PM. The production plant is in operation two shifts per day, five days a week, and staff members are available at these times to assist customers.

Eagle Web Press prides itself on maintaining a committed and experienced staff, employing over 60 individuals in its Salem plant. All staff members in management positions have 30+ years experience in printing. Our pre-press team has experience in all major publishing programs. The press and bindery is overseen by a Production Manager with 30 years experience. We maintain a full service bindery, mailing, and shipping facility

Eagle Web Press is committed to providing its customers with production access to all available resources, including staff time and expertise.

5.3. Scope of Work

To assure the highest level of quality for this project, daily production meetings will be held to review all phases of production. All project team members will be present for these meetings.

Pre-press Department

- *All proofs will be checked page by page to customer files for accuracy.
- *Corrections/Edits itemized on proof sheet by customer
- *All corrections/edits initialed by prepress staff as they are completed.
- *Corrections/edits verified by project team prior to final proof.
- *New proof with corrections/edits in place sent to customer for verification
- *Plates checked to proofs by prepress department

Press Department

- *Press Proof and customer signed proof at press for example
- *Copy check by press foreman and prepress supervisor for each section.
- *Press check at press time by customer if requested
- *Periodical checks throughout the press run

Bindery

- *Bindery check throughout run
- *Bindery samples pulled for project team review

Mailing:

*Mailing department will assure list accuracy and give final mail count, supervise inkjet addressing or simplified mail, and preparation for post office, prepare postal paperwork and calculate final postage.

Shipping:

*Shipping managers verify box label, pallet and skid accuracy
*Coordinate and schedule shipping of product.

Upon receipt of customer's files our prepress department will check files and produce a proof from ripped files. If no problems are encountered, the customer will receive a proof within 24 hours of receipt of files.

For Clackamas County Citizen News: Zip code profile will be provided to the customer prior to receiving print files. The customer will review the zip code profile and approve within 48 hours. The mailing department will provide postage amount to customer 24 hours after receiving approval. If customer utilizes the printer's mail permit, a postage check must be received one day prior to delivery. If the customer is using their own mail permit, postage must be deposited into their postal reserve account one day prior to delivering mail to the post office.

For North Clackamas Parks and Recreation: Mail list will be provided to printer one week prior to receiving print files. The printer will process the files by performing zip+4, merge-purge and NOCA. The final mail count and postage will be provided to the customer 48 hours after receipt of files. If mail list is approved, a postage check must be received one day prior to delivery. If the customer is using their own mail permit, postage must be deposited into their postal reserve account one day prior to delivering mail to the post office.

Eagle Web Press receives customer files through our web site at www.eaglewebpress.com; click on upload a file, or to one of our designated FTP folders.

Electronic Proof sent to customer no more than 24 hours after receipt of files

Proof approval by customer within 24 hours after receipt of proof

Printing and delivery to Post Office five working days after proof approval. Please note: PGA options 5 and 6, add an additional five working days for extra bindery.

Adobe InDesign and Acrobat: Our Digital Imaging Specialist is certified in Adobe Creative Suite, which includes InDesign and Acrobat.

All work will be performed in our production facility located in Salem, Oregon.

5.5. References:

Longtime client:

Joan Hallquist

Marketing Manager

Portland Parks and Recreation

1120 SW 5th Avenue, Ste. 1302

Portland, OR 97204

(503) 823-6190

Joan.hallquist@portlandoregon.gov

Glenn Wright

Graphic Designer

Mt. Hood Community College

26000 SE Stark Street

Gresham, OR 97070

(503) 491-7109

Glenn.Wright@mhcc.edu

Customer within 36 months:

Jen Thomas

Systems/Marketing/Park Operations

City of Vancouver

Parks and Recreation

415 S 6th St.

Vancouver, WA 98668

(360) 487-7019

Jen.thomas@cityofvancouver.us

Contact:

Sharon Gustafson, Sales Executive

Eagle Web Press Co.

P.O. Box 12008

Salem, OR 97309

Office: (800) 800-7980 ext. 302

Fax: (503) 393-4917

E-mail: sgustafson@eaglewebpress.com

Fee Schedule

PGA Printing

Option	Format	Price / double-sided page
1	(Current format – Sample provided as Attachment A) 17.5" tabloid, press trim and fold Quarter fold to 8.75" X 11.375" 32# 72 Br (or similar) Recycled 4 color all pages	\$ UV: \$2148.40 Conv: \$1746.10
2	Inline trim to bleed 17.5" tabloid Quarter fold and inline trim to 8.375" X 10.75" 32# 72 Br (or similar) Recycled 4 color all pages	\$ UV: \$2203.20 Conv: \$1800.90
3	Inline trim to bleed 17.5" tabloid Quarter fold and inline trim to 8.375" X 10.75" 40# 80 Br Centennial Recycled 4 color all pages	\$ UV: \$2168.40 Conv: \$2266.10
4	Inline trim to bleed 17.5" tabloid Quarter fold and inline trim to 8.375" X 10.75" 70# 100% Recycled Book 4 color all pages	\$ UV: \$4934.63 Conv: \$4512.13
5	Inline trim to bleed 17.5" tabloid Quarter fold and inline trim to 8.375" X 10.75" 70# 100% Recycled Book 4 color all pages 4C heatset Add Saddle Stitch	\$5026.50
6	9" X 12" tabloid 50# Matte Recycled Book Saddle Stitch & Trim 4C heat set all pages	\$3770.83

NCPRD Printing

Option	Format	Price / double-sided page
1	Per Run Count: 15,000; 20,000 gatefold inserts and brochures for summer guide Magazine 11" X 17" long before the final fold Finish size with fold 8.5" X 10.75" 50# Uncoated Book 8 pages cover 60# gloss 10# gloss book for insert 4 color all pages Heatset all pages	\$394.81

2	Summer Fun Brochure Per Run Count: 30,000 100# Gloss Book 10.25" X 21" Gate Fold to 10.25" X 5.25" 4 Color all pages Heatset all pages	\$4876.00
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PROPOSAL RESPONSE
Publication Printing Services

Submitted by: Eagle Newspapers, Inc. dba Eagle Web Press, Oregon
 (Must be entity's full legal name, and State of Formation)

The undersigned, through the formal submittal of this Proposal response, declares that he/she has examined all related documents and read the instruction and conditions, and hereby proposes to provide the services as specified in accordance with the RFP, for the price set forth in the Proposal documents.

Contractor, by signature below, hereby represents as follows:

- (a) That no County elected official, officer, agent or employee of the County is personally interested directly or indirectly in this contract or the compensation to be paid hereunder, and that no representation, statement or statements, oral or in writing, of the County, its elected officials, officers, agents, or employees had induced it to enter into this contract and the papers made a part hereof by its terms;
- (b) The Proposer, and each person signing on behalf of any Proposer certifies, in the case of a joint Proposal, each party thereto, certifies as to its own organization, under penalty of perjury, that to the best of their knowledge and belief:
 - 1. The prices in the Proposal have been arrived at independently, without collusion, consultation, communication, or agreement for the purpose of restraining competition as to any matter relating to such prices with any other Proposer or with any competitor;
 - 2. Unless otherwise required by law, the prices which have been quoted in the Proposal have not been knowingly disclosed by the Proposer prior to the Proposal deadline, either directly or indirectly, to any other Proposer or competitor;
 - 3. No attempt has been made nor will be made by the Proposer to induce any other person, partnership or corporation to submit or not to submit a Proposal for the purpose of restraining trade;
- (c) The Proposer fully understands and submits its Proposal with the specific knowledge that:
 - 1. The selected Proposal must be approved by the Board of Commissioners.
 - 2. This offer to provide services will remain in effect at the prices proposed for a period of not less than ninety (90) calendar days from the date that Proposals are due, and that this offer may not be withdrawn or modified during that time.
- (d) That this Proposal is made without connection with any person, firm or corporation making a bid for the same material, and is in all respects, fair and without collusion or fraud.
- (e) That the Proposer shall use recyclable products to the maximum extent economically feasible in the performance of the contract work set forth in this document.
- (f) That the Proposer accepts all terms and conditions contained in this RFP and that the RFP and the Proposal, and any modifications, will be made part of the contract documents. It is understood that all Proposals will become part of the public file on this matter. The County reserves the right to reject any or all Proposals.
- (g) That the Proposer holds current licenses that businesses or services professionals operating in this state must hold in order to undertake or perform the work specified in these contract documents.
- (h) That the Proposer is covered by liability insurance and other insurance in the amount(s) required by the solicitation and in addition that the Proposer qualifies as a carrier insured employer or a self-insured employer under ORS 656.407 or has elected coverage under ORS 656.128.

- (i) That the Proposer is legally qualified to contract with the County.
- (j) That the Proposer has not and will not discriminate in its employment practices with regard to race, creed, age, religious affiliation, sex, disability, sexual orientation, gender identity, national origin, or any other protected class. Nor has Proposer or will Proposer discriminate against a subcontractor in the awarding of a subcontract because the subcontractor is a disadvantaged business enterprise, a minority-owned business, a woman-owned business, a business that a service-disabled veteran owns or an emerging small business that is certified under ORS 200.055.
- (k) The Proposer agrees to accept as full payment for the services specified herein, the amount as shown in the Proposal.

Resident Bidder, as defined in ORS 279A.120
 Non-Resident Proposer, Resident State _____
 Oregon Business Registry Number 001441.17

Contractor's Authorized Representative

Signature: Sharon Gustafson Date: 6/28/17
 Name: Sharon Gustafson Title: Sales Executive
 Firm: Eagle Web Press
 Address: 4901 Indian School Rd NE
 City/State/Zip: Salem, OR 97305 Phone: (503) 856-7407
 E-mail: sgustafson@eaglewebpress.com Fax: (503) 910-0113

Contract Manager: Sharon Gustafson
 Name: Sharon Gustafson Title: Sales Executive
 Phone number: (503) 856-7407
 Email Address: sgustafson@eaglewebpress.com



DAN JOHNSON
MANAGER

DEVELOPMENT AGENCY

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

August 10, 2017

Board of County Commissioners
Development Agency Board

Members of the Board:

Approval of a Disposition Agreement and Post Closing Escrow and
Development Agreement with G Properties, LLC

Purpose/Outcomes	Authorization for the Chair to execute a Disposition Agreement and Post Closing Escrow and Development Agreement to convey real property from the Clackamas County Development Agency to G Properties, LLC
Dollar Amount and Fiscal Impact	The agreement stipulates sale of the property for \$200,000
Funding Source	Not Applicable. No funding considered as a part of this property transaction
Duration	Establishes a due diligence period of 30 days and closing within 30 days, closing within 30 days of due diligence and substantial completion of the project within 24 months
Previous Board Action	Executive Session
Strategic Plan Alignment	Build public trust through good government
Contact Person	David Queener, Program Supervisor – Development Agency 503-742-4322 or davidque@co.clackamas.or.us

BACKGROUND:

The Development Agency owns three small parcels totaling 22,660 square feet located at 117th Avenue and Sunnyside Road. G Properties, LLC (the developer) owns the two parcels in between the Agency property.

The developer presented a proposal to the Agency to acquire the property for redevelopment purposes, which was presented to the Board for consideration in

Executive Session. The Board directed staff to proceed with negotiations for disposition of the property to G Properties, LLC subject to terms agreeable by the Board.

The Disposition Agreement, which the Board is being asked to approve today, is the result of preceding negotiations and is contingent on subsequent terms. Terms of the Disposition Agreement dictate purchase of the property for \$200,000 and consistency with the development proposal as presented at the Executive Session.

RECOMMENDATION:

Staff respectfully recommends that the Board, as the governing body of the Clackamas County Development Agency, move by consent to:

- Approve the Disposition Agreement with G Properties, LLC
- Approve the Post Closing Escrow and Development Agreement with G Properties, LLC
- Delegate authority to the Chair to execute the aforementioned Agreements, inclusive of any non-material changes, and any other necessary documents on behalf of the Development Agency Board
- Delegate staff authority to act on behalf of the Agency at closing
- Record the Disposition Agreement in the Deed Records of Clackamas County at no cost to the Development Agency

Respectfully submitted,

David Queener
Program Supervisor, Development Agency

DISPOSITION AGREEMENT

THIS DISPOSITION AGREEMENT (this “**Agreement**”) is by and between the CLACKAMAS COUNTY DEVELOPMENT AGENCY, the Urban Renewal Agency of Clackamas County, a corporate body politic (the “**Agency**”), and G PROPERTIES, LLC, an Oregon limited liability company, and/or assigns (the “**Developer**”). The latest date on which this Agreement is signed by Agency and Developer (as indicated below their signatures herein) is referred to in this Agreement as the “**Effective Date**.”

The Agency and the Developer hereby agree as follows:

RECITALS

A. This Agreement is entered into by the Agency in furtherance of its objectives under the Clackamas Town Center Area Development Plan (“**Plan**”) by providing for the disposition of certain real property and the development of the "Property" (as hereinafter defined) as provided in this Agreement. The Agency has found that the development of the Property pursuant to this Agreement, and the fulfillment generally of this Agreement, are in the vital and best interests of the County of Clackamas, Oregon (the “**County**”) and the Plan and the health safety, morals and welfare of its residents, and in accord with the public purposes and provisions of applicable federal, state and local laws and requirements.

B. The Plan was originally approved and adopted on December 30, 1980 by Order No. 80-2685 of the Clackamas County Commission, as amended from time to time, and the Plan, together with such amendments are incorporated herein by this reference. Agency represents and warrants that the Plan, as it presently exists, is in full force and effect and that this Agreement, and the obligations of Agency set forth in this Agreement, are all in accordance with the Plan. A copy of the Plan is on file in the Clackamas County Department of Transportation and Development.

C. Agency desires to sell the Property to Developer, and Developer desires to purchase the Property from Agency, on and subject to the terms and conditions set forth in this Agreement.

D. Agency acknowledges that Developer is purchasing the Property subject to an exchange under United States Internal Revenue Code Section 1031, and in connection with such exchange, Developer reserves the right to assign this Agreement and all associated agreements, rights, and obligations as provided in this Agreement.

AGREEMENT

ARTICLE 1: SUBJECT OF AGREEMENT

Section 1.1: The Property.

The "**Property**" consists of approximately 0.52 acres of land owned by the Agency located west of SE 117th Avenue on Sunnyside Road, as more particularly shown on the map attached hereto as **Exhibit "A"** and more particularly described in the legal description attached hereto as **Exhibit "B."**

Section 1.2: Post-Closing Agreement.

At Closing, Agency and Developer will enter into that Post-Closing Escrow and Development Agreement in the form attached hereto as **Exhibit "C"** (the "**Post-Closing Agreement**"). Among other things, the Post-Closing Agreement provides for Developer to meet certain site and building improvement goals, as more specifically described therein.

Section 1.3: The Agency.

