



**City of Sutherlin
Regular Council Meeting
Monday, June 12, 2017
Civic Auditorium – 7:00 p.m.
AGENDA**

Mayor Todd McKnight
Council President Luzier
Councilors Boggs, Riggs, Stone, Tomlinson, and Vincent

1. CALL TO ORDER / FLAG SALUTE

2. ROLL CALL

3. INTRODUCTION OF MEDIA

4. PUBLIC COMMENT

[The purpose of citizen comment is to allow citizens to present information regarding agenda items only. A time limit of three minutes per citizen shall apply.]

5. CONSENT AGENDA

- a. May 8, 2017 Minutes – Regular Meeting
- b. May 22, 2017 Minutes – Workshop Meeting
- c. Special Events Liquor Waiver – Music Off Central

6. PUBLIC HEARING

- a. Sutherlin Oakland Enterprise Zone Boundary Change

7. COUNCIL BUSINESS

- a. Resolution 2017.09 – Oregon Transportation Infrastructure Bank (OTIB) Loan
- b. Central Avenue Engineering Subcontracts
- c. City & ODOT IGA – Central Avenue
- d. Resolution 2017.10 – Sutherlin Oakland Enterprise Zone Boundary Change
- e. Resolution 2017.11 – Budget Appropriations Adjustment
- f. Resolution 2017.12 – Supplemental Budget Adjustment
- g. City & School District IGA – Sutherlin Library
- h. Street Light Purchase Approval
- i. Splash Pad Equipment Purchase Approval

8. COUNCIL COMMENTS

9. PUBLIC COMMENT

[The purpose of citizen comment is to allow citizens to present information regarding items off the agenda. A time limit of three minutes per citizen shall apply.]

EXECUTIVE SESSION

192.660(2) (i) – Performance Evaluations of Public Officers and Employees

10. ADJOURN

Members of the audience who wish to address the Council will be invited to do so. Speakers must use the microphone stating their name and address prior to addressing the Council.

If you have a disability that requires special materials, service, or assistance, please call 541.459.2856 at least 48 hours prior to the meeting to arrange for accommodations



Call to Order & Flag Salute





ROLL CALL





Introduction Of Media





PUBLIC COMMENT

Agenda Items only





Consent Agenda



CITY OF SUTHERLIN
Regular City Council Meeting
Sutherlin Civic Auditorium
Monday, May 8, 2017 – 7:00pm

COUNCIL MEMBERS:

MAYOR: Tom Boggs, Wayne Luzier, Dennis Riggs, Forrest Stone, Travis Tomlinson, Seth Vincent
Todd McKnight

CITY STAFF: City Manager, Jerry Gillham
City Recorder, Debbie Hamilton
Deputy City Recorder, Diane Harris
Finance Director, Dan Wilson
Community Development Director, Brian Elliott
Public Works Superintendent, Aaron Swan
Public Safety Director, Kirk Sanfilippo
Deputy Fire Chief, Avery Hazzard
Deputy Fire Chief, Dan McCormick
City Attorney, Chad Jacobs (via Skype)

Audience: Mackenzie Price, Cassidy Leatherwood, Esten Harrington, Madelyn Higgins, Tristan Vincent, Regan Leatherwood, Nolan Carson, Grace Matteo, Hailey Boehm, Sydnee Tilley, Zach Lor, Wes Crawford, Bertha Egbert, Pam & Denny Cameron, Jerry & Kim Risk, Terry Brock, Rick & Sharon Troxel, Mike & Karen Meier, Jack & Tami Trowbridge, Brad Heaton, Sam Moody, Cheryl Owens, Harry & Linda Pinsent, Allen Sooter, Gail & Rodney Kuntz, Barbara Camin, Dale Counts, Wendy Schulze, Tadd Held, Kimberly Tomlinson, Michael Boehm, Gary Dager, Cheryl & William Atterbury, Wayne Calder, James Thatcher, Jeff Chase, Glenn Galusha, Jean Galleher, Daniel Kresky, Ivan Isaacson, Duane & Pam Waller, Angela Wallis, Michael Bochart, Chris Whitaker, J. Lindeen Brown, Nancy Anderson, Pat & Bert Bales, Susan Osland, Kristi Caviness, Joe Groussman, Curt Price, Katherine Williams, Michael Brown, Nolan Ramsay, Pamela Semas, Becky Wattles, Amber Vincent, Pat Greer, Mike & Ginny Ragans, Melissa Dopson, Gayla Holley, Teresa Call

Meeting called to order by Mayor McKnight at 7:00pm.

Flag Salute:

Roll Call: All present

Introduction of Media: None

PUBLIC COMMENT (agenda items only)

- Resident, Karen Meier, asked Council not to pass budget in its current form. Concerned with increases, ending cash balance, and believes it's not sustainable. Is against 15% incentive pay for employees to qualify as Volunteer Firefighters.
- Resident and business owner, Gary Dager, spoke against proposed business "license" [registration]. Concerned home based businesses will also require to registration. Feels contact information is already on the water bills.
- Business owner, Terry Brock – Feels regulations are potentially a good idea, concerned with compliance issues and extent of City's involvement. All for moving forward, not sure how it will play out.

Mayor McKnight announced audience members will also be able to ask questions and state concerns when Business Registration discussion is presented.

- Business owner, Jeff Chase, spoke of concerns regarding the registration, costs associated, and government's involvement.

- Resident, Joe Groussman, spoke in favor of the proposed “license” [registration]; Sutherlin is the second largest city in Douglas County where 7 out of 10 cities require business licenses/registrations. Police should have contact information for safety and security purposes.

PRESENTATIONS

• Sutherlin FFA Recognition

Mayor McKnight asked FFA Students and Ag. Instructor, Wes Crawford to the front of the room. City Recorder, Debbie Hamilton, read student’s names receiving FFA Public Speaking Competition Awards. Mayor McKnight presented students with certificates of congratulations. A quote from Crawford, was read by Hamilton, “All were first in their respective events. This degree of performance is unprecedented at the state level”. Audience members joined Mayor, Council, and Staff in a round of applause.

• Library Report

Mayor McKnight asked Jean Galleher to the front of the room. City Manager, Jerry Gillham, surprised Galleher by presenting an award to her in appreciation for her hard work in making the library’s future a success. Gillham provided a history of Galleher’s involvement. Jean Galleher provided a brief update:

- Friday’s newspaper captured library’s happenings and volunteers’ impact on the program.
- Now have over 50 volunteers; in April 26 volunteers provided 316 hours of service to keep the library doors open.
- Friends of the Library will be hosting a book sale June 3rd; library volunteers will also host an open house that day inviting the community to revisit the “all-volunteer” library.
- Big question being asked is when books can be checked out? This is still a work in progress.

Galleher expressed appreciation for being honored.

Nancy Anderson –

- Will continue with the reading program and Wednesday’s Story Time (10:00am) throughout the summer. Additional events are also planned for the children.
- Anderson acknowledged the area businesses for their generous donations to the program.

Library Board Member, Sean Mock, provided a Douglas County Task Force update.

- Several presenters shared plans and ideas to partner and help sustain the libraries.
- Best options are currently being examined; whether it is a special district to opt-in to, submitting a county-wide levy, privatization or farming out services.
- A sub-committee has been appointed to help determine the base level in terms of costs.
- Sutherlin Library has formed a non-profit; Sutherlin Education Library Foundation (SELF).

• Proclamation – Emergency Medical Services Week

Bay Cities Ambulance, Kristi Caviness, explained EMS week is to honor those in emergency services. Caviness presented a plaque of appreciation to the City for the continued support of Emergency Medical Services personnel in the City of Sutherlin. National EMS Week is May 21-27, 2017. The public is invited to attend the EMS Week Celebration BBQ, May 23rd from 11am-2pm, at Bay Cities Ambulance headquarters in Roseburg.

• Business Registration Discussion

City Manager, Jerry Gillham, explained the proposed business registration, one of Council’s priorities, is to consider some sort of element of a business registration. Contrary to what the public has heard there will be no vote tonight, this is for discussion only. A workshop is also planned for next Council meeting.

Council’s initial discussions included:

- Currently no dollar amount has been agreed on; Council is divided on that aspect.
- All businesses that have been sustaining for at least 10 years do not have to do anything.
- Businesses from 9 years to present can fill out a form on-line or come into City Hall. Contact information will be requested in case of emergency.
- If an ordinance is passed, all new businesses will fill out a form providing type of business, location, hours of operation and contact information for public safety.

Mayor McKnight reported there is a lot of wrong information going around town. He does not support charging a registration fee; it's not about making money. Would like to address zoning issues and have mechanism in place. Concerns have been voiced in the community about building inspections. Suggests Fire Department introduce themselves, get business contact information, layout of building and type of merchandise stored (such as flammables). In no way trying to get in the way of anyone's business, feels as long as in right zoning, they are free to do that business. Would like to know when new businesses come to town and help in promoting them. If citizens do not want a license, that is fine. Mayor McKnight encouraged citizen input and addressing issues of concern.

Councilor Riggs suggests allowing audience members to discuss their concerns and settle the rumors.

Mayor McKnight would like to hear from Council and Staff, and then open public discussions.

- Councilor Boggs – Feels all businesses need to register no matter how long they have been here for reasons that new public safety employees are not familiar with all of them. Support updating contact information for public safety purposes for both Police and Fire.
- Councilor Tomlinson – Need to have a system, is in support of a fee to cover staff's time. It legitimizes businesses and can discourage fly-by-night operations. Was alarmed to find out City doesn't require registration. Need to know who is where, and what is inside the buildings for safety purposes.
- Councilor Luzier – Main concern is for public safety and need for contact information. Water bills do not always provide all that information. Totally against the fee; am not sure where the rumors came from that fees *will be* charged.
- Councilor Riggs – Thanks citizens for showing up for the meeting. Registration is the price for doing business, but not for revenue purposes. If there is a fee, make it minimal, requiring a vote of the people to change. Firefighters need to know what is in a burning building.
- Councilor Vincent – In support from a public safety aspect, would like Fire Department to know where items are stored if responding to an emergency. If there is a charge, it should be at a zero cost basis. He provided an example of needing to know who businesses are and what they do; lack of regulations affect the community. Appreciates public attending and finding out the facts.
- Councilor Stone – Is against the registration, City already has mechanisms in place, as well as other agencies. New businesses in the area just need to talk to City Hall, not necessarily to register. City already has zoning regulations.

Public Safety Director, Kirk Sanfilippo, spoke of the three items of concern:

- Currently there is nothing in place that provides information for public safety.
- Without background checks do not know who is selling to whom, need to do what we can to protect the public.
- Fire & Life Safety – This goes to the heart of inspections.

Mayor McKnight asked about the criteria for drawing the line regarding background checks, and who decides whether they should have a business in town. ***Sanfilippo – Suggest turning that decision over to a person other than Police or Fire. However, can discuss concerns with Public Safety before making a decision. Sanfilippo shared information regarding a previous business in town that was dishonest to customers, costing patrons a lot of money, therefore a civil matter.***

Councilor Stone – How many businesses have had these issues? ***Cannot say for sure without researching; maybe as many as 20.*** Out of town people are the ones that scam, not the people in the buildings. Concerned Staff is panicking because of 2 businesses in the wrong zones. ***Think you are underplaying the problem, it's bigger than that.*** Feel this is another layer of government having control over businesses. In regards to chemicals, everyone has that in their home. ***But normally not 55 gallon drums. In the end this is a policy decision, Council can decide what they want, and staff will make that happen.***

Community Development Director, Brian Elliott, provided items of concern:

- This is about establishing a better business model for Sutherlin. Businesses come into CDD, normally after the fact or by way of a complaint. Staff addresses the complaints and if in correct zoning. This costs Staff time and attorney fees; if addressed up front can work with the business, helping them find a location in the right zone.
- Residential living is allowed in Commercial Zones (explained criteria). From a safety standpoint if there is a fire, would like to know if a resident is living in that building.
- Contact information is needed for emergency utility main breaks, and storm events.

Elliot – Recently had an incident involving flooding due to heavy rains. During the middle of the night, a business was within an inch of flooding and needed to be notified. Staff was finally able to find contact information after much research.

Public comments and concerns:

- Home Business owner, Mandi Jacobs – Operates a home based business, after attending a previous Workshop found they are exempt, which is good. Is against background checks and concerned with talk of “vetting” people. Is in support of registry.
- Business owner, Terry Brock – Spoke of concerns regarding public safety issues near his building. If City can help, he is all for it.
- Business owner, Daniel Kresky – Agrees with contact information list, but not background checks.
- Business owner, Jeff Chase – Concerned with future Councils changing things established now. ***Gillham asked if he is okay with idea requiring a vote of the people regarding registration fees.*** Chase agreed that is a good idea, but is against background checks.
- Business owner, Cheryl Owens – Spoke of past practices regarding Fire Department’s inspections and leaving a postcard for contact updates. Concerned business owners living outside the city will not be able to vote. How will City make sure new businesses register and what if they don’t comply? How will City compile and keep building layout information, making it available in case of emergencies?
- Business owner, Jerry Risk – Supports the business registry and public safety issues. Even though the number of illegitimate businesses in town may be small, it is only irrelevant if you’re not impacted by them. Spoke of OSHA inspections and repercussions after the fact.
- Dale Counts – Supports registry list with contact information for safety and emergency purposes.

Discussion continued regarding the registry, having a form available on line, and background checks.

Hamilton reported City receives a lot of inquiries regarding business registration, but many new businesses don’t ever contact the City.

- Business owner, Allen Sooter – Shared past history of how City kept track of contact information. Concerned about registration fee increases without regulations. Support the registration but wants to know where fee is being spent. Supports vote of the people regarding fees, is also concerned that home businesses and people with rental properties would be charged.

Councilors stated discussion has been that home businesses would be exempt, rental properties have not even been discussed.

- Business owner, Bertha Egbert – Where this will end, what criteria will be used? Is against the business registration.
- Business owner, Linda Pinsent – In support of the registration, but not the fees. Does not want business growth impeded.
- Rick Troxel – Feels Council will find a common ground. As a patron wants to know a business is a safe place to go.
- Denny Cameron – Discussion has been that those with more than two rentals would need to register. ***Gillham – That was a discussion 4 years ago, not now.*** Supports requiring a vote of the people but needs a charter amendment rather than an ordinance that future councils can change.

Chad Jacobs – To make it mandatory, a Charter amendment needs to take place. Can include in the ordinance an amendment has to go before a vote of the people.

- Business owner, Gary Dagel – Doesn’t feel there are that many problems in town to solve them this way. Need to consider how many people this will be affecting.
- Karen Meier – Needs to go before the vote of the people, including more than just fees. Don’t you have to fill out that information out now? ***No.***

Mayor McKnight – What I’m hearing is that not everyone does that, is that correct? ***Hamilton – Yes, a lot of businesses don’t own the building, and don’t have water/sewer service in their name.***

- Business owner, Jerry Risk – Looking at the “vision statement” on the wall, 4 of those items directly pertain to what is being discussed, we should enable this to happen. If requiring a vote of the people, since it pertains to businesses, maybe *they* should have that say. Need a comprehensive plan to establish a vibrant downtown.

Mayor McKnight confirmed audience opinions regarding registration preferences:

- ❖ Need contact information and place to register
- ❖ Need to address zoning issues

- ❖ No fees
- ❖ Changes to go before vote of the people
- ❖ Make it a Charter amendment rather than ordinance
- ❖ What happens if people don't register?
- Business owner, Brad Heaton – Suggests a pro-active, simple registry telling what is in your building but doesn't necessarily need Fire Department's inspection.
- Business owner, Terry Brock – His business is linked to other buildings, therefore concerned if they have something potentially dangerous it would also affect his business.
- Business owner, Teresa Call – Spoke about own experience having a business, having chemicals, fees, and insurance issues involved. Agree with giving contact information, but not background information. Feels Council is pushing people away from businesses.
- Pam Cameron – Registry is fine for people that are honest. How will City make people comply and what if they don't register?

Mayor McKnight – Encouraged audience members if they have any questions, please contact City Hall, and to support each other. Discussion will continue at the next Council meeting.

CONSENT AGENDA

- **April 10, 2017 Minutes – Regular Meeting**
- **April 10, 2017 Minutes – Workshop**
- **April 24, 2017 Minutes – Workshop**

MOTION made by Councilor Luzier to approve Consent Agenda; second by Councilor Tomlinson.

In Favor: Councilors Boggs, Tomlinson, Luzier, Riggs, Vincent, Stone and Mayor McKnight

Opposed: None

Motion carried unanimously.

PUBLIC HEARING

- **State Revenue Sharing**

Mayor McKnight opened the Public Hearing – State Revenue Sharing at 9:03pm.

Staff Report – Finance Director, Dan Wilson – This Public Hearing is required to allow the public to voice their opinion on the use of State Revenue Sharing Funds.

Mayor McKnight called for public comment. None received.

Mayor McKnight closed the public hearing at 9:04pm.

COUNCIL BUSINESS

- **Resolution 2017.05 – Adoption of 2017-2018 Budget**

Staff Report – Wilson – Budget was approved by the Budget Committee on April 17, 2017. Details are included in Resolution 2017.05.

MOTION made by Councilor Luzier to approve Resolution 2017.05 Adoption of 2017-2018 Budget as presented; second by Councilor Vincent.

Discussion: Councilor Stone - \$620,000 in Street Construction Fund is in a separate fund, but is not included in the resolution. *Wilson – That is Correct.* Why isn't it itemized? *It is itemized for the Central Avenue Project within the Street Construction Fund and in the 5-year Capital Improvement Plan.* Want to make sure that fund is strictly used for asphalt and concrete. *It certainly will be.* Gas tax was to go toward the trees and other things. *Ultimately it all goes into that one fund for whole project.* Ultimately supposed to go as far as we can before borrowing any money, do not want to break any laws.

In Favor: Councilors Boggs, Tomlinson, Luzier, Vincent, and Mayor McKnight

Opposed: Councilors Riggs and Stone

Motion carried.

- **Resolution 2017.06 – Certifying City Services**

Staff Report – Wilson – This is the first of two resolutions to accept State Revenue Sharing Funds, a Public Hearing has been done.

MOTION made by Councilor Stone to approve Resolution 2017.06 – Certifying City Services as presented; second by Councilor Tomlinson.

Discussion: None

In Favor: Councilors Boggs, Tomlinson, Luzier, Riggs, Vincent, Stone and Mayor McKnight

Opposed: None

Motion carried unanimously.

- **Resolution 2017.07 – Election to Receive State Revenue Sharing**

Staff Report – Wilson – This is the second of the two resolution to receive funds from the State.

MOTION made by Councilor Luzier to approve Resolution 2017.07 – Election to Receive State Revenue Sharing as presented; second by Councilor Riggs.

Discussion: None

In Favor: Councilors Boggs, Tomlinson, Luzier, Riggs, Vincent, Stone and Mayor McKnight

Opposed: None

Motion carried unanimously.

- **Resolution 2017.08 – Transportation System Plan Grant Authorization**

Staff Report – Community Development Director, Brian Elliott – Council's authorization is needed for Staff to move forward on the grant. Current TSP Plan is 12-years old, it is important in moving forward and to try for the grant. Estimated cost to update TSP is approximately \$150,000 - \$157,000. Grant requires a 12% "in-kind" match.

MOTION made by Councilor Luzier to approve Resolution 2017.08 – TSP's Transportation and Growth Management Plan Grant Authorization as presented; second by Councilor Tomlinson.

Discussion: How long does it take for the "in-kind" services? *Elliott – Grant deadline is June 9th, award date is August of 2017, project must be completed by 2020.*

In Favor: Councilors Boggs, Tomlinson, Luzier, Riggs, Vincent, Stone and Mayor McKnight

Opposed: None

Motion carried unanimously.

CITY COUNCIL COMMENTS

Councilor Boggs –

- None

Councilor Tomlinson –

- It seems downtown has a lot of second hand stores, in order to make city prosperous, need to open up our minds and look at the whole picture rather than the short term.

Councilor Luzier –

- Would like to thank those showing up for tonight's discussion. Feels it is important to refer to the registration as just that, doesn't like the term "license". Am definitely against a fee. Appreciates input and charter amendment. Looking forward to the next meeting for continued discussion.

Councilor Riggs –

- Appreciates citizens showing up tonight. Have heard rumors on social media, this is a forum to separate the wheat from the chaff. Encourages attendance at the next meeting.

Councilor Vincent –

- Huge thank you goes to the Sutherlin FFA, and happy they were honored tonight. It is truly amazing to see the youth that are coming out of these programs.
- Thanks community for support and input tonight. Unfortunately a lot of things get stirred up on social media. It's nice to have dialogue and hear input. It's not a back-door shady thing, we are doing. Wants to see Sutherlin become the go-to community drawing people in. Change and growth is not always easy, but if done carefully and thoughtfully, it can be a tremendous benefit for the quality of life not only now but years to come.

Councilor Stone –

- A previous Sutherlin business owner shut down his business in Sutherlin stating it is a hard community to do business in, don't understand, why it's different compared to other communities.

Feels businesses with a few employees are better than one employing 50 people; when they shut down, it shuts the city down.

- Was told by an inspector, new ODOT rules state anytime asphalt is dug up you have to bring everything up [sidewalks/ramps] to ADA Standards. Wants Staff to be aware of that, I have not heard about that until this weekend. ***Gillham – Don't understand why you haven't heard this; Staff has told Council that very same thing at least 2 dozen times during the Transfer of Authority (TOA). In fact, that is why the project is delayed.*** This is a brand new rule with available grant money. ***Public Works Superintendent, Aaron Swan – It was a rule two years ago, during overlay program, city had to bring all ramps up to standards.*** According to the rule they have to put new sidewalks in for Ft. McKay to Comstock project. ***There are no sidewalks there; the rule states if there is no existing sidewalks, standards don't apply, however will be addressed were sidewalks exist.***

Gillham – would like to suggest, when you hear these things, rather than coming to a Council meeting and pronounce it, just call City Staff for answers. I want everybody to hear whatever I have to say. ***You can get the answers from Staff first and then make your statement at a meeting. It would be more accurate and fair to the Staff rather than proclaiming something they aren't paying attention to.*** Want to be up front. ***We have been working with this, almost 3-year old rule, already.***

Swan – City's Traffic Engineer keeps Staff updated with all the changes.

- How is the N. Comstock Project going? ***They are very close to going out to bid.*** Then what are they stopping traffic for? ***Swan – They are moving communication and gas lines in preparation for the project.***
- Would like to thank the Lion's Club for the Public Safety Appreciation dinner.

Mayor McKnight –

- Would like to acknowledge Hamilton for participating with me at West Intermediate's Career Fair. She did a lot of work on her own time to provide treats for the kids.
- Would like to acknowledge the Lion's Club's Public Safety Appreciation event. Have been told the Rotary Club helped in the purchase of the food, as well. It was a very good event.
- Would also like to acknowledge Sutherlin FFA, this group is near and dear to me. It was important to recognize them for the outstanding job.

REPORTS

- **Sequential Batch Reactor (SBR) Pre-load Update**

Staff Report – Elliott provided the SBR Pre-Load Update. The project is complete and about \$129,000 under original contracted amount. Staff and engineer wanted to move forward, moving pre-load material back to Ford's Pond, giving the contractor more time on the [Wastewater Treatment Upgrade] project. In addition the 80, 2-3 ton blocks, used during the pre-load will be moved to Public Works Shop for creating bays for gravel, sand, and bark mulch. With the 2 change orders, we are still about \$50,000 under the original contract.

PUBLIC COMMENT –

- Pam Cameron – Thanked people for attending the Public Safety Appreciation Event, it was a huge success. Several groups contributed a lot of money and time to the event. At last Council meeting a statement was made by City Manager regarding actions by a “wife of a former Mayor” who circulated a petition for businesses to sign. Feels the statement is incorrect and didn't happen. She said she asked *no one* to sign *anything*.
- Linda Pinsent spoke concerning new [water/sewer] rates affecting her business. Recent leak added up to a very large bill. The new commercial rate for sewers, based on consumption, resulted in a sewer bill for \$175, feel this is ridiculous. ***Gillham – Did you come into City Hall to discuss this?*** Yes, they said I have to go to Council. ***Come into City Hall, we can take care of a leak adjustment.*** Am also concerned about the rate structure.
- Resident, Pat Bales – Thanked those attending Public Safety Appreciation event, it was well attended and looking forward to doing it again next year. Acknowledged all those who contributed their time and effort.
- Karen Meier recited ORS 294.100, regarding the expending budgeted monies unlawfully. In her opinion, the money in the Central Avenue Reserve Fund is for the Central Avenue Project, a

special capital fund for paving Central. The money has now been put into another fund that also includes \$3.2 million, therefore cannot be tracked.

ADJOURNMENT –

With no further business meeting adjourned at 9:39pm.

Approved:

Jerry Gillham, City Manager

Respectfully submitted by,

Diane Harris, Deputy City Recorder

Todd McKnight, Mayor

DRAFT

CITY OF SUTHERLIN
City Council Workshop Meeting
Sutherlin Civic Auditorium
Monday, May 22, 2017 – 7:00pm

COUNCIL MEMBERS:

MAYOR: Tom Boggs, Wayne Luzier, Dennis Riggs, Forrest Stone, Travis Tomlinson, Seth Vincent
Todd McKnight

CITY STAFF: City Manager, Jerry Gillham
Deputy City Recorder, Diane Harris
Public Works Superintendent, Aaron Swan
Community Development Director, Brian Elliott
Public Safety Director, Kirk Sanfilippo
City Attorney, Chad Jacobs (via Skype)

Audience: Bertha Egbert, Pam & Denny Cameron, Kimberly Tomlinson, Becky Wattles, Mike & Karen Meier, Tami Trowbridge, Pat & Bert Bales, Jeff Chase, Barbary Camin, Devin Story, Tadd Held, Daniel Kresky, Gary Dagel, Rodney & Gail Kuntz

Meeting called to order by Mayor McKnight at 7:00pm.