The Agency is a corporate body politic of the State of Oregon, as the duly designated Urban Renewal Agency of Clackamas County, Oregon, exercising governmental functions and powers and organized and existing under Oregon Revised Statutes, Chapter 457. The term "**Agency**" as used in this Agreement includes the Urban Renewal Agency of Clackamas County, Oregon and any assignee of or successor to its rights, powers, duties and responsibilities. The principal offices and mailing address of the Agency for purposes of this Agreement is:

Clackamas County Development Agency
c/o Development Agency Program Supervisor
150 Beaver Creek Road
Oregon City, OR 97045
Attn: Dave Queener
Email: DavidQue@co.clackamas.or.us

Section 1.4: The Developer.

The term "**Developer**" as used in this Agreement is G Properties, LLC or any permitted assignee of Developer, as provided in Section 1.6 below. The principal office and mailing address of the Developer for purposes of this Agreement is:

G Properties, LLC
PO Box 1489
Clackamas, OR 97015
Attn: Ronnie Wilson
Email: ronnie@wilsoncompanyinc.com

Section 1.5: Escrow Officer/Title Company.

The principal office and mailing address of the Escrow Officer and Title Company for purposes of this Agreement is:

Chicago Title Company of Oregon
650 NE Holladay St. #850
Portland, OR 97232
Attn: Jennifer Hunt
Email: Jennifer.Hunt@CTT.com

Section 1.6: Prohibition Against Change in Ownership, Management and Control of Developer.

The qualifications and identity of Developer and its Manager are of particular concern to Agency and were essential to the selection of Developer by Agency for development of the Property. No voluntary or involuntary successor in interest of Developer shall acquire any rights or powers under this Agreement, except as expressly set forth herein. All assignments of this Agreement shall require written consent of Agency, which consent shall not be unreasonably withheld, conditioned or delayed. Subject to the notice and opportunity to cure provisions set forth in Section 7 below, this Agreement may be terminated by Agency at its option before Closing if there is any change (voluntary or involuntary) in the ownership, management or control of Developer or any successor-in-interest of Developer inconsistent with this Agreement.

Notwithstanding the foregoing provisions of this Section 1.6 or any other terms or provisions of this Agreement, and in connection with Developer's exchange for purchase of the Property under United States Internal Revenue Code Section 1031, Developer may assign this Agreement and all associated agreements, rights, and obligations, and Developer may transfer its ownership right, title, and interest in the Property, to an affiliated company, limited liability company, corporation, partnership, or any other entity with at least fifty percent (50%) ownership by Ronnie Wilson. Agency agrees to cooperate in the completion of the exchange.

ARTICLE 2: DEVELOPER'S DUE DILIGENCE

Section 2.1: Title Commitment.

Within ten (10) days after the Effective Date, Agency will cause the Title Company (defined in Section 3.3 below) to furnish to Developer its preliminary title report on the Property (the "**Preliminary Commitment**"), along with copies of all documents that give rise to exceptions listed in the Preliminary Commitment (the "**Underlying Documents**"). Within ten (10) days of receiving the last of the Preliminary Commitment, the Underlying Documents and the Initial Survey (defined in Section 2.2 below), Developer will give Agency written notice setting forth the title exceptions that are not acceptable to Developer (the "**Unacceptable Exceptions**"). All exceptions other than those timely objected to will be deemed acceptable to Developer as "**Permitted Exceptions.**" Agency will have ten (10) days after receiving Developer's notice within which to notify Developer in writing whether Agency is willing or able to eliminate the Unacceptable Exceptions. If Agency agrees to eliminate the Unacceptable Exceptions, Agency will be obligated to do so on or before Closing (defined in Section 3.3 below) at its cost. If Agency is unwilling or unable to eliminate the Unacceptable Exceptions, Developer may terminate this Agreement or elect to accept the Unacceptable Exceptions and proceed to close escrow by giving written notice to Agency within seven (7) days of receiving

notice from Agency. If Developer does not provide timely written notice of its election to terminate this Agreement, it will be deemed to have waived its objections to the Unacceptable Exceptions and all of the Unacceptable Exceptions shall become Permitted Exceptions. Developer shall have the same rights as set forth above to approve (or disapprove and terminate this Agreement with respect to) any subsequent title matters or exceptions that are disclosed in any subsequent title reports that may be issued after the receipt of the initial Preliminary Commitment. Upon termination of this Agreement by Developer as provided in this Section 2.1, the Earnest Money shall be refunded to Developer and neither party shall have any further obligations or liability hereunder, except for those obligations herein that expressly survive such termination.

Section 2.2: Survey.

Within ten (10) days after the Effective Date, Agency shall deliver the most recent survey, if any, in its possession to Developer (the “**Initial Survey**”). At its option and expense, Developer may order an update to the Survey (or a new survey) (the Initial Survey, as updated or a new survey, as applicable, is referred to herein as the “**Survey**”). If applicable, Developer shall deliver a copy of any new or updated survey to Agency promptly upon receipt. Within ten (10) days after receipt of the Survey, Developer may deliver to Agency, in writing, any objections to any matters shown on the Survey (the “**Objections**”). Developer’s failure to timely object to any such matters shall be deemed to constitute Developer’s approval thereof and such shall then become Permitted Exceptions, as defined in Article 2. If Developer timely objects to any matters shown on the Survey, then Agency shall have the right, but not the obligation, to agree in writing to cure before Closing such Objections, or to decline to cure such Objections. Agency will have ten (10) days after receiving Developer’s Objections within which to notify Developer in writing whether Agency is willing or able to cure the Objections. If Agency agrees to cure the Objections, Agency will be obligated to do so by Closing at its cost. If Agency is unwilling or unable to cure the Objections, Developer may terminate this Agreement or elect to accept the Objections and proceed to close escrow by giving written notice to Agency within five (5) days of receiving notice from Agency. If Developer does not provide timely written notice of its election to terminate this Agreement, it will be deemed to have waived its Objections and all of the Objections shall become Permitted Exceptions. Notwithstanding anything to the contrary above, although Developer may elect to update the Initial Survey or obtain a new survey, Developer is not obligated to do so. Upon termination of this Agreement by Developer as provided above, the Earnest Money shall be refunded to Developer and neither party shall have any further obligations or liability hereunder, except for those obligations herein that expressly survive such termination.

Section 2.3: Property Documents.

Within ten (10) days after the Effective Date, Agency shall deliver all documents and materials which Agency has in its possession (or access to) which concern the Property or its development, including but not limited to: tax and assessment documents, existing surveys, environmental assessments; soils or geotechnical reports; wetland reports, analyses and permits; traffic studies; development feasibility studies; copies of use and development permits; and any

easements, covenants, conditions, restrictions, maintenance agreements, development standards applicable to the Property and not otherwise set forth herein (except those that appear in zoning codes, comprehensive plans or other readily available government planning documents).

Section 2.4: Due Diligence Period.

Subject to extension as provided herein, Developer shall have a period of thirty (30) days after the Effective Date (the “**Initial Due Diligence Period**”, which period, as may be extended by mutual agreement of the parties, is referred to herein as the “**Due Diligence Period**”) to conduct its due diligence investigation of the Property and to satisfy itself concerning all aspects of the Property and the suitability of the Property for Developer’s intended uses, including without limitation the physical condition of the Property, zoning, access, utilities, and all legal rights, titles, and interests. During the period from the Effective Date until the earlier of Closing or termination of this Agreement, Developer and its employees, agents, consultants, contractors, prospective tenants or purchasers, and lenders may enter the Property to perform such tests, inspections and studies as Developer may deem necessary, including without limitation environmental assessments. Developer hereby indemnifies and holds the Agency and the County, and their elected officials, officers, agents and employees harmless from any injury or damages arising out of any activity of Developer, its agents, employees and contractors performed and conducted on the Property for the purposes of completing its due diligence. Due diligence may include, without limitations, physical inspections of the Property; soils investigations and coring; Phase I and, as necessary, Phase II environmental assessments; and examination of survey and title exceptions. Developer shall restore the Property to its pre-examination state after conducting such due diligence at its own expense. Developer agrees to provide the Agency with copies of all third party reports concerning the condition of the Property obtained or produced as a result of its due diligence investigation. On or before expiration of the Due Diligence Period, Developer at its option and in its sole and absolute discretion may provide Agency with a notice approving its due diligence investigation of the Property and electing to proceed with acquisition of the Property as provided herein (the “**Approval Notice**”). Alternatively, Developer at its option may provide notice to Agency of its election to terminate this Agreement prior to the expiration of the Due Diligence Period. If Developer fails to provide either the Approval Notice or a termination notice prior to expiration of the Due Diligence Period, Developer shall be deemed to have elected to proceed with this Agreement as if an Approval notice were given to Agency prior to expiration of the Due Diligence Period. In the event of termination (or deemed termination), except as otherwise expressly provided herein, neither party shall have any further rights, duties or obligations hereunder and the Earnest Money shall be fully and immediately refunded to Developer.

Section 2.5: Design Drawings.

The Developer shall prepare and submit to the Agency architectural design development drawings of the Developer’s proposed improvements (“**Design Drawings**”), or any portion thereof, for Agency review and written approval within the Due Diligence Period. The Design Drawings shall be generally consistent with the Scope of Development, attached hereto as **Exhibit “F.”** The plans and documents as may be required shall also be submitted to

the County for the purposes of compliance with all codes, regulations and other requirements in connection with the construction of the Developer's proposed improvements. Agency shall diligently, in good faith, review the Design Drawings to determine whether they are in substantial conformance with the Scope of Development as proposed by the Developer and shall issue its decision within twenty (20) days after receipt of same. Failure of Agency to notify Developer within such period of time shall be deemed to be approval by Agency. If Agency does not approve the Design Drawings, Agency shall specify, in writing, its specific objections to same, and Developer shall have a reasonable opportunity to revise the Design Drawings. After any such resubmission of the Design Drawings, Agency shall issue its decision within ten (10) days after receipt of same. Agency approval shall not be deemed approval by the County Design Review Board or any other agency or department.

Section 2.6: Governmental Approvals.

Prior to the Closing Date, Agency agrees to join in executing any applications reasonably required by Developer in connection with its attempts to obtain governmental permits and approvals for its intended development or use of the Property. Developer shall reimburse Agency for its actual, reasonable out-of-pocket expenses (if any) incurred in cooperating with Developer's attempts to obtain governmental permits or approvals; provided Agency gives Developer notice of the amount and purpose of all such expenses prior to their being incurred by Agency. Agency's agreement to cooperate with Developer in connection with Developer's governmental approvals and any other provision of this Agreement shall not be construed as making either party an agent or partner of the other party.

Section 2.7: No Liens.

Prior to Closing, the Developer shall not place or allow to be placed on the Property or any part thereof any mortgage, trust deed, encumbrance or lien, unless specifically pre-approved in writing by the Agency. The Developer shall remove or have removed any levy, lien or attachment made on the Property, or any part thereof, or provide assurance of the satisfaction therein within a reasonable time, but in any case no later than thirty (30) days of such levy, lien or attachment coming into existence without permission prior to Closing. Developer may contest or challenge the validity or amount of any such lien or encumbrance provided such challenge or contest is taken in accordance with applicable law and within a reasonable time, so long as Developer provides security satisfactory to Agency protecting the Agency's interests, or (in the case of construction liens) bonds against the liens as permitted by statute.

ARTICLE 3: DISPOSITION OF PROPERTY

Section 3.1: Purchase and Sale of the Property; Total Purchase Price.

In accordance with, and subject to all the terms, covenants, and conditions of this Agreement, the Agency agrees to sell to Developer, or Developer's permitted assignee of this Agreement, and Developer agrees to purchase from Agency, the Property, for the amount of Two Hundred Thousand and no/100 Dollars (\$200,000.00) (the "**Purchase Price**").

Section 3.2: Earnest Money Deposit.

Developer shall, within three (3) business days after the Effective Date, deliver to the Title Company (defined below) the sum of Twenty Thousand and no/100 Dollars (\$20,000.00) as earnest money in cash or by wire transfer of immediately available funds (the “**Earnest Money**”) to be held and applied in accordance with the terms of this Agreement. The Earnest Money promissory note shall be redeemable on demand in cash, or other immediately available funds, upon expiration of the Due Diligence Period set forth above. If Developer fails to timely deposit the Earnest Money as provided above, this Agreement shall terminate and neither Developer nor Agency shall have any further obligations to one another. The Earnest Money, once redeemed, will be held in an interest bearing account approved by Developer, and all interest earned thereon shall be added to and become part of the Earnest Money. The Earnest Money will be applied to the Purchase Price due by Developer at Closing. If this Agreement terminates prior to expiration of the Due Diligence Period for any reason, except the default of Developer under the terms of this Agreement, the Earnest Money and any accrued interest shall be fully and immediately refunded to Developer. Upon expiration of Developer’s Due Diligence Period, the Earnest Money, and any accrued interest, shall become nonrefundable, but shall be credited toward payment of the Purchase Price at Closing.

Section 3.3: Closing.

This transaction shall close (the “**Closing**”) on a date to be selected by Developer and reasonably acceptable to Agency that is on or before thirty (30) days after the expiration of the Due Diligence Period (as may be extended as provided herein, the “**Closing Date**”), and subject to Developer’s required timeline for exchange under United States Internal Revenue Code Section 1031. Closing shall occur in escrow on or before the Closing Date by and through a mutually acceptable escrow officer (the “**Escrow Officer**”) of Chicago Title Insurance Company of Oregon, 10151 SE Sunnyside Rd. #300, Clackamas, OR 97015 (the “**Title Company**”), in accordance with the terms and conditions of this Agreement. Developer agrees, subject to the terms and conditions hereunder for its benefit, to accept conveyance of the Property and pay to Agency at Closing the Purchase Price for the Property by wire transfer of immediately available funds, subject to the credits, debits, prorations and adjustments provided for in this Agreement, including a credit for the Earnest Money. The Agency and the Developer agree to perform all acts necessary to close this transaction in accordance with the terms of this Agreement. Each party may submit escrow instructions to the Escrow Officer consistent with this Agreement. Once submitted, instructions may not be withdrawn or altered without the consent of both the Agency and the Developer.

Section 3.4: Deed Form.

At Closing, the Agency shall convey to Developer fee simple title to the Property by Bargain and Sale Deed, duly executed, acknowledged and delivered in the form of **Exhibit “D”** attached hereto (the “**Deed**”), free and clear of all liens, claims and encumbrances other than the

Permitted Exceptions. Conveyance of title to the Property to Developer shall conclusively establish satisfaction or waiver of all closing conditions set forth in Article 4 herein.

Section 3.5: Title Insurance; Prorations; Adjustments; Commissions.

3.5.1 Agency shall pay for the cost of a basic coverage owner's title insurance policy, and Developer shall be responsible for obtaining any and all extended coverage ALTA title insurance for the Property, including additional premiums for extended coverage and additional title endorsements. At Developer's request, Agency will execute and deliver at Closing an affidavit certifying that there are no unrecorded leases or agreements affecting the Property, there are no parties in possession of the Property, that there are no mechanic's or statutory liens against the Property, and as to such other matters as may be reasonably requested by the Title Company or Developer for issuance of extended coverage title insurance in favor of Developer.