Flag Salute:

Roll Call: All Present

Media: April Ehrlich

Mayor McKnight reported the public is invited to speak during the workshop.

AGENDA CONFIRMATION

• **June 12th Agenda**

June 12th Agenda was presented in Council Packet for review.

City Manager, Jerry Gillham, requested 2 items be removed from tonight's agenda: 5b) Sutherlin-Oakland Enterprise Zone Boundary Line Adjustment and 6a) Central Avenue Engineering Progress. City Attorney, Chad Jacobs advised setting items aside to allow more time for discussions with ODOT and legal counsel.

COUNCIL PRIORITY PROGRESS REPORT

City Manager, Jerry Gillham – Staff to provide updates on key items within the Strategic Plan.

Community Development Director, Brian Elliott –

- Ford's Pond Open House will be held at Sutherlin's Community Center, May 24th from 5:30-7:00pm. Community can participate and have input for Ford's Pond Community Master Plan.
- Central Park Splash Pad's completion is anticipated for the first week in July.

Public Works Superintendent, Aaron Swan –

- N. Comstock bid [county project] was awarded to Cradar Enterprises for approximately \$1.5 million, a pre-construction meeting will be held Friday.

COUNCIL COMMENTS

Councilor Boggs –

- None

Councilor Luzier –

- None

Councilor Riggs –

- None

Councilor Vincent –

- None

Councilor Stone –

- Who is checking quality of work done on Central [Sewer Forcemain Project]? *Swan - Dyer Partnership has done inspections as project has progressed, as well as Staff. “Washboard” effect on the patch developed after the paving was completed. Unsure of the cause; however company [Emery & Sons] acknowledges it and will fix it.*

Mayor McKnight –

- Expressed appreciation to the Lion’s Club for flags on Central this past weekend and for their annual Mother’s Day Breakfast; they had a very good turnout as always.
- Acknowledged Chamber’s outstanding open house last weekend for New Century Realty.

WORKSHOP

- **Wastewater Treatment Plant 90% Final Design Update**

Staff Report – Elliott reported 90% WWTP Final Design is complete. Dyer Partnership Project Manager, Aaron Speakman, is available to answer any questions.

Speakman – The 90% review meeting with DEQ was held 2-weeks ago, we are keeping close to the original schedule.

Councilor Stone – Has removal of material [Sequential Batch Reactor (SBR) Pre-load site at WWTP] started yet? *Elliott – Removal will take place after final testing is completed. Material will be placed back at the southeast corner of Ford’s Pond. However, after reviewing, Ford’s Pond Master Plan’s Project Manager had a vision and suggested pre-load material be moved to second deck rather than top deck at Ford’s Pond.*

Discussion continued regarding the change order that was originally reported at May 8th Council meeting.

- **Oregon Transportation Infrastructure Bank (OTIB) Loan**

Staff Report – Gillham – Have been approved for the OTIB loan. They are asking for re-confirmation that City is still moving forward with the loan. With Council consensus, Staff will bring a resolution with loan options to Council for consideration. It appears the loan will be for \$505,000, with 2-annual payments of approximately \$27,000 each, for 10-years at 1.7% interest. State Gas Tax Revenue will more than cover the payments.

- **Business Registration Discussion**

Staff Report – Gillham expressed appreciation for citizen’s interaction at last meeting and acknowledged Mayor McKnight’s summarization of public’s key points of concern for the registration. Gillham reported Councilor Vincent brought up very good points earlier today stating this is still a discussion period, no decisions have been made. City has not decided on the point of enforcement and how to move forward.

Mayor McKnight – When will Staff present a format from last meeting’s discussion? *Gillham – It will be at your direction. It seems anything put in print is perceived as a final decision and is criticized, would like to just have open dialogue and brainstorming tonight.*

Council discussed registration, fees, enforcement, consequences for not registering, and solutions.

Councilor Luzier – Agrees with having a Charter Amendment; however, feels since businesses are the ones impacted, they should be the ones making the decisions rather than by vote of the public. Suggests if registry is approved, there should be a formation of a “Registered Business Member” committee. Charter Amendment should state they will meet no less than once annually or bi-annually per year. A majority vote from those *attending* should also be stated. Councilor Luzier reported business owner, Gary Dagel, suggested the formation of the committee where discussions could take place and ideas presented to Council. Councilor Luzier added if bottom line is citizens don’t want the registration that is fine.

Discussion continued on how information could be available for Public Safety responses and that property owners should be liable for a business located there.

Public Safety Director, Kirk Sanfilippo – Information regarding a hazardous environment can be entered into Douglas County Communications data base and available at response time. One can also be created for Public Safety’s iPads; information would be available when an address/name is called up.

- A form is already available in Community Development Department, can expand on the form. Need to get the word out its available, not trying to re-create the wheel.
- It seems public is not opposed to filling out a form, but are opposed to things forced upon them such as a background checks.

- Want to maintain the small town feel; need to help businesses that come into town. Right now it's wide open, need some guidelines. It is not about controlling a business.

Discussion continued regarding the formation of the business group as a Council appointed committee or strictly business members. Can look online for other cities registration forms to use as a guideline. City's proposed draft registration form is available in the May 8th Council packet.

PUBLIC COMMENT

- Business owner, Daniel Kresky – Agrees with Councilor Luzier's suggestions for the Charter amendment. Businesses are already highly regulated, doesn't want more regulations from the City.

Councilor Boggs – Many of the State and Federal regulations don't filter down into the local government.

- Business owner, Gary Dagel – Not opposed to what City is trying to do, but businesses need to have input. Feels the business member group would benefit from input from a Council member.

Mayor McKnight suggested Dagel and group put together some ideas, and touch base with Council.

Councilor Luzier – If assistance is needed or would like a Council member involved let them know.

- Jeff Chase – Likes what he is hearing now. Agrees Public Safety needs to know about hazardous materials, but doesn't support background checks.

Discussion continued regarding statements made at previous meetings. City Manager reiterated sharing ideas and brainstorming is part of the governance process. To be attacked for what is said is unfortunate.

- Kim Tomlinson – A week ago today, the tragic loss of a local business owner impacted the community. In order to come together for support, I contacted the City; they didn't know she had a business in town. That is why we need a registry, to be able to reach out to the community.

With no further discussions, Mayor McKnight announced Council will take a 5-minute break before going into Executive Session ORS 192.660(2) (e) – Real Property Transactions and 192.660(2) (f) – Exempt Public Records. Council will come back into regular session for possible decision and adjournment.

Executive Session called to order at 7:52pm.

Executive Session adjourned at 8:34pm.

Mayor McKnight announced Council is back in regular session at 8:34pm.

MOTION made by Councilor Riggs to authorize City Manager, on behalf of the City, to sell 1903 Ridge View Drive house and adjacent lots #500 & #600 for \$125,000; second by Councilor Vincent.

Discussion: None

In Favor: Councilors Tomlinson, Luzier, Riggs, Vincent, Stone, Boggs and Mayor McKnight.

Opposed: None

Motion carried unanimously.

ADJOURNMENT –

With no further business meeting adjourned at 8:36pm.

Approved: _____

Jerry Gillham, City Manager

Respectfully submitted by,

Diane Harris, Deputy City Recorder

Todd McKnight, Mayor



City of Sutherlin

STAFF REPORT					
Re: Alcohol Use in Central Park for "Music off Central" concert series				Meeting Date:	June 12, 2017
Purpose:	Action Item <input checked="" type="checkbox"/>	Workshop <input type="checkbox"/>	Report Only <input type="checkbox"/>	Discussion <input type="checkbox"/>	Update <input type="checkbox"/>
Submitted By: Jerry Gillham, City Manager				City Manager Review	<input checked="" type="checkbox"/>
Attachments: 2017 application & Schedule					

WHAT IS BEING ASKED OF COUNCIL?

Approve the use of alcohol in Central Park for the Music off Central concert series.

EXPLANATION

This event is starting its fifth season and is co-sponsored by the City, Chamber of Commerce, and Sutherlin Downtown Development, Inc. Our current code (12.36.270) requires a permit with insurance liability waiver. As such, SDDI has liability insurance and while the City too is a co-sponsor this requirement of the code is therefore, met.

OPTIONS

1. Approve alcohol in Central Park for the Music off Central events for 2017, or
2. Do not approve alcohol in Central Park for the Music off Central events for 2017.

SUGGESTED MOTION(S)

Move to approve the use of alcohol during the Music off Central concert series as presented.



CITY OF SUTHERLIN
SPECIAL USE PERMIT

- ☒ Central Park ☐ Rodeo Grounds ☐ Festival Grounds
☐ Community Center ☐ Kitchen ☐ Kitchen only ☐ Meeting Room
☐ Hartley Park ☐ Other _____

NOTE: AS A COURTESY TO OTHER PERMITTEES, PLEASE BE PREPARED TO LEAVE YOUR EVENT AT SCHEDULED TIME.
PLEASE HAVE PERMIT AVAILABLE ON-SITE AS PROOF OF RESERVED USE.

Part I - Applicant Information

Individual / Organization _____

Contact Person (s) _____

Cell _____

Mailing address _____

Phone _____

Part II - Event Information

Activity _____

Event Date _____

Day _____

Start Time _____

End Time _____

Is event open to the public ☐ Yes ☐ No If yes, liability insurance required. See below.

Alcohol Present ☒ Yes ☐ No If yes, permit required. OLCC Permit required/ Rec'd _____

(Does not include Community Center)

Utilities required? ☐ Yes ☐ No If yes: ☐ Water ☐ Electricity Street Closure ☐ Yes ☐ No Street _____

Terms of Permit

- Sale or use of alcoholic beverages or tobacco is prohibited. (SMC 12.36.120) Outdoor use of a public address or amplified sound system is by special permission only.
- Fees may be forfeited if notice of cancellation is not received at least one week prior to event. To assure clean-up of park/facilities used a deposit may be required. If the area used is left clean after the event, the deposit will be returned; otherwise it will be forfeited.
- User agrees to defend, indemnify and save City, its officers, agents and employees harmless from any losses, claims, expenses, judgments, or other damages resulting from injury to any event participant or other person or damage to property, of whatsoever nature, arising out of or incident to this permit. User shall not be held responsible for damages caused by the negligence of the City.
- If required, user shall, at their own expense, provide a certificate of general liability insurance with the City of Sutherlin, its officers, employees and agents shall be added as an additional named insured, with a 30-day notice of cancellation in the face amount of \$1 million per occurrence. User may be required to provide additional coverage for special events, to be determined by City. Certificates of insurance acceptable must be filed with the City prior to the event.
- The special use permit is issued in accordance with SMC 12.36 and 12.37, as well as all federal and state laws.

I, as the Contact Person, and for the User named above, fully understand and agree to the terms set forth above.

Date _____ Signed _____

PAMELA SEMAS
(Print name)

OFFICE USE ONLY: Permit Issued and Fees Due

Central Park _____ Rodeo Grounds _____ Festival Grounds _____
Hartley Park _____ Other _____ Alcohol permit received _____ Park Permit Fee \$15.00
Community Center _____ Main _____ Kitchen _____ Meeting Room _____
Refundable Key(s) and Cleaning Deposit Due _____ Fees waived _____ Other _____

Permit granted this _____ day of _____ 20____, for the above named organization or individual to use this site for the hours, date(s) and event specified above.

Public Works Supervisor (If applicable)

City Official (or designee)

MUSIC

OFF CENTRAL

6 PM • FRIDAYS • JULY-AUGUST 2017



**FREE
CONCERTS**

Bring Your Picnic Basket!

* Pizza & Donuts Night

for sale by Calapooia Reflections Museum



at every concert!

July 7

Colleen & Company
Blues & Rock

July 14 ^{NO concert}

Sutherland Stampede
Rodeo

July 21 *

Frank McCracken
& The Firecrackers
Country

July 28

Sons of The Soil
Bluegrass

August 4

Kenny Holmes &
The Blues Daddys
Blues

August 11

Hat Trick
Blues, Soft Rock

August 18 ^{NO concert}

Blackberry Festival

August 25 *

Rockwork Orange
Classic Rock



Angle's Diner and Old Fashioned Ice Cream • Banner Bank • J Lindeen Brown State Farm Insurance • KLK Fashions • Nellie's Deli • Squeaky Clean Auto Detail • Sutherland Drug

Central Park, Downtown Sutherland. For more information call 541-622-9943



PUBLIC HEARING





City of Sutherlin

STAFF REPORT					
Re: Sutherlin Oakland Enterprise Zone Boundary Change Public Hearing				Meeting Date: 6-12-17	
Purpose:	Action Item <input checked="" type="checkbox"/>	Workshop <input type="checkbox"/>	Report Only <input type="checkbox"/>	Discussion <input type="checkbox"/>	Update <input type="checkbox"/>
Submitted By: Brian Elliott, Community Development Director and Kristi Gilbert Community Development Specialist				City Manager Review <input checked="" type="checkbox"/>	
Attachments: Enterprise Zone Boundary Change Map					

WHAT IS BEING ASKED OF COUNCIL?

City Council will conduct a public hearing on the proposed Sutherlin Oakland Enterprise Zone Boundary Change. During the public hearing, the City Council will provide opportunity for public testimony on the proposed amendment. Upon conclusion of the public hearing, the City Council will deliberate to a decision and consider approval of Resolution 2017.10.

EXPLANATION

The Sutherlin Oakland Enterprise Zone was established in 1986, changed in 1989, 1992, 1995 & 2002. This zone was re-authorized on July 1, 2008. The City of Sutherlin, City of Oakland and Douglas County are seeking to add approximately 0.04 square miles to the Sutherlin/Oakland Enterprise Zone. This exciting opportunity to our region will improve the local economic base, business climate and long-run community development.

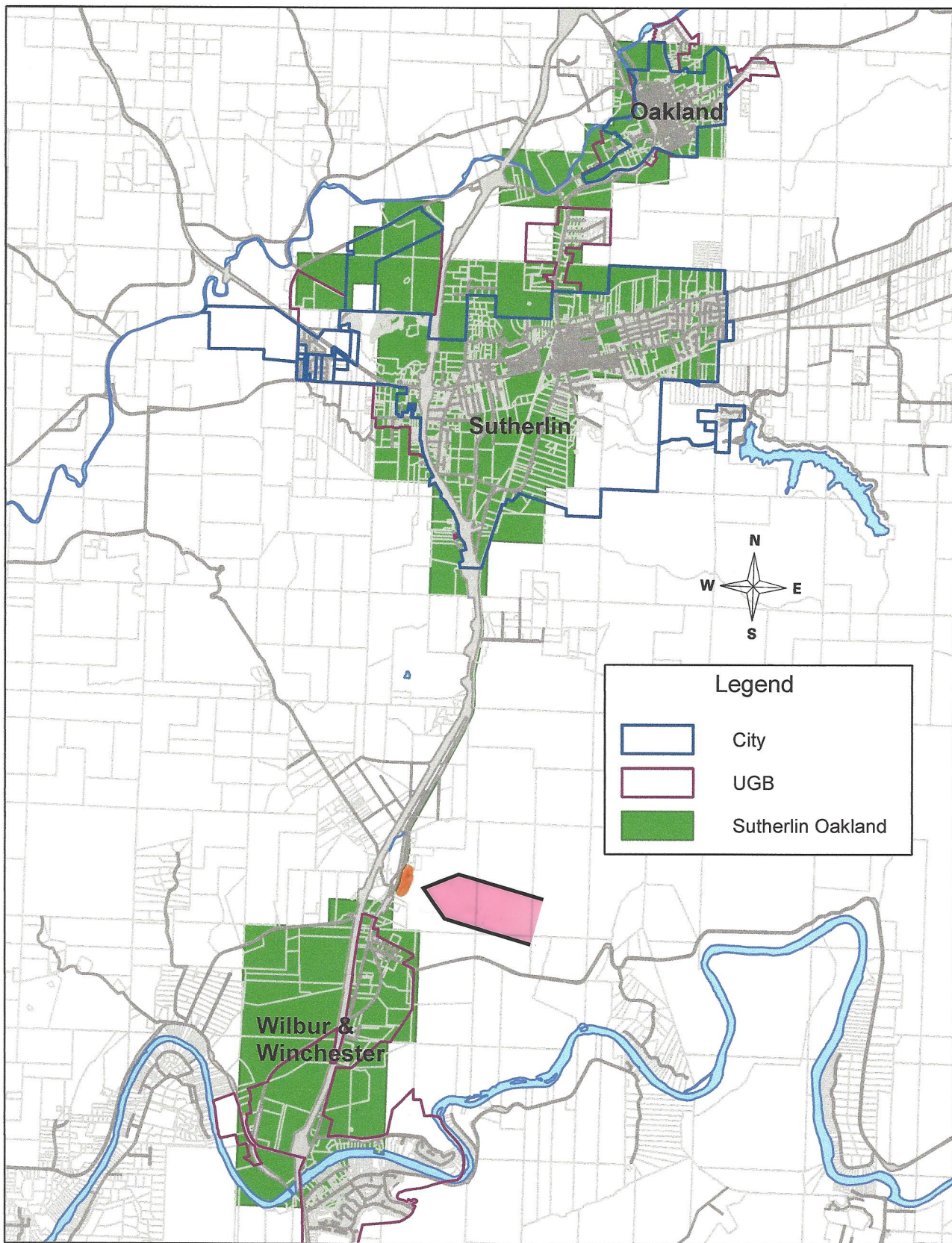
This enterprise zone and the three to five-year property tax exemption that it offers for new investment in plant and equipment by eligible business firms are critical elements of local efforts to increase employment opportunities, to raise local incomes, to attract investments by new and existing businesses and to secure and diversify the local economic base.

OPTIONS

Not Applicable

SUGGESTED MOTION(S)

Not Applicable



11.63 Sq. Miles

SUTHERLIN OAKLAND ENTERPRISE ZONE

3/2007

26 5 7C



200 m  1 : 3573

This plan is suitable for information only. Intergraph
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COUNCIL BUSINESS





126 E. Central Avenue
Sutherlin, OR 97479
541-459-2856
Fax: 541-459-9363
www.cityofsutherlin.com

City of Sutherlin

STAFF REPORT					
Re: Resolution # 2017.09: OTIB Loan Approval				Meeting Date:	6/12/17
Purpose:	Action Item <input checked="" type="checkbox"/>	Workshop <input type="checkbox"/>	Report Only <input type="checkbox"/>	Discussion <input type="checkbox"/>	Update <input type="checkbox"/>
Submitted By: City Manager, Jerry Gillham				City Manager Review	<input checked="" type="checkbox"/>
Attachments: Resolution #2017.09, Commitment Letter (Exhibit B) and Loan Document (Exhibit C)					

WHAT IS BEING ASKED OF COUNCIL?

To Approve Resolution 2017.09 authorizing the City Manager to execute a loan from the Oregon Transportation Infrastructure Bank for the sum of \$505,000.00.

EXPLANATION

This is the final process required to complete a loan from the OTIB as discussed and agreed upon in previous city council meetings.

OPTIONS

1. Approve Resolution #2017.09 as presented.
2. By motion, disapprove.

SUGGESTED MOTION(S)

Move to approve Resolution #2017.09 as presented.

RESOLUTION 2017.09/Exhibit A

**A RESOLUTION AUTHORIZING THE EXECUTION OF AN OREGON
TRANSPORTATION INFRASTRUCTURE BANK (OTIB) LOAN
PROVIDING AS SECURITY, THE FULL FAITH & CREDIT OF THE CITY
(HIGHWAY USER TAX ALLOTMENTS)**

The City Council of the City of Sutherlin hereby declares:

WHEREAS, the City of Sutherlin seeks a loan from the Oregon Transportation Infrastructure Bank (OTIB) in the amount of Five Hundred and Five Thousand and 0/100 Dollars (\$505,000.00) in order to fund a Central Avenue Repair and Transformation Project, and

WHEREAS, the City of Sutherlin pledges its full faith and credit and taxing power, with the limitations of Article XI, sections 11 and 11 b of the Oregon Constitution, to pay the amounts payable by the City under the Loan Agreement and commitment letter attached herein as Exhibits A and B; and

WHEREAS, the amounts payable by the City under this Loan Agreement are secured by and payable from all lawfully available funds of the City; and

WHEREAS, the City of Sutherlin is required to submit the Governing Body's authorization of the loan application by official act;

NOW, THEREFORE, BE IT RESOLVED based on the foregoing findings the City Council of the City of Sutherlin, Oregon, City Council of Sutherlin resolves as follows:

Section 1. The above recitals are accurate and are incorporated by reference in this resolution.

Section 2. The City Council of the City of Sutherlin authorizes the City of Sutherlin City Manager to execute such documents as may be required to obtain financial assistance including a loan from the OTIB, and a pledge by the City of Sutherlin of its full faith and credit and any highway user tax apportionment due the City of Sutherlin on the condition that the principal amount of the loan from OTIB to the City of Sutherlin does not exceed Five Hundred Five Thousand and 00/100 Dollars with interest accruing on the unpaid principal balance at the rate of 1.61% per annum and shall be computed on the basis of a 360-day year, consisting of twelve (12), thirty (30) day months with a maturity date of July 1, 2030.

Section 3. The proceeds of the loan shall be applied solely to the Sutherlin Central Avenue Repair and Transformation project as described throughout these documents.

PASSED BY THE CITY COUNCIL, ON THIS 12TH DAY OF JUNE, 2017

APPROVED BY THE MAYOR ON THIS 12TH DAY OF JUNE, 2017

Mayor, Todd McKnight

ATTEST:

City Recorder, Debra L. Hamilton, CMC

RESOLUTION # 2017-09
EXHIBIT B



Oregon

Oregon Department of Transportation
Financial Services – MS 21
355 Capitol ST. NE
Salem, OR 97301-3871
Office Phone: 503-986-6376
Fax Number: 503-986-4141

May 17, 2017

Mr. Jerry Gillham
City of Sutherlin
126 E. Central Avenue
Sutherlin, OR 97479

Re: Oregon Transportation Infrastructure Bank Loan – Commitment Letter
Central Avenue Repair and Transformation

Dear Mr. Gillham:

I am pleased to inform you that on May 10, 2017 the State of Oregon, acting by and through the Department of Transportation (the "State"), on behalf of the Oregon Transportation Infrastructure Bank, approved a loan (the "Loan") from the Oregon Transportation Infrastructure Fund to the City of Sutherlin, Oregon (the "City") on the following terms and conditions:

Project: Central Avenue Repair and Transformation

Loan Amount: Five Hundred Five Thousand dollars (\$505,000)

Interest Rate: The annual interest rate on the Loan is One and 61/100 percent (1.61%). This rate is based on an equivalent 10 year bond with an average life of 6 years and is the rate per annum of the 6 year, AA Rated, Municipal Market Data index as of May 16, 2017. Interest shall be calculated on the basis of a 360-day year, consisting of twelve (12), thirty (30) day months.

Payment Terms: Equal semi-annual payments of principal and interest, estimated at \$27,439 each, commencing July 1, 2020. The actual payments shall be calculated so that they are level, and each payment includes all interest accrued during the six months prior to the date of payment and so much of the principal as is sufficient to fully amortize the Loan amount set forth above by the maturity date of the Loan. The first payment may be adjusted so that all accrued unpaid interest to the first payment date is included. The maturity date of the Loan is Ten (10) years from the date of final disbursement of the Loan, or July 1, 2030, whichever date is earlier.

**Sources of
Repayment
and Pledge:**

The City pledges:

- (1) Full Faith & Credit of the City. "Full Faith & Credit of the City" means an obligation of the City that is secured by all "lawfully available funds" (as defined in ORS 287A.001(11)) and the taxing power of the City in accordance with ORS 287A.315.

- (2) Any funds legally available to the City, and funds payable from the Oregon Department of Transportation to the City, including but not limited to, the City's Highway User Tax Apportionment.

Loan Fee: A Loan fee equal to one percent (1%) of the Loan amount will be due and payable at closing. The City may elect to pay the Loan fee at Loan closing, or authorize the State to deduct the Loan fee from the Loan proceeds.

The obligation of the State to make the Loan is subject to the following conditions:

1. There has been no material adverse change in the financial, or any other, condition of the City since the Loan application was filed. The State shall be under no duty or obligation to process and fund the Loan if the financial condition and credit standing of the City are not maintained in a manner satisfactory to the State.
2. All information, data, exhibits and other materials submitted in connection with the Loan and all other representations made by or on behalf of the City to the State shall be accurate and complete. If any of this information, data, exhibits or other materials is determined by the State to be materially inaccurate or incomplete, the State shall have no obligations hereunder. This provision shall survive the closing of the Loan.
3. There is sufficient money in the Oregon Transportation Infrastructure Fund available to fund the Loan.
4. The City shall deliver to the State the following, all in form and substance satisfactory to the State and its counsel:
 - a. Execution and delivery of documents required by the State and containing such terms and conditions as the State deems necessary and prudent. These documents may include but are not limited to a loan agreement, promissory note, and local agency agreement.
 - b. A copy of the ordinance/resolution, duly adopted by the City's Council, authorizing this Loan, the pledge and execution of the Loan documents, which copy of ordinance/resolution shall be certified by an authorized officer of the City.
 - c. Opinion(s) of the counsel(s) for the City.

Once we receive your acceptance of this commitment letter, we will be submitting loan documents to the Attorney General's office for review. We will forward them to you for your review once they have been approved.

DISCLAIMERS

The State of Oregon, acting by and through the Department of Transportation, may not:

- A. Act as your attorney, engineer, or financial or tax consultant.

- B. Guarantee you are making a good investment.
- C. Insure that any project is safe, feasible, or operable.
- D. Compel a contractor or engineer to remedy defects in construction or to live up to any contracts they may make with you.
- E. Guarantee the confidentiality of application or loan files. ORS 192.501 and 192.502 define material exempt from public disclosure and also the circumstances under which such material may be subject to disclosure.