3.5.2 Real property taxes and assessments and other Property expenses for the current year (if any) shall be prorated and adjusted between the parties as of the Closing Date. Agency shall be responsible for any and all real property taxes for the period of time prior to the recording of the Deed and the Developer shall be responsible for such taxes for the period of time on and subsequent thereto. Escrow fees shall be paid by Developer. Recording fees shall be paid by the Agency. Developer shall be responsible for all professional fees incurred by Developer in connection with its investigation of the Property, and payment of its respective legal fees and expenses. Agency shall pay the costs of its own attorneys, consultants and advisors with respect to this transaction.

Section 3.6: Events of Closing.

Provided the Escrow Officer has received sums equal to the Purchase Price and the security deposit, as set forth in Section 3.6.10, as well as any costs, prorations and adjustments as provided herein, and is in a position to cause the title insurance policy to be issued as described herein, this transaction shall be closed on the Closing Date as follows:

3.6.1 The Escrow Officer shall perform the prorations and adjustments described in Section 3.5, and the parties shall be charged and credited accordingly.

3.6.2 Developer shall pay the entire Purchase Price to Agency by wire transfer or cashier's check of immediately available funds, adjusted for the charges, prorations, adjustments and credits set forth in this Agreement, including a credit for the Earnest Money.

3.6.3 Any liens required to be paid by Agency at closing shall be paid and satisfied of record at Agency's expense.

3.6.4 Agency shall convey the real property to Developer by execution and delivery of the Deed, subject only to the Permitted Exceptions.

3.6.5 The Title Company shall be irrevocably committed to issue the policy described in Section 4.2.5, upon recordation of the Deed.

3.6.6 Agency shall deliver Agency's Certification of Nonforeign Status as provided in Section 8.14 herein.

3.6.7 The parties shall execute and deliver the Post-Closing Escrow and Development Agreement in the form attached hereto as **Exhibit "C."**

3.6.8 The parties shall execute and deliver, with notary acknowledgment, a Memorandum of Post-Closing Agreement in the form attached hereto as **Exhibit "E"** (the "**Memorandum**").

3.6.9 The Escrow Officer shall record the following documents in the following order: (i) Deed and (ii) Memorandum.

3.6.10 Developer shall deposit the additional sum of Twenty Thousand Dollars (\$20,000) by wire transfer of immediately available funds, as a security deposit, to be held by the Title Company pursuant to the terms of the Post-Closing Escrow and Development Agreement, attached hereto as **Exhibit "C."**

3.6.11 The parties will take such further actions and execute and deliver such other instruments as may be reasonably necessary or desirable to consummate the transactions contemplated by this Agreement.

Section 3.7: Possession.

Possession of the Property shall be delivered to the Developer concurrently with the conveyance of title on the Closing Date. The Developer shall accept title and possession on the Closing Date, unless such date is extended as provided herein.

Section 3.8: Conditions of the Property.

The Developer acknowledges that it is purchasing the Property "As Is," except as provided otherwise herein

ARTICLE 4: CLOSING CONDITIONS

Section 4.1: Agency's Closing Conditions.

Agency's obligations to convey the Property under this Agreement are expressly conditioned upon the satisfaction of the following conditions:

4.1.1 The fulfillment by Developer of all its obligations and covenants under this Agreement to be performed on or before the Closing Date, including but not limited to the deposit of the Purchase Price required for conveyance of the Property and the deposit of the security deposit as set forth in Section 3.6.10 with the Title Company at or before Closing, and the attachment of all exhibits to the Post-Closing Agreement as of that time.

4.1.2 Design Drawings (as defined in Section 2.5) for the Developer Improvements have been prepared and submitted by Developer in accordance with the terms of this Agreement and have been reviewed and approved by Agency, such approval not to be unreasonably withheld, conditioned or delayed, within twenty (20) days after receipt of such Design Drawings, as being in accordance with the Plan and this Agreement; and Developer shall have completed its design review process and the Design Drawings shall have been approved by the County Design Review Board or any subsequent appellate body and such approval is not subject to further appeal under Oregon land use law. The Developer shall complete the process with the County Design Review Board, and any subsequent appeal (“**Design Approval**”), within the Due Diligence Period, as it may be extended pursuant to Section 2.4. Design Drawings for the purpose of Agency’s review shall mean architectural design development drawings of the site improvements.

4.1.3 That all of Developer’s representations and covenants set forth in this Agreement are true and correct in all material respects on the Closing Date.

The foregoing conditions may be waived only by Agency. If any one or more of such conditions are not satisfied as of the Closing Date, Agency at its option may terminate this Agreement, in which event the Earnest Money shall be refunded to Developer and neither party shall have any further obligation or liability hereunder (except for such obligations that expressly survive such termination), except to the extent such condition is not satisfied solely as a result of a breach of this Agreement by Developer, in which case the provisions of Section 7.1 below shall apply.

Section 4.2: Developer’s Closing Conditions.

Developer’s obligations to close the purchase of the Property under this Agreement are expressly conditioned upon the satisfaction of the following conditions:

4.2.1 Developer giving the Approval Notice, or being deemed to have given its approval pursuant to Section 2.4.

4.2.2 The fulfillment by Agency of all its obligations and covenants under this Agreement to be performed on or before the Closing Date.

4.2.3 That all of Agency’s representations and covenants set forth in this Agreement are true and correct in all material respects on the Closing Date.

4.2.4 There being no change in the condition or legal requirements of the Property, whether directly or indirectly, including any dumping of refuse or environmental contamination, after Effective Date, and that no legal action or proceeding (including condemnation) affecting the Property or Developer’s intended use thereof shall have been threatened or commenced.

4.2.5 That the Title Company shall be irrevocably committed to issue an owner’s title insurance policy as described in Section 3.5 above insuring that fee simple title is vested in

Developer as of the Closing Date, in the amount of the Purchase Price, subject only to the Permitted Exceptions.

The foregoing conditions may be waived only by Developer. If any one or more of such conditions are not satisfied as of the Closing Date, Developer at its option may terminate this Agreement, in which event the Earnest Money shall be refunded to Developer and neither party shall have any further obligation or liability hereunder (except for such obligations that expressly survive such termination), except to the extent such condition is not satisfied solely as a result of a breach of this Agreement by Agency, in which case the provisions of Section 7.2 below shall apply.

ARTICLE 5: RESERVED

Reserved

ARTICLE 6: REPRESENTATIONS AND WARRANTIES

Section 6.1: Developer's Representations and Covenants.

Developer represents, warrants and covenants as follows:

6.1.1: Developer is an Oregon limited liability company, duly organized and validly existing, and is qualified to do business in the state in which the Property is located. Developer has the full right and authority and has obtained any and all consents required to enter into this Agreement and to consummate the transactions contemplated hereby;

6.1.2: There is no agreement to which Developer is a party or which, to Developer's knowledge, is binding on Developer which is in conflict with this Agreement. There is no action or proceeding pending or, to Developer's knowledge, threatened against Developer which challenges or impairs Developer's ability to execute or perform its obligations under this Agreement;

6.1.3: Developer has the financial capacity to cause those improvements set forth in the Post-Closing and Development Agreement to be constructed;

6.1.4: Ronnie Wilson, in his capacity as the Member of Developer, is individually authorized to act on behalf of, and bind, the Developer;

6.1.5: To the best of Developer's knowledge (without any requirement of further investigation), all information, documents and instruments delivered to Agency by Developer in connection with this Agreement are complete and true copies of such documents or original counterparts thereof;

6.1.6: Developer has not obligated itself in any manner to convey, transfer, or otherwise encumber the Property after the Closing to any party that may reasonably be expected to impair performance under the Post-Closing Agreement in any material respect, and further Developer promises not to enter into an agreement with any other party that could reasonably be expected to

negatively impact or impair Developer's performance under the Post-Closing Agreement in any material respect;

6.1.7: Developer is not a "foreign person" for purposes of Section 1445 of the Internal Revenue Code; and

6.1.8: To the best of Developer's knowledge, Developer, for a period of no fewer than six calendar years preceding the effective date of this Agreement, has faithfully complied with (i) all applicable tax laws of this state, including but not limited to ORS 305.620 and ORS chapters 316, 317, and 318; (ii) any tax provisions imposed by a political subdivision of this state that applied to Developer, to Developer's property, operations, receipts, or income, or to Developer's performance of or compensation for any work performed by Developer; (iii) any tax provisions imposed by a political subdivision of this state that applied to Developer, or to goods, services, or property, whether tangible or intangible, provided by Developer; and (iv) any applicable rules, regulations, charter provisions, or ordinances that implemented or enforced any of the foregoing tax laws or provisions.

6.1.9 Developer has not engaged a real estate broker or agent for purposes of negotiating this transaction and no agreements have been executed by Developer which would obligate a third-party to be paid out of the proceeds of the sale of the Property.

Section 6.2: Agency's Representations and Covenants.

Agency represents, warrants and covenants as follows:

6.2.1 Agency has been duly organized and is validly existing as a corporate body politic, in good standing in the State of Oregon. Agency has the full right and authority and has obtained any and all consents required to enter into this Agreement and to consummate the transactions contemplated hereby;

6.2.2 To the best of Agency's knowledge (without any requirement of further investigation), there are no actions, suits, claims, legal proceedings, condemnation or eminent domain proceedings, or any other proceedings affecting the Property, or any portion thereof, at law or in equity, before any court or governmental agency, domestic or foreign, nor is there any basis for any such proceeding which, if adversely determined, might affect the use or operation of the Property for Developer's intended purpose, the value of the Property, or adversely affect the ability of Agency to perform its obligations under this Agreement; provided, however, that Agency makes no representation or warranty regarding the use of the Property under current or future land use codes, building codes, or other generally applicable laws and regulations, and Developer acknowledges their obligation to investigate the same as part of their due diligence process;

6.2.3 To the best of Agency's knowledge (without any requirement of further investigation), there are no liens, bonds, encumbrances, covenants, conditions, reservations, restrictions, easements or other matters affecting the Property except as disclosed in the Preliminary Commitment, and Agency has not received notice and has no knowledge of any pending liens or special assessments to be made against the Property;

6.2.4 From the Effective Date until the Closing Date, Agency shall use commercially reasonable efforts to properly maintain the Property in its current condition as of the Effective Date less reasonable impact of natural conditions and Developer's due diligence efforts;

6.2.5 To the best of Agency's knowledge (without any requirement of further investigation), all Property information, documents and instruments delivered to Developer by Agency are complete and true copies of such documents or original counterparts thereof;

6.2.6 To the best of Agency's knowledge (without any requirement of further investigation), other than this Agreement, the documents to be executed and delivered hereunder at Closing and the Permitted Exceptions, there are no contracts or agreements of any kind relating to the Property to which Agency or its agents is a party and which would be binding on Developer after Closing;

6.2.7 Agency has not obligated itself in any manner to sell the Property to any party other than Developer and promises not to enter into an agreement with any other party for the sale or lease of any portion of the Property while this Agreement is in effect;

6.2.8 Agency is not a "foreign person" for purposes of Section 1445 of the Internal Revenue Code;

6.2.9 To the best of Agency's knowledge (without any requirement of further investigation), Agency is not (and is not engaged in this transaction on behalf of) a person or entity with which Developer is prohibited from doing business pursuant to any law, regulation or executive order pertaining to national security including, but not limited to, the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001; Executive Order 13224; the Bank Secrecy Act; the Trading with the Enemy Act; the International Emergency Economic Powers Act; sanctions and regulations promulgated pursuant thereto by the Office of Foreign Assets Control, as well as laws related to the prevention and detection of money laundering in 18 U.S.C Sections 1956 and 1957;

6.2.10 To the best of Agency's knowledge (without any requirement of further investigation), Agency's sale of the Property is not subject to any federal, state or local withholding obligation of Developer under the tax laws applicable to Agency or the Property;

6.2.11 Agency has received no written notice of and has no knowledge of any material violations or investigations of violations of any applicable laws or ordinances affecting the Property that have not been corrected or resolved;

6.2.12 To the best of Agency's knowledge (without any requirement of further investigation), no hazardous substances exist at the Property in any material concentration or quantity;

6.2.13 Agency has not engaged a real estate broker or agent for purposes of negotiating this transaction and no agreements have been executed by Agency which would obligate a third-party to be paid out of the proceeds of the sale of the Property.

6.2.14 To the best of Agency's knowledge (without any requirement of further investigation), the Property is in compliance with all applicable environmental laws, there are no

material concentrations of hazardous wastes or hazardous substances on, in or under the Property, and there are no underground storage tanks within the Property. As used in this Agreement, the term “environmental laws” includes any and all state, federal and local statutes, regulations, and ordinances to which the Property is subject and relating to the protection of human health and the environment, as well as any judgments, orders, injunctions, awards, decrees, covenants, conditions, or other restrictions or standards relating to same; and the term “hazardous substances” includes all hazardous and toxic substances, wastes, or materials, including without limitation all substances, wastes, and materials containing either petroleum, including crude oil or any fraction thereof, or any of the substances referenced in Section 101(14) of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601(14), and similar or comparable state or local laws.

The Agency acknowledges in the Executive Summary of the Phase I Environmental Site Assessment prepared by Kay Ann Thompson Environmental Consulting there is reference to a residential home previously located on Tax Lot 100 at the east perimeter of the Property which was constructed in 1970 and demolished in 2008 with an address as 11653 SE Sunnyside Road. While the heat source for the home was noted as “oil furnace,” the Agency has no known knowledge of any pre-existing oil storage tanks either above or below ground on the Property.

For the purposes of this Agreement, “Agency’s knowledge” is defined as the knowledge of Mr. Dan Johnson and Mr. David Queener.

Section 6.3: Survival.

All representations and warranties contained in this Agreement shall be true on and as of the Closing Date with the same force and effect as though made on and as of the Closing Date, and shall survive Closing and not be merged into any documents delivered at Closing. The parties agree to disclose any material change in the representations and warranties contained in this Agreement.

ARTICLE 7: DEFAULTS AND REMEDIES

Section 7.1: Agency’s Remedies.

In the event that this transaction fails to close solely on account of a default by Developer under this Agreement, this Agreement shall terminate and the Earnest Money, any accrued interest, and any extension fees paid by Developer pursuant to Section 2.4 shall be forfeited by Developer and retained by Agency as liquidated damages as Agency’s sole remedy for such default. Such amount has been agreed by the parties to be reasonable compensation and the exclusive remedy for Developer’s default, since the precise amount of such compensation would be difficult to determine. For any default by Developer that does not cause the transaction to fail, but which nevertheless causes damage to the Agency, the Agency shall be entitled to such remedies as may be available under applicable law.