Please read the terms and conditions of this commitment letter carefully. If there are any which you are uncertain you can meet or perform, please contact us now. Some conditions may result in costs to you. Some may require professional help.

We recommend that you identify those requirements which can be more easily or inexpensively met and comply with those first so as to avoid the possible situation in which an expensive requirement is met only to find that failure to meet another requirement forces cancellation of this Loan commitment.

This Loan commitment is made for the express benefit of the City and is not transferable or assignable by the City without the prior written consent of the State, which consent may be withheld for any reason, in the sole discretion of the State.

The laws of the State of Oregon (without giving effect to its conflicts of law principles) govern all matters arising out of or relating to this commitment letter, including, without limitation, its validity, interpretation, construction, performance, and enforcement. Any party bringing a legal action or proceeding against any other party arising out of or relating to this commitment letter shall bring the legal action or proceeding in the Circuit Court of the State of Oregon for Marion County (unless Oregon law requires that it be brought and conducted in another county). Such party consents to the exclusive jurisdiction of such court, waives any objection to venue, and waives any claim that such forum is an inconvenient forum. Notwithstanding the second sentence of this paragraph, if a claim must be brought in a federal forum, then it must be brought and adjudicated solely and exclusively within the United States District Court for the District of Oregon. The preceding sentence (1) applies to a claim brought against the State of Oregon only to the extent Congress has appropriately abrogated the State of Oregon's sovereign immunity and is not consent by the State of Oregon to be sued in federal court and (2) is also not a waiver by the State of Oregon of any form of defense or immunity, including but not limited to sovereign immunity or immunity based on the Eleventh Amendment to the Constitution of the United States.

This commitment can be withdrawn at any time prior to your acceptance. This commitment can be accepted only by having your authorized representative signing below where indicated and returning this signed copy to the State no later than June 15, 2017. Upon your failure to do so, this Loan commitment will be null and void, and the State shall have no further obligations hereunder. Further, this commitment, even if accepted by the City on or prior to June 15, 2017, will expire if the Loan closing does not occur by July 15, 2017.

A copy is enclosed for your records. If you have any questions, please contact Matthew Harris at (503) 986-3393, or by email at Matthew.D.Harris@odot.state.or.us.

Mr. Jerry Gillham, City of Sutherlin

Page 2 of 3

Sincerely,

State of Oregon, acting by and through its
Department of Transportation

By: 

Tracy D. Wroblewski, Chief Financial Officer

CITY'S ACCEPTANCE OF LOAN COMMITMENT.

The undersigned City of Sutherlin has read and understood the above Loan commitment letter and accepts the above Loan commitment on the terms and conditions described in this letter.

City of Sutherlin, Oregon

By: 

Name: JERRY GILLHAM

Title: CITY MANAGER

Date: 5/23/2017

- c. Frank Reading, Region 3
- Mark Usselman, Region 3
- Scott Adams, Region 3
- Lee Helgersen, Financial Services

City of Sutherlin Resolution # 2017.09/Exhibit C
LOAN AGREEMENT

between

STATE OF OREGON

acting by and through its

DEPARTMENT OF TRANSPORTATION

and

CITY OF SUTHERLIN

THIS LOAN AGREEMENT, is made and entered into on the ____ day of _____, 2017, by and between the State of Oregon, acting by and through its Department of Transportation (the “State” or “ODOT”), and the Borrower (as defined below). The reference number for this Loan Agreement is OTIF-0064. Terms not otherwise defined in this Loan Agreement shall have the meanings assigned to them by Section 1.01 below.

WITNESSETH:

WHEREAS, the State, in accordance with the Act, will provide funds from the Oregon Transportation Infrastructure Fund for the purpose of making loans to Municipalities, including the Borrower, to finance a portion of the cost of transportation projects (as that term is defined in the Rules);

WHEREAS, the Borrower has made timely application to the State for a loan to finance all or a portion of the cost of a transportation project, and the Oregon Transportation Commission and the State have approved the Borrower's application for a loan to finance a portion of the cost of such project;

WHEREAS, the Borrower has agreed to make payments sufficient to pay when due the principal of, premium, if any, and interest on the Loan from the State pursuant to the terms of the Note and this Loan Agreement; and

NOW, THEREFORE, for and in consideration of the Loan by the State, the Borrower agrees to perform its obligations under this Loan Agreement in accordance with the conditions, covenants and procedures set forth below:

ARTICLE 1

DEFINITIONS

Section 1.01. Definitions. The following terms as used in this Loan Agreement shall, unless the context clearly requires otherwise, have the meanings assigned to them below:

"Act" means ORS 367.010 to 367.050 and related provisions, as the same may be from time to time amended and supplemented.

"Agreement" or "Loan Agreement" means this loan agreement, including the attached Exhibits, as it may be supplemented, modified or amended from time to time in accordance with the terms hereof.

"Authorized Officer" means, in the case of the Borrower, the person or persons authorized pursuant to a resolution or ordinance of the governing body of the Borrower to act as an authorized officer of the Borrower to perform any act or execute any document relating to the Loan or this Loan Agreement and whose name is furnished in writing to the State.

"Borrower" means the City of Sutherlin, and its successors and permitted assigns.

"Business Day" means any day other than:

- (i) a Saturday, Sunday or legal holiday;
- (ii) a day on which banking institutions in the State of Oregon are closed; or
- (iii) a day on which the New York Stock Exchange is closed.

"Costs of the Project" shall mean only those specified costs listed in Exhibit B. The term "Costs of the Project" does not include:

- (i) costs in excess of one-hundred percent (100%) of the total cost of the Project;
- (ii) the purchase of equipment and other property not directly related to the Project;
- (iii) construction or repair of facilities owned or operated by private parties;
- (iv) costs incurred prior to the date of the Loan, except as provided in Section 5.01; and
- (v) administrative expenses of the Borrower.

"Counsel" means an attorney at law or firm of attorneys at law (who may be, without limitation, of counsel to, or an employee of, the State or the Borrower) duly admitted to practice law before the highest court of any state.

"Event of Default" means any occurrence or event specified in Section 7.01 of this Agreement.

"Loan" means the loan evidenced by the Note and made by the State to the Borrower to finance or refinance a portion of the Costs of the Project pursuant to this Loan Agreement. The Loan may be funded by the State from amounts held in the OTIF.

"Loan Closing Date" means the date on which all conditions to closing are satisfied by the Borrower (or waived by State) and the Loan actually closes.

"Loan Closing Deadline" means July 15, 2017, the date by which the Loan must close.

"Loan Prepayment" means, as to any payment, the amount paid by the Borrower that is in excess of the amount required to be paid as a Loan Repayment.

"Loan Repayment(s)" means the scheduled payment(s) of principal and interest of Twenty-Seven Thousand Four Hundred Thirty-Eight and 42/100 Dollars (\$27,438.42) each required to be made by the Borrower pursuant to the provisions of the Note and this Loan Agreement.

"Maturity Date" means the date on which the Loan is payable in full, which date shall be July 1, 2030.

"Municipality" means a city, county, road district, school district, special district, metropolitan service district, the Port of Portland, or an intergovernmental entity organized under ORS 190.010.

"Note" means the promissory note of the Borrower substantially in the form of Exhibit C, as it may be amended, extended or renewed.

"Oregon Transportation Infrastructure Bank" or "OTIB" means the program authorized by Section 350 of the National Highway System Designation Act of 1995, 23 U.S.C. 101 note, Public Law 104-59, and a cooperative agreement between the Federal Highway Administration, Federal Transit Administration, of the United States Department of Transportation and the Oregon Department of Transportation dated August 20, 1996.

"Oregon Transportation Infrastructure Fund" or "OTIF" means the fund created by the Act. Loans from the OTIF may include OTIB loans or loans to finance transportation projects from any accounts established within the OTIF.

"Pledged Revenues" means

- (i) Any funds payable from the State to the Borrower, including but not limited to, any amounts due to the Borrower from the State pursuant to ORS 366.785 to 366.820; and
- (ii) All lawfully available funds of Borrower.

"Project" means the transportation project of the Borrower described in Exhibit A, a portion of the Costs of the Project of which is financed or refinanced by the State through the making of the Loan under this Loan Agreement.

"Project Completion Date" means the date on which the Borrower completes construction of the Project.

"Project Completion Deadline" means July 1, 2020.

"Rule" or "Rules" means Oregon Administrative Rules, chapter 731, division 30, as they may be supplemented, modified or amended from time to time.

"State" means the State of Oregon, acting by and through its Department of Transportation.

"State Highway Fund" means the fund described in ORS 366.505.

Section 1.02. General Rules. Except where the context otherwise requires, words importing the singular number shall include the plural number and vice versa, and words importing persons shall include firms, associations, corporations, agencies and districts. Words importing one gender shall include the other gender.

ARTICLE II

LOAN

Section 2.01. Loan Amount. On the Loan Closing Date the State hereby agrees to make to the Borrower, and the Borrower agrees to borrow and accept from the State, a Loan in the maximum aggregate principal amount of Five Hundred Five Thousand and No/100 Dollars (\$505,000).

Section 2.02. Use of Loan Proceeds. The Borrower shall use the proceeds of the Loan strictly in accordance with Section 5.01 of this Agreement.

Section 2.03. Loan Term. The term of the Loan is set forth in the Note.

Section 2.04. Interest. The Note shall bear interest at the rate of One and 61/100 percent (1.61%) per annum. Interest shall be computed on the basis of a 360-day year, consisting of twelve (12), thirty (30) day months. Interest shall be due and payable in arrears and shall accrue on the outstanding principal balance from the date of this Agreement until the principal amount of the Note, together with accrued unpaid interest thereon, is paid in full.

Section 2.05. Payments.

(a) The Loan shall be due and payable in scheduled payments of principal and interest as set forth herein and in the Note. The Loan Repayments, when taken together, shall be in an amount sufficient to amortize the original principal amount of the Note, together with interest thereon, from the date of this Agreement to the Maturity Date.

(b) A scheduled payment received before the scheduled Loan Repayment date will be applied to interest and principal on the scheduled Loan Repayment date, rather than on the day such payment is received, and will be applied first to the State's expenses (if any) and any fees due, then to interest, and then to principal according to the applicable Loan Repayment schedule.

Section 2.06. Prepayments. Each Loan Prepayment shall include any prepayment premium and all unpaid interest on the amount prepaid that accrued to the date of prepayment.

(a) *Mandatory Prepayment.* The Borrower shall prepay the outstanding balance of the Loan upon the destruction of all or a substantial portion of the Project.

(b) *Optional Prepayment.* The Borrower may make Loan Prepayments upon prior written approval of the State obtained not less than one hundred twenty (120) days prior to the prepayment date. On the prepayment date, the Borrower shall remit to the State the principal amount of the Loan Prepayments, plus the unpaid interest accrued on such amount to the date of prepayment, and any applicable prepayment premium.

(c) *General.* Loan Prepayments shall be applied first to any expenses of the State and accrued interest on the portion of the Loan prepaid, and then to principal payments (including premium, if any) on the Loan. In the case of a Loan Prepayment that does not prepay all of the principal of the Loan, the State shall determine, in its sole discretion, the method by which such Loan Prepayment shall be applied to the outstanding principal payments. After a partial Loan Prepayment, the State may, in its sole and absolute discretion, reamortize the outstanding Loan amount at the same interest rate for the same number of remaining payments to decrease the Loan Repayment amount; provided, however, that nothing in this Agreement requires the State to reamortize the outstanding Loan amount if it accepts a partial Loan Prepayment.

Section 2.07. Unconditional Obligation. Except as provided in Section 2.10, the obligation of the Borrower to make the Loan Repayments and all other payments required under this Agreement and the obligation to perform and observe the other duties, covenants, obligations and agreements on its part contained in this Agreement is payable solely from the sources of repayment described in Section 2.10 and shall be absolute and unconditional and shall not be abated, rebated, set-off, reduced, abrogated, terminated, waived, diminished, postponed or otherwise modified in any manner or to any extent whatsoever, while any payments under this Loan Agreement remain unpaid, regardless of any contingency, act of God, event or cause whatsoever, including (without limitation) any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, the taking by eminent domain or destruction of or damage to the Project, commercial frustration of the purpose, any change in the laws of the United States of America or of the State of Oregon or any political subdivision of either or in the rules or regulations of any governmental authority, any failure of the State to perform and observe any agreement, whether express or implied, or any duty, liability, or obligation arising out of or connected with the Project, this Loan Agreement, or any intergovernmental agreement related to the Project or any rights of set off, recoupment, abatement or counterclaim that the Borrower might otherwise have against the State or any other party or parties; provided, however, that payments under the Agreement shall not constitute a waiver of any such rights.

Section 2.08. Disclaimer of Warranties and Indemnification. The Borrower acknowledges and agrees that:

(a) the State does not make any warranty or representation, either expressed or implied, as to the value, design, condition, merchantability or fitness for particular purpose or fitness for any use of the Project or any portions of the Project or any other warranty or representation;

(b) in no event shall the State or its commissioners, officers, agents or employees be liable or responsible for any direct, incidental, indirect, special, consequential, punitive or other damages in connection with or arising out of this Loan Agreement or the Project or the existence, furnishing, functioning or use of the Project; and

(c) to the extent authorized by law, the Borrower shall indemnify, save, hold harmless and defend the State and its commissioners, officers, agents and employees, against any and all claims, damages, liability and court awards including costs, expenses, and attorney fees incurred as a result of any act or omission by the Borrower, or its officers, employees, agents or subcontractors pursuant to the terms of this Loan Agreement; provided, however, that the provisions of this subsection (c) are not intended to and shall not be construed as a waiver of any defense or limitation on damages provided for under and pursuant to Chapter 30 of the Oregon Revised Statutes or the laws of the United States of America or other laws of the State of Oregon.

Section 2.09. Termination of Availability. The State shall have no obligation to make any disbursements to the Borrower under this Loan Agreement after the Project Completion Deadline, except for Costs of the Project incurred by the Borrower prior to the Project Completion Deadline.

Section 2.10. Sources of Repayment of the Borrower's Obligations.

(a) The State and the Borrower agree that the amounts payable by the Borrower under this Loan Agreement, including, without limitation, the amounts payable by the Borrower pursuant to Section 2.05, Section 2.06, Section 2.08 and Section 7.04 of this Loan Agreement, are payable from the sources of repayment described in subsections (b) and (c) of this Section 2.10. Nothing herein shall be deemed to prevent the Borrower from paying the amounts payable under this Loan Agreement from any other legally available source.

(b) The amounts payable by the Borrower under this Loan Agreement are payable from the Pledged Revenues.

(c) The Borrower pledges its full faith and credit and taxing power, within the limitations of Article XI, sections 11 and 11 b, of the Oregon Constitution to pay the amounts payable by Borrower under this Agreement and the Note. The amounts payable by Borrower under this Agreement and the Note are secured by and payable from all lawfully available funds of the Borrower.

(d) The Borrower acknowledges that the State of Oregon is entitled to withhold any amounts due to the Borrower from the State of Oregon, including but not limited to any amounts due to the Borrower from the State of Oregon pursuant to ORS 366.785 to 366.820, and to apply any such amounts to payments due under this Loan Agreement if the Borrower defaults on payments due under this Loan Agreement.

(e) Borrower hereby grants a security interest in and irrevocably pledges its Pledged Revenues to pay Borrower's obligations hereunder. The Pledged Revenues so pledged and hereafter received by Borrower shall immediately be subject to the lien of such pledge without physical delivery, filing or other act, and the lien of the pledge shall be superior to all other claims and liens whatsoever, to the fullest extent permitted by ORS 287A.310. Borrower hereby represents and warrants that the pledge of Pledged Revenues hereby made by Borrower complies with, and shall be valid and binding from the date of this Agreement pursuant to, ORS 287A.310.

Section 2.11. Loan Fee. The Borrower shall pay to the State a one-time Loan fee equal to one percent (1%) of the Loan. This fee shall be in addition to any interest charged on the Loan. The Borrower may elect to:

- ☐ pay the entire amount of this Loan fee on the Loan Closing Date; or
- ☐ authorize the State to deduct the Loan fee from the Loan proceeds;

provided however that if the Loan is not fully disbursed, the State shall refund to the Borrower the portion of the Loan fee allocated to the undisbursed portion of the Loan.

Section 2.12. Late Fee. If any Loan Repayment required under the Note is delinquent more than fifteen (15) days, the Borrower shall pay to the State a late charge of five percent (5%) of the delinquent Loan Repayment in addition to the Loan Repayment due under the Note.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF BORROWER

The Borrower represents and warrants to the State as follows:

Section 3.01. Organization and Authority.

- (a) The Borrower is a Municipality.
- (b) The Borrower has full legal right and authority and all necessary licenses and permits required as of the date of this Agreement to own, operate and maintain the Project, other than licenses and permits relating to the Project which the Borrower expects to receive in the ordinary course of business, to carry on its activities relating to the Project, to execute and deliver this Loan Agreement, to undertake and complete the Project, and to carry out and consummate all transactions contemplated by this Loan Agreement.

(c) The Project is a project which the Borrower may undertake pursuant to Oregon law and for which the Borrower is authorized by law to borrow money.

(d) The proceedings of the Borrower's governing members and voters, if necessary, approving this Loan Agreement and the Note and authorizing the execution, issuance and delivery of this Loan Agreement and the Note on behalf of the Borrower and authorizing the Borrower to undertake and complete the Project have been duly and lawfully adopted in accordance with the laws of Oregon, and such proceedings were duly approved and published, if necessary, in accordance with applicable Oregon law, at a meeting or meetings which were duly called pursuant to necessary public notice and held in accordance with applicable Oregon law and at which quorums were present and acting throughout.

(e) This Loan Agreement has been duly authorized, executed and delivered by an Authorized Officer of the Borrower, and, assuming that the State has all the requisite power and authority to authorize, execute and deliver, and has duly authorized, executed and delivered, this Loan Agreement, this Loan Agreement constitutes the legal, valid and binding obligation of the Borrower in accordance with its terms, and the information contained in Exhibits A and B is true and accurate in all respects.

(f) This Loan Agreement is duly authorized by a resolution of the Borrower which was adopted as required by ORS 367.035(4), and was adopted in accordance with applicable law and the Borrower's requirements for filing public notices and holding public meetings.

Section 3.02. Full Disclosure. There is no fact that the Borrower has not disclosed to the State in writing, on the Borrower's application for the Loan or otherwise, that materially adversely affects the properties, activities, prospects or the condition (financial or otherwise) of the Borrower or the Project or the ability of the Borrower to make all Loan Repayments and otherwise observe and perform its duties, covenants, obligations and agreements under this Loan Agreement. Neither the Borrower's application for the Loan nor the Borrower's representations and warranties in this Loan Agreement contain any untrue statement of a material fact or omits any statement or information which is necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

Section 3.03. Pending Litigation. There are no proceedings pending, or, to the knowledge of the Borrower threatened, against or affecting the Borrower, in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would materially adversely affect (a) the Project, (b) properties, activities, prospects or the condition (financial or otherwise) of the Borrower, or (c) the ability of the Borrower to make all Loan Repayments and otherwise observe and perform its duties, covenants, obligations and agreements under this Loan Agreement.

Section 3.04. Compliance with Existing Laws and Agreements. The authorization, execution and delivery of this Loan Agreement by the Borrower, the observation and performance by the Borrower of its duties, covenants, obligations and agreements under this Loan Agreement and the consummation of the transactions provided for in this Loan Agreement, and the undertaking and completion of the Project will not result in any breach of any of the terms, conditions or provisions of, or constitute a default under, or result in the creation or

imposition of any lien, charge or encumbrance upon any property or assets of the Borrower pursuant to, any existing ordinance or resolution, trust agreement, indenture, mortgage, deed of trust, loan agreement or other instrument (other than any lien and charge arising under this Loan Agreement or any of the documents related to this Loan Agreement) to which the Borrower is a party or by which the Borrower or any of its property or assets may be bound, nor will such action result in any violation of the provisions of the charter or other document pursuant to which the Borrower was established or any laws, ordinances, resolutions, rules, regulations or court orders to which the Borrower or its properties or operations is subject.

Section 3.05. No Defaults. No event has occurred and no condition exists that, upon authorization, execution and delivery of this Loan Agreement or receipt of the amount of the Loan, would constitute an Event of Default under this Loan Agreement. The Borrower is not in violation of, and has not received notice of any claimed violation of, any term of any agreement or other instrument to which it is a party or by which it or its properties may be bound, which violation would materially adversely affect the (a) Project, (b) properties, activities, prospects or the condition (financial or otherwise) of the Borrower, or (c) the ability of the Borrower to make all Loan Repayments or otherwise observe and perform its duties, covenants, obligations and agreements under this Loan Agreement.

Section 3.06. Governmental Consent. The Borrower has obtained or will obtain all permits and approvals required by any governmental body or officer for the making, observance or performance by the Borrower of its duties, covenants, obligations and agreements under this Loan Agreement or for the undertaking or completion of the Project and the financing or refinancing of the Project; and the Borrower has complied or will comply with all applicable provisions of law requiring any notification, declaration, filing or registration with any governmental body or officer in connection with the making, observance and performance by the Borrower of its duties, covenants, obligations and agreements under this Loan Agreement or with the undertaking or completion of the Project and the financing or refinancing of the Project. No consent, approval or authorization of, or filing, registration or qualification with, any governmental body or officer that has not been obtained is required on the part of the Borrower as a condition to the authorization, execution and delivery of this Loan Agreement.

Section 3.07. Compliance with Law. The Borrower:

(a) is in compliance with all laws, ordinances, rules and regulations to which it is subject, non-compliance with which would materially adversely affect the condition (financial or otherwise) of the Borrower or the ability of the Borrower to conduct its activities or undertake or complete the Project; and

(b) has obtained or will obtain all licenses, permits, franchises or other governmental authorizations presently necessary for the ownership of its property or for the conduct of its activities which, if not obtained, would materially adversely affect the ability of the Borrower to conduct its activities or undertake or complete the Project or the condition (financial or otherwise) of the Borrower.

Section 3.08. The Project.

- (a) The Project is feasible, and there will be adequate funds available to repay the Loan.
- (b) The Borrower has been provided with a copy of the Rules, and the Project is in compliance with such Rules.

Section 3.09. Costs of the Project.

- (a) The Costs of the Project is a reasonable and accurate estimation and based upon an engineer's feasibility report and engineer's estimate stamped by a registered professional engineer.
- (b) The principal amount of the Loan is not in excess of the Costs of the Project.

Section 3.10. [Reserved.]

ARTICLE IV

CONDITIONS TO LOAN AND DISBURSEMENTS

Section 4.01. Conditions Precedent to Loan. The State shall be under no obligation to make the Loan to the Borrower pursuant to the terms of this Loan Agreement unless:

- (a) the Borrower delivers to the State, on or prior to the Loan Closing Deadline, the following documents in form and substance satisfactory to the State and its Counsel:
 - (i) An opinion of the Borrower's Counsel on the power and authority of the Borrower, the validity and enforceability of the Loan Agreement, and such other matters as the State may require;
 - (ii) This Loan Agreement duly executed and delivered by an Authorized Officer of the Borrower;
 - (iii) The Note duly executed and delivered by an Authorized Officer of the Borrower;
 - (iv) A copy of the ordinance/resolution, duly adopted by the governing body of the Borrower, authorizing this Loan, the pledge of Borrower's full faith and credit and taxing power, the pledge of the Pledged Revenues and execution of the Loan documents, which copy of ordinance/resolution shall be certified by an Authorized Officer of the Borrower;
 - (v) [Reserved.]
 - (vi) Such other certificates, documents, opinions and information as the State; and
- (b) there is availability of moneys in the OTIF for use in the Project;

provided, however, the State shall be under no obligation to make the Loan if there has been a change in the Act so that the Project is no longer eligible for financial assistance authorized by

this Loan Agreement.

Section 4.02. Conditions to Disbursement. The obligation of the State to make any disbursement to the Borrower is subject to the following conditions:

- (a) All the conditions set forth in Section 4.01 of this Loan Agreement have been satisfied;
- (b) There shall exist no Event of Default, or event, omission or failure of a condition which would constitute an Event of Default after notice or lapse of time or both;
- (c) All representations and warranties of the Borrower made in this Loan Agreement shall be true and correct on the date of disbursement with the same effect as if made on such date;
- (d) The State has received documentation satisfactory to the State evidencing that the Borrower has obtained any matching funds that are needed to pay for the Costs of the Project; and
- (e) The State receives:
 - (i) a requisition executed by the Borrower in substantially the form of Exhibit D; and
 - (ii) any other written evidence of materials and labor furnished to or performed upon the Project, itemized receipts or invoices for the payment of the same, and releases, satisfactions and other signed statements and forms as the State may require as a condition for making disbursements of the Loan.

Subject to the conditions of this Section 4.02, the State shall disburse the proceeds of the Loan, from time to time, either, at State's option, to the Borrower as reimbursement for construction costs paid by Borrower or to suppliers, subcontractors and others, as direct payment of sums due them in connection with construction of the Project. Nothing in this Loan Agreement shall require the State to pay any amounts for labor or materials unless satisfied that such amounts are Costs of the Project, that such claims are reasonable and that such labor and materials were actually expended and used in the construction of the Project. The State, at its option, from time to time, may also require that the Borrower have a contractor or subcontractor execute and deliver a surety bond or indemnification form acceptable to the State for the faithful performance of the construction contract or subcontract and payment of all liens and lienable expenses in connection with such performance in a sum equal to the contract or subcontract price. Disbursements for the Costs of the Project shall be subject to a retainage at the rate of five percent (5%) which will be released upon satisfactory completion of the Project.

Further, the State shall have no obligation to make any disbursement to the Borrower if, on or before the time for disbursement, there has been a change in the Act so that the Project is no longer eligible for financial assistance authorized by this Loan Agreement or if ODOT does not receive sufficient funding, appropriations, limitation, allotments and other expenditure authority to allow ODOT or OTIF, in the exercise of its reasonable administrative discretion, to provide such funding..