In the event that any of the following occur prior to the conveyance of title to the Property, then this Agreement, and any rights of the Developer, or any assignee or transferee, in

this Agreement, or the Property, or any portion thereof, shall, at the option of the Agency, be terminated by the Agency, in which event the Earnest Money (and any interest earned thereon) shall be retained by the Agency as liquidated damages and as its property without any deduction, offset or recoupment whatsoever, and neither the Developer nor the Agency shall have further rights against or liability to the other under this Agreement:

7.1.1 Developer (or any successor in interest thereto) assigns or attempts to assign this Agreement or any rights therein, or to the Property, in violation of this Agreement;

7.1.2 There is a change in the ownership of the Developer contrary to the provisions of Section 1.6 hereof;

7.1.3 The Developer does not submit Design Drawings as required by this Agreement in the manner and by the dates respectively provided in this Agreement therefore; or

7.1.4 The Developer does not tender the Purchase Price or take title to the Property on tender of conveyance by the Agency pursuant to this Agreement after the satisfaction or waiver of all of Developer's Closing Conditions set forth in Section 4.2

Section 7.2: Developer's Remedies.

If this transaction fails to close because of Agency's default hereunder, the Earnest Money, and any accrued interest, shall be returned to Developer. Developer shall be entitled to such remedies for breach of contract as may be available under applicable law, including (without limitation) the remedy of specific performance, injunctive relief and/or the right to recover its damages.

Section 7.3: Default.

Except for the parties' wrongful failure to close or satisfy a condition to Closing by the Closing Date, neither party shall be deemed in default under this Agreement unless such party is given written notice of its failure to comply with this Agreement and such failure continues for a period of five (5) days following the date such notice is given.

ARTICLE 8: GENERAL PROVISIONS

Section 8.1: Applicable Law.

The law of the State of Oregon shall govern the interpretation and enforcement of this Agreement without giving effect to the conflicts of law provision thereof.

Section 8.2: Attorney Fees.

The parties shall bear their own costs and attorney fees in the event an action is brought to enforce, modify or interpret the provisions of this Agreement.

Section 8.3: Acceptance of Service of Process.

In the event that any legal or equitable action is commenced by the Developer against the Agency, service of process on the Agency shall be made by personal service on the Program Supervisor of the Agency, as set forth in Section 1.3, or in such other manner as may be provided by law. In the event that any legal or equitable action is commenced by the Agency against the Developer, service of process on the Developer shall be made on the individual identified in Section 1.4, or in such other manner as may be provided by law.

Section 8.4: Notice, Demands and Communications Between the Parties.

All notices given pursuant to this Agreement shall be in writing sent to the addresses shown in Section 1.3 and Section 1.4 of this Agreement and to the attention of the person indicated, and shall be either: (i) mailed by first class mail, postage prepaid, certified or registered with return receipt requested, or (ii) delivered in person or by local or national courier.

Any notice (i) sent by mail in the manner specified in this section shall be deemed served or given three (3) business days after deposit in the United States Postal Service, and (ii) delivered in person or by local or national courier shall be deemed served or given upon receipt or refusal of delivery. Notice given to a party in any manner not specified above shall be effective only if and when received by the addressee as demonstrated by objective evidence in the possession of the sender. Each party may change its address for notice by giving not less than ten (10) days' prior notice of such change to the other party in the manner set forth above.

Section 8.5: Nonliability of Officials and Employees.

No member, manager, shareholder, director, officer, elected official, employee, affiliate, agent, or representative of any of the parties shall be personally liable to the other party or any successor-in-interest thereto, in the event of any default or breach by either party or for any amount that may become due to either party or its successor, or any obligations under the terms of this Agreement.

Section 8.6: Merger.

None of the provisions of this Agreement are intended to or shall be merged by reason of any deed referred to herein and any such deed shall not be deemed to affect or impair the provisions and covenants of this Agreement, but shall be deemed made pursuant to this Agreement.

Section 8.7: Headings.

Any title of the several parts and sections of this Agreement are inserted for convenience or reference only and shall be disregarded in construing or interpreting any of its provisions.

Section 8.8: Time of Essence.

Time is of the essence of this Agreement. All obligations of the Agency and the Developer to each other shall be due at the time specified by the Agreement, or as the same may be extended by mutual agreement of the parties in writing.

Section 8.9: Severability.

If any clause, sentence or any other portion of the terms and conditions of this Agreement become illegal, null or void for any reason, or held by any court of competent jurisdiction to be so, the remaining portion will remain in full force and effect.

Section 8.10: No Partnership.

Neither anything in this Agreement or the documents delivered in connection herewith nor any acts of the parties hereto shall be deemed or construed by the parties hereto, or any of them, or by any third person, to create the relationship of principal and agent, or of partnership, or of joint venture, or of any association between any of the parties to this Agreement.

Section 8.11: Nonwaiver of Government Rights.

Subject to the terms and conditions of this Agreement, by making this Agreement, the Agency is specifically not obligating itself, the County, or any other agency with respect to any discretionary governmental action relating to the acquisition of the Property or development, operation and use of the improvements to be constructed on the Property, including, but not limited to, condemnation, comprehensive planning, rezoning, variances, environmental clearances or any other governmental agency approvals that are or may be required.

Section 8.12: Entire Agreement; Waivers.

This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto and supersedes all prior negotiations or previous agreements between the parties or the predecessors in interest with respect to all or any part of the subject matter hereof. All waivers of the provisions of this Agreement must be in a writing signed by the appropriate authorities of the Agency and the Developer, and all amendments thereto must be in a writing signed by the appropriate authorities by the Agency and the Developer.

Section 8.13: Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

Section 8.14: Non-Foreign Persons.

The parties agree to comply with the terms of Internal Revenue Code Section 1445 and at Closing, Agency shall execute and deliver to Developer and Title Company a non-foreign person affidavit in a form mutually acceptable to the parties. Agency represents and warrants that it is not a “foreign person” as that term is used in Internal Revenue Code Section 1445 and Agency agrees to furnish Developer with any necessary documentation to that effect.

Section 8.15: Waiver.

Failure of either party at any time to require performance of any provision of this Agreement shall not limit the party’s right to enforce the provision. Waiver of any breach of any provision shall not be a waiver of any succeeding breach of the provision or a waiver of the provision itself or any other provision.

Section 8.16: Weekends and Holidays.

If the time for performance of any of the terms, conditions and provisions of this Agreement shall fall on a Saturday, Sunday or legal holiday, then the time of such performance shall be extended to the next business day thereafter.

Section 8.17: Neutral Construction.

This Agreement has been negotiated with each party having the opportunity to consult with legal counsel and shall not be construed against either party by virtue of which party drafted all or any part of this Agreement.

Section 8.18: Exhibits.

All exhibits listed on the signature page below and attached hereto are incorporated into and constitute a part of this Agreement.

Section 8.19: Dispute Resolution.

Each party waives its rights to trial by jury in any claim, action, suit, or proceeding arising out of this Agreement or the transactions relating to its subject matter.

ARTICLE 9: SUCCESSOR INTEREST

This Agreement shall be binding upon and inure to the benefit of the parties, and their permitted successors and assigns.

ARTICLE 10: STATUTORY DISCLAIMER

THE PROPERTY DESCRIBED IN THIS INSTRUMENT MAY NOT BE WITHIN A FIRE PROTECTION DISTRICT PROTECTING STRUCTURES. THE PROPERTY IS SUBJECT TO LAND USE LAWS AND REGULATIONS THAT, IN FARM OR FOREST ZONES, MAY

NOT AUTHORIZE CONSTRUCTION OR SITING OF A RESIDENCE AND THAT LIMIT LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, IN ALL ZONES. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO VERIFY THE EXISTENCE OF FIRE PROTECTION FOR STRUCTURES AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective as of the Effective Date.

“AGENCY”

CLACKAMAS COUNTY DEVELOPMENT
AGENCY, a corporate body politic

By: _____
Chair

Date: _____, 2017

“DEVELOPER”

G PROPERTIES, LLC, an Oregon limited liability
company and/or assigns

By: _____

Date: _____, 2017

LIST OF EXHIBITS

- | | |
|-----------|--------------------------------------|
| EXHIBIT A | Property Map |
| EXHIBIT B | Legal Description - Property |
| EXHIBIT C | Post-Closing Agreement |
| EXHIBIT D | Form of Bargain and Sale Deed |
| EXHIBIT E | Memorandum of Post-Closing Agreement |
| EXHIBIT F | Scope of Development |

EXHIBIT A

Property Map

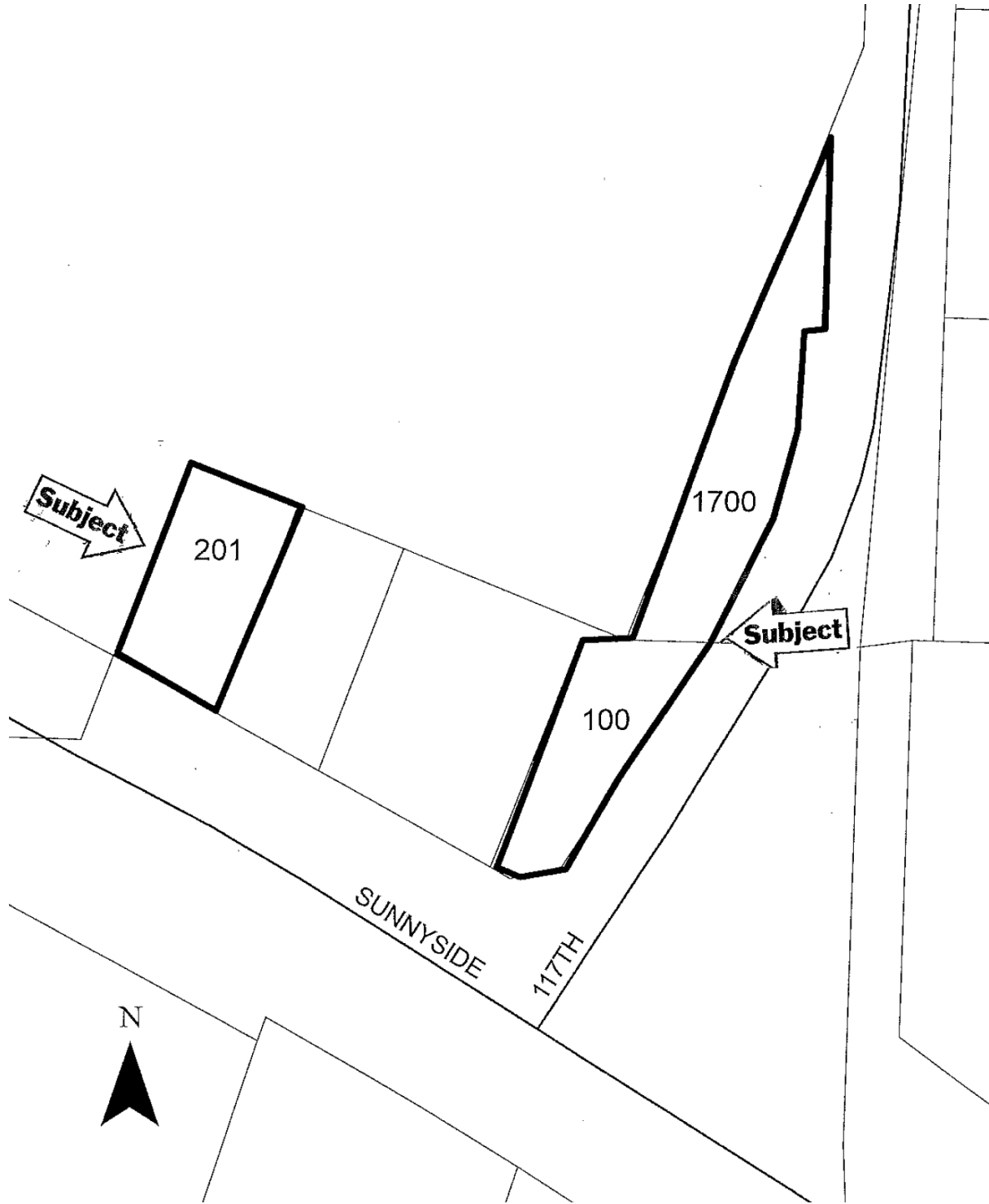


EXHIBIT B

Legal Description - Property

Tax lot 22E03AB00201

A tract of land in Section 34, Township 1 South, Range 2 East of the Willamette Meridian and Section 3, Township 2 South, 2 East of the Willamette Meridian, in the County of Clackamas County and State of Oregon, described as follows:

Beginning at a point on the Section line 21.87 chains West of the Southeast corner of said Section 34, said point beginning being also the most Northerly Northwest corner of that certain tract described in Deed recorded in Book 51, page 183. Deed Records; thence South 19°30' West 3.65 chains to the center of Sunnyside Road; thence North 65°15' West 3.56 chains to a corner in the tract conveyed by Fred Gage and wife to Louis T. Birkenfeld and Keith W. Birkenfeld by Deed recorded December 4, 1930 in Book 209, page 107, Deed Records and the true point of beginning; thence North 18°30' East 3.26 chains to a corner in said Birkenfeld tract; thence southeasterly along the Southerly line of said Birkenfeld tract a distance of 63.36 feet; thence South 18°30' West a distance of 220 feet, more or less, to the center of Sunnyside Road; thence North 65°15' West along the center of said road to the true point of beginning.

EXCEPTING THEREFROM that portion lying within the boundary of public roads and highways, including that shown in Deed Record 2008-036544, recorded in the Deed Records of Clackamas County, Oregon.

Tax lots 22E03AB00100 and 12E34D 01700

Parcel I:

Part of the Northwest one-quarter of the Northeast one-quarter of Section 3, Township 2 South, Range 2 East of the Willamette Meridian, in the County of Clackamas and State of Oregon, described as:

Beginning at a point on the North line of said Section 3, a distance of 20.37 chains West of the Northeast corner of said Section 3; thence West 1.87 chains on the section line; thence South 19°30' West 3.65 chains to the center of the county road, thence Easterly along center of said road to a point which is 4.78 chains South from the place of beginning; thence North 4.78 chains to the place of beginning.

PARCEL II:

Part of the Southeast one-quarter of Section 34, Township 1 South, Range 2 East of the Willamette Meridian, in the County of Clackamas and State of Oregon, more particularly described as beginning at an iron pipe which is West on the section line, 20.37 chains from the Southeast corner of said section; thence West 1.87 chains to a pipe; thence North 19°30' East 363 feet to a pipe on the West line of the Southeast one-quarter of the Southeast one-quarter of said section; thence South on the sixteenth section line 351 feet to the place of beginning

EXCEPTING THEREFROM that portion conveyed to Clackamas County for road purposes recorded August 10, 1979 as Recorder's Fee No. 79-34524, Clackamas County Deed of Records; and that portion recorded March 23, 2007, Deed Record 2007-025077; and that portion recorded March 23, 2007, Deed Record 2007-025071.