ARTICLE V

COVENANTS OF BORROWER

Section 5.01. Use of Proceeds. The Borrower will apply the proceeds of the Loan to finance all or a portion of the Costs of the Project. None of the proceeds of the Loan shall be used for administrative purposes by the Borrower.

Section 5.02. Source of Repayment. The Loan shall be paid from the sources of repayment described in Section 2.10 of this Loan Agreement. Such sources shall be applied to the punctual payment of the principal of and the interest on the Loan, and all other amounts due under this Loan Agreement according to the terms of this Agreement.

Section 5.03. Performance Under Loan Agreement. The Borrower covenants and agrees to cooperate with the State in the observance and performance of the respective duties, covenants, obligations and agreements of the Borrower and the State under this Loan Agreement.

Section 5.04. Completion of Project and Provision of Moneys for the Project. The Borrower covenants and agrees to provide State with copies of all permits, plans and specifications relating to the Project promptly, but in any event no later than July 1, 2017. The Borrower shall obtain as-built drawings for all facilities of the Project and obtain certification of completion per as-built drawings from the Project engineer within ninety (90) days of the Project Completion Date. The Borrower shall supply a copy of such drawings and certification to the State upon request. The Borrower further covenants and agrees: (a) to exercise its best efforts in accordance with prudent practice to complete the Project and to so accomplish such completion on or before the estimated Project Completion Date; (b) to proceed expeditiously with, and complete, the Project; and (c) to provide from its own fiscal resources all moneys in excess of the total amount of proceeds it receives pursuant to this Loan Agreement required to complete the Project. The Borrower shall have a program, documented to the satisfaction of the State, for the on-going maintenance, operation and replacement, at its sole expense, of the Project. The program shall include a plan for generating revenues sufficient to assure the operation, maintenance and replacement of the Project during the useful life of the Project. The Borrower shall provide such documentation to the State on or before July 1, 2017.

Section 5.05. Disposition of Project. Unless it is worn out, obsolete or, in the reasonable opinion of the Borrower, no longer useful in the operation of the Project, the Borrower shall not sell, lease, abandon, exchange or otherwise dispose of (collectively for the purposes of this Section "transfer") all or substantially all or any substantial portion of the Project or any other properties or assets which provide revenues for the payment of the amounts due under this Loan Agreement except on ninety (90) days' prior written notice to the State and, in any event, shall not so transfer the same unless the State consents to such transfer. Proceeds of any such transfer not used to replace property that is part of the Project shall be applied to payment of the outstanding principal and interest of the Loan as a Loan Prepayment subject to a prepayment premium, if any, as provided in Section 2.06 of this Agreement.

Section 5.06. Operation and Maintenance of Project. The Borrower covenants and agrees that it shall, in accordance with prudent practice, maintain the Project in good repair, working order and operating condition.

Section 5.07. Records; Accounts. The Borrower shall keep accurate records and accounts for the revenues and funds that are the sources of repayment of the Loan, including but not limited to those Pledged Revenues (the "Repayment Revenues Records"), separate and distinct from its other records and accounts (the "General Records"). Such Repayment Revenues Records shall be maintained in accordance with generally accepted accounting principles as established by the Government Accounting Standards Board as in effect from time to time and shall be audited annually by an independent accountant, which audit may be part of the annual audit of the General Records of the Borrower. Such Repayment Revenues Records and General Records shall be made available for inspection by the State and the federal government (including but not limited to the Federal Highway Administration and the Federal Transit Administration, if applicable) at any reasonable time, and a copy of such annual audit(s), including all written comments and recommendations of such accountant, shall be furnished to the State within two hundred ten (210) calendar days of the close of the fiscal year being so audited.

Section 5.08. Inspections; Information. The Borrower shall permit the State and the federal government (including but not limited to the Federal Highway Administration and the Federal Transit Administration, if applicable) and any party designated by any of such parties to examine, visit and inspect, at any and all reasonable times, the property, if any, constituting the Project, and to inspect and make copies of any accounts, books and records, including, without limitation, its records regarding receipts, disbursements, contracts and any other matters relating to the Project and to its financial standing, and shall supply such reports and information as the State may reasonably require in connection with this Agreement. In addition, the Borrower shall provide the State with copies of loan documents or other financing documents and any official statements or other forms of offering documents relating to any bonds, notes or other indebtedness of the Borrower that are issued after the Loan Closing Date and are secured by the Pledged Revenues.

Section 5.09. Insurance. The Borrower shall maintain or cause to be maintained insurance policies with responsible insurers or self-insurance programs providing against risk of direct physical loss, damage or destruction of the Project, at least to the extent that similar insurance is usually carried, or self-insurance is usually provided for, by governmental units constructing, operating and maintaining facilities of the nature of the Borrower's Project, including liability coverage, all to the extent available at reasonable cost. Unless otherwise prohibited by law, the Borrower shall cause the State to be listed on such insurance policies as a loss payee on such policy. Nothing herein shall be deemed to preclude the Borrower from asserting against any party, other than the State, a defense which may be available to the Borrower, including, without limitation, a defense of immunity. In the event the Project or any portion thereof is destroyed, any insurance proceeds shall be paid to the State and shall be applied to the principal and interest on the Loan, unless the State agrees in writing that the insurance proceeds shall be used to rebuild the Project. Any application of insurance proceeds to prepay the outstanding principal of the Loan shall not be subject to the prepayment premium, if any, as provided in Section 2.06.

Section 5.10. Condemnation. In the event the Project or any portion of the Project is condemned, any condemnation proceeds shall be used to prepay the outstanding principal on the Loan, and shall not be subject to the prepayment premium, if any, as provided in Section 2.06.

Section 5.11. Engineer's Report. Upon request by the State, the Borrower shall promptly provide the stamped engineer's feasibility report and estimate described in Section 3.09(a) to the State .

Section 5.12. Notice of Material Adverse Change. The Borrower shall promptly notify the State of any material adverse change in the properties, activities, prospects or the condition (financial or otherwise) of the Borrower or the Project or in the ability of the Borrower to make all Loan Repayments and otherwise observe and perform its duties, covenants, obligations and agreements under this Loan Agreement.

Section 5.13. Financial Statements; Reports. The Borrower shall deliver to the State in form and detail satisfactory to the State:

(a) As soon as reasonably possible and in any event within Two Hundred Seventy (270) days after the close of each fiscal year of the Borrower, the annual audited financial statements of Borrower, including revenues, expenditures, cash flows, and changes in retained earnings for each of the funds constituting the Pledged Revenues for the fiscal year just ended, prepared by an independent certified public accountant(s) satisfactory to the State, all financial statements to be prepared in accordance with generally accepted accounting principles.

(b) Such other statement or statements or reports as to the Borrower as the State may reasonably request.

Section 5.14. Compliance with Applicable Laws. The Borrower will comply with the requirements of all applicable laws, rules, regulations and orders of any governmental authority that relate to the financing, construction and operation of the Project. In particular, but without limitation, the Borrower shall comply with the following, **as applicable**:

- a. The National Environmental Policy Act (NEPA), and other environmental laws and requirements;
- b. The Uniform Relocation Assistance Act (Right of Way);
- c. The Civil Rights Act of 1964 and other civil rights laws and requirements including the DBE program;
- d. The Davis Bacon Act and other labor laws and requirements;
- e. The Common Rule (49 C.F.R.19) with respect to procurement;
- f. The Brooks Act;
- g. Competitive bidding requirements and state labor standards and wage rates found in the Oregon Public Contracting Code, ORS 279A, 279B, and 279C, as applicable, including but not limited to ORS 279B.220, 279B.225 (if applicable to this Agreement), 279B.230, and 279B.235 (if applicable to this Agreement), as amended from time to time, which provisions are hereby incorporated by reference, and ORS 279B.280, as amended from time to time;
- h. Buy America;
- i. Manual of Uniform Traffic Control Devices;
- j. The Americans with Disabilities Act (ADA) and other federal and state laws prohibiting discrimination against persons with disabilities;
- k. OAR, Chapter 731, Division 30, as amended from time to time at the discretion of the

State; and

1. State municipal bonding requirements found in ORS Chapters 280, 286A, and 287A.

Section 5.15. Compliance with State Handbook. The Borrower agrees that it will at all times comply with the provisions of any project management handbook of the State for OTIF loans.

Section 5.16. Continuing Representations. The representations of the Borrower contained in this Loan Agreement shall be true at the time of the execution of this Loan Agreement and at all times during the term of this Loan Agreement.

Section 5.17. [Reserved.]

Section 5.18. Further Assurances. The Borrower shall, at the request of the State, authorize, execute, acknowledge and deliver such further resolutions, conveyances, transfers, assurances, financing statements and other instruments as may be necessary or desirable for assuring, conveying, granting, assigning and confirming the rights, security interests and agreements granted or intended to be granted by this Loan Agreement.

Section 5.19. [Reserved.]

ARTICLE VI

ASSIGNMENT

Section 6.01. Assignment and Transfer by State.

The Borrower hereby approves and consents to any assignment, sale or transfer of this Loan Agreement that the State deems to be necessary.

Section 6.02. Assignment by Borrower. This Loan Agreement may not be assigned by the Borrower without the prior written consent of the State. The State may grant or withhold such consent in its sole discretion. In the event of an assignment of this Loan Agreement by the Borrower and assumption of the Borrower's obligations under this Agreement, the Borrower shall pay, or cause to be paid, to the State any fees or costs incurred by the State as the result of such assignment, including but not limited to, attorney fees.

ARTICLE VII

DEFAULTS AND REMEDIES

Section 7.01. Event of Default. If any of the following events occurs, it is hereby defined as and declared to be and to constitute an "Event of Default":

- (a) Failure by the Borrower to pay, or cause to be paid, any Loan Repayment required to be paid hereunder on the due date thereof; or

(b) Failure by the Borrower to make, or cause to be made, any required payments of principal, redemption premium, if any, and interest on any bonds, notes or other obligations of the Borrower for borrowed money (other than the Loan), after giving effect to the applicable grace period; or

(c) Any representation made by or on behalf of the Borrower contained in this Loan Agreement, or in any agreement, instrument, certificate or document furnished in compliance with or with reference to this Loan Agreement or the Loan, is false or misleading in any material respect; or

(d) A petition is filed by or against the Borrower under any federal or state bankruptcy or insolvency law or other similar law in effect on the date of this Loan Agreement or thereafter enacted, unless in the case of any such petition filed against the Borrower such petition shall be dismissed within twenty (20) calendar days after such filing, and such dismissal shall be final and not subject to appeal; or the Borrower shall become insolvent or bankrupt or make an assignment for the benefit of its creditors; or a custodian (including without limitation, a trustee, receiver, custodian, liquidator, or the like of the Borrower or any of its property) shall be appointed by court order or take possession of the Borrower or its property or assets if such order remains in effect or such possession continues for more than thirty (30) calendar days; or

(e) [Reserved.]

(f) [Reserved.]

(g) The Borrower fails to proceed expeditiously with, or to complete, the Project or any segment or phase of the Project in accordance with the plans and schedules approved by the State, provided that the Borrower may request the State's written approval of reasonable modifications to such plans and schedules, which approval shall not be unreasonably withheld; or

(h) The Borrower defaults in the performance or observance of any covenants or agreements contained in any loan documents between itself and another lender or lenders (including but not limited to other Oregon state agencies) or in any loan documents between itself and the Department of Transportation for another loan, and the default remains uncured upon the expiration of any cure period provided for such a default by said loan documents; or

(i) Failure by the Borrower to observe and perform any duty, covenant, obligation or agreement on its part to be observed or performed under this Loan Agreement, other than as referred to in subsections (a) through (h) of this Section, which failure shall continue for a period of thirty (30) calendar days after written notice, specifying such failure and requesting that it be remedied, is given to the Borrower by the State, unless the State agrees in writing to an extension of such time prior to its expiration; provided, however, that if the failure stated in such notice is correctable but cannot be corrected within the applicable period, the State may not unreasonably withhold its consent to an extension of such time up to one hundred twenty (120) calendar days of the written notice referred to above if corrective action is instituted by the Borrower within the applicable period and diligently pursued until the Event of Default is corrected.

Section 7.02. Notice of Default. The Borrower shall give the State prompt telephonic notice of the occurrence of any Event of Default referred to in Section 7.01(d) of this Agreement

and of the occurrence of any other event or condition that constitutes an Event of Default at such time as any senior administrative or financial officer of the Borrower becomes aware of the existence thereof. Any telephonic notice pursuant to this Section 7.02 shall be confirmed in writing as soon as is practicable by the Borrower.

Section 7.03. Remedies on Default. Whenever an Event of Default referred to in Section 7.01 of this Agreement shall have occurred and be continuing, the State shall have the right to take any action permitted or required pursuant to the Loan Agreement and to take whatever other action at law or in equity may appear necessary or desirable to collect the amounts then due and thereafter to become due under this Loan Agreement or to enforce the performance and observance of any duty, covenant, obligation or agreement of the Borrower under this Agreement, including, without limitation:

(a) declaring all Loan Repayments and all other amounts due under this Loan Agreement to be immediately due and payable, and upon notice to the Borrower the same shall become due and payable without further notice or demand,

(b) appointment of a receiver,

(c) refusal to disburse any Loan proceeds,

(d) barring the Borrower from applying for future OTIF assistance, or

(e) withholding other State of Oregon funds, including but not limited to, the Borrower's apportionment of State Highway Fund revenues due under ORS 366.785 to 366.820, to the extent permitted by Section 2.10.

In addition, if an Event of Default referred to in Section 7.01(a) of this Agreement shall have occurred and be continuing, the State shall have the right to declare all Loan Repayments and all other amounts due under this Agreement to be immediately due and payable, and upon notice to the Borrower the same shall become due and payable without further notice or demand.

Section 7.04. Attorney Fees and Other Expenses. To the extent permitted by the Oregon Constitution and the Oregon Tort Claims Act, the prevailing party in any dispute arising from this Agreement shall be entitled to recover from the other its reasonable attorney fees, costs and expenses at trial and on appeal. Reasonable attorney fees shall not exceed the rate charged to the State by its attorneys. The Borrower shall, on demand, pay to the State reasonable expenses incurred by the State in the collection of Loan Repayments.

Section 7.05. Application of Moneys. Except as otherwise provided in another provision of this Loan Agreement, any moneys collected by the State pursuant to Section 7.03 of this Agreement shall be applied in the following order:

- (a) to pay any attorney fees, or other fees, costs and expenses incurred by the State,
- (b) to pay interest due and payable on the Loan, and
- (c) to pay principal due and payable on the Loan.

Section 7.06. No Remedy Exclusive; Waiver; Notice. No remedy herein conferred upon or reserved to the State is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Loan Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right, remedy or power accruing upon any Event of Default shall impair any such right, remedy or power or shall be construed to be a waiver thereof, but any such right, remedy or power may be exercised from time to time and as often as may be deemed expedient. To entitle the State to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be required in this Article VII.

Section 7.07. Retention of State's Rights. Notwithstanding any assignment or transfer of this Loan Agreement pursuant to the provisions of this Agreement, or anything else to the contrary contained in this Agreement, the State shall have the right upon the occurrence of an Event of Default to take any action, including (without limitation) bringing an action against the Borrower at law or in equity, as the State may, in its discretion, deem necessary to enforce the obligations of the Borrower to the State pursuant to Sections 2.05, 2.08 and 7.04 hereof.

Section 7.08. Default by the State. In the event of any default by the State under any covenant, agreement or obligation of this Loan Agreement, the Borrower's remedy for such default shall be limited to injunction, special action, action for specific performance or any other available equitable remedy designed to enforce the performance or observance of any duty, covenant, obligation or agreement of the State hereunder as may be necessary or appropriate.

ARTICLE VIII

MISCELLANEOUS

Section 8.01. Notices. All notices permitted or required under this Agreement shall be shall be given in writing by personal delivery, facsimile, email or mail, postage prepaid, to the Borrower or the State, as the case may be, at the addresses or numbers set forth below or at such other address or number of which such party shall have notified in writing the other party:

If to the State:	Oregon Department of Transportation Financial Services Attention: Debt Manager 355 Capitol Street NE Salem, Oregon 97301-3872 Email: ODOTDebtMgt@odot.state.or.us
------------------	--

Telephone No.: (503) 986-6634
Facsimile No.: (503) 986-3907

If to the Borrower:

Attn: _____

Any notice so addressed and mailed shall be effective five (5) days after mailing. Any notice given by personal delivery shall be effective when actually delivered. Any notice delivered by facsimile shall be deemed to be given when receipt of the transmission is generated by the transmitting machine. To be effective against the State, such facsimile transmission must be confirmed by telephone notice to the Debt Manager of ODOT.

Section 8.02. Successors and Assigns; No Third Party Beneficiaries.

(a) This Loan Agreement shall inure to the benefit of and shall be binding upon the State and the Borrower and their respective successors and assigns.

(b) The State and the Borrower are the only parties to this Loan Agreement and are the only parties entitled to enforce its terms. Nothing in this Loan Agreement gives or provides any benefit or right not held by or made generally available to the public, whether directly, indirectly or otherwise, to third persons unless such third persons are individually identified by name in this Loan Agreement and expressly described as intended beneficiaries of the terms of this Loan Agreement.

Section 8.03. Severability. In the event any provision of this Loan Agreement shall be held illegal, invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate, render unenforceable or otherwise affect any other provision hereof.

Section 8.04. Amendments, Supplements and Modifications. This Loan Agreement may not be amended, supplemented or modified without the prior written consent of the State and the Borrower. This Loan Agreement may not be amended, supplemented or modified in a manner that is not in compliance with the Act or the Rules.

Section 8.05. Choice of Law; Designation of Forum; Federal Forum.

(a) The laws of the State of Oregon (without giving effect to its conflicts of law principles) govern all matters arising out of or relating to this Agreement, including, without limitation, its validity, interpretation, construction, performance, and enforcement.

(b) Any party bringing a legal action or proceeding against any other party arising out of or relating to this Agreement shall bring the legal action or proceeding in the Circuit Court of the State of Oregon for Marion County (unless Oregon law requires that it be brought and conducted in another county). Each party hereby consents to the exclusive jurisdiction of such court, waives

any objection to venue, and waives any claim that such forum is an inconvenient forum.

(c) Notwithstanding Section 8.05(b), if a claim must be brought in a federal forum, then it must be brought and adjudicated solely and exclusively within the United States District Court for the District of Oregon. This Section applies to a claim brought against the State of Oregon only to the extent Congress has appropriately abrogated the State of Oregon's sovereign immunity and is not consent by the State of Oregon to be sued in federal court. This Section is also not a waiver by the State of Oregon of any form of defense or immunity, including but not limited to sovereign immunity and immunity based on the Eleventh Amendment to the Constitution of the United States.

Section 8.06. Loan not an Obligation of the United States of America. The covenants, agreements and obligations of the State contained in this Loan Agreement shall not be construed to be covenants, agreements or obligations of the United States of America.

Section 8.07. Headings. The Section headings in this Loan Agreement are intended to be for reference purposes only and shall in no way modify or restrict any of the terms or provisions hereof.

Section 8.08. No Construction against Drafter. Both parties acknowledge that they are each represented by and have sought the advice of counsel in connection with, and the transactions contemplated by, this Loan Agreement and have read and understand the terms of this Loan Agreement. The terms of this Loan Agreement shall not be construed against either party as the drafter.

Section 8.09. Merger; No Waiver. This Loan Agreement and attached exhibits (that are by this reference incorporated herein) constitute the entire agreement between the parties on the subject matter hereof. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Loan Agreement. No waiver of any provision of this Loan Agreement or consent shall bind either party unless in writing and signed by both parties and all necessary State approvals have been obtained. Such waiver or consent, if made, shall be effective only in the specific instance and for the specific purpose given. The failure of the State to enforce any provision of this Loan Agreement shall not constitute a waiver by the State of that or any other provision.

Section 8.10. Execution in Counterparts. This Loan Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the State and the Borrower have caused this Loan Agreement to be executed and delivered as of the date first above written.

STATE OF OREGON, acting by and
through its Department of Transportation

City of Sutherlin
Borrower

By: _____

Chief Financial Officer

Date: _____

By: _____

Title: _____

Date: _____

Exhibits:

- Exhibit A: Project Description
- Exhibit B: Approved Project Budget
- Exhibit C: Form of Promissory Note
(with Exhibit A: Repayment Schedule)
- Exhibit D: Form of Payment Requisition

Exhibit A to Loan Agreement

Project Description

Borrower: City of Sutherlin

The following primary projects will be completed with OTIB loan funds:

1. Repair of Central Avenue to include Comstock to Calapooia: Storm system repairs, ADA repairs, intersection repairs, grind and inlay.
2. Calapooia to Umatilla: Storm system repairs, ADA repairs, intersection repairs, cutting away 2' of existing sidewalk creating a "bulb-in" element, adding 4' of safety distance for parking and exiting and entering vehicles, repairing all safety hazards and cutting away and replacing bad portions of sidewalk, installing decorative lighting and new trees with tree grates.
3. Umatilla to the city limits: grind and inlay, repair of bad sidewalk sections and installing some sidewalks where none exist, installing heightened safety crossing with flashing beacon to allow students from three schools to safely cross Central Avenue to access Central Park, Fairgrounds, Library, Red Rock Trail and downtown

Exhibit B to Loan Agreement

Approved Project Budget

Borrower: City of Sutherlin

Costs of Project:

Sources	
OTIB Loan	505,000
City of Sutherlin	2,530,000
Douglas County	651,302
Other ODOT Funding	500,000
Total	\$4,186,302
Uses	
Construction	\$3,288,065
Design & Architectural	258,777
Contingency	365,633
Construction Engineering	268,777
Loan Fee	5,050
Total	\$4,186,302

Exhibit C to Loan Agreement

Form of Promissory Note

PROMISSORY NOTE

\$505,000

_____, 2____
_____, _____

For value received, the City of Sutherlin (hereinafter "Borrower") unconditionally promises to pay to the State of Oregon, acting by and through its Department of Transportation (hereinafter "State"), or order, at 350 Capitol St. NE, Salem, OR 97301-3871 or such other place as the State may designate in writing, the principal sum of Five Hundred Five Thousand Dollars (\$505,000), or so much thereof as is disbursed and not repaid, plus interest from the date of this Note on the unpaid principal balance until paid. Any capitalized terms not defined in this Note have the meanings assigned to such terms in that certain loan agreement dated the same date as this Note between the State and Borrower (as amended from time to time the "Loan Agreement").

Interest shall accrue on the unpaid principal balance at the rate of One and 61/100 percent (1.61%) per annum and shall be computed on the basis of a 360-day year, consisting of twelve (12), thirty (30) day months.

Principal and interest shall be payable at the times and in the amounts specified in Exhibit A: Repayment Schedule (attached to this Note and by this reference made a part hereof), and the outstanding principal balance of the Note, together with accrued unpaid interest, shall be due and payable on the Maturity Date. Each payment made by the Borrower under this Note shall be applied first to the State's expenses (if any) and any fees due, then to interest due, and then to the principal of the Loan unless the Loan Agreement provides otherwise.

This Note is payable prior to its maturity except as provided for in Section 2.06 of the Loan Agreement.

This Note is given to avoid the execution by the Borrower of an individual note for each advance by the State to the Borrower. In consideration thereof, the Borrower agrees that the State's record entries of transactions pursuant to this Note, shall be conclusive evidence of borrowings and payments made pursuant to this Note, absent manifest error.

In the event that the Borrower receives written notification from the State that payments made pursuant to the Loan Agreement have been assigned, all payments hereunder shall be made directly to the assignee pursuant to such assignment.

If an Event of Default occurs, the outstanding balance under this Note, including principal, interest and other charges, if any, shall, at the option of the State, become immediately due and payable. Presentment, demand, protest, and notice of dishonor, protest and nonpayment are waived by the Borrower.

To the extent permitted by the Oregon Constitution and the Oregon Tort Claims Act, the prevailing party in any dispute arising from this Note shall be entitled to recover from the other its reasonable attorney fees, costs and expenses at trial and on appeal. Reasonable attorney fees shall not exceed the rate charged to the State by its attorneys. The Borrower shall, on demand, pay to the State its reasonable expenses incurred in the collection of Loan payments.

The terms, provisions and covenants contained in this Note shall apply to, inure to the benefit of, and bind the parties hereto and their respective successors and assigns.

This Note shall be governed by and construed in accordance with the laws of the State of Oregon (without giving effect to its conflicts of law principles).

This Note is subject to the terms and conditions of the Loan Agreement. The indebtedness evidenced by this Note is secured by the collateral described in the Loan Agreement.

NOTICE TO BORROWER

DO NOT SIGN THIS NOTE BEFORE YOU READ IT. FULL OR PARTIAL REPAYMENT BEFORE THE DATE PROVIDED FOR REPAYMENT IN THIS NOTE AND IN THE LOAN AGREEMENT MAY NOT BE PERMITTED, AND A PREMIUM FOR ANY SUCH PREPAYMENT MAY BE CHARGED AND COLLECTED.

City of Sutherlin

By: _____

Name & Title (print): _____

Exhibit A to Promissory Note

Repayment Schedule

Borrower: City of Sutherlin

Payment Due Date:	Amount Due:
July 1, 2018	Any unpaid accrued interest
July 1, 2019	Any unpaid accrued interest
July 1, 2020	Any unpaid accrued interest
January 1, 2021 and the first day of each July and January thereafter	Installment payment of principal and interest of \$27,438.42
Maturity Date (July 1, 2030)	The remaining principal and interest due on the Loan

Exhibit E to Loan Agreement

Form of Payment Requisition

TO: Oregon Transportation Infrastructure Bank
Oregon Department of Transportation
355 Capitol St. NE, MS #21
Salem, Oregon 97301-3871

RE: Oregon Transportation Infrastructure Fund, Loan Number OTIF-0064

On behalf of the City of Sutherlin, I request that the Oregon Transportation Infrastructure Fund (OTIF) disburse to the following payees the following amounts from the account established in the OTIF for this loan:

[Insert Payee]

[Insert Amount]

The foregoing disbursements are all for Costs of the Project as such term is defined in, and which are permitted under, the Loan Agreement. I have attached all necessary documentation as required by Section 4.02(e)(ii) of the Loan Agreement. No Event of Default has occurred or is continuing under the Loan Agreement.

DATED this ____ day of _____, ____.

By: _____
Authorized Officer

Attachments



City of Sutherlin

STAFF REPORT					
Re: Central Avenue Engineering Sub-Agreements				Meeting Date:	6/12/17
Purpose:	Action Item <input checked="" type="checkbox"/>	Workshop <input type="checkbox"/>	Report Only <input type="checkbox"/>	Discussion <input type="checkbox"/>	Update <input type="checkbox"/>
Submitted By: City Manager, Jerry Gillham				City Manager Review	<input checked="" type="checkbox"/>
Attachments: Described in "Explanation" section					

WHAT IS BEING ASKED OF COUNCIL?

To approve three engineering sub-agreements for purposes of executing a comprehensive Central Avenue Repair and Transformation (CART) project in the City of Sutherlin.

EXPLANATION

This report is covering three contractual agreements that, after several months of working through options and multiple variables, are now known and necessary for the planning, engineering and construction of six sections of Central Avenue outlined below:

1. Church to Comstock (ODOT responsibility, IGA between ODOT & City also presented 6/12/17)
2. Comstock to Calapooia, (original TOA)
3. Calapooia to State, (DC TOA)
4. State to Umpqua (downtown asphalt/ADA/Streetscape)
5. Umpqua to Emerald (ADA and asphalt to include safety crossing)
6. Emerald to city limits (street repair/grind-inlay)

By this time, most of the critical engineering elements have been identified and clarified as was also included in your previous council packet. Because of the anticipated lengthy discussion regarding business registration and since the information was in your packet, with the Mayor's concurrence, we deferred this topic discussion to the 6/12/17 business meeting.

As a short overview, we began a Comstock to Calapooia Street improvement project paid for by ODOT through a Transfer of Authority agreement in which we engaged the use of three different engineering estimates finalized by Heberly Engineering to be sure the estimate for repair of this section was as accurate as possible. Some period of time later, in further discussions with ODOT, we were able to obtain an additional \$650,000 and as such, made follow-up plans to seek options for continuing this initial TOA project westward to as far as these additional dollars would go. Again, some time period later, we then engaged negotiations with Douglas County in creating another TOA for the section of Central Avenue from Calapooia to State Street. Simultaneously, we reached out to ODOT yet again and sought

additional monies to complete a Central Avenue downtown improvement project in exchange for withdrawing an ODOT TE grant from competition with other cities in Southern Oregon. This resulted in yet another \$250,000, which when combined with the DC TOA monies, provided \$3.11M in total available dollars. However, even with this increase and after using Heberly to initiate action on the Comstock to Calapooia section of anticipated work, there were more desirable projects than monies. This circumstance is why council authorized staff to apply for an Oregon Transportation Infrastructure Bank (OTIB) loan from ODOT. The city was notified just a few weeks ago that the City of Sutherlin was successful in obtaining the OTIB loan. This loan agreement is presented to council for approval on 6/12/17.

These positive opportunities and yet unique and complex circumstances resulted in a domino-like project development process in which, once we completed one section, with another opportunity, we immediately moved to solidify the next phase of work, creating a plan with engineering analysis and then moving from one to the next. As an additional reminder of this engineering process, please recall that in 2014, when beginning the waste-water design-engineering RFP, we terminated the “engineer of record” agreement with our long-standing engineer in order to ensure fair and fresh review and consideration of the best service provider applicable to our project. In this, with the advice of City Attorney Doughman, we created a RFP process for selecting a series of qualified engineers that after vetting, would consider proposals from the city and negotiate a price. Our process received almost 20 inquiries to our RFQ/P. Of this list, we settled with seven engineering companies. Heberly Engineering services was one of these engineering companies. In the first TOA analysis Heberly was enormously competent and responsive. Adam, has since, in every phase of work, after comparison, risen to the top. In these three agreements, still using the informal bid process, because of his overwhelming original TOA work, was far and away the best qualified to continue.

In summary, again, because of the day-by-day emerging new opportunities; instead of halting all planning and rapid progress, we took each of these new opportunities and built micro-projects resulting in minimal delay while creating sub-contracts for each new opportunity. This unorthodox and yet “innovative-to-government” action is why these three sub-agreements are presented to council for approval.

MOTIONS

Three separate motions:

1. Move to approve the proposed engineering services agreement: Task Order #1, Central Avenue (North State Street to approximately Emerald Street), ADA Curb Ramp for a price no greater than \$55, 218.000.
2. Move to approve the proposed engineering services agreement: Task Order #2, Central Ave Improvements Calapooia to State Street, (Douglas County TOA) for a price no greater than \$67,375.80.
3. Move to approve the proposed engineering services agreement: Task Order #3, Central Avenue Overlay, ADA Curb Ramp & Drainage Upgrades, for a price no greater than \$74,578.000.

Exhibit C

HEBERLY ENGINEERING
 Project Schedule
 City of Sutherlin Central Avenue Improvements Project
 Project Bid Schedule Update
 Date: 4-26-17

Projected Scheduling Dates	Start	Completion	Duration (wk)	Comments
ODOT Signal Plans & ADA Review of Calp & State	4/28/2017	5/12/2017		ODOT Two Week Review
Development of 90% Roadway Plans & Estimate		5/12/2017		
City Review & Utility Conflict Letters	5/12/2017	5/19/2017	1	Two Week City Review
				Cord with utility companies from 5-12 to 5-31-17 (3wks)
Plan Modifications from City Review & ODOT Review	5/19/2017	5/31/2017	1.5	
Bid advertisement	6/1/2017	6/22/2017	3	Bid Opening Thursday @ 2:00 pm
Lowest reponsible bidder	6/23/2017			
City Council Meeting 6-26-17	6/26/2017			Monday 6-26-17 @ 7:00 pm
Notice of Intent to Award	6/27/2017			Protest period 7 day minimun
Award Protest Period (7 day min)	6/27/2017	7/3/2017	1	
Notice to Proceed	7/5/2017			Wednesday
Start Construction	7/12/2017			Assumed one week for contracts
End of Construction	5/18/2018		44.29	Could be extended to June 1 if acceptable

PERSONAL SERVICES AGREEMENT

Central Ave Overlay (North State St. + to App. Emerald St.), ADA Curb Ramp

THIS AGREEMENT is made and entered into by and between the City of Sutherlin, an Oregon municipal corporation (the "City"), and Heberly Engineering ("Contractor") as of June 12, 2017.

RECITALS

1. City desires to obtain the services of a professional engineer to accomplish the following:
 - a. Provide engineering consulting services to the City, and
 - b. Perform specific engineering work described in the attached "Exhibit A", *Task Order # 1*.
2. Contractor is fully qualified by education and experience to provide said Services and desires to provide said Services.
3. It is the purpose of this Agreement to establish the services to be provided by Contractor and the compensation for such services.

AGREEMENT

Engagement. The City hereby engages Contractor to provide engineering services. Contractor shall provide the services to complete needed engineering services for: Central Ave Overlay (North State St. + to App. Emerald St.), ADA Curb Ramp as described in Exhibit A.

Scope of Work. Duties and responsibilities of Contractor and the City shall be as described in this Agreement and the submitted Exhibit A upon the time of requested service. The requested work as described in Exhibit A when submitted and authorized in writing by the City, will be performed on a time and expense basis using the standard fee schedule from Contractor attached as Exhibit B.

Compensation. The total compensation paid under this agreement as described individually in Exhibit A, shall not exceed \$55,218,000.

Duties and Responsibilities. Contractor shall be expected to fulfill the following:

- a. Provide engineering services as described in Exhibit A, to include a City-assigned *Task Number*.
- b. All other requests for assistance by the City shall be billed and paid according the following:
 - i. services will be provided at per hour costs as represented in Exhibit B.
 - ii. Payment will be requested within 30 days of billing.

Term. This Agreement shall commence as of June 12, 2017, and shall continue until project is completed according the attached schedule, Exhibit C.

Payment.

1.1 City agrees to pay Contractor for and in consideration of the faithful performance of the requested services and Contractor agrees to accept from the City, as described in detail in Exhibit D.

1.2 Contractor shall make and keep reasonable records of work performed pursuant to this Agreement and shall provide detailed final report to the City. Following approval by the City Manager, billings shall be paid in full within forty-five (45) days of receipt thereof. The City shall notify Contractor of any disputed amount within thirty (30) days of receipt of the invoice, give reasons for the objection, and promptly pay the undisputed amount. Disputed amounts may be withheld without penalty or interest pending resolution of the dispute.

1.3 The City may suspend or withhold payments if Contractor fails to comply with requirements of this Agreement.

1.4 Contractor is engaged by the City as an independent contractor in accordance with the standards prescribed in ORS 670.600. Contractor will not be entitled to any benefits that are provided by City to City employees.

1.5 Any provision of this Agreement that is held by a court to create an obligation that violates the debt limitation provision of Article XI, Section 9 of the Oregon Constitution will be void. The City's obligation to make payments under this Agreement is conditioned upon appropriation of funds pursuant to ORS 294.305 through 294.565.

Indemnification.

1.6 Contractor and the officers, employees, and agents of Contractor are not agents of the City as those terms are used in ORS 30.265.

1.7 Contractor shall defend and indemnify City and its officers, employees, and agents from all claims for injury to any person or damage to property caused by the negligence or other wrongful acts or omissions of Contractor or officers, employees, or agents of Contractor (ORS 279B.230).

Workers' Compensation Coverage. Contractor is a "subject employer" as defined in ORS 656.005 and shall comply with ORS 656.017. Contractor warrants that all persons engaged in contract work and subject to the Oregon Worker's Compensation law are covered by a worker's compensation plan or insurance policy that fully complies with Oregon law. Contractor shall indemnify City for any liability incurred by City as a result of Contractor's breach of the warranty under this paragraph (ORS 279B.230).

Compliance with Law.

1.8 This Contract will be interpreted and construed in accordance with the laws of the State of Oregon.

1.9 Contractor shall comply with all applicable laws regardless of whether they are set forth verbatim in the Contract Documents including, but not limited to, ORS 279B.020, 279B.220, 279B.225, 279B.230, and 279B.235

1.10 Pursuant to ORS 279B.020 and 653.010 to ORS 653.261, no person will be employed for the Services for more than 10 hours in any one day, or 40 hours in any one week, except in cases of necessity, emergency, or where the public policy absolutely requires it. Except for persons who are exempt from overtime pay, persons who perform the Services shall be paid at least time and a half pay for legal holidays specified in a collective bargaining agreement or in ORS 279B.020(1)(b)(A)(G) and for time worked in excess of 10 hours a day or in excess of 40 hours a week, whichever is greater.

1.11 Contractor shall not provide or offer to provide any appreciable pecuniary or material benefit to any officer or employee of City in violation of ORS Chapter 244.

Notices. All notices, bills and payments shall be made in writing and may be given by personal delivery or by mail. Notices, bills and payments sent by mail should be addressed as follows:

CITY: City Manager
City of Sutherlin
126 E. Central Ave.
Sutherlin OR 97479

CONTRACTOR: Heberly Engineering
1298 Wolf Valley Dr.
Umpqua, Oregon 97486
HEBERLYENGINEERING@GMAIL.COM

When so addressed, such notices, bills and payments shall be deemed given upon deposit in the United States mail, postage prepaid.

2. Standard of Care. Contractor shall comply with all applicable standards of professional care in the performance of the Services.

3. Responsibility for Others. Contractor shall be responsible to the City for Contractor's services. Contractor shall not be responsible for the acts or omissions of other parties engaged by the City.

4. Insurance. While this Agreement is in effect, Contractor shall maintain insurance coverage in the following minimum amounts: Contractor will maintain professional liability insurance insuring Contractor against errors or omissions in the amount and on the conditions below. In addition, Contractor shall obtain and maintain occurrence form commercial general liability and automobile liability insurance for the protection of Contractor, City, its Councilors, officers, agents and employees. Coverage shall include personal injury, bodily injury (including death) and broad form property damage, including loss of use of property, occurring in the course of or in any way related to Contractor's provision of Services, with a combined single limit, or the equivalent, of not less than \$2,000,000 (two million dollars) for each occurrence for bodily injury and property damage and not less than \$3,000,000 (three million dollars) in the aggregate. Each policy shall name as additional insured "the City of Sutherlin, Oregon, its officers, agents and employees" with respect to claims arising out of Contractor's work under this Agreement. Prior to commencement of any services under this Agreement, Contractor will furnish the City with evidence of insurance coverage and provisions as described above. Such policy or policies may not be canceled without a minimum of thirty (30) days prior written notice to the City. In the event Contractor fails to maintain insurance as required, the City will have the option, but will not have the obligation, to obtain such coverage with costs to be reimbursed by Contractor. The coverage provided by insurance required under this Agreement shall be primary, and any other insurance carried by City shall be excess.

5. Modification. Any modification of the provisions of this Agreement shall be reduced to writing and signed by the parties.

6. Waiver. A waiver by a party of any breach by the other shall not be deemed to be a waiver of any subsequent breach.

7. Entire Agreement. This Agreement contains the entire agreement between the parties and supersedes all prior written or oral discussions or agreements regarding the services described herein.

8. Governing Laws. This Agreement shall be governed by the laws of the State of Oregon. Venue shall be in the Circuit Court for Douglas County, Oregon. Contractor shall adhere to all applicable federal, state and local laws and rules in performance of this Agreement.

9. Succession. This Agreement shall inure to the benefit of, and shall be binding upon each of the parties hereto and such parties' partners, successors, executors, administrators, and assigns. This Agreement shall not be assigned without express written permission of the City.

10. Termination. Either party may terminate this Agreement upon thirty (30) days' written notice to the other party. If the City terminates this Agreement, Contractor shall receive compensation for work actually performed up to the date of termination.

11. Effective Date. This Agreement shall be effective when signed by both parties.

12. No Third Party Rights. This Agreement shall not create any rights or benefits to parties other than the City and Contractor.

IN WITNESS WHEREOF, the City has caused this Agreement to be executed in duplicate originals by its duly authorized undersigned agents and Contractor has executed this Agreement on the date hereinabove first written.

AGREED to this_____.

CITY OF SUTHERLIN

CONTRACTOR

By: _____

By: _____

Its: City Manager

Its: _____

EXHIBIT "A": CITY OF SUTHERLIN AGREEMENT WITH HEBERLY ENGINEERING

Scope of Work and Cost Proposal for:

Central Ave Overlay (North State St. + to App. Emerald St.), ADA Curb Ramp

1298 Wolf Valley Dr.

Umpqua, Oregon 97486

Ph: (541) 391-4813

Cl: (541)-430-4540

HEBERLYENGINEERING@GMAIL.COM

Overview:

The purpose of this Scope of Work (SOW) proposal is to define the scope and fee for engineering design & bidding services for the design of Central Ave from North State St.+ to approximately Emerald St. In this scope and fee you will find a proposed design schedule that shows the design finishing by early spring to gain the best price for the project. Outlined below are the following: Project Management; Survey; Utility Coordination; Preliminary Design; Final Roadway Plans; Bidding Assistance; Schedule; and Fee.

Project Management:

Priority: providing good coordination with the City, high quality control & quality assurance through the design phase of the project.

Sub Tasks:

- Overall Project Management
- Quality Control & Quality Assurance Review of Final Plans
- City Meetings & Coordination

Survey

Priority: Survey the two blocks between North State St. and Willamette St. We have included fees for Hibbs Land Surveying Inc. to survey the project. There are sections of Standard Curb that have rolled and have become trip hazards. The standard curb will be replaced with curb and gutter and the survey will facilitate setting the curb and gutter in the correct vertical position to match both sides of the road and gain good positive drainage and address excessive cross slope of the roadway as well.

Sub Tasks:

- Review and Evaluate Existing Data
- Survey North State St. to Willamette St. (Rebuild rolled curb and assist in drainage install)
- Base-map update with new survey data

Utility Coordination

Priority: Placing extra inlets to provide enhanced drainage between North State St. to Willamette St. We are anticipating very minor amount of coordination with utilities in those two blocks.

Sub Tasks:

- Review Data & Ongoing Coordination
- Notification Letters & Status Report (if needed)

Preliminary Roadway Design

Priority: The ADA curb ramps along the length of the project will need to be evaluated and the majority of them replaced to comply with current ADA laws. We anticipate the need for a few extra inlets in that two block section to facilitate enhanced drainage of the area. Also, starting the project paving and curb and gutter approximately 130' east of N. State St. due to existing traffic loops that are in the asphalt. Once preliminary roadway plans have been finished the City will have a two week review period of the plans and estimate.

Sub Tasks:

- Roadway, Traffic, Drainage Design
- Prepare Preliminary Roadway Drawings
- Prepare Cost Estimates

Development of Final Roadway Plans

Priority: Move into Final Design Phase of the roadway plans, which will incorporate any comments, finalize the design, and prepare special provisions for the project.

Sub Task:

- Prepare Roadway Plans
- Independent Design Check & Review
- Prepare Cost Estimates
- Corrections Following City Review

Bidding Assistance

Priority: If needed, in the design process, we will be bidding the project. We will assist in bid advertisement, distribution of bid documents and review of contractor's bids and provide a bid recommendation.

Sub Task:

- Prepare and Submit Advertisement
- Distribute Documents & Assist City during Pre-bid
- Attend Bid Opening, Review & Evaluate Bids

Schedule

We have attached a preliminary design schedule for your review. We anticipate that we can bid the project in mid to late May. Then once approved the project can start construction in July. We anticipate drainage and ADA ramp construction will be first and paving will be mid-summer depending on the contractor's schedule.

Fee

The fee for these services will be a time and materials not to exceed **\$55,218,000.**

PERSONAL SERVICES AGREEMENT

Page 5

Exhibit B

Central Ave Overlay (North State St. + to App. Emerald St.), ADA Curb Ramp

HEBERLY ENGINEERING

1298 Wolf Valley Dr.

Umpqua, Oregon 97486

Ph: (541) 391-4813

Cl: (541)-430-4540

Heberlyengineering@gmail.com

2016 BILL RATES

DESCRIPTION OF SERVICES PERFORMED	BILL RATE \$/HR
Senior Design Project Manager	130
Senior Design Project Engineer	115
Design Project Engineer	105
Senior Cad Tech	95
Cad Tech	85
Construction Consultant Project Manager	130
Senior Field Inspector/Asst. Project Manager	115
Field Inspector(Specialized ODOT Cert., i.e. Signals, Drilled Shafts)	110
Field Inspector(General)	100
Project Admin Staff	70

Mileage Rate: \$ 0.575

HEBERLY ENGINEERING

Fee Estimate

City of Sutherlin Central Ave. Overlay

North State St. + to Emerald St.

9/24/2016

Tasks	Project Manager	S. Project Eng.	S. Drafter	Sub Contracted	Remarks
Project Management	<i>Hours per task</i>				
Overall Project Management	12				
Quality Control & Quality Assurance Review of Final Plans	12				
City Meetings & Coordination	16	8			
Sub Task	40	8	0		
Survey					
Review and Evaluate Existing Data		5			
Survey North State St. to Willamette St. (Rebuild rolled curb and assist in drainage install)	3			\$ 5,000.00	Subcontracted services Hibbs Survey Inc.
Basemap update with new survey data	2	8			
Sub Task	5	13	0		
Utility Coordination					
Review Data & Ongoing Coordination (for drainage inlets and pipe)		4			
Notification Letters & Status Report (if needed)		1			
Sub Task	0	5	0		
Preliminary Roadway Design					
Roadway, Traffic, Drainage Design		100			
Prepare Preliminary Roadway Drawings			60		
Prepare Cost Estimates		12			
Sub Task	0	112	60		
Development of Final Roadway Plans					
Prepare Roadway Plans		60	20		
Independent Design Check & Review		16			
Prepare Cost Estimates		8			
Corrections Following City Review		16			
Sub Task	0	100	20		
Specifications & Special Provisions					
Prepare Draft Specifications		20			
Prepare Final Specifications		20			
Assemble Advance & Final PS&E Documents		19			
Sub Task	0	59	0		
Bidding Assistance					
Prepare and Submit Advertisement		4			
Distribute Documents & Assist City During Prebid		8			
Attend Bid Opening, Review & Evaluate Bids		8			
Sub Task	0	20	0		

Sub Total:	45	317	80	
Rate:	\$130.00	\$115.00	\$95.00	\$5,000.00
Sub Total:	\$5,850.00	\$36,455.00	\$7,600.00	\$5,000.00
	Miles			
	200	\$113.00		
		\$200.00		
Sub Total:		\$313.00		
Total:		\$55,218.00		

Misc. Expenses
Mileage @ \$0.575
Printing, Postage, & Misc.

PERSONAL SERVICES AGREEMENT

Exhibit D

Central Ave Overlay (North State St. + to App. Emerald St.), ADA Curb Ramp

PERSONAL SERVICES AGREEMENT

Central Ave Improvements Calapooia to State St., DC Jurisdictional Swap

THIS AGREEMENT is made and entered into by and between the City of Sutherlin, an Oregon municipal corporation (the "City"), and Heberly Engineering ("Contractor") as of June 12, 2017.

RECITALS

1. City desires to obtain the services of a professional engineer to accomplish the following:
 - a. Provide engineering consulting services to the City, and
 - b. Perform specific engineering work described in the attached "Exhibit A", *Task Order # 2*.
2. Contractor is fully qualified by education and experience to provide said Services and desires to provide said Services.
3. It is the purpose of this Agreement to establish the services to be provided by Contractor and the compensation for such services.

AGREEMENT

Engagement. The City hereby engages Contractor to provide engineering services. Contractor shall provide the services to complete needed engineering services for: Central Ave Overlay (North State St. + to App. Emerald St.), ADA Curb Ramp as described in Exhibit A.

Scope of Work. Duties and responsibilities of Contractor and the City shall be as described in this Agreement and the submitted Exhibit A upon the time of requested service. The requested work as described in Exhibit A when submitted and authorized in writing by the City, will be performed on a time and expense basis using the standard fee schedule from Contractor attached as Exhibit B.

Compensation. The total compensation paid under this agreement as described individually in Exhibit A, shall not exceed \$67,375.80.

Duties and Responsibilities. Contractor shall be expected to fulfill the following:

- a. Provide engineering services as described in Exhibit A, to include a City-assigned *Task Number*.
- b. All other requests for assistance by the City shall be billed and paid according the following:
 - i. services will be provided at per hour costs as represented in Exhibit B.
 - ii. Payment will be requested within 30 days of billing.

Term. This Agreement shall commence as of June 12, 2017, and shall continue until project is completed according the attached schedule, Exhibit C.

Payment.

1.1 City agrees to pay Contractor for and in consideration of the faithful performance of the requested services and Contractor agrees to accept from the City, as described in detail in Exhibit D.

1.2 Contractor shall make and keep reasonable records of work performed pursuant to this Agreement and shall provide detailed final report to the City. Following approval by the City Manager, billings shall be paid in full within forty-five (45) days of receipt thereof. The City shall notify Contractor of any disputed amount within thirty (30) days of receipt of the invoice, give reasons for the objection, and promptly pay the undisputed amount. Disputed amounts may be withheld without penalty or interest pending resolution of the dispute.

1.3 The City may suspend or withhold payments if Contractor fails to comply with requirements of this Agreement.

1.4 Contractor is engaged by the City as an independent contractor in accordance with the standards prescribed in ORS 670.600. Contractor will not be entitled to any benefits that are provided by City to City employees.

1.5 Any provision of this Agreement that is held by a court to create an obligation that violates the debt limitation provision of Article XI, Section 9 of the Oregon Constitution will be void. The City's obligation to make payments under this Agreement is conditioned upon appropriation of funds pursuant to ORS 294.305 through 294.565.

Indemnification.

1.6 Contractor and the officers, employees, and agents of Contractor are not agents of the City as those terms are used in ORS 30.265.

1.7 Contractor shall defend and indemnify City and its officers, employees, and agents from all claims for injury to any person or damage to property caused by the negligence or other wrongful acts or omissions of Contractor or officers, employees, or agents of Contractor (ORS 279B.230).

Workers' Compensation Coverage. Contractor is a "subject employer" as defined in ORS 656.005 and shall comply with ORS 656.017. Contractor warrants that all persons engaged in contract work and subject to the Oregon Worker's Compensation law are covered by a worker's compensation plan or insurance policy that fully complies with Oregon law. Contractor shall indemnify City for any liability incurred by City as a result of Contractor's breach of the warranty under this paragraph (ORS 279B.230).

Compliance with Law.

1.8 This Contract will be interpreted and construed in accordance with the laws of the State of Oregon.

1.9 Contractor shall comply with all applicable laws regardless of whether they are set forth verbatim in the Contract Documents including, but not limited to, ORS 279B.020, 279B.220, 279B.225, 279B.230, and 279B.235

1.10 Pursuant to ORS 279B.020 and 653.010 to ORS 653.261, no person will be employed for the Services for more than 10 hours in any one day, or 40 hours in any one week, except in cases of necessity, emergency, or where the public policy absolutely requires it. Except for persons who are exempt from overtime pay, persons who perform the Services shall be paid at least time and a half pay for legal holidays specified in a collective bargaining agreement or in ORS 279B.020(1)(b)(A)(G) and for time worked in excess of 10 hours a day or in excess of 40 hours a week, whichever is greater.

1.11 Contractor shall not provide or offer to provide any appreciable pecuniary or material benefit to any officer or employee of City in violation of ORS Chapter 244.