EXHIBIT C

Post-Closing Agreement

THIS POST-CLOSING ESCROW AND DEVELOPMENT AGREEMENT (this “**Agreement**”) is entered into by and among **CLACKAMAS COUNTY DEVELOPMENT AGENCY**, the Urban Renewal Agency of Clackamas County, a corporate body politic (the “**Agency**”) and **G PROPERTIES, LLC** an Oregon limited liability company (“**Developer**”), and **CHICAGO TITLE COMPANY OF OREGON**, an Oregon corporation (“**Escrow Holder**”). The latest date on which this Agreement is signed by Agency and Developer (as indicated below by their signatures herein) is referred to in this Agreement as the “**Effective Date.**”

RECITALS

A. Pursuant to that Disposition Agreement effective _____, 2017 (the “**DA**”), Developer acquired from Agency that certain real property comprised of approximately 0.52 acres of land owned by the Agency located west of SE 117th Avenue on Sunnyside Road in Clackamas County, Oregon, as more particularly described in Exhibit “**B**” of the DA (the “**Property**”). All capitalized terms used in this Agreement and not otherwise defined herein shall have their meaning as set forth in the DA.

B. In connection with the DA and in furtherance of the Plan, Agency desires that Developer construct the Building Improvements (defined below), and Developer wishes to do so, on and subject to the terms and conditions of this Agreement. As used herein, the “**Building Improvements**” means the 5,000 square foot commercial building and associated improvements on the Property as described in **Exhibit “A,”** attached hereto.

C. In addition, the parties desire to establish at Closing an escrow account (the “**Account**”) in the total amount of Twenty Thousand and No/100 Dollars (\$20,000.00) (the “**Funds**”), payable at Closing by the developer, to be held by the Escrow Holder as security for satisfaction of the obligation of the Developer to complete the Development Goals, as provided herein.

D. Escrow Holder has agreed to serve as the escrow agent for the Account and to disburse the amounts deposited with it in accordance with the terms of this Agreement.

AGREEMENT

DEVELOPMENT GOALS. Subject to the terms and conditions of this Agreement, Developer will pursue Substantial Completion of the Building Improvements in accordance with and within the limitations specified in **Exhibit “A,”** “Scope of Development,” attached hereto and made a part hereof, within twenty-four (24) months after the Effective Date, subject to delays due to force majeure, delays caused by the Agency or its elected officials, officers, directors, shareholders, members, managers, employees, affiliates, agents, successors, assigns, and/or any

other person or entity acting on its behalf or under its direction or control, and any other causes beyond the reasonable control of Developer or that could not have been foreseen or provided against. For purposes of this Agreement, delays caused by the action or inaction of the Agency shall not include the passage of time attributable to any permit or development review procedure, or other standard decision-making process that could be associated with the Agency's function as a public entity. As used in this Agreement, "Substantial Completion" of a work or improvement shall mean that the applicable work or improvement has been completed to the point that it can be used or occupied for its intended purpose and the only incomplete items are minor or insubstantial details typically found in a so-called "punch list." The Developer agrees, at its own cost and expense, to install or construct, or cause to be installed or constructed, the required Building Improvements in accordance with the terms of this Agreement and with all applicable specifications, standards and codes and requirements, including those of the County and the State of Oregon.

CONSTRUCTION SCHEDULE. Developer shall use commercially reasonable efforts to begin and complete all construction and development of the Building Improvements within the time specified in the Schedule of Performance, specified in **Exhibit "B,"** attached hereto and made a part hereof, except as otherwise permitted herein.

GOVERNMENTAL PERMITS. Before commencement of construction or development of any buildings, structures or other works or improvements in connection with the Building Improvements upon the Property, the Developer shall, at its own expense, secure or cause to be secured, any and all land use, construction, and other permits which may be required by any governmental agency. The Agency shall cooperate with the Developer and permitting agencies in obtaining the necessary permits.

TERM. The term of this Agreement shall commence on the Effective Date and, except as otherwise provided herein, end on the date that all funds in the Account have been disbursed in accordance with the terms of this Agreement.

ACCOUNT.

Appointment. Agency and Developer appoint Escrow Holder to receive and hold the Funds in the Account for the benefit of Agency and Developer and to disburse the funds in the Account in accordance with the terms of this Agreement. Escrow Holder accepts that appointment.

Account Deposit. On the date hereof, Developer shall deposit the Funds in the Account. Until disbursed as provided herein, all funds in the Account (as may vary from time to time, the "**Account Funds**" or the "**Security Deposit**") shall be held by the Escrow Holder in accordance with the terms of this Agreement.

Investment of Funds. Escrow Holder shall invest the Account Funds in an interest-bearing account fully insured by the Federal Deposit Insurance Corporation. All interest earned on Account Funds shall automatically be added to and become part of the funds in the Account.

Disbursement of Account Funds. Except as otherwise expressly provided in this paragraph, upon Substantial Completion of the Building Improvements under the conditions set

forth above in Section 1, all Funds shall be disbursed to Developer following written request by Developer that is approved in writing by Agency, which approval will not be unreasonably withheld, conditioned or delayed. The sole condition for disbursement of the Security Deposit to Developer is the Substantial Completion of the Building Improvements under the conditions set forth above in Section 1. Notwithstanding the foregoing, if the Building Improvements are not substantially completed within twenty-four (24) months after the Effective Date, subject to delays due to force majeure or other causes beyond the reasonable control of Developer, the entire Security Deposit shall be disbursed to Agency, subject to the written approval of Developer, which approval will not be unreasonably withheld, conditioned or delayed. The Security Deposit shall be disbursed by a single payment, and shall not be paid on a pro rata basis or otherwise disbursed in installments.

Disbursements. Escrow Holder shall disburse to the payee within three (3) business days after receipt of a written request of a party, approved in writing by the other party. With respect to any disbursement request of a party that is subject to the approval of the other party, such approval shall be deemed given if the other party fails to give notice of disapproval to the requesting party within twenty (20) business days of receipt of the request.

Termination of Account. The Account shall be terminated upon disbursement of all Account Funds as provided in this Agreement.

LIMITATION OF LIABILITY. Notwithstanding any other provision herein, the liability of either party under this Agreement shall be strictly limited solely to a sum equal to the Account Funds as provided by this Agreement. In no event shall either party have any obligations or liability whatsoever with respect to this Agreement in excess of the Account Funds or with respect to any assets of either party (other than the Account Funds). Except solely for either party's right to disbursement of the Account Funds as provided in this Agreement, both parties hereby waive, release, covenant not to sue and forever discharge the other party and its elected officials, officers, directors, shareholders, members, managers, employees, affiliates, agents, successors and assigns of, for, from and against any and all Claims (defined below) arising from or related to this Agreement, whether such Claims relate to the period before, on or after the Closing Date. As used herein, "**Claims**" shall mean any and all actual or threatened claims, detriments, rights, remediation, counterclaims, liens, controversies, obligations, agreements, executions, debts, covenants, promises, suits, causes of action, actions, demands, liabilities, losses, damages, assessments, judgments, fines, penalties, threats, sums of money, accounts, costs, expenses, known or unknown, direct or indirect, at law or in equity (including, without limitation, reasonable attorneys' fees and other professional fees of attorneys and professionals selected by Developer), whether incurred in connection with any investigation, non-judicial, quasi-judicial, judicial, mediative, arbitative, or administrative actions or proceedings or otherwise (including pretrial, trial, appellate, administrative, bankruptcy or insolvency proceedings) or in settlement or in any other proceeding and whether or not suit was filed thereon. The provisions of this Section 6 shall survive the expiration or termination of this Agreement.

ESCROW HOLDER.

Duties of Escrow Holder. Escrow Holder shall act with reasonable diligence in performing its duties hereunder. Agency or Developer may at any time, from time to time, require an accounting of all monies deposited into and remitted from the Account. Within ten (10) days after the end of each calendar quarter, Escrow Holder shall send to Agency and Developer a statement showing all deposits, withdrawals, and interest credits of the Account for the previous calendar quarter, as well as the current balance of the Account.

Claims of Escrow Holder. Escrow Holder shall have no claim against the Account or Account Funds and relinquishes any right or claim it may have against the Account and such Account Funds.

Resignation of Escrow Holder.

Escrow Holder may resign as escrow agent hereunder at any time by giving sixty (60) days prior written notice to Agency and Developer. In such event Agency shall select a new escrow agent doing business in the Portland, Oregon metropolitan area, whose selection shall be subject to the reasonable approval of Developer. Promptly after selection of the new escrow agent, Escrow Holder shall transfer over to the new escrow agent all of the funds in the Account and shall be relieved of any duties hereunder arising thereafter except for the obligation to give the reports required hereunder with respect to any prior or current periods. Contemporaneously with such transfer, Escrow Holder shall deliver to Agency and Developer a report showing the amount transferred. The new escrow agent shall execute and deliver an instrument accepting its appointment and the new escrow agent shall be vested with all of the estates, properties, rights, powers and duties of the predecessor escrow agent as if originally named as Escrow Holder.

If Escrow Holder resigns upon written notice as provided for hereinabove and successor escrow agent is not appointed within thirty (30) days after such notice, then Escrow Holder may petition to an Oregon court of competent jurisdiction to name a successor and agrees to perform its duties hereunder until its successor is named.

Instructions to Escrow Holder. All instructions to Escrow Holder shall be submitted in writing, signed by an authorized representative of the submitting party, with a simultaneous copy to the other party. Once submitted, instructions may not be withdrawn or altered without the consent of both the Agency and the Developer.

Escrow Fees. Escrow fees shall be shared equally by Developer and the Agency.

DEVELOPER OBLIGATIONS UNDER THE PLAN. Pursuant to Section 630 and 900 of the Plan, Developer agrees as follows:

The Property shall be used for the purposes designated in the Plan, and shall develop and use the Property in accordance with the land use provisions and building requirements specified in the Plan.

Developer shall begin and complete the development of the Property within the time periods set forth in this Agreement, which the Agency deems to be a reasonable period of time for redevelopment of the Property.

The Developer shall submit all plans and specifications for the construction of the Building Improvements to the Agency for review and approval to determine compliance of such plans and specifications with the Plan.

Developer covenants that it will not discriminate against any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin, ancestry or disability in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property.

Developer shall maintain the Property in a clean, neat and safe condition.

The foregoing covenants shall be binding upon and run for the benefit of the parties hereto and their respective assigns and successors in interest, subject to Section 9.12. In the event the Developer or any of its lessees, licensees, agents or other occupants, uses the Property in a manner inconsistent with Section 8 of this Agreement, the Agency may bring all appropriate legal and equitable actions.

GENERAL PROVISIONS.

Attorneys' Fees. The parties shall bear their own costs and attorney fees in the event an action is brought to enforce, modify or interpret the provisions of this Agreement.

Notice.

All notices given pursuant to this Agreement shall be in writing and shall either be (i) mailed by first class mail, postage prepaid, certified or registered with return receipt requested, or (ii) delivered in person or by nationally recognized overnight courier.

Any notice (i) sent by mail in the manner specified in subsection (a) of this section shall be deemed served or given three (3) business days after deposit in the United States Postal Service, and (ii) delivered by nationally recognized overnight courier shall be deemed served or given on the date delivered or refused (or the next business day if not delivered on a business day). Notice given to party in any manner not specified above shall be effective only if and when received by the addressee as demonstrated by objective evidence in the possession of the sender.

The address of each party to this Agreement for purposes of notice shall be as follows:

AGENCY:

Clackamas County Development Agency
c/o Development Agency Manager
150 Beaver Creek Road
Oregon City, Oregon 97045
Attn: Dave Queener
Email: davidque@co.clackamas.or.us

DEVELOPER:

G Properties, LLC
PO Box 1489
Clackamas, OR 97015
Attn: Ronnie Wilson
Email: ronnie@wilsoncompanyinc.com

ESCROW HOLDER:

Chicago Title Company of Oregon
10151 SE Sunnyside Road, Suite 300
Clackamas, Oregon 97015
Attn: _____
Email: _____

Nonliability of Officials and Employees. No member, manager, shareholder, director, officer, elected official, employee, affiliate, agent, or representative of any of the parties shall be personally liable to the other party or any successor-in-interest thereto, in the event of any default or breach by either party or for any amount that may become due to either party or its successor, or any obligations under the terms of this Agreement.

Headings. Any title of the several parts and sections of this Agreement are inserted for convenience or reference only and shall be disregarded in construing or interpreting any of its provisions.

Time of Essence. Time is of the essence of this Agreement. All obligations of the Agency and the Developer to each other shall be due at the time specified by the Agreement, or as the same may be extended by mutual agreement of the parties in writing

Severability. If any clause, sentence or any other portion of the terms and conditions of this Agreement become illegal, null or void for any reason, or held by any court of competent jurisdiction to be so, the remaining portion will remain in full force and effect

No Partnership. Neither anything in this Agreement nor any acts of the parties hereto shall be deemed or construed by the parties hereto, or any of them, or by any third person, to create the relationship of principal and agent, or of partnership, or of joint venture, or any association between any of the parties to this Agreement.

Nonwaiver of Government Rights. Subject to the terms and conditions of this Agreement, by making this Agreement, the Agency is specifically not obligating itself, the County, or any other agency with respect to any discretionary action relating to the acquisition of the Property or development, operation and use of the improvements to be constructed on the Property, including, but not limited to, condemnation, comprehensive planning, rezoning, variances, environmental clearances or any other governmental agency approvals that are or may be required.

Non-Integration. This Agreement supplements the obligations of the parties under the DA, all of which shall be construed to be consistent with one another to the maximum extent possible. The terms and provisions of this Agreement do not modify or otherwise affect the terms

and provisions of any other agreement between some or all of the parties hereto. All waivers of the provisions of this Agreement must be in writing by the appropriate authorities of the Agency and the Developer, and all amendments thereto must be in writing by the appropriate authorities by the Agency and the Developer.

Further Assurances. The parties to this Agreement agree to execute and deliver such additional documents and to perform such additional acts as may be reasonably necessary to give effect to the terms and provisions contemplated herein.

Counterparts; Facsimile and Electronic Signatures. This Agreement may be executed in counterparts. Facsimile and electronic transmission of any signed original document, and retransmission of any signed facsimile or electronic transmission, shall be the same as delivery of an original. At the request of either party, or an escrow officer, the parties shall confirm facsimile transmitted signatures by signing an original document.

Binding Effect. Except as otherwise provided herein, no party hereunder shall assign its rights and/or obligations under this Agreement without the consent of the other, which consent shall not be unreasonably withheld, conditioned or delayed. This Agreement is made for the sole benefit of the parties hereto and their permitted successors and assigns, and no other person or party shall have any right of action under this Agreement or any right to the funds in the Account. Subject to the terms of this Section 9.12, this Agreement shall be binding upon and inure to the benefit of the parties, and their respective heirs, personal representatives, successors and assigns. Notwithstanding the foregoing provisions of this Section 9.12 or any other terms or provisions of this Agreement, Developer may assign this Agreement and all associated agreements, rights, and obligations, and Developer may transfer its ownership right, title, and interest in the Property, to an affiliated company, limited liability company, corporation, partnership, or any other entity with at least fifty percent (50%) ownership by Ronnie Wilson.