Notices. All notices, bills and payments shall be made in writing and may be given by personal delivery or by mail. Notices, bills and payments sent by mail should be addressed as follows:

CITY: City Manager
City of Sutherlin
126 E. Central Ave.
Sutherlin OR 97479

CONTRACTOR: Heberly Engineering
1298 Wolf Valley Dr.
Umpqua, Oregon 97486
HEBERLYENGINEERING@GMAIL.COM

When so addressed, such notices, bills and payments shall be deemed given upon deposit in the United States mail, postage prepaid.

2. Standard of Care. Contractor shall comply with all applicable standards of professional care in the performance of the Services.

3. Responsibility for Others. Contractor shall be responsible to the City for Contractor's services. Contractor shall not be responsible for the acts or omissions of other parties engaged by the City.

4. Insurance. While this Agreement is in effect, Contractor shall maintain insurance coverage in the following minimum amounts: Contractor will maintain professional liability insurance insuring Contractor against errors or omissions in the amount and on the conditions below. In addition, Contractor shall obtain and maintain occurrence form commercial general liability and automobile liability insurance for the protection of Contractor, City, its Councilors, officers, agents and employees. Coverage shall include personal injury, bodily injury (including death) and broad form property damage, including loss of use of property, occurring in the course of or in any way related to Contractor's provision of Services, with a combined single limit, or the equivalent, of not less than \$2,000,000 (two million dollars) for each occurrence for bodily injury and property damage and not less than \$3,000,000 (three million dollars) in the aggregate. Each policy shall name as additional insured "the City of Sutherlin, Oregon, its officers, agents and employees" with respect to claims arising out of Contractor's work under this Agreement. Prior to commencement of any services under this Agreement, Contractor will furnish the City with evidence of insurance coverage and provisions as described above. Such policy or policies may not be canceled without a minimum of thirty (30) days prior written notice to the City. In the event Contractor fails to maintain insurance as required, the City will have the option, but will not have the obligation, to obtain such coverage with costs to be reimbursed by Contractor. The coverage provided by insurance required under this Agreement shall be primary, and any other insurance carried by City shall be excess.

5. Modification. Any modification of the provisions of this Agreement shall be reduced to writing and signed by the parties.

6. Waiver. A waiver by a party of any breach by the other shall not be deemed to be a waiver of any subsequent breach.

7. Entire Agreement. This Agreement contains the entire agreement between the parties and supersedes all prior written or oral discussions or agreements regarding the services described herein.

8. Governing Laws. This Agreement shall be governed by the laws of the State of Oregon. Venue shall be in the Circuit Court for Douglas County, Oregon. Contractor shall adhere to all applicable federal, state and local laws and rules in performance of this Agreement.

9. Succession. This Agreement shall inure to the benefit of, and shall be binding upon each of the parties hereto and such parties' partners, successors, executors, administrators, and assigns. This Agreement shall not be assigned without express written permission of the City.

10. Termination. Either party may terminate this Agreement upon thirty (30) days' written notice to the other party. If the City terminates this Agreement, Contractor shall receive compensation for work actually performed up to the date of termination.

11. Effective Date. This Agreement shall be effective when signed by both parties.

12. No Third Party Rights. This Agreement shall not create any rights or benefits to parties other than the City and Contractor.

IN WITNESS WHEREOF, the City has caused this Agreement to be executed in duplicate originals by its duly authorized undersigned agents and Contractor has executed this Agreement on the date hereinabove first written.

AGREED to this_____.

CITY OF SUTHERLIN

CONTRACTOR

By: _____

By: _____

Its: City Manager

Its: _____

EXHIBIT "A": CITY OF SUTHERLIN AGREEMENT WITH HEBERLY ENGINEERING

Scope of Work and Cost Proposal for: Task Order #2

Central Ave Improvements Calapooia to State St., DC Jurisdictional Swap

1298 Wolf Valley Dr.

Umpqua, Oregon 97486

Ph: (541) 391-4813

Cl: (541)-430-4540

HEBERLYENGINEERING@GMAIL.COM

Overview

The purpose of this proposal is to define the scope and fee for engineering design & bidding services for the design of Central Ave from Calapooia to State St. Below you will find a task list and discussions of each major task such as project management, survey, roadway design etc. As you know to date we have performed most of the preliminary design, and preliminary estimates and currently heading towards final plans. The current design time/fees to date will be included in this scope and fee.

Project Management

Under the project management section of the attached fee you will find the following sub tasks seen below. The main critical items in this list are providing good coordination with the City, high quality control & quality assurance through the design phase of the project. As can be seen good coordination during the design will be important for the success of the project.

Sub Tasks:

- Overall Project Management
- Quality Control & Quality Assurance Review of Final Plans
- City Meetings & Coordination

Survey

Under the survey section there is a one block (Calp. To N. State) and ½ block area (along N State St. south). We have included fees for Hibbs Land Surveying Inc to survey the project. The survey will facilitate in the design of the roadway section. We have assumed the city will provide flagging along Central Ave. for the manholes that are in the roadway. We anticipate the flagging need will be for a short duration (a few hours).

Sub Tasks:

- Review and Evaluate Existing Data
- Survey Calapooia to North State St.
- Base-map update with new survey data

Utility Coordination

Under the Utility section we anticipate placing a few extra inlets to provide enhanced drainage in this section. We are anticipating very minor amount of coordination with utilities in those two blocks.

Sub Task:

- Review Data & Ongoing Coordination
- Notification Letters & Status Report (if needed)

Preliminary Roadway Design

Under the preliminary roadway design items the ADA curb ramps along the length of the project will need to be evaluated and the majority of them replaced to comply with current ADA laws. We anticipate the need for a few extra inlets in that one block section to facilitate in a more positive drainage of the area. We also anticipate meeting with ODOT about the project and coordinate with them on the final signal plans concurrence. Once preliminary roadway plans have been finished the City will have a two week review period of the plans and estimate.

Sub Task:

- Roadway, Traffic, Drainage Design
- Prepare Preliminary Roadway Drawings
- Prepare Cost Estimates

Development of Final Roadway Plans

After the preliminary design has been reviewed by City Staff and comments have been provided we will move into Final Design Phase of the roadway plans, which will incorporate any comments, finalize the design, and prepare special provisions for the project. Plans will be submitted for city comments before final bidding of the project.

Sub Task:

- Prepare Roadway Plans
- Independent Design Check & Review
- Prepare Cost Estimates
- Corrections Following City Review

Bidding Assistance

The final task in the design process will be bidding the project. We will assist in bid advertisement, distribution of bid documents and review of contractor's bids and provide a bid recommendation.

Sub Task:

- Prepare and Submit Advertisement
- Distribute Documents & Assist City during Pre-bid
- Attend Bid Opening, Review & Evaluate Bids

Fee

The fee for these services will be a time and materials not to exceed **\$67,375.80**.

PERSONAL SERVICES AGREEMENT

Page 5

Exhibit B

Central Ave Improvements Calapooia to State St., DC Jurisdictional Swap
HEBERLY ENGINEERING

1298 Wolf Valley Dr.
Umpqua, Oregon 97486
Ph: (541) 391-4813
Cl: (541)-430-4540

Heberlyengineering@gmail.com

2016 BILL RATES

DESCRIPTION OF SERVICES PERFORMED	BILL RATE \$/HR
Senior Design Project Manager	130
Senior Design Project Engineer	115
Design Project Engineer	105
Senior Cad Tech	95
Cad Tech	85
Construction Consultant Project Manager	130
Senior Field Inspector/Asst. Project Manager	115
Field Inspector(Specialized ODOT Cert., i.e. Signals, Drilled Shafts)	110
Field Inspector(General)	100
Project Admin Staff	70

Mileage Rate: \$ 0.575

PERSONAL SERVICES AGREEMENT

Exhibit C

Central Ave Improvements Calapooia to State St., DC Jurisdictional Swap

HEBERLY ENGINEERING
 Fee Estimate
 City of Sutherlin Central Avenue Improvements
 Calapooia to State St.
 5/16/2017

Tasks	Project Manager	S. Project Eng.	S. Drafter	Sub Contracted	Remarks
Project Management	<i>Hours per task</i>				
Overall Project Management	20				
Quality Control & Quality Assurance Review of Final Plans	0				
City Meetings & Coordination	8	8			
Sub Task	28	8	0		
Survey					
Review and Evaluate Existing Data		8			
Survey Calapooia to State St.	5			\$ 10,000.00	Subcontracted services Hibbs Survey Inc.
Basemap update with new survey data	3	16			
Sub Task	8	24	0		
Utility Coordination					
Review Data & Ongoing Coordination (for drainage inlets and pipe)		12			
Notification Letters & Status Report (if needed)		8			
Sub Task	0	20	0		
Preliminary Roadway Design					
Roadway, Traffic, Drainage Design		100			
Prepare Preliminary Roadway Drawings			50		
Prepare Cost Estimates		16			
Sub Task	0	116	50		
Development of Final Roadway Plans					
Prepare Roadway Plans		80	55		
Independent Design Check & Review		16			
Prepare Cost Estimates		16			
Corrections Following City Review		16			
Sub Task	0	128	55		
Specifications & Special Provisions					
Prepare Draft Specifications		20			
Prepare Final Specifications		20			
Assemble Advance & Final PS&E Documents		10			
Sub Task	0	50	0		
Bidding Assistance					
Prepare and Submit Advertisement	2.5	4			
Distribute Documents & Assist City During Prebid		8			
Attend Bid Opening, Review & Evaluate Bids		8			
Sub Task	2.5	20	0		
	Sub Total:	38.5	366	105	
	Rate:	\$130.00	\$115.00	\$95.00	\$10,000.00
	Sub Total:	\$5,005.00	\$42,090.00	\$9,975.00	\$10,000.00
Misc. Expenses					
Mileage @ \$0.575		184	\$105.80		
Printing, Postage, & Misc.			\$200.00		
	Sub Total:		\$305.80		
	Total:		\$67,375.80		

PERSONAL SERVICES AGREEMENT

Central Ave Overlay, ADA Curb Ramp & Drainage Upgrades

THIS AGREEMENT is made and entered into by and between the City of Sutherlin, an Oregon municipal corporation (the "City"), and Heberly Engineering ("Contractor") as of June 12, 2017.

RECITALS

1. City desires to obtain the services of a professional engineer to accomplish the following:
 - a. Provide engineering consulting services to the City, and
 - b. Perform specific engineering work described in the attached "Exhibit A", *Task Order # 3*.
2. Contractor is fully qualified by education and experience to provide said Services and desires to provide said Services.
3. It is the purpose of this Agreement to establish the services to be provided by Contractor and the compensation for such services.

AGREEMENT

Engagement. The City hereby engages Contractor to provide engineering services. Contractor shall provide the services to complete needed engineering services for: Central Ave Overlay (North State St. + to App. Emerald St.), ADA Curb Ramp as described in Exhibit A.

Scope of Work. Duties and responsibilities of Contractor and the City shall be as described in this Agreement and the submitted Exhibit A upon the time of requested service. The requested work as described in Exhibit A when submitted and authorized in writing by the City, will be performed on a time and expense basis using the standard fee schedule from Contractor attached as Exhibit B.

Compensation. The total compensation paid under this agreement as described individually in Exhibit A, shall not exceed \$74,578,000.

Duties and Responsibilities. Contractor shall be expected to fulfill the following:

- a. Provide engineering services as described in Exhibit A, to include a City-assigned *Task Number*.
- b. All other requests for assistance by the City shall be billed and paid according the following:
 - i. services will be provided at per hour costs as represented in Exhibit B.
 - ii. Payment will be requested within 30 days of billing.

Term. This Agreement shall commence as of June 12, 2017, and shall continue until project is completed according the attached schedule, Exhibit C.

Payment.

1.1 City agrees to pay Contractor for and in consideration of the faithful performance of the requested services and Contractor agrees to accept from the City, as described in detail in Exhibit D.

1.2 Contractor shall make and keep reasonable records of work performed pursuant to this Agreement and shall provide detailed final report to the City. Following approval by the City Manager, billings shall be paid in full within forty-five (45) days of receipt thereof. The City shall notify Contractor of any disputed amount within thirty (30) days from receipt of the invoice, give reasons for the objection, and promptly pay the undisputed amount. Disputed amounts may be withheld without penalty or interest pending resolution of the dispute.

1.3 The City may suspend or withhold payments if Contractor fails to comply with requirements of this Agreement.

1.4 Contractor is engaged by the City as an independent contractor in accordance with the standards prescribed in ORS 670.600. Contractor will not be entitled to any benefits that are provided by City to City employees.

1.5 Any provision of this Agreement that is held by a court to create an obligation that violates the debt limitation provision of Article XI, Section 9 of the Oregon Constitution will be void. The City's obligation to make payments under this Agreement is conditioned upon appropriation of funds pursuant to ORS 294.305 through 294.565.

Indemnification.

1.6 Contractor and the officers, employees, and agents of Contractor are not agents of the City as those terms are used in ORS 30.265.

1.7 Contractor shall defend and indemnify City and its officers, employees, and agents from all claims for injury to any person or damage to property caused by the negligence or other wrongful acts or omissions of Contractor or officers, employees, or agents of Contractor (ORS 279B.230).

Workers' Compensation Coverage. Contractor is a "subject employer" as defined in ORS 656.005 and shall comply with ORS 656.017. Contractor warrants that all persons engaged in contract work and subject to the Oregon Worker's Compensation law are covered by a worker's compensation plan or insurance policy that fully complies with Oregon law. Contractor shall indemnify City for any liability incurred by City as a result of Contractor's breach of the warranty under this paragraph (ORS 279B.230).

Compliance with Law.

1.8 This Contract will be interpreted and construed in accordance with the laws of the State of Oregon.

1.9 Contractor shall comply with all applicable laws regardless of whether they are set forth verbatim in the Contract Documents including, but not limited to, ORS 279B.020, 279B.220, 279B.225, 279B.230, and 279B.235

1.10 Pursuant to ORS 279B.020 and 653.010 to ORS 653.261, no person will be employed for the Services for more than 10 hours in any one day, or 40 hours in any one week, except in cases of necessity, emergency, or where the public policy absolutely requires it. Except for persons who are exempt from overtime pay, persons who perform the Services shall be paid at least time and a half pay for legal holidays specified in a collective bargaining agreement or in ORS 279B.020(1)(b)(A)(G) and for time worked in excess of 10 hours a day or in excess of 40 hours a week, whichever is greater.

1.11 Contractor shall not provide or offer to provide any appreciable pecuniary or material benefit to any officer or employee of City in violation of ORS Chapter 244.

Notices. All notices, bills and payments shall be made in writing and may be given by personal delivery or by mail. Notices, bills and payments sent by mail should be addressed as follows:

CITY: City Manager
City of Sutherlin
126 E. Central Ave.
Sutherlin OR 97479

CONTRACTOR: Heberly Engineering
1298 Wolf Valley Dr.
Umpqua, Oregon 97486
HEBERLYENGINEERING@GMAIL.COM

When so addressed, such notices, bills and payments shall be deemed given upon deposit in the United States mail, postage prepaid.

2. Standard of Care. Contractor shall comply with all applicable standards of professional care in the performance of the Services.

3. Responsibility for Others. Contractor shall be responsible to the City for Contractor's services. Contractor shall not be responsible for the acts or omissions of other parties engaged by the City.

4. Insurance. While this Agreement is in effect, Contractor shall maintain insurance coverage in the following minimum amounts: Contractor will maintain professional liability insurance insuring Contractor against errors or omissions in the amount and on the conditions below. In addition, Contractor shall obtain and maintain occurrence form commercial general liability and automobile liability insurance for the protection of Contractor, City, its Councilors, officers, agents and employees. Coverage shall include personal injury, bodily injury (including death) and broad form property damage, including loss of use of property, occurring in the course of or in any way related to Contractor's provision of Services, with a combined single limit, or the equivalent, of not less than \$2,000,000 (two million dollars) for each occurrence for bodily injury and property damage and not less than \$3,000,000 (three million dollars) in the aggregate. Each policy shall name as additional insured "the City of Sutherlin, Oregon, its officers, agents and employees" with respect to claims arising out of Contractor's work under this Agreement. Prior to commencement of any services under this Agreement, Contractor will furnish the City with evidence of insurance coverage and provisions as described above. Such policy or policies may not be canceled without a minimum of thirty (30) days prior written notice to the City. In the event Contractor fails to maintain insurance as required, the City will have the option, but will not have the obligation, to obtain such coverage with costs to be reimbursed by Contractor. The coverage provided by insurance required under this Agreement shall be primary, and any other insurance carried by City shall be excess.

5. Modification. Any modification of the provisions of this Agreement shall be reduced to writing and signed by the parties.

6. Waiver. A waiver by a party of any breach by the other shall not be deemed to be a waiver of any subsequent breach.

7. Entire Agreement. This Agreement contains the entire agreement between the parties and supersedes all prior written or oral discussions or agreements regarding the services described herein.

8. Governing Laws. This Agreement shall be governed by the laws of the State of Oregon. Venue shall be in the Circuit Court for Douglas County, Oregon. Contractor shall adhere to all applicable federal, state and local laws and rules in performance of this Agreement.

9. Succession. This Agreement shall inure to the benefit of, and shall be binding upon each of the parties hereto and such parties' partners, successors, executors, administrators, and assigns. This Agreement shall not be assigned without express written permission of the City.

10. Termination. Either party may terminate this Agreement upon thirty (30) days' written notice to the other party. If the City terminates this Agreement, Contractor shall receive compensation for work actually performed up to the date of termination.

11. Effective Date. This Agreement shall be effective when signed by both parties.

12. No Third Party Rights. This Agreement shall not create any rights or benefits to parties other than the City and Contractor.

IN WITNESS WHEREOF, the City has caused this Agreement to be executed in duplicate originals by its duly authorized undersigned agents and Contractor has executed this Agreement on the date hereinabove first written.

AGREED to this_____.

CITY OF SUTHERLIN

CONTRACTOR

By: _____

By: _____

Its: City Manager

Its: _____

EXHIBIT "A": CITY OF SUTHERLIN AGREEMENT WITH HEBERLY ENGINEERING

Scope of Work and Cost Proposal for: Task Order #3

Central Ave Overlay, ADA Curb Ramp & Drainage Upgrades

1298 Wolf Valley Dr.
Umpqua, Oregon 97486
Ph: (541) 391-4813
Cl: (541)-430-4540

HEBERLYENGINEERING@GMAIL.COM

Overview

The purpose of this letter is to define the scope and fee for engineering design & bidding services for the design of Central Ave from Comstock to Calapooia St. In this scope and fee you will find a proposed design schedule that shows the design finishing by early spring to gain the best price for the project. Below you will find a task list and discussions of each major task such as project management, survey, roadway design etc.

Project Management

Under the project management section of the attached fee you will find the following sub tasks seen below. The main critical items in this list are providing good coordination with the City, high quality control & quality assurance through the design phase of the project. One item that has been included is coordination with Central Oregon Pacific Rail Road (CORP) for the paving near the existing rail road crossing. Typically during a construction operation such as our grind and overlay operation there will be a CORP rail road inspector onsite during the construction operations for the work within a few hundred feet of the rail road tracks. This is to ensure the integrity and safety of the rail road system during construction. As can be seen good coordination during the design will be important for the success of the construction near the rail road tracks.

Sub Tasks:

- Overall Project Management
- Quality Control & Quality Assurance Review of Final Plans
- Coordination with Central Oregon Pacific Rail Road
- City Meetings & Coordination

Survey

Under the survey section the main points of discussions are Dyer Partnership of Coos Bay have made available a topo survey from Willamette St. to Comstock St. This survey was performed in 2006 and its intended purpose was for a water line project and now used for a force main sewer line project. Our intended use of the data will be for a roadway project with emphasis on ADA curb ramp upgrades and drainage system modifications. We will review the existing survey data and Hibbs Survey Inc. from Roseburg, will spot check as appropriate then perform a more detailed survey of the existing utilities around the street connections if needed. We will most likely need to shoot the storm drain and sewer pipe grades in existing inlets and manholes, so that we can accurately connect to them. We have assumed the city will provide flagging along Central Ave. for the manholes that are in the roadway. We anticipate the flagging need will be for a short duration (a few hours).

Sub Tasks:

- Review and Evaluate Existing Data
- Verification of key areas of existing survey
- Survey as needed road approach for storm connections, existing utilities, and ADA ramps
- Base-map update with new survey data

Utility Coordination

Under the Utility section the main points of discussions is the need to coordinate with affected utilities when the drainage system and ADA ramps are upgraded at street connections. We will strive to not affect existing utilities during the drainage design, however occasionally utility conflicts are unavoidable.

Sub Task:

- Review Data & Ongoing Coordination
- Notification Letters & Status Report (if needed)

Preliminary Roadway Design

Under the preliminary roadway design the main points of discussions are the ADA criteria and drainage relocation that require a creative design to not affect utilities and still allow the ADA curb ramps to comply with current laws. The Central Ave. overlay section will need to be designed carefully to reduce or eliminate the existing ponding in curb lines. We anticipate that we can do this by varying the AC grade very slightly during the grinding of the roadway near curb line as well as add a few inlets in spot locations to provide more positive drainage along Central Ave. As scoped in the fall of 2015, we will also replace spot sections of the sidewalk that has sunk, cracked and generally substandard, and in one location we will need to add a 2' retaining wall along the back edge of sidewalk and install a pedestrian hand rail over the retaining wall. Once preliminary roadway plans have been finished the City will have a two week review period of the plans and estimate.

Sub Task:

- Roadway, Traffic, Drainage Design
- Prepare Preliminary Roadway Drawings
- Prepare Cost Estimates

Development of Final Roadway Plans

After the preliminary design has been reviewed by City Staff and comments have been provided we will move into Final Design Phase of the roadway plans, which will incorporate any comments, finalize the design, and prepare special provisions for the project. We will also finish any coordination needed with CORP rail road to gain permits to overlay roadway on both sides of rail road tracks. Plans will be submitted for city comments before final bidding of the project.

Sub Task:

- Prepare Roadway Plans
- Independent Design Check & Review
- Prepare Cost Estimates
- Corrections Following City Review

Bidding Assistance

The final task in the design process will be bidding the project. We will assist in bid advertisement, distribution of bid documents and review of contractor's bids and provide a bid recommendation.

Sub Task:

- Prepare and Submit Advertisement
- Distribute Documents & Assist City during Pre-bid

Fee: **\$74,578,000.**

PERSONAL SERVICES AGREEMENT

Exhibit B

Central Ave Overlay, ADA Curb Ramp & Drainage Upgrades

HEBERLY ENGINEERING

1298 Wolf Valley Dr.
Umpqua, Oregon 97486

Ph: (541) 391-4813

Cl: (541)-430-4540

Heberlyengineering@gmail.com

2016 BILL RATES

DESCRIPTION OF SERVICES PERFORMED	BILL RATE \$/HR
Senior Design Project Manager	130
Senior Design Project Engineer	115
Design Project Engineer	105
Senior Cad Tech	95
Cad Tech	85
Construction Consultant Project Manager	130
Senior Field Inspector/Asst. Project Manager	115
Field Inspector(Specialized ODOT Cert., i.e. Signals, Drilled Shafts)	110
Field Inspector(General)	100
Project Admin Staff	70

Mileage Rate: \$ 0.575

PERSONAL SERVICES AGREEMENT

Exhibit C

Central Ave Overlay, ADA Curb Ramp & Drainage Upgrades

HEBERLY ENGINEERING
 Fee Estimate
 City of Sutherlin Central Ave. Overlay
 Comstock to Calapooya St.
 9/1/2016

Tasks	Project Manager	S. Project Eng.	S. Drafter	Sub Contracted	Remarks
Project Management	Hours per task				
Overall Project Management	16				
Quality Control & Quality Assurance Review of Final Plans	16				
Coordination with Central Oregon Pacific Rail Road	8	8			
City Meetings & Coordination	20	8			
Sub Task	60	16	0		
Survey					
Review and Evaluate Existing Data		5			
Verification of key areas of existing survey	2			\$ 1,500.00	Subcontracted services Hibbs Survey Inc.
Survey as needed road approach for storm connections, existing utilities, and ADA ramps	3			\$ 3,500.00	Subcontracted services Hibbs Survey Inc.
Basemap update with new survey data	2	16			
Sub Task	7	21	0		
Utility Coordination					
Review Data & Ongoing Coordination		8			
Notification Letters & Status Report (if needed)		4			
Sub Task	0	12	0		
Preliminary Roadway Design					
Roadway, Traffic, Drainage Design		130			
Prepare Preliminary Roadway Drawings			70		
Prepare Cost Estimates		16			
Sub Task	0	146	70		
Development of Final Roadway Plans					
Prepare Roadway Plans		80	36		
Independent Design Check & Review		24			
Prepare Cost Estimates		16			
Corrections Following City Review		16			
Sub Task	0	136	36		
Specifications & Special Provisions					
Prepare Draft Specifications		24			
Prepare Final Specifications		40			
Assemble Advance & Final PS&E Documents		24			
Sub Task	0	88	0		
Bidding Assistance					
Prepare and Submit Advertisement		4			
Distribute Documents & Assist City During Prebid		8			
Attend Bid Opening, Review & Evaluate Bids		8			
Sub Task	0	20	0		
Sub Total:	67	439	106		
Rate:	\$130.00	\$115.00	\$95.00	\$5,000.00	
Sub Total:	\$8,710.00	\$50,485.00	\$10,070.00	\$5,000.00	
Misc. Expenses					
Mileage @ \$0.575	Miles				
	200	\$113.00			
Printing, Postage, & Misc.		\$200.00			
Sub Total:		\$313.00			
Total:		\$74,578.00			



126 E. Central Avenue
Sutherlin, OR 97479
541-459-2856
Fax: 541-459-9363
www.cityofsutherlin.com

City of Sutherlin

STAFF REPORT					
Re: City of Sutherlin and ODOT IGA – Central Avenue Paving Improvement Project from Church Road to Comstock Road				Meeting Date: 6-12-17	
Purpose:	Action Item <input checked="" type="checkbox"/>	Workshop <input type="checkbox"/>	Report Only <input type="checkbox"/>	Discussion <input type="checkbox"/>	Update <input type="checkbox"/>
Submitted By: Brian Elliott, Community Development Director				City Manager Review <input checked="" type="checkbox"/>	
Attachments:					

WHAT IS BEING ASKED OF COUNCIL?

City Council is being asked to approve the IGA between the City and ODOT for the paving improvement from Church Road to Comstock Road.

EXPLANATION

With the Central Ave Pavement improvement project, ODOT expressed their interest to combine jurisdictional pavement improvement projects with the City. This IGA details the scope of work that ODOT commits to, as part of the City's Central Avenue Paving Improvement Project.

As of the writing of this staff report, we have not received IGA from ODOT. Upon receipt and review of the IGA, we will forward it on to you.

OPTIONS

Approve the IGA contract as presented between the City and ODOT

Not approve IGA contract as presented between the City and ODOT

SUGGESTED MOTION(S)

Approve the IGA contract as presented between the City and ODOT

**COOPERATIVE IMPROVEMENT AGREEMENT
Highway 231: W Central Ave. Paving**

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

RECITALS

1. Elkton-Sutherlin Highway, No. 231, also known as W. Central Avenue, is a part of the state highway system under the jurisdiction and control of the Oregon Transportation Commission (OTC).
2. By the authority granted in Oregon Revised Statutes (ORS) [190.110](#), [366.572](#) and [366.576](#), State may enter into cooperative agreements with counties, cities and units of local governments for the performance of work on certain types of improvement projects with the allocation of costs on terms and conditions mutually agreeable to the contracting parties.
3. By the authority granted in ORS [810.080](#) State has the authority to establish marked pedestrian crosswalks on its highway facilities.
4. By the authority granted in ORS [810.210](#), State is authorized to determine the character or type of traffic control devices to be used, and to place or erect them upon state highways at places where State deems necessary for the safe and expeditious control of traffic. No traffic control devices shall be erected, maintained, or operated upon any state highway by any authority other than State, except with its written approval. Traffic signal work on this Project will conform to the current State standards and specifications.

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

TERMS OF AGREEMENT

1. Under such authority, State and Agency agree to State funding and Agency developing plans and specifications, paving, striping and installing legends on Highway 231 between mile points 22.89 and 24.47, hereinafter referred to as "Project". The location of the Project is approximately as shown on the sketch map attached hereto, marked Exhibit A, and by this reference made a part hereof.
2. The Project will be financed at an estimated cost of \$500,000 in state funds. The estimate for the total Project cost is subject to change. State shall be responsible for any Project costs beyond the estimate.



3. This Agreement shall become effective on the date all required signatures are obtained and shall remain in effect for the purpose for ongoing maintenance responsibilities for the useful life of the facilities constructed as part of the Project. The useful life is defined as twenty (20) calendar years. The Project shall be completed within ten (10) calendar years following the date of final execution of this Agreement by both Parties.

AGENCY OBLIGATIONS

1. Agency shall, as requested by State, pave, stripe and install legends on Hwy. 231 between mile points 22.89 and 24.47.
2. Agency agrees to have State review the Project plans and specifications and concur with Agency prior to construction.
3. Agency shall, upon execution of this Agreement, forward to State a letter of request for an advance deposit of \$500,000 for the Project. Request for additional deposits shall be accompanied by an itemized statement of expenditures and an estimated cost to complete Project.
4. Upon completion of the Project, Agency shall either send to State a bill for the amount which, when added to State's advance deposit, will equal 100 percent of the total Agency costs for Project or Agency will refund to State any portion of said advance deposit which is in excess of the total Agency costs for Project.
5. Agency shall keep accurate cost accounting records. Agency shall prepare and submit request for advance deposits to State's Project Manager for review and approval. Such requests will be in a form identifying the Project, the Agreement number, the requests number or the account number or both, and will itemize all expenses for which reimbursement is claimed.
6. All employers, including Agency, that employ subject workers who work under this Agreement in the State of Oregon shall comply with ORS [656.017](#) and provide the required Workers' Compensation coverage unless such employers are exempt under ORS [656.126](#). Employers Liability insurance with coverage limits of not less than \$500,000 must be included. Agency shall ensure that each of its contractors complies with these requirements.
7. Agency shall perform the service under this Agreement as an independent contractor and shall be exclusively responsible for all costs and expenses related to its employment of individuals to perform the work under this Agreement including, but not limited to, retirement contributions, workers' compensation, unemployment taxes, and state and federal income tax withholdings.
8. Agency acknowledges and agrees that State, the Oregon Secretary of State's Office, the federal government, and their duly authorized representatives shall have access to the books, documents, papers, and records of Agency which are directly

pertinent to the specific Agreement for the purpose of making audit, examination, excerpts, and transcripts for a period of six (6) years after final payment (or completion of Project -- if applicable.) Copies of applicable records shall be made available upon request. Payment for costs of copies is reimbursable by State.

9. Agency shall require its contractor(s) and subcontractor(s) that are not units of local government as defined in ORS 190.003, if any, to indemnify, defend, save and hold harmless the State of Oregon, Oregon Transportation Commission and its members, Department of Transportation and its officers, employees and agents from and against any and all claims, actions, liabilities, damages, losses, or expenses, including attorneys' fees, arising from a tort, as now or hereafter defined in ORS 30.260, caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Agency's contractor or any of the officers, agents, employees or subcontractors of the contractor ("Claims"). It is the specific intention of the Parties that the State shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the State, be indemnified by the contractor and subcontractor from and against any and all Claims.
10. Any such indemnification shall also provide that neither the Agency's contractor and subcontractor nor any attorney engaged by Agency's contractor and subcontractor shall defend any claim in the name of the State of Oregon or any agency of the State of Oregon, nor purport to act as legal representative of the State of Oregon or any of its agencies, without the prior written consent of the Oregon Attorney General. The State of Oregon may, at anytime at its election assume its own defense and settlement in the event that it determines that Agency's contractor is prohibited from defending the State of Oregon, or that Agency's contractor is not adequately defending the State of Oregon's interests, or that an important governmental principle is at issue or that it is in the best interests of the State of Oregon to do so. The State of Oregon reserves all rights to pursue claims it may have against Agency's contractor if the State of Oregon elects to assume its own defense.
11. Agency shall comply with all federal, state, and local laws, regulations, executive orders and ordinances applicable to the work under this Agreement, including, without limitation, the provisions of ORS [279C.505](#), [279C.515](#), [279C.520](#), [279C.530](#) and [279B.270](#) incorporated herein by reference and made a part hereof. Without limiting the generality of the foregoing, Agency expressly agrees to comply with (i) [Title VI of Civil Rights Act of 1964](#); (ii) [Title V and Section 504 of the Rehabilitation Act of 1973](#); (iii) the [Americans with Disabilities Act of 1990](#) and ORS [659A.142](#); (iv) all regulations and administrative rules established pursuant to the foregoing laws; and (v) all other applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations.
12. Agency shall construct the Project in accordance with the requirements of ORS 276.071 including the public contracting laws within ORS Chapters 279A, 279B and 279C.

13. If Agency chooses to assign its contracting responsibilities to a consultant or contractor, Agency shall inform the consultant or contractor of the requirements of ORS 276.071, to ensure that the public contracting laws within ORS Chapters 279A, 279B and 279C are followed.
14. Agency/Developer or its contractor shall follow the Oregon Locate Laws (ORS 757 and OAR 952).
15. Pursuant to the statutory requirements of ORS 279C.380 Agency shall require their contractor to submit a performance bond to Agency for an amount equal to or greater than the estimated cost of the Project.
16. If Agency enters into a construction contract for performance of work on the Project, then Agency will require its contractor to provide the following:
 - a. Contractor shall indemnify, defend and hold harmless State from and against all claims, suits, actions, losses, damages, liabilities, costs and expenses of any nature whatsoever resulting from, arising out of, or relating to the activities of Contractor or its officers, employees, subcontractors, or agents under the resulting contract.
 - b. Contractor and Agency shall name State as a third party beneficiary of the resulting contract.
 - c. Commercial General Liability. Contractor shall obtain, at Contractor's expense, and keep in effect during the term of the resulting contract, Commercial General Liability Insurance covering bodily injury and property damage in a form and with coverages that are satisfactory to State. This insurance will include personal and advertising injury liability, products and completed operations. Coverage may be written in combination with Automobile Liability Insurance (with separate limits). Coverage will be written on an occurrence basis. If written in conjunction with Automobile Liability the combined single limit per occurrence will not be less than \$ 1,000,000 for each job site or location. Each annual aggregate limit will not be less than \$ 2,000,000.
 - d. Automobile Liability. Contractor shall obtain, at Contractor's expense, and keep in effect during the term of the resulting contract, Commercial Business Automobile Liability Insurance covering all owned, non-owned, or hired vehicles. This coverage may be written in combination with the Commercial General Liability Insurance (with separate limits). Combined single limit per occurrence will not be less than \$1,000,000.
 - e. Additional Insured. The liability insurance coverage, except Professional Liability, Errors and Omissions, or Workers' Compensation, if included, required for performance of the resulting contract will include State and its divisions, officers and employees as Additional Insured but only with respect to Contractor's

activities to be performed under the resulting contract. Coverage will be primary and non-contributory with any other insurance and self-insurance.

- f. Notice of Cancellation or Change. There shall be no cancellation, material change, potential exhaustion of aggregate limits or non-renewal of insurance coverage(s) without thirty (30) days written notice from Contractor's or its insurer(s) to State. Any failure to comply with the reporting provisions of this clause will constitute a material breach of the resulting contract and will be grounds for immediate termination of the resulting contract and this Agreement.
17. Agency is responsible for and ensures that all survey monuments recorded with a county and within or adjacent to the highway right of way shall be preserved in accordance with ORS 209.140 and 209.150. Any such monumentation that is damaged or removed during the course of the Project must be replaced in compliance with ORS Chapter 209 stipulations, the State Right of Way Monumentation Policy, and at Agency's own expense.
18. Agency is also responsible, at its own expense, for replacement of any additional State survey marks or other monumentation not recorded with a county that are damaged or removed during the course of the Project. In the event of such replacement, Agency shall contact State's Geometronics Unit for replacement procedures.
19. If additional right of way is acquired for state highway right of way purposes as a result of the Project, then a right of way monumentation survey is required as defined in ORS 209.150 and 209.155. Agency agrees to provide such a survey, at its own expense, following ORS Chapter 209 stipulations, State Right of Way Monumentation Policy, and State's Geometronics Unit review and approval, and to file the legal survey with the appropriate Agency Surveyor's office as required
20. Agency certifies and represents that the individual(s) signing this Agreement has been authorized to enter into and execute this Agreement on behalf of Agency, under the direction or approval of its governing body, commission, board, officers, members or representatives, and to legally bind Agency.
21. Agency's Project Manager for this Project is Brian Elliott, Community Development Director, 126 Central Ave., Sutherlin, OR 97479, 541-459-2856, b.elliott@ci.sutherlin.or.us, or assigned designee upon individual's absence. Agency shall notify the other Party in writing of any contact information changes during the term of this Agreement.

STATE OBLIGATIONS

1. State shall upon receipt of a fully executed copy of this Agreement and upon a subsequent letter of request from Agency, forward to Agency an advance deposit in the amount of \$500,000 for the Project, said amount being equal to the estimated total cost for the work performed by Agency at State's request under Agency

Obligations, paragraph 1. State agrees to make additional deposits as needed upon request from Agency, not to exceed \$250,000. Depending upon the timing of portions of the Project to which the advance deposit contributes, it may be requested by Agency prior to Preliminary Engineering, purchase of right of way, or approximately 4-6 weeks prior to Project bid opening.

2. State shall be responsible for the ongoing maintenance of the improvements constructed as part of the Project.
3. State certifies, at the time this Agreement is executed, that sufficient funds are available and authorized for expenditure to finance costs of this Agreement within State's current appropriation or limitation of the current biennial budget.
4. State grants authority to Agency to enter upon State right of way for the construction of this Project.
5. State shall address Americans with Disabilities Act 1990 (ADA) obligations prior to Agency's start of Project.
6. When the Project scope includes work on sidewalks, curb ramps, or pedestrian-activated signals or triggers an obligation to address curb ramps or pedestrian signals, the Parties shall:
 - a. Utilize ODOT standards to assess and ensure Project compliance with the (ADA), including ensuring that all sidewalks, curb ramps, and pedestrian-activated signals meet current ODOT Highway Design Manual standards;
 - b. Follow ODOT's processes for design, modification, upgrade, or construction of sidewalks, curb ramps, and pedestrian-activated signals, including using the ODOT Highway Design Manual, ODOT Design Exception process, ODOT Standard Drawings, ODOT Construction Specifications, providing a temporary pedestrian accessible route plan and current ODOT Curb Ramp Inspection form;
 - c. At Project completion, send an ODOT Curb Ramp Inspection Form 734-5020 to the address on the form as well as to State's Project Manager for each curb ramp constructed, modified, upgraded, or improved as part of the Project. The completed form is the documentation required to show that each curb ramp meets ODOT standards and is ADA compliant. ODOT's fillable Curb Ramp Inspection Form and instructions are available at the following address:
http://www.oregon.gov/ODOT/HWY/CONSTRUCTION/Pages/HwyConstForm_s1.aspx
7. State's Project Manager for this Project is Chris Hunter, Assistant District 7 Manager, 3500 NW Stewart Parkway, Roseburg, OR 97470, 541-957-3689, Chris.Hunter@odot.state.or.us, or assigned designee upon individual's absence.

State shall notify the other Party in writing of any contact information changes during the term of this Agreement.

GENERAL PROVISIONS

1. This Agreement may be terminated by mutual written consent of both Parties.
2. State may terminate this Agreement effective upon delivery of written notice to Agency, or at such later date as may be established by State, under any of the following conditions:
 - a. If Agency fails to provide services called for by this Agreement within the time specified herein or any extension thereof.
 - b. If Agency fails to perform any of the other provisions of this Agreement, or so fails to pursue the work as to endanger performance of this Agreement in accordance with its terms, and after receipt of written notice from State fails to correct such failures within ten (10) days or such longer period as State may authorize.
 - c. If State fails to receive funding, appropriations, limitations or other expenditure authority sufficient to allow State, in the exercise of its reasonable administrative discretion, to continue to make payments for performance of this Agreement.
 - d. If federal or state laws, regulations or guidelines are modified or interpreted in such a way that either the work under this Agreement is prohibited or State is prohibited from paying for such work from the planned funding source.
3. Any termination of this Agreement shall not prejudice any rights or obligations accrued to the Parties prior to termination.
4. If any third party makes any claim or brings any action, suit or proceeding alleging a tort as now or hereafter defined in ORS 30.260 ("Third Party Claim") against State or Agency with respect to which the other Party may have liability, the notified Party must promptly notify the other Party in writing of the Third Party Claim and deliver to the other Party a copy of the claim, process, and all legal pleadings with respect to the Third Party Claim. Each Party is entitled to participate in the defense of a Third Party Claim, and to defend a Third Party Claim with counsel of its own choosing. Receipt by a Party of the notice and copies required in this paragraph and meaningful opportunity for the Party to participate in the investigation, defense and settlement of the Third Party Claim with counsel of its own choosing are conditions precedent to that Party's liability with respect to the Third Party Claim.
5. With respect to a Third Party Claim for which State is jointly liable with Agency (or would be if joined in the Third Party Claim), State shall contribute to the amount of

expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by Agency in such proportion as is appropriate to reflect the relative fault of State on the one hand and of Agency on the other hand in connection with the events which resulted in such expenses, judgments, fines or settlement amounts, as well as any other relevant equitable considerations. The relative fault of State on the one hand and of Agency on the other hand shall be determined by reference to, among other things, the Parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines or settlement amounts. State's contribution amount in any instance is capped to the same extent it would have been capped under Oregon law, including the Oregon Tort Claims Act, ORS 30.260 to 30.300, if State had sole liability in the proceeding.

6. With respect to a Third Party Claim for which Agency is jointly liable with State (or would be if joined in the Third Party Claim), Agency shall contribute to the amount of expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by State in such proportion as is appropriate to reflect the relative fault of Agency on the one hand and of State on the other hand in connection with the events which resulted in such expenses, judgments, fines or settlement amounts, as well as any other relevant equitable considerations. The relative fault of Agency on the one hand and of State on the other hand shall be determined by reference to, among other things, the Parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines or settlement amounts. Agency's contribution amount in any instance is capped to the same extent it would have been capped under Oregon law, including the Oregon Tort Claims Act, ORS 30.260 to 30.300, if it had sole liability in the proceeding.
7. The Parties shall attempt in good faith to resolve any dispute arising out of this Agreement. In addition, the Parties may agree to utilize a jointly selected mediator or arbitrator (for non-binding arbitration) to resolve the dispute short of litigation.
8. This Agreement may be executed in several counterparts (facsimile or otherwise) all of which when taken together shall constitute one agreement binding on all Parties, notwithstanding that all Parties are not signatories to the same counterpart. Each copy of this Agreement so executed shall constitute an original.
9. This Agreement and attached exhibits constitute the entire agreement between the Parties on the subject matter hereof. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement. No waiver, consent, modification or change of terms of this Agreement shall bind either Party unless in writing and signed by both Parties and all necessary approvals have been obtained. Such waiver, consent, modification or change, if made, shall be effective only in the specific instance and for the specific purpose given. The failure of State to enforce any provision of this Agreement shall not constitute a waiver by State of that or any other provision.

Agency/State
Agreement No. 32077

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.

CITY OF SUTHERLIN, by and through
elected officials_____

By _____

Date _____

By _____

Date _____

APPROVED AS TO LEGAL SUFFICIENCY

By _____
Counsel

Date _____

Agency Contact:

Brian Elliott
Community Development Director
126 Central Ave.
Sutherlin, OR 97479
541-459-2856
b.elliott@ci.sutherlin.or.us

State Contact:

Chris Hunter
Assistant District 7 Manager
3500 NW Stewart Parkway
Roseburg, OR 97470
541-957-3689
chris.hunter@odot.state.or.us

STATE OF OREGON, by and through
its Department of Transportation

By _____
Highway Division Administrator

Date _____

APPROVAL RECOMMENDED

By _____
Region 3 Manager

Date _____

By _____
District 7 Manager

Date _____

By _____
State Traffic Manager

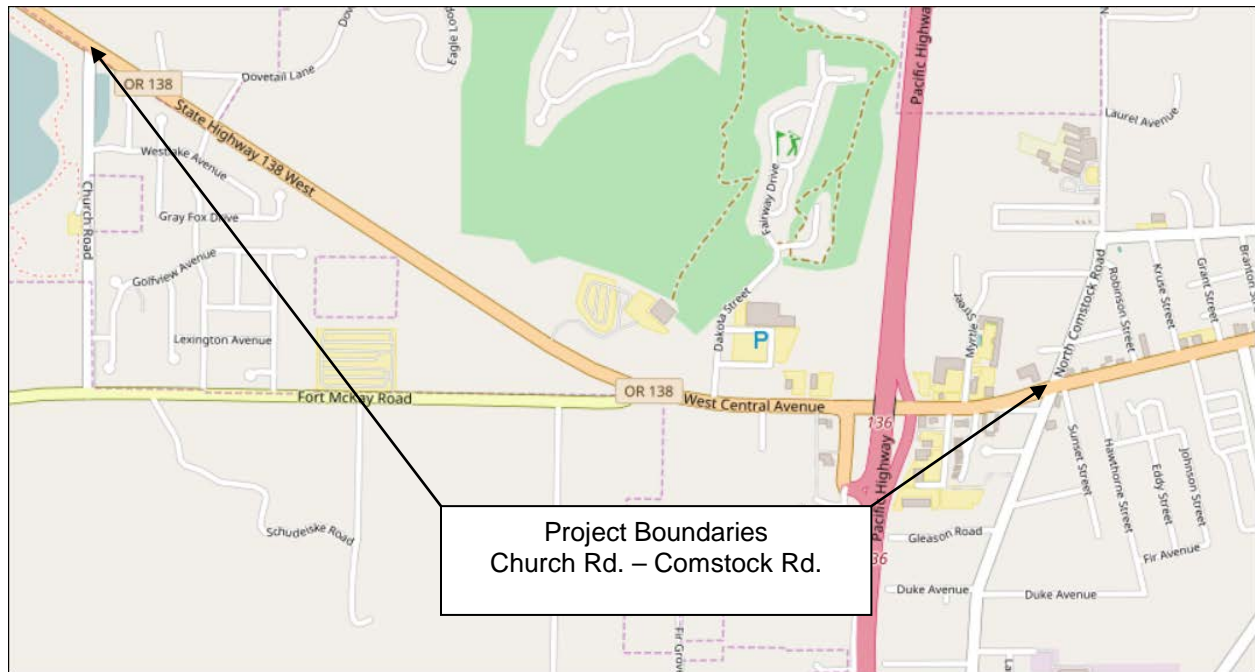
Date _____

**APPROVED AS TO LEGAL
SUFFICIENCY**

By _____
Assistant Attorney General

Date _____

EXHIBIT A – Project Location Map





City of Sutherlin

STAFF REPORT					
Re: Approval of Resolution 2017.10 – Sutherlin Oakland Enterprise Zone Boundary Change				Meeting Date:	6-12-17
Purpose:	Action Item <input checked="" type="checkbox"/>	Workshop <input type="checkbox"/>	Report Only <input type="checkbox"/>	Discussion <input type="checkbox"/>	Update <input type="checkbox"/>
Submitted By: Brian Elliott, Community Development Director and Kristi Gilbert Development Specialist				City Manager Review	<input checked="" type="checkbox"/>
Attachments: Resolution 2017.10, Exhibits B, C, & D					

WHAT IS BEING ASKED OF COUNCIL?

City Council is being asked to approve Resolution 2017.10 Sutherlin Oakland Enterprise Zone Boundary Change.

EXPLANATION

The City of Sutherlin, City of Oakland and Douglas County are seeking to add approximately 0.04 square miles to the Sutherlin/Oakland Enterprise Zone. This exciting opportunity to our region will improve the local economic base, business climate and long-run community development.

OPTIONS

Approve Resolution 2017.10 Sutherlin Oakland Enterprise Zone Boundary Change

Not approve Resolution 2017.10 Sutherlin Oakland Enterprise Zone Boundary Change

SUGGESTED MOTION(S)

Approve Resolution 2017.10 Sutherlin Oakland Enterprise Zone Boundary Line Change

RESOLUTION NO. 2017.10

A RESOLUTION FOR ENTERPRISE ZONE BOUNDARY CHANGE SUTHERLIN OAKLAND ENTERPRISE ZONE

WHEREAS, in 1986, The City of Sutherlin, The City of Oakland and Douglas County successfully applied for an enterprise zone, which was designated as the Sutherlin Oakland Enterprise Zone by the Director of Business Oregon on January 6, 1987. This zone's boundary was changed in 1989, 1992, 1995 & 2002. This zone was re-authorized on July 1, 2008.

The designation of an enterprise zone does not grant or imply permission to develop land within the Zone without complying with all prevailing zoning, regulatory and permitting processes and restrictions of any and all local jurisdictions; nor does it indicate any public intent to modify those processes or restrictions, unless otherwise in agreement with applicable comprehensive land use plans.

This enterprise zone and the three to five-year property tax exemption that it offers for new investment in plant and equipment by eligible business firms are critical elements of local efforts to increase employment opportunities, to raise local incomes, to attract investments by new and existing businesses and to secure and diversify the local economic base.

Officials of the City of Sutherlin, City of Oakland, and Douglas County are agreed in requesting a change in the boundary of the Sutherlin Oakland Enterprise Zone that would add the area indicated on the attached map and legal description (Exhibit B), such that the amended Enterprise Zone would be configured according to the attached map and description (Exhibits C & D).

Special notification was sent to all affected taxing districts regarding the zone change. No comments were received.

This change in the boundary of the Sutherlin Oakland Enterprise Zone would allow additional site availability, which would benefit to the local area through economic development and marketing.

THEREFORE, BE IT RESOLVED:

1. The City of Sutherlin requests a change in the boundary of the Sutherlin Oakland Enterprise Zone as shown in the attached maps and legal descriptions (Exhibits B to D);
2. CCD Business Development Corp., Enterprise Zone Manager, is hereby authorized to prepare and submit technical memoranda to Business Oregon, along with this Resolution and other necessary documents, verifying that the requested boundary change to the "Sutherlin Oakland Enterprise Zone" complies with the requirements of ORS 285C.115, so that the request herein may be approved by the order of the Director of Business Oregon.