Force Majeure.

Event of Force Majeure. The time for performing obligations under this Agreement shall be extended, on a day-for-day basis, due to, and a party shall not be liable for, or deemed in breach of this Agreement because of, any failure or omission to timely carry out or observe its obligations under this Agreement, to the extent that such performance is rendered impossible or is materially and demonstrably delayed by any event where the failure to perform or the delay is beyond the reasonable control of, and could not have been reasonably foreseen by, the nonperforming party; provided that such event is not caused by or attributable to the negligence or fault of, or breach of its obligations hereunder by, such party, and could not have been avoided by prudent commercial practices (any such event, a “Force Majeure Event”).

Notice of Force Majeure Events. As a condition to claiming a Force Majeure Event, the claiming party shall promptly give the other party a written notice describing the particulars of the Force Majeure Event of the occurrence of any such Force Majeure Event, including an estimate of the expected duration and the probable impact of the Force Majeure Event on the performance of such party’s obligations hereunder. The parties hereto agree to use reasonable efforts to notify each other of potential Force Majeure Events and update each other on developments regarding potential Force Majeure Events.

Mitigation. Suspension or extension of a party's obligations or performance under this Agreement due to a Force Majeure Event shall be of no greater scope and no longer duration than is reasonably required by such Force Majeure Event. The party claiming a Force Majeure Event, where reasonably possible, shall have a duty to alleviate and mitigate the cause and effect arising from such Force Majeure Event, and to resume performance of its affected obligations under this Agreement promptly after being able to do so. The burden of proof with respect to a Force Majeure Event shall be on the party claiming the same.

Exhibits. All exhibits listed on the signature page below and attached hereto are incorporated into and constitute a part of this Agreement.

Saturday, Sunday and Legal Holidays. If the time for performance of any of the terms, conditions and provisions of this Agreement shall fall on Saturday, Sunday or legal holiday, then the time of such performance shall be extended to the next business day thereafter.

Neutral Construction. This Agreement has been negotiated with each party having the opportunity to consult with legal counsel and shall not be construed against either party.

Applicable Law. This Agreement shall be construed, applied and enforced in accordance with the laws of the State of Oregon without giving effect to the conflicts of law provision thereof.

Waiver. Failure of either party at any time to require performance of any provision of this Agreement shall not limit the party's right to enforce the provision. Waiver of any breach of any provision shall not be a waiver of any succeeding breach of the provision or waiver of the provision itself or any other provision.

Memorandum of Agreement. On or about the Effective Date, the parties will execute and deliver a memorandum of this Agreement in mutually acceptable form, which shall be recorded in the official records of Clackamas County, Oregon. This Agreement shall not be recorded. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective assigns and successors in interest. Upon termination of this Agreement, the parties shall execute and record at Developer's expense an instrument in mutually acceptable form evidencing such termination.

Dispute Resolution. Each party waives its rights to trial by jury in any claim, action, suit, or proceeding arising out of this Agreement or the transactions relating to its subject matter.

[SIGNATURES START ON NEXT PAGE]

IN WITNESS WHEREOF the parties have executed this Agreement to be effective as of the day and year first above written.

DEVELOPER:

G Properties, LLC

an Oregon limited liability company

By: _____

Name: _____

Date of Execution: _____

IN WITNESS WHEREOF the parties have executed this Agreement to be effective as of the day and year first above written.

AGENCY:
Clackamas County Development Agency
a corporate body politic

By: _____
Name: _____
Title: _____
Date of Execution: _____

IN WITNESS WHEREOF the parties have executed this Agreement to be effective as of the day and year first above written.

ESCROW HOLDER:
Chicago Title Company of Oregon
an Oregon corporation

By: _____
Name: _____
Title: _____
Date of Execution: _____

List of Exhibits

Exhibit A Scope of Development
Exhibit B Schedule of Performance

Exhibit A to Post Closing Agreement

Scope of Development

The Development is for the commercial improvement of the property located at 11521 SE Sunnyside Road in Clackamas County, which includes several properties/former home sites that were impacted in 2002 by the Sunnyside Road Improvement Project. The Development is approximately +/- 1.10 acres.

The Development will include a new ±4,994-square-foot retail-commercial building designed to reflect a contemporary interpretation of the Oregon Rustic Style of the Happy Valley Style Design Guidelines and Standards, which will include a bank use with two additional tenant spaces for future lease.

Onsite project amenities may include:

- Complementary landscaping
- ADA compliant pedestrian connection to SE Sunnyside Road
- Bicycle parking rack
- Screened mixed solid waste/recyclables storage facility
- Landscaped automobile parking area

Exhibit B to Post Closing Agreement

Schedule of Performance

- July 2017 submission for grading permit
- July/August 2017 submission for site development permit
- August/September 2017 request grading permit and commence excavation
- August/September 2017 submission for building permit
- September/October 2017 request site development permit and commence site work
- October/November 2017 request site building permit
- Fall to late Spring/early Summer 2018 construction of project
- Late Spring/early Summer 2018 completion of project

EXHIBIT D

Form of Bargain and Sale Deed

AFTER RECORDING SEND TO:

**UNTIL A CHANGE IS REQUESTED
ALL TAX STATEMENTS SHALL
BE SENT TO:**

STATUTORY BARGAIN AND SALE DEED

CLACKAMAS COUNTY DEVELOPMENT AGENCY, the Urban Renewal Agency of Clackamas County, a corporate body politic (“Grantor”) conveys to **G PROPERTIES, LLC** an Oregon limited liability company (“Grantee”) all of Grantor’s interest in that certain real property located in Clackamas County, Oregon, as more particularly described on Exhibit A attached hereto.

The true consideration for this conveyance is Two Hundred Thousand and no/100 Dollars \$200,000.00.

There shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin, ancestry or disability in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property subject to this conveyance.

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON’S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR

PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

DATED as of _____, 201__.

CLACKAMAS COUNTY DEVELOPMENT AGENCY, a corporate body politic

By: _____
Name:
Its:

STATE OF OREGON)
) ss.
County of _____)

The foregoing instrument was acknowledged before me on _____, 201__, by _____, as _____ of Clackamas County Development Agency, a corporate body politic.

Notary Public for Oregon
My commission expires:

EXHIBIT A to Bargain and Sale Deed

Legal Description

Tax lot 22E03AB00201

A tract of land in Section 34, Township 1 South, Range 2 East of the Willamette Meridian and Section 3, Township 2 South, 2 East of the Willamette Meridian, in the County of Clackamas County and State of Oregon, described as follows:

Beginning at a point on the Section line 21.87 chains West of the Southeast corner of said Section 34, said point beginning being also the most Northerly Northwest corner of that certain tract described in Deed recorded in Book 51, page 183. Deed Records; thence South 19°30' West 3.65 chains to the center of Sunnyside Road; thence North 65°15' West 3.56 chains to a corner in the tract conveyed by Fred Gage and wife to Louis T. Birkenfeld and Keith W. Birkenfeld by Deed recorded December 4, 1930 in Book 209, page 107, Deed Records and the true point of beginning; thence North 18°30' East 3.26 chains to a corner in said Birkenfeld tract; thence southeasterly along the Southerly line of said Birkenfeld tract a distance of 63.36 feet; thence South 18°30' West a distance of 220 feet, more or less, to the center of Sunnyside Road; thence North 65°15' West along the center of said road to the true point of beginning.

EXCEPTING THEREFROM that portion lying within the boundary of public roads and highways, including that shown in Deed Record 2008-036544, recorded in the Deed Records of Clackamas County, Oregon.

Tax lots 22E03AB00100 and 12E34D 01700

Parcel I:

Part of the Northwest one-quarter of the Northeast one-quarter of Section 3, Township 2 South, Range 2 East of the Willamette Meridian, in the County of Clackamas and State of Oregon, described as:

Beginning at a point on the North line of said Section 3, a distance of 20.37 chains West of the Northeast corner of said Section 3; thence West 1.87 chains on the section line; thence South 19°30' West 3.65 chains to the center of the county road, thence Easterly along center of said road to a point which is 4.78 chains South from the place of beginning; thence North 4.78 chains to the place of beginning.

PARCEL II:

Part of the Southeast one-quarter of Section 34, Township 1 South, Range 2 East of the Willamette Meridian, in the County of Clackamas and State of Oregon, more particularly described as beginning at an iron pipe which is West on the section line, 20.37 chains from the Southeast corner of said section; thence West 1.87 chains to a pipe; thence North 19°30' East 363 feet to a pipe on the West line of the Southeast one-quarter of the Southeast one-quarter of said section; thence South on the sixteenth section line 351 feet to the place of beginning

EXCEPTING THEREFROM that portion conveyed to Clackamas County for road purposes recorded August 10, 1979 as Recorder's Fee No. 79-34524, Clackamas County Deed of Records; and that portion recorded March 23, 2007, Deed Record 2007-025077; and that portion recorded March 23, 2007, Deed Record 2007-025071.

EXHIBIT E

Memorandum of Post-Closing Agreement

When Recorded Return To:

MEMORANDUM OF POST-CLOSING AGREEMENT

This Memorandum of Post-Closing Agreement (this “**Memorandum**”) is made and dated as of _____, 201__ (the “**Effective Date**”), by **CLACKAMAS COUNTY DEVELOPMENT AGENCY**, the Urban Renewal Agency of Clackamas County, a corporate body politic (the “**Agency**”), and **G PROPERTIES, LLC**, an Oregon limited liability company (the “**Developer**”).

The Developer acquired that certain real property described on attached Exhibit A (the “**Property**”) from the Agency.

In connection with the acquisition of the Property, the Agency and the Developer entered into that certain Post-Closing Escrow and Development Agreement dated as of _____, 201__ (the “**Post-Closing Agreement**”). Capitalized terms used in this Memorandum without definition will have the meanings given in the Post-Closing Agreement.

The Post-Closing Agreement, among other things, provides for Developer to make certain improvements to or for the Property, including construction of one building for sale or lease of approximately 5,000 square feet of total building floor area.

This Memorandum is solely for recording purposes and shall not be construed to in any way alter, modify, amend, or supplement the Post-Closing Agreement or any term or condition thereof.

This Memorandum may be executed in one or more counterparts, all of which shall be considered one and the same Memorandum and shall be effective when one or more counterparts have been signed and delivered by the Owners.

IN WITNESS WHEREOF, the parties have executed this Memorandum as of the Effective Date.

“AGENCY”

**CLACKAMAS COUNTY DEVELOPMENT
AGENCY, a corporate body politic**

By: _____
Name:
Its:

STATE OF OREGON)
) ss.
COUNTY OF _____)

On _____, 2017 before me personally appeared _____ as the _____ of Clackamas County Development Agency, a corporate body politic, who executed the within and foregoing instrument, and acknowledged said instrument to be the voluntary act and deed of said agency.

WITNESS my hand and official seal.

Notary Public for the State of Oregon
My commission expires:_____

“DEVELOPER”

G PROPERTIES, LLC, an Oregon limited liability company

By: _____
Name:
Title:

STATE OF OREGON)
) ss.
COUNTY OF _____)

On _____, 2017 before me personally appeared _____ as the _____ of G Properties, LLC, an Oregon limited liability company, who executed the within and foregoing instrument, and acknowledged said instrument to be the voluntary act and deed of said cooperative.

WITNESS my hand and official seal.

Notary Public for the State of Oregon
My commission expires: _____

**EXHIBIT A to Memorandum of
Post-Closing Agreement**

Property Description

Tax lot 22E03AB00201

A tract of land in Section 34, Township 1 South, Range 2 East of the Willamette Meridian and Section 3, Township 2 South, 2 East of the Willamette Meridian, in the County of Clackamas County and State of Oregon, described as follows:

Beginning at a point on the Section line 21.87 chains West of the Southeast corner of said Section 34, said point beginning being also the most Northerly Northwest corner of that certain tract described in Deed recorded in Book 51, page 183. Deed Records; thence South 19°30' West 3.65 chains to the center of Sunnyside Road; thence North 65°15' West 3.56 chains to a corner in the tract conveyed by Fred Gage and wife to Louis T. Birkenfeld and Keith W. Birkenfeld by Deed recorded December 4, 1930 in Book 209, page 107, Deed Records and the true point of beginning; thence North 18°30' East 3.26 chains to a corner in said Birkenfeld tract; thence southeasterly along the Southerly line of said Birkenfeld tract a distance of 63.36 feet; thence South 18°30' West a distance of 220 feet, more or less, to the center of Sunnyside Road; thence North 65°15' West along the center of said road to the true point of beginning.

EXCEPTING THEREFROM that portion lying within the boundary of public roads and highways, including that shown in Deed Record 2008-036544, recorded in the Deed Records of Clackamas County, Oregon.

Tax lots 22E03AB00100 and 12E34D 01700

Parcel I:

Part of the Northwest one-quarter of the Northeast one-quarter of Section 3, Township 2 South, Range 2 East of the Willamette Meridian, in the County of Clackamas and State of Oregon, described as:

Beginning at a point on the North line of said Section 3, a distance of 20.37 chains West of the Northeast corner of said Section 3; thence West 1.87 chains on the section line; thence South 19°30' West 3.65 chains to the center of the county road, thence Easterly along center of said road to a point which is 4.78 chains South from the place of beginning; thence North 4.78 chains to the place of beginning.

PARCEL II:

Part of the Southeast one-quarter of Section 34, Township 1 South, Range 2 East of the Willamette Meridian, in the County of Clackamas and State of Oregon, more particularly described as beginning at an iron pipe which is West on the section line, 20.37 chains from the Southeast corner of said section; thence West 1.87 chains to a pipe; thence North 19°30' East 363 feet to a pipe on the West line of the Southeast one-quarter of the Southeast one-quarter of said section; thence South on the sixteenth section line 351 feet to the place of beginning

EXCEPTING THEREFROM that portion conveyed to Clackamas County for road purposes recorded August 10, 1979 as Recorder's Fee No. 79-34524, Clackamas County Deed of Records; and that portion recorded March 23, 2007, Deed Record 2007-025077; and that portion recorded March 23, 2007, Deed Record 2007-025071.

EXHIBIT F

Scope of Development

The Development is for the commercial improvement of the property located at 11521 SE Sunnyside Road in Clackamas County, which includes several properties/former home sites that were impacted in 2002 by the Sunnyside Road Improvement Project. The Development is approximately +/- 1.10 acres.

The Development will include a new ±4,994-square-foot retail-commercial building designed to reflect a contemporary interpretation of the Oregon Rustic Style of the Happy Valley Style Design Guidelines and Standards, which will include a bank use with two additional tenant spaces for future lease.

Onsite project amenities may include:

- Complementary landscaping
- ADA compliant pedestrian connection to SE Sunnyside Road
- Bicycle parking rack
- Screened mixed solid waste/recyclables storage facility
- Landscaped automobile parking area

POST-CLOSING ESCROW AND DEVELOPMENT AGREEMENT

THIS POST-CLOSING ESCROW AND DEVELOPMENT AGREEMENT (this “**Agreement**”) is entered into by and among **CLACKAMAS COUNTY DEVELOPMENT AGENCY**, the Urban Renewal Agency of Clackamas County, a corporate body politic (the “**Agency**”) and **G PROPERTIES, LLC** an Oregon limited liability company (“**Developer**”), and **CHICAGO TITLE COMPANY OF OREGON**, an Oregon corporation (“**Escrow Holder**”). The latest date on which this Agreement is signed by Agency and Developer (as indicated below by their signatures herein) is referred to in this Agreement as the “**Effective Date**.”

RECITALS

A. Pursuant to that Disposition Agreement effective _____, 2017 (the “**DA**”), Developer acquired from Agency that certain real property comprised of approximately 0.52 acres of land owned by the Agency located west of SE 117th Avenue on Sunnyside Road in Clackamas County, Oregon, as more particularly described in Exhibit “**B**” of the DA (the “**Property**”). All capitalized terms used in this Agreement and not otherwise defined herein shall have their meaning as set forth in the DA.

B. In connection with the DA and in furtherance of the Plan, Agency desires that Developer construct the Building Improvements (defined below), and Developer wishes to do so, on and subject to the terms and conditions of this Agreement. As used herein, the “**Building Improvements**” means the 5,000 square foot commercial building and associated improvements on the Property as described in **Exhibit “A,”** attached hereto.

C. In addition, the parties desire to establish at Closing an escrow account (the “**Account**”) in the total amount of Twenty Thousand and No/100 Dollars (\$20,000.00) (the “**Funds**”), payable at Closing by the developer, to be held by the Escrow Holder as security for satisfaction of the obligation of the Developer to complete the Development Goals, as provided herein.

D. Escrow Holder has agreed to serve as the escrow agent for the Account and to disburse the amounts deposited with it in accordance with the terms of this Agreement.

AGREEMENT

1. **DEVELOPMENT GOALS.** Subject to the terms and conditions of this Agreement, Developer will pursue Substantial Completion of the Building Improvements in accordance with and within the limitations specified in **Exhibit “A,”** “Scope of Development,” attached hereto and made a part hereof, within twenty-four (24) months after the Effective Date, subject to delays due to force majeure, delays caused by the Agency or its elected officials, officers, directors, shareholders, members, managers, employees, affiliates, agents, successors, assigns, and/or any other person or entity acting on its behalf or under its direction or control, and any other causes beyond the reasonable control of Developer or that could not have been foreseen or provided against. For purposes of this Agreement, delays caused by the action or inaction of the

Agency shall not include the passage of time attributable to any permit or development review procedure, or other standard decision-making process that could be associated with the Agency's function as a public entity. As used in this Agreement, "Substantial Completion" of a work or improvement shall mean that the applicable work or improvement has been completed to the point that it can be used or occupied for its intended purpose and the only incomplete items are minor or insubstantial details typically found in a so-called "punch list." The Developer agrees, at its own cost and expense, to install or construct, or cause to be installed or constructed, the required Building Improvements in accordance with the terms of this Agreement and with all applicable specifications, standards and codes and requirements, including those of the County and the State of Oregon.

2. **CONSTRUCTION SCHEDULE.** Developer shall use commercially reasonable efforts to begin and complete all construction and development of the Building Improvements within the time specified in the Schedule of Performance, specified in **Exhibit "B,"** attached hereto and made a part hereof, except as otherwise permitted herein.

3. **GOVERNMENTAL PERMITS.** Before commencement of construction or development of any buildings, structures or other works or improvements in connection with the Building Improvements upon the Property, the Developer shall, at its own expense, secure or cause to be secured, any and all land use, construction, and other permits which may be required by any governmental agency. The Agency shall cooperate with the Developer and permitting agencies in obtaining the necessary permits.

4. **TERM.** The term of this Agreement shall commence on the Effective Date and, except as otherwise provided herein, end on the date that all funds in the Account have been disbursed in accordance with the terms of this Agreement.

5. **ACCOUNT.**

5.1 **Appointment.** Agency and Developer appoint Escrow Holder to receive and hold the Funds in the Account for the benefit of Agency and Developer and to disburse the funds in the Account in accordance with the terms of this Agreement. Escrow Holder accepts that appointment.

5.2 **Account Deposit.** On the date hereof, Developer shall deposit the Funds in the Account. Until disbursed as provided herein, all funds in the Account (as may vary from time to time, the "**Account Funds**" or the "**Security Deposit**") shall be held by the Escrow Holder in accordance with the terms of this Agreement.

5.3 **Investment of Funds.** Escrow Holder shall invest the Account Funds in an interest-bearing account fully insured by the Federal Deposit Insurance Corporation. All interest earned on Account Funds shall automatically be added to and become part of the funds in the Account.

5.4 **Disbursement of Account Funds.** Except as otherwise expressly provided in this paragraph, upon Substantial Completion of the Building Improvements under the conditions set forth above in Section 1, all Funds shall be disbursed to Developer following written request by Developer that is approved in writing by Agency, which approval will not be unreasonably

withheld, conditioned or delayed. The sole condition for disbursement of the Security Deposit to Developer is the Substantial Completion of the Building Improvements under the conditions set forth above in Section 1. Notwithstanding the foregoing, if the Building Improvements are not substantially completed within twenty-four (24) months after the Effective Date, subject to delays due to force majeure or other causes beyond the reasonable control of Developer, the entire Security Deposit shall be disbursed to Agency, subject to the written approval of Developer, which approval will not be unreasonably withheld, conditioned or delayed. The Security Deposit shall be disbursed by a single payment, and shall not be paid on a pro rata basis or otherwise disbursed in installments.

5.5 **Disbursements**. Escrow Holder shall disburse to the payee within three (3) business days after receipt of a written request of a party, approved in writing by the other party. With respect to any disbursement request of a party that is subject to the approval of the other party, such approval shall be deemed given if the other party fails to give notice of disapproval to the requesting party within twenty (20) business days of receipt of the request.

5.6 **Termination of Account**. The Account shall be terminated upon disbursement of all Account Funds as provided in this Agreement.

6. **LIMITATION OF LIABILITY**. Notwithstanding any other provision herein, the liability of either party under this Agreement shall be strictly limited solely to a sum equal to the Account Funds as provided by this Agreement. In no event shall either party have any obligations or liability whatsoever with respect to this Agreement in excess of the Account Funds or with respect to any assets of either party (other than the Account Funds). Except solely for either party's right to disbursement of the Account Funds as provided in this Agreement, both parties hereby waive, release, covenant not to sue and forever discharge the other party and its elected officials, officers, directors, shareholders, members, managers, employees, affiliates, agents, successors and assigns of, for, from and against any and all Claims (defined below) arising from or related to this Agreement, whether such Claims relate to the period before, on or after the Closing Date. As used herein, "**Claims**" shall mean any and all actual or threatened claims, detriments, rights, remediation, counterclaims, liens, controversies, obligations, agreements, executions, debts, covenants, promises, suits, causes of action, actions, demands, liabilities, losses, damages, assessments, judgments, fines, penalties, threats, sums of money, accounts, costs, expenses, known or unknown, direct or indirect, at law or in equity (including, without limitation, reasonable attorneys' fees and other professional fees of attorneys and professionals selected by Developer), whether incurred in connection with any investigation, non-judicial, quasi-judicial, judicial, mediative, arbitral, or administrative actions or proceedings or otherwise (including pretrial, trial, appellate, administrative, bankruptcy or insolvency proceedings) or in settlement or in any other proceeding and whether or not suit was filed thereon. The provisions of this Section 6 shall survive the expiration or termination of this Agreement.

7. **ESCROW HOLDER**.

7.1 **Duties of Escrow Holder**. Escrow Holder shall act with reasonable diligence in performing its duties hereunder. Agency or Developer may at any time, from time to time, require an accounting of all monies deposited into and remitted from the Account. Within ten

(10) days after the end of each calendar quarter, Escrow Holder shall send to Agency and Developer a statement showing all deposits, withdrawals, and interest credits of the Account for the previous calendar quarter, as well as the current balance of the Account.

7.2 **Claims of Escrow Holder.** Escrow Holder shall have no claim against the Account or Account Funds and relinquishes any right or claim it may have against the Account and such Account Funds.

7.3 **Resignation of Escrow Holder.**

(a) Escrow Holder may resign as escrow agent hereunder at any time by giving sixty (60) days prior written notice to Agency and Developer. In such event Agency shall select a new escrow agent doing business in the Portland, Oregon metropolitan area, whose selection shall be subject to the reasonable approval of Developer. Promptly after selection of the new escrow agent, Escrow Holder shall transfer over to the new escrow agent all of the funds in the Account and shall be relieved of any duties hereunder arising thereafter except for the obligation to give the reports required hereunder with respect to any prior or current periods. Contemporaneously with such transfer, Escrow Holder shall deliver to Agency and Developer a report showing the amount transferred. The new escrow agent shall execute and deliver an instrument accepting its appointment and the new escrow agent shall be vested with all of the estates, properties, rights, powers and duties of the predecessor escrow agent as if originally named as Escrow Holder.

(b) If Escrow Holder resigns upon written notice as provided for hereinabove and successor escrow agent is not appointed within thirty (30) days after such notice, then Escrow Holder may petition to an Oregon court of competent jurisdiction to name a successor and agrees to perform its duties hereunder until its successor is named.

7.4 **Instructions to Escrow Holder.** All instructions to Escrow Holder shall be submitted in writing, signed by an authorized representative of the submitting party, with a simultaneous copy to the other party. Once submitted, instructions may not be withdrawn or altered without the consent of both the Agency and the Developer.

7.5 **Escrow Fees.** Escrow fees shall be shared equally by Developer and the Agency.

8. **DEVELOPER OBLIGATIONS UNDER THE PLAN.** Pursuant to Section 630 and 900 of the Plan, Developer agrees as follows:

8.1 The Property shall be used for the purposes designated in the Plan, and shall develop and use the Property in accordance with the land use provisions and building requirements specified in the Plan.

8.2 Developer shall begin and complete the development of the Property within the time periods set forth in this Agreement, which the Agency deems to be a reasonable period of time for redevelopment of the Property.

8.3 The Developer shall submit all plans and specifications for the construction of the Building Improvements to the Agency for review and approval to determine compliance of such plans and specifications with the Plan.

8.4 Developer covenants that it will not discriminate against any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin, ancestry or disability in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property.

8.5 Developer shall maintain the Property in a clean, neat and safe condition.

8.6 The foregoing covenants shall be binding upon and run for the benefit of the parties hereto and their respective assigns and successors in interest, subject to Section 9.12. In the event the Developer or any of its lessees, licensees, agents or other occupants, uses the Property in a manner inconsistent with Section 8 of this Agreement, the Agency may bring all appropriate legal and equitable actions.

9. **GENERAL PROVISIONS.**

9.1 **Attorneys' Fees.** The parties shall bear their own costs and attorney fees in the event an action is brought to enforce, modify or interpret the provisions of this Agreement.

9.2 **Notice.**

(a) All notices given pursuant to this Agreement shall be in writing and shall either be (i) mailed by first class mail, postage prepaid, certified or registered with return receipt requested, or (ii) delivered in person or by nationally recognized overnight courier.

(b) Any notice (i) sent by mail in the manner specified in subsection (a) of this section shall be deemed served or given three (3) business days after deposit in the United States Postal Service, and (ii) delivered by nationally recognized overnight courier shall be deemed served or given on the date delivered or refused (or the next business day if not delivered on a business day). Notice given to party in any manner not specified above shall be effective only if and when received by the addressee as demonstrated by objective evidence in the possession of the sender.

(c) The address of each party to this Agreement for purposes of notice shall be as follows:

AGENCY:

Clackamas County Development Agency
c/o Development Agency Manager
150 Beaver Creek Road
Oregon City, Oregon 97045
Attn: Dave Queener
Email: davidque@co.clackamas.or.us

DEVELOPER:

G Properties, LLC
PO Box 1489
Clackamas, OR 97015
Attn: Ronnie Wilson
Email: ronnie@wilsoncompanyinc.com

ESCROW HOLDER:

Chicago Title Company of Oregon
10151 SE Sunnyside Road, Suite 300
Clackamas, Oregon 97015
Attn: _____
Email: _____

9.3 **Nonliability of Officials and Employees.** No member, manager, shareholder, director, officer, elected official, employee, affiliate, agent, or representative of any of the parties shall be personally liable to the other party or any successor-in-interest thereto, in the event of any default or breach by either party or for any amount that may become due to either party or its successor, or any obligations under the terms of this Agreement.

9.4 **Headings.** Any title of the several parts and sections of this Agreement are inserted for convenience or reference only and shall be disregarded in construing or interpreting any of its provisions.

9.5 **Time of Essence.** Time is of the essence of this Agreement. All obligations of the Agency and the Developer to each other shall be due at the time specified by the Agreement, or as the same may be extended by mutual agreement of the parties in writing

9.6 **Severability.** If any clause, sentence or any other portion of the terms and conditions of this Agreement become illegal, null or void for any reason, or held by any court of competent jurisdiction to be so, the remaining portion will remain in full force and effect

9.7 **No Partnership.** Neither anything in this Agreement nor any acts of the parties hereto shall be deemed or construed by the parties hereto, or any of them, or by any third person, to create the relationship of principal and agent, or of partnership, or of joint venture, or any association between any of the parties to this Agreement.

9.8 **Nonwaiver of Government Rights.** Subject to the terms and conditions of this Agreement, by making this Agreement, the Agency is specifically not obligating itself, the County, or any other agency with respect to any discretionary action relating to the acquisition of the Property or development, operation and use of the improvements to be constructed on the Property, including, but not limited to, condemnation, comprehensive planning, rezoning, variances, environmental clearances or any other governmental agency approvals that are or may be required.

9.9 **Non-Integration.** This Agreement supplements the obligations of the parties under the DA, all of which shall be construed to be consistent with one another to the maximum extent possible. The terms and provisions of this Agreement do not modify or otherwise affect

the terms and provisions of any other agreement between some or all of the parties hereto. All waivers of the provisions of this Agreement must be in writing by the appropriate authorities of the Agency and the Developer, and all amendments thereto must be in writing by the appropriate authorities by the Agency and the Developer.

9.10 **Further Assurances.** The parties to this Agreement agree to execute and deliver such additional documents and to perform such additional acts as may be reasonably necessary to give effect to the terms and provisions contemplated herein.

9.11 **Counterparts; Facsimile and Electronic Signatures.** This Agreement may be executed in counterparts. Facsimile and electronic transmission of any signed original document, and retransmission of any signed facsimile or electronic transmission, shall be the same as delivery of an original. At the request of either party, or an escrow officer, the parties shall confirm facsimile transmitted signatures by signing an original document.

9.12 **Binding Effect.** Except as otherwise provided herein, no party hereunder shall assign its rights and/or obligations under this Agreement without the consent of the other, which consent shall not be unreasonably withheld, conditioned or delayed. This Agreement is made for the sole benefit of the parties hereto and their permitted successors and assigns, and no other person or party shall have any right of action under this Agreement or any right to the funds in the Account. Subject to the terms of this Section 9.12, this Agreement shall be binding upon and inure to the benefit of the parties, and their respective heirs, personal representatives, successors and assigns. Notwithstanding the foregoing provisions of this Section 9.12 or any other terms or provisions of this Agreement, Developer may assign this Agreement and all associated agreements, rights, and obligations, and Developer may transfer its ownership right, title, and interest in the Property, to an affiliated company, limited liability company, corporation, partnership, or any other entity with at least fifty percent (50%) ownership by Ronnie Wilson.

9.13 **Force Majeure.**

(a) **Event of Force Majeure.** The time for performing obligations under this Agreement shall be extended, on a day-for-day basis, due to, and a party shall not be liable for, or deemed in breach of this Agreement because of, any failure or omission to timely carry out or observe its obligations under this Agreement, to the extent that such performance is rendered impossible or is materially and demonstrably delayed by any event where the failure to perform or the delay is beyond the reasonable control of, and could not have been reasonably foreseen by, the nonperforming party; provided that such event is not caused by or attributable to the negligence or fault of, or breach of its obligations hereunder by, such party, and could not have been avoided by prudent commercial practices (any such event, a “Force Majeure Event”).

(b) **Notice of Force Majeure Events.** As a condition to claiming a Force Majeure Event, the claiming party shall promptly give the other party a written notice describing the particulars of the Force Majeure Event of the occurrence of any such Force Majeure Event, including an estimate of the expected duration and the probable impact of the Force Majeure Event on the performance of such party’s obligations hereunder. The parties hereto agree to use reasonable efforts to notify each other of potential Force Majeure Events and update each other on developments regarding potential Force Majeure Events.

(c) **Mitigation.** Suspension or extension of a party's obligations or performance under this Agreement due to a Force Majeure Event shall be of no greater scope and no longer duration than is reasonably required by such Force Majeure Event. The party claiming a Force Majeure Event, where reasonably possible, shall have a duty to alleviate and mitigate the cause and effect arising from such Force Majeure Event, and to resume performance of its affected obligations under this Agreement promptly after being able to do so. The burden of proof with respect to a Force Majeure Event shall be on the party claiming the same.

9.14 **Exhibits.** All exhibits listed on the signature page below and attached hereto are incorporated into and constitute a part of this Agreement.

9.15 **Saturday, Sunday and Legal Holidays.** If the time for performance of any of the terms, conditions and provisions of this Agreement shall fall on Saturday, Sunday or legal holiday, then the time of such performance shall be extended to the next business day thereafter.

9.16 **Neutral Construction.** This Agreement has been negotiated with each party having the opportunity to consult with legal counsel and shall not be construed against either party.

9.17 **Applicable Law.** This Agreement shall be construed, applied and enforced in accordance with the laws of the State of Oregon without giving effect to the conflicts of law provision thereof.

9.18 **Waiver.** Failure of either party at any time to require performance of any provision of this Agreement shall not limit the party's right to enforce the provision. Waiver of any breach of any provision shall not be a waiver of any succeeding breach of the provision or waiver of the provision itself or any other provision.

9.19 **Memorandum of Agreement.** On or about the Effective Date, the parties will execute and deliver a memorandum of this Agreement in mutually acceptable form, which shall be recorded in the official records of Clackamas County, Oregon. This Agreement shall not be recorded. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective assigns and successors in interest. Upon termination of this Agreement, the parties shall execute and record at Developer's expense an instrument in mutually acceptable form evidencing such termination.

9.20 **Dispute Resolution.** Each party waives its rights to trial by jury in any claim, action, suit, or proceeding arising out of this Agreement or the transactions relating to its subject matter.

[SIGNATURES START ON NEXT PAGE]

IN WITNESS WHEREOF the parties have executed this Agreement to be effective as of the day and year first above written.

DEVELOPER:

G Properties, LLC

an Oregon limited liability company

By: _____

Name: _____

Date of Execution: _____

IN WITNESS WHEREOF the parties have executed this Agreement to be effective as of the day and year first above written.

AGENCY:
Clackamas County Development Agency
a corporate body politic

By: _____
Name: _____
Title: _____
Date of Execution: _____

IN WITNESS WHEREOF the parties have executed this Agreement to be effective as of the day and year first above written.

ESCROW HOLDER:
Chicago Title Company of Oregon
an Oregon corporation

By: _____
Name: _____
Title: _____
Date of Execution: _____

List of Exhibits

Exhibit A Scope of Development
Exhibit B Schedule of Performance

EXHIBIT A

Scope of Development

The Development is for the commercial improvement of the property located at 11521 SE Sunnyside Road in Clackamas County, which includes several properties/former home sites that were impacted in 2002 by the Sunnyside Road Improvement Project. The Development is approximately +/- 1.10 acres.

The Development will include a new ±4,994-square-foot retail-commercial building designed to reflect a contemporary interpretation of the Oregon Rustic Style of the Happy Valley Style Design Guidelines and Standards, which will include a bank use with two additional tenant spaces for future lease.

Onsite project amenities may include:

- Complementary landscaping
- ADA compliant pedestrian connection to SE Sunnyside Road
- Bicycle parking rack
- Screened mixed solid waste/recyclables storage facility
- Landscaped automobile parking area

EXHIBIT B

Schedule of Performance

- July 2017 submission for grading permit
- July/August 2017 submission for site development permit
- August/September 2017 request grading permit and commence excavation
- August/September 2017 submission for building permit
- September/October 2017 request site development permit and commence site work
- October/November 2017 request site building permit
- Fall to late Spring/early Summer 2018 construction of project
- Late Spring/early Summer 2018 completion of project



M. BARBARA CARTMILL
DIRECTOR

DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT
DEVELOPMENT SERVICES BUILDING
150 BEAVERCREEK ROAD OREGON CITY, OR 97045

August 10, 2017

Board of County Commissioners
Clackamas County

Members of the Board:

Approval of Amendment #1 to the Cooperative Improvement Agreement between
Oregon Department of Transportation (ODOT) and Clackamas County
Service District No. 5 (CCSD#5) for McLoughlin Blvd. Street Lighting

Purpose/Outcomes	Provide an agreement between ODOT and CCSD#5 for conditions and funding contribution related to the street lighting installation on McLoughlin Blvd. between the cities of Milwaukie and Gladstone.
Dollar Amount and Fiscal Impact	Total estimated project costs: \$1,723,852 Project funding: Option B Pole Sales, Energy Trust Credit and ODOT contribution
Funding Source	ODOT and CCSD#5
Duration	Useful life of the constructed facilities
Previous Board Contact	Business meeting on 02/04/2016
Strategic Plan Alignment	Promotes a safe, healthy and secure community through the enhanced nighttime visibility created with new street lighting.
Contact Person	Wendi Coryell, Service District Specialist - DTD Engineering 503-742-4657 (Phone) wendicor@clackamas.us
Contract No.	None

BACKGROUND:

On February 4, 2016 the board approved an agreement which memorialized ODOT's financial commitment and outlines roles and responsibilities between the district and ODOT for construction of the McLoughlin Blvd. lighting project. This agreement revises the ODOT contribution amount.

The amendment to the cooperative improvement agreement is attached for your review and approval.

RECOMMENDATION:

Staff respectfully recommends that the Board of County Commissioners, acting in the capacity of governing board for Clackamas County Service District No. 5, approve the attached amendment to the cooperative improvement agreement to install street lighting on McLoughlin Blvd., between the cities of Milwaukie and Gladstone.

Respectfully submitted,

Wendi Coryell, Service District Specialist
Department of Transportation and Development

AMENDMENT NUMBER 01
COOPERATIVE IMPROVEMENT AGREEMENT
CLACKAMAS COUNTY URBAN HIGHWAY ILLUMINATION
OR99E - McLoughlin Boulevard

This is Amendment No. 01 to the Agreement between the **State of Oregon**, acting by and through its Department of Transportation, hereinafter referred to as "State," and **Clackamas County Service District No. 5**, acting by and through its elected officials, hereinafter referred to as "Agency," entered into on February 8, 2017.

It has now been determined by State and Agency that the Agreement referenced above shall be amended to revise the State's contribution towards the total project cost.

1. **Effective Date.** This Amendment shall become effective on the date it is fully executed and approved as required by applicable law.
2. **Amendment to Agreement.**

Exhibit B shall be deleted in its entirety and replaced with the attached Revised Exhibit B. All references to "Exhibit B" shall hereinafter be referred to as "Revised Exhibit B."

TERMS OF AGREEMENT, Paragraph 2, Page 2, which reads:

2. The total cost of the Project is estimated to be \$1,064,825, which is subject to change. State shall contribute up to \$210,000 to the District for Project expenditures. District will be responsible for financing all Project costs in excess of State's contribution. If installation of the Project is not completed by September 30, 2018, District shall reimburse State for funds disbursed to District for the Project.

Is deleted in its entirety and replaced with the following:

2. The total cost of the Project is estimated to be \$1,723,852, which is subject to change. State shall contribute up to \$400,000 to the District for Project expenditures. District will be responsible for financing all Project costs in excess of State's contribution. If installation of the Project is not completed by September 30, 2018, District shall reimburse State for funds disbursed to District for the Project.

DISTRICT OBLIGATIONS, Paragraph 1, Page 2, which reads:

1. District shall pursue with due diligence the annexation of properties into the District which is necessary for the successful completion of the Project and ongoing operations. Within thirty (30) days of the date all required signatures have been obtained on this Agreement, and the needed properties have been

annexed into the District, District shall notify State and State shall send to District its \$210,000 contribution toward funding for the Project.

Is deleted in its entirety and replaced with the following:

1. District shall pursue with due diligence the annexation of properties into the District which is necessary for the successful completion of the Project and ongoing operations. Within thirty (30) days of the date all required signatures have been obtained on this Agreement, and the needed properties have been annexed into the District, District shall notify State and State shall send to District its \$400,000 contribution toward funding for the Project.

STATE OBLIGATIONS, Paragraph 1, Page 2, which reads:

1. Within thirty (30) days of the date State receives notice from District that the properties have been annexed into the District, and required signatures have been obtained on this Agreement, State shall send to District its \$210,000 contribution toward funding for the Project.

Is deleted in its entirety and replaced with the following:

1. Within thirty (30) days of the date State receives notice from District that the properties have been annexed into the District, and required signatures have been obtained on this Agreement, State shall send to District its \$400,000 contribution toward funding for the Project.
3. **Counterparts.** This Amendment may be executed in two or more counterparts (by facsimile or otherwise) each of which is an original and all of which when taken together are deemed one agreement binding on all Parties, notwithstanding that all Parties are not signatories to the same counterpart.
4. **Original Agreement.** Except as expressly amended above, all other terms and conditions of the original Agreement are still in full force and effect. Agency certifies that the representations, warranties and certifications in the original Agreement are true and correct as of the effective date of this Amendment and with the same effect as though made at the time of this Amendment.

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

SIGNATURE PAGE TO FOLLOW

District/State
Agreement No. 29969-01

CLACKAMAS COUNTY SERVICE DISTRICT NO. 5, by and through its elected officials

By _____

Date _____

By _____

Date _____

LEGAL REVIEW APPROVAL
(If required in Agency's process)

By _____
Agency Counsel

Date _____

Agency Contact:

Wendi Coryell, Clackamas County
Service District Specialist
150 Beaver Creek Road
Clackamas, OR 97015
503-742-4667
wendicor@clackamas.us

State Contact:

Richard Garrison, Project Manager
123 NW Flanders Street
Portland, OR 97209
503-731-8462
Richard.F.Garrison@odot.state.or.us

STATE OF OREGON, by and through its Department of Transportation

By _____
Highway Division Administrator

Date _____

APPROVAL RECOMMENDED

By _____
Region 1 Manager

Date _____

By _____
State Traffic Engineer

Date _____

By _____
Region 1 Traffic Engineer

Date _____

By _____
District 2B Manager

Date _____

By _____
District 2C Manager

Date _____

APPROVED AS TO LEGAL SUFFICIENCY

By _____
Assistant Attorney General

Date: _____

REVISED EXHIBIT B – PROJECT ESTIMATE

Light McLoughlin - Construction Cost Estimate					
					Revised 6-1-17
Element	Unit(s)	Unit Cost / Rate	Number	Cost / Revenue	Note:
Wood Pole Lumination (West Side)					
Luminary (Cobra - LED) -Existing Wood Pole	Luminary	N/A	86	\$0.00	No cost to District
Luminary (Cobra - LED) - New Wood Pole	Luminary	N/A	5	\$0.00	No cost to District
New Wood Interset Pole - 50'	Midspan Pole	\$5,000	5	\$25,000	
Replacement poles	Distribution pole	\$5,125.00	8	\$60,000	Night Work required
Discontinuance Cost for light replacement	Light			\$4,493	
Junction boxes	1324	\$147.84	61	\$10,000	\$5,688 lower than early estimates
Junction boxes	1730	\$175.44	5	\$1,000	
Photometrics Study (57.4%)				\$17,539	
West Side Subtotal				\$118,032	
New Aluminum Pole Lumination (East Side)					
Design (HHPR)				\$231,804	Survey, Mapping, Plans
Design (30%, 60%, 90%)				\$0.00	No cost from PGE
Luminary (Cobra - LED)	Luminary	\$83.00	64	\$0.00	No cost from PGE
New Aluminum Poles - 40'	Pole	\$64.00	64	\$0.00	No cost from PGE
Trench	Linear Feet	\$35	16000	\$693,000	Includes: conduit/ pole footing/junction box install. Night Work required.
Pedestals	Pedestal	\$ -	TBD	\$0.00	No cost to District
Circuitry and Energize	N/A	N/A	N/A	\$65,000.00	Increased \$5k (cost increases)
Photometrics Study (42.6%)				\$13,016.43	
Contracted Labor Costs (Night Work)				\$100,000.00	(boring/trench of (7) intersections)
Contracted Labor Costs (Day Work)				\$0.00	None anticipated
				\$0.00	ODOT Coordination (Agreement)
PGE Civil Inspector	N/A	N/A	N/A	\$65,000.00	Day work
PGE Civil Inspector	N/A	N/A	N/A	\$65,000.00	Night work
Traffic Control	N/A	N/A	N/A	\$40,000.00	Flagging costs (underground)
County Labor Costs (PM, Inspector, Const.Engineer	N/A	N/A	N/A	\$25,000.00	
East Side Contingency	Linear Feet	\$15	16000	\$240,000	Contingency Items:
					Sidewalk Panel Replacment
					Rock
					Utility Coordination / Conflicts
					Power source issues
					Geotech design
					Geotech potholing
					Environmental impacts
Bid/Construction Assistance				\$68,000.00	Survey
					Bid assistance
East Side Subtotal				\$1,605,820	
Total Estimated Project Cost				\$1,723,852	