PASSED BY THE CITY COUNCIL, ON THIS 12TH DAY OF JUNE, 2017

APPROVED BY THE MAYOR, ON THIS 12TH DAY OF JUNE, 2017

Mayor, Todd McKnight

ATTEST:

City Recorder, Debra L. Hamilton, CMC

EXHIBIT B

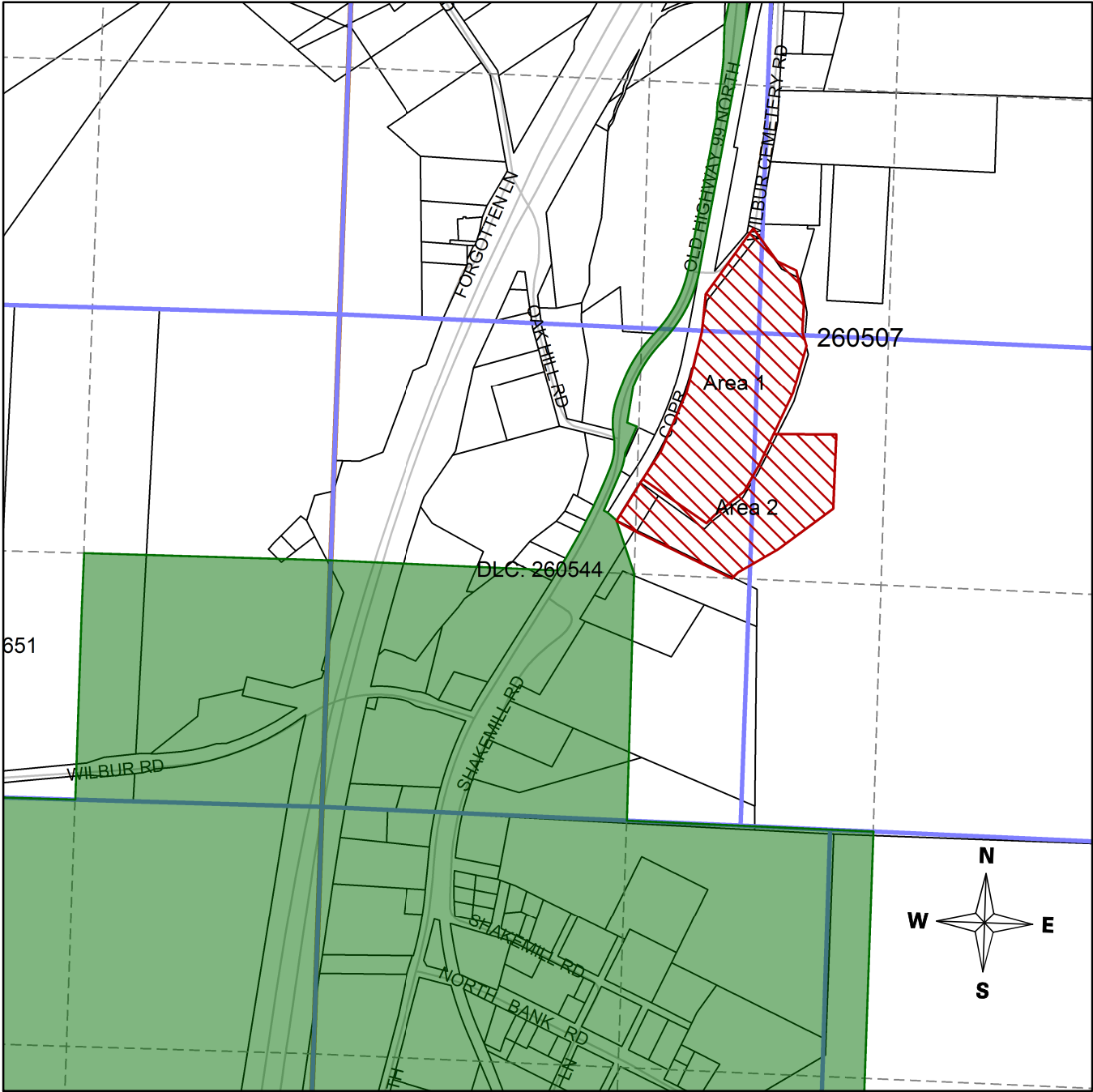
Additions to Township 26 Range 5 Section 7

Deed 2009-6753 Description

Beginning at a point which is South 38° 15' West 996.94 feet from the corner common to S. Gardner Donation Land Claim No. 43 and W. Jenkins donation Land Claim No. 44; thence North 32° 25' East 176.43 feet; thence North 23° 23' East 341.89 feet; thence North 14° 16' East 336.49 feet; Thence North 5° 42' East 204.76 feet; thence North 36° 01' East 432.92 feet; thence South 36° 52' East 217.14 feet; thence South 64° 18' East 114.83 feet; thence South 12° 22' East 183.09 feet; thence South 3° 14' West 146.47 feet; thence South 16° 19' East 80.11 feet; thence South 15° 55' West 264.83 feet; thence South 25° 01' West 425.36 feet; thence South 29° 48' West 163.61 feet; thence South 51° 05' West 200.8 feet; thence South 44° 35' West 63.17 feet; thence North 55° 27' West 415.4 feet to the place of beginning, all located in Section 7, Township 26 South, Range 5 West, Willamette Meridian, Douglas County, Oregon. T26S, R05W, S07C, TL 100.

Beginning at a point on the easterly Right of Way of the Californian Oregon Pacific Railroad which is South 38° 15' West 996.94 feet from the corner common to S. Gardner Donation Land Claim No. 43 and W. Jenkins donation Land Claim No. 44; thence along the southerly and easterly boundary of the property described in Deed Reference Number 2009-6753 of the official deed records of Douglas County, Oregon South 55° 27' 00" East 415.39 feet; thence North 44° 35' 00" East 63.17 feet; thence North 51° 05' 00" East 200.80 feet; thence North 29° 48' 00" East 63.17 feet; thence North 51° 05' 00" East 220.80 feet; thence North 29° 48' 00" East 163.61 feet; thence North 25° 01' 00" East 181.44 feet; thence leaving said property boundary South 89° 38' 57" East 336.15 feet; thence South 2° 27' 12" West 398.79 feet; thence South 53° 40' 58" West 366.89 feet; thence South 60° 10' 55" West 245.67 feet; thence South 44° 35' 00" West 46.25 feet to a point on the northerly boundary of the property described in Deed Reference Number 1992-20714 of said deed records; thence along said northerly boundary North 64° 08' 13" West 580.02 feet; thence North 60° 45' 50" West 111.22 feet to a point on the easterly Right of Way of the Californian Oregon Pacific Railroad; thence along said Right of Way North 32° 07' 29" East 264.00 feet to the Point of Beginning, all situated in Section 7, Township 26 South, Range 5 West of the Willamette Meridian, containing 9.92 acres more or less.

Proposed Addition to Sutherlin Oakland Enterprise Zone 2017



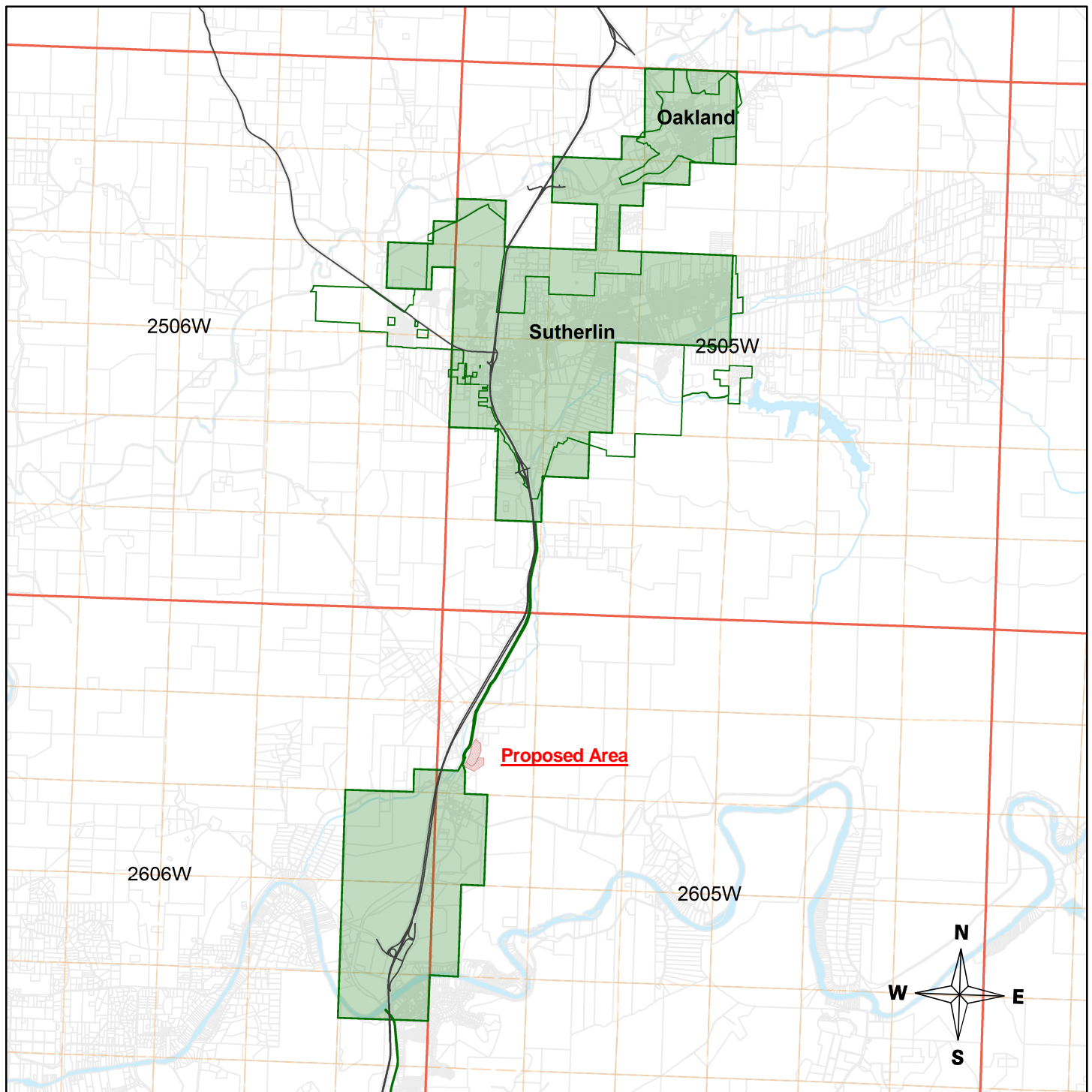
Legend

- Highways
- SutherlinOaklandEZ_Existing
- SutherlinOaklandEZ_Proposed
- City_District
- Township
- Section
- Parcels

Proposed Addition to Sutherlin Oakland Enterprise Zone 2017

Existing	11.59 Sq. Mi.
Area 1	0.03
Area 2	<u>0.02</u>
Total	11.64 Sq. Mi.

Proposed Addition to Sutherlin Oakland Enterprise Zone 2017



Legend

	Highways
	SutherlinOaklandEZ_Existing
	SutherlinOaklandEZ_Proposed
	City_District
	Township
	Section
	Parcels

Proposed Addition to Sutherlin Oakland Enterprise Zone 2017

Existing	11.59 Sq. Mi.
Area 1	0.03
Area 2	<u>0.02</u>
Total	11.64 Sq. Mi.

EXHIBIT D

LEGAL DESCRIPTION

SUTHERLIN OAKLAND ENTERPRISE ZONE

TOWNSHIP 25 RANGE 5

Section 4
SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Section 5
SW $\frac{1}{4}$ of Section 7
North $\frac{1}{2}$ of Section 8
West $\frac{1}{2}$ of the SE $\frac{1}{4}$ of Section 8
North $\frac{1}{2}$ of NW $\frac{1}{4}$ of Section 9
Section 16
Section 17
Section 18
Section 19
West $\frac{1}{2}$ of Section 20
West $\frac{1}{2}$ of the NE $\frac{1}{4}$ of Section 20
West $\frac{1}{2}$ of the SE $\frac{1}{4}$ of Section 20
NW $\frac{1}{4}$ of Section 29
East $\frac{1}{2}$ of Section 30

TOWNSHIP 25 RANGE 6

SE $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Section 12
East $\frac{1}{2}$ of the NW $\frac{1}{4}$ of Section 13
West $\frac{1}{2}$ of the NE $\frac{1}{4}$ of Section 13
NE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 13
Proceeding South from the intersection of Highway 99 and Township 25
Range 5, Section 30 to the intersection of Highway 99 and the SW $\frac{1}{4}$ of the
SW $\frac{1}{4}$ of Section 7 of Township 26, Range 5.

TOWNSHIP 26 RANGE 5

SW $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Section 7
West $\frac{1}{2}$ of Section 18
West $\frac{1}{2}$ of the NW $\frac{1}{4}$ of Section 19
West $\frac{1}{2}$ of the SW $\frac{1}{4}$ of Section 19

TOWNSHIP 26 RANGE 6

SE $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Section 12
Section 13

Section 24

North ½ of Section 25

Additions to Township 26 Range 5 Section 7

Deed 2009-6753 Description

Beginning at a point which is South 38° 15' West 996.94 feet from the corner common to S. Gardner Donation Land Claim No. 43 and W. Jenkins donation Land Claim No. 44; thence North 32° 25' East 176.43 feet; thence North 23° 23' East 341.89 feet; thence North 14° 16' East 336.49 feet; Thence North 5° 42' East 204.76 feet; thence North 36° 01' East 432.92 feet; thence South 36° 52' East 217.14 feet; thence South 64° 18' East 114.83 feet; thence South 12° 22' East 183.09 feet; thence South 3° 14' West 146.47 feet; thence South 16° 19' East 80.11 feet; thence South 15° 55' West 264.83 feet; thence South 25° 01' West 425.36 feet; thence South 29° 48' West 163.61 feet; thence South 51° 05' West 200.8 feet; thence South 44° 35' West 63.17 feet; thence North 55° 27' West 415.4 feet to the place of beginning, all located in Section 7, Township 26 South, Range 5 West, Willamette Meridian, Douglas County, Oregon. T26S, R05W, S07C, TL 100.

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City of Sutherlin

STAFF REPORT					
Re: Budget appropriation adjustments for fiscal year 2016-17				Meeting Date:	06/12/17
Purpose:	Action Item <input checked="" type="checkbox"/>	Workshop <input type="checkbox"/>	Report Only <input type="checkbox"/>	Discussion <input type="checkbox"/>	Update <input type="checkbox"/>
Submitted By: Dan Wilson, Finance Director				City Manager Review	<input checked="" type="checkbox"/>
Attachments: Resolution 2017.11					

WHAT IS BEING ASKED OF COUNCIL?

Consider approving resolution to adjust appropriations for fiscal year 2016-17.

EXPLANATION

Please see attached resolution. There are four adjustments that need to be made. These are “unique-to-the-circumstance” situations, and are in need of adjustment as stated within the resolution and described in more detail below:

General Fund

The Community Development department expenses are higher than anticipated due to having two employees occupying the Director position during a period of transition. A long tenured employee retired August 31, 2016 and her replacement was being trained during July and August. Due to this retirement a large vacation payout was made which was not anticipated during the budget process. Finally, due to a restructure of duties at City Hall and hiring an employee to work for both the Finance Department and the Community Development department, which has further increased expenses. Therefore an adjustment is needed; \$44,000.

Dial-A-Ride Fund

For larger-than expected expenses related to an increase in call center activity, an increase in Materials & Services in the amount of \$16,000 is needed. Douglas County is aware of these expenses and gave permission to draw down the fund balance.

Tourism-Motel Tax Fund

On September 12, 2016 City Council approved an interfund loan transfer from the Water Reserve Fund to the Tourism-Motel Tax Fund in the amount of \$100,000. The loan proceeds, coupled with the original budgeted \$120,000 transfer to the Parks Construction Fund, will be used to upgrade the playground at Central Park. A budget adjustment was made on this date as well, however, the debt service portion of this adjustment was overlooked. Therefore an additional adjustment is needed; \$28,500.

Wastewater Operations Fund

For larger-than anticipated expenses related to Materials & Services, specifically the line item “SLUDGE DISPOSAL,” an adjustment of \$42,500 is needed. There was a substantial increase in the rate for sludge disposal during the fiscal year which was unanticipated at the time the budget was adopted.

OPTIONS

Adopt resolution – Keeps the City in compliance with Oregon Budget Law

Do not adopt resolution – This would render the City out of compliance with Oregon Budget Law.

SUGGESTED MOTION(S)

Move that Resolution 2017.11 be adopted as presented.

RESOLUTION NO. 2017.11

A RESOLUTION TRANSFERRING APPROPRIATION AUTHORITY, AMENDING THE 2016-2017 BUDGET AND AMENDING RESOLUTION 2016.08.

The City Council of Sutherlin finds that:

- A.** That OAR 294.463 permits local jurisdictions to increase total expenditures of a fund or an object classification by transferring appropriation authority from one object classification to another.
- B.** That OAR 294.463(3) requires the adoption of a resolution or ordinance to authorize an appropriation transfer. The resolution or ordinance must state the need for the transfer, the purpose of the expenditure, and the amount to be transferred.
- C.** Due to unforeseen events at the time of adoption of the fiscal year 2016-17 budget including but not limited to the following:
 - a.** General Fund
 - i.** Additional expenditures in the Community Development department for unanticipated increase in personnel costs due to the retirement and subsequent training of the Community Development Director position and from the addition of a shared employee - \$44,000.
 - b.** Dial-A-Ride Fund
 - i.** Additional Materials & Services expenditures for unanticipated call center expenses - \$16,000.
 - c.** Tourism-Motel Tax Fund
 - i.** Additional Debt Service expenditures for unanticipated payments on interfund loan - \$28,500.
 - d.** Wastewater Operations Fund
 - i.** Additional Materials & Services expenditures for unanticipated increase in sludge disposal fees - \$42,500.
- D.** That these transfers of appropriation authority are in compliance with Oregon Budget Law.

NOW, THEREFORE, based upon the above findings,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SUTHERLIN, a municipal Corporation of the State of Oregon, as follows:

Section 1. That the budget for the City of Sutherlin for the fiscal year 2016 - 2017, which was adopted by the City Council on May 9, 2016 and is now on file in the office of the City Recorder of the City of Sutherlin, be hereby amended as follows:

<u>General Fund</u>	<u>Adjustment</u>	<u>As Amended</u>
Appropriations		
Contingency	(\$44,000)	\$156,000
Community Development Department	\$44,000	\$313,459
	<u>\$0</u>	

<u>Dial-A-Ride Fund</u>	<u>Adjustment</u>	<u>As Amended</u>
Appropriations		
Contingency	(\$16,000)	\$18,082
Materials & Services	\$16,000	\$109,150
	<u>\$0</u>	

<u>Tourism-Motel Tax Fund</u>	<u>Adjustment</u>	<u>As Amended</u>
Appropriations		
Contingency-Tourism Development	(\$28,500)	\$23,041
Debt Service	28,500	28,500
	<u>\$0</u>	

<u>Wastewater Operations Fund</u>	<u>Adjustment</u>	<u>As Amended</u>
Appropriations		
Contingency	(\$42,500)	\$106,770
Materials & Services	42,500	560,350
	<u>\$0</u>	

PASSED BY THE CITY COUNCIL, ON THIS 12th DAY OF JUNE, 2017

APPROVED BY THE MAYOR, ON THIS 12th DAY OF JUNE, 2017

Todd McKnight, Mayor

ATTEST:

City Recorder, Debra L. Hamilton, CMC



126 E. Central Avenue
Sutherlin, OR 97479
541-459-2856
Fax: 541-459-9363
www.cityofsutherlin.com

City of Sutherlin

STAFF REPORT					
Re: Supplemental budget adjustment for fiscal year 2016-17				Meeting Date:	06/12/17
Purpose:	Action Item <input checked="" type="checkbox"/>	Workshop <input type="checkbox"/>	Report Only <input type="checkbox"/>	Discussion <input type="checkbox"/>	Update <input type="checkbox"/>
Submitted By: Dan Wilson, Finance Director				City Manager Review	<input checked="" type="checkbox"/>
Attachments: Resolution 2017.12					

WHAT IS BEING ASKED OF COUNCIL?

Consider approving resolution to adopt the supplemental budget for fiscal year 2016-17 as described herein.

EXPLANATION

In September 2016 the majority of the balance in the Main Street Program Fund was paid to Sutherlin Downtown Development Inc. per Council approval. The fund is to be closed out and there are some residual funds remaining. Therefore an adjustment is needed; \$60.

OPTIONS

N/A

SUGGESTED MOTION(S)

Move that Resolution 2017.12 be adopted as presented.

RESOLUTION NO. 2017.12

A RESOLUTION ADOPTING A SUPPLEMENTAL BUDGET, AMENDING THE 2016-2017 BUDGET AND AMENDING RESOLUTION 2016.08.

The City Council of Sutherlin finds that:

- A. That ORS 294.471 provides the procedures for public governing bodies to adopt supplemental budgets when estimated expenditures differ by less than ten percent from the expenditures in the budget as most recently amended prior to the supplemental budget.
- B. In September 2016 the majority of the balance in the Main Street Program Fund was paid to Sutherlin Downtown Development Inc. per Council approval. The fund is to be closed out and there are some residual funds remaining. Therefore and adjustment is needed; \$60.

NOW, THEREFORE, based upon the above findings,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SUTHERLIN, a municipal Corporation of the State of Oregon, as follows:

Section 1. That the budget for the City of Sutherlin for the fiscal year 2016 - 2017, which was adopted by the City Council on May 9, 2016 and is now on file in the office of the City Recorder of the City of Sutherlin, be hereby amended as follows:

<u>Main Street Program Fund</u>	<u>Adjustment</u>	<u>As Amended</u>
Resources		
Miscellaneous	\$60	\$60
Appropriations		
Materials & Services	\$60	\$13,260

PASSED BY THE CITY COUNCIL, ON THIS 12th DAY OF JUNE, 2017

APPROVED BY THE MAYOR ON THIS 12th DAY OF JUNE, 2017

Todd McKnight, Mayor

ATTEST:

City Recorder, Debra L. Hamilton, CMC



City of Sutherlin

STAFF REPORT					
Re: City of Sutherlin & Sutherlin School District IGA for Library Use				Meeting Date:	6/12/17
Purpose:	Action Item <input checked="" type="checkbox"/>	Workshop <input type="checkbox"/>	Report Only <input type="checkbox"/>	Discussion <input type="checkbox"/>	Update <input type="checkbox"/>
Submitted By: City Manager, Jerry Gillham				City Manager Review	<input checked="" type="checkbox"/>
Attachments: City – District IGA					

WHAT IS BEING ASKED OF COUNCIL?

To Approve an Intergovernmental Agreement (IGA) between the City and Sutherlin School District acknowledging the city's approval for the District to use a portion of the library and outlining the legal responsibilities of both parties during the term of the agreement.

EXPLANATION

The Library Leadership Team (LLT), has from date of withdraw presented to the city from Douglas County; been working together to address the immediate priority of sustaining library services in Sutherlin while also looking to the future and considering partnerships that would make the transition from County to City both easier and in the end, even better. This IGA has previously been discussed in Council Workshop and now refined by the LLT through legal counsel is presented as one of the critical first steps we identified early on in meeting the long-term interests of the City, Library Patrons and the District. The District will be meeting on 6/19/2017 to approve this IGA as well as City Council.

OPTIONS

1. Approve the City and School District IGA as presented.
2. By motion, disapprove.

SUGGESTED MOTION(S)

Move to approve the Intergovernmental Agreement (IGA) between the City of Sutherlin and Sutherlin School District acknowledging the city's approval for the District to use a portion of the library and outlining the legal responsibilities of both parties during the term of the agreement.

**INTERGOVERNMENTAL AGREEMENT
BY AND BETWEEN
THE CITY OF SUTHERLIN, OREGON
AND
SUTHERLIN SCHOOL DISTRICT #130**

This Intergovernmental Agreement hereinafter referred to as "Agreement", is entered into on this _____ day of _____, 2017, by the City of Sutherlin, Oregon hereinafter referred to as the "City" and Sutherlin School District #130 hereinafter referred to as "District." The City and District are hereinafter referred to jointly as the "Parties."

RECITALS

WHEREAS, ORS 190.010 authorizes local government agencies to enter into intergovernmental agreements for the performance of any or all activities and functions that a party to the agreement has the authority to perform; and

WHEREAS, the City owns a building located at 210 E. Central Avenue, Sutherlin, Oregon, which has been used by Douglas County through an intergovernmental agreement to provide library services in the City, hereinafter referred to as the "Library"; and

WHEREAS, Douglas County recently terminated said intergovernmental agreement with the City and entered into a new temporary intergovernmental agreement for the City to use the County's library materials in the Library as a reading room; and

WHEREAS, the City desires to provide a more robust library service to its community than what is currently available via the existing reading room; and

WHEREAS, the District has staff and expertise that could assist with providing more robust library services to the Sutherlin community; and

WHEREAS, the District is in need of additional space to provide educational services to its students; and

WHEREAS, the Library has space that could accommodate the District's need for additional space.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and pursuant to the authority provided by ORS Chapter 190, the Parties agree as follows:

AGREEMENT

1. City Responsibilities

- A. The City will provide District exclusive access to and use of the "Program Room" of the Library as identified on Exhibit A, which is attached hereto and incorporated herein,

Monday through Friday between the hours of 7:30 a.m. and 4:00 p.m. District shall have access to and use of the Program Room on other days and hours subject to the City's scheduling policies, which generally rely on a first come/first served basis for reservations of the Room.

- B. City will provide District with office space in a mutually agreed room for District's use for meetings, secretarial work and / or private phone calls.
- C. City will provide District access to common areas of the Library used by volunteers and City staff such as employee bathrooms, refrigerator and break room for use by District employees while at the Library.
- D. City will provide District access to the Library on days and during hours in which the Library is not otherwise open to the public, provided that the Parties mutually agree on a case by case basis that such access would not cause an unreasonable burden for City staff and / or library volunteers.
- E. Subject to the District's responsibilities under this Agreement, City shall be responsible for the general maintenance and care of the Library, including normal janitorial and trash services as well as payment of utilities.

2. District Responsibilities

- A. District will provide general Information Technology support for technology in the Library. Such support shall include but not be limited to support for computers in the "Internet" area of the Library.
- B. District will share with the City in the costs of supplying internet service to the Library in an amount to determined and mutually agreed to by the Parties. Should the Parties not be able to reach an amicable split, City will be responsible for the full costs of supplying internet service to the Library, and District and its students and representatives will have no right or access to the internet service.
- C. District will provide District employees who will be responsible for general supervision of the Library during normal business hours on days and times when City volunteers are not otherwise available. In addition, District will provide District employees to assist volunteers on days and times during normal business hours when City volunteers are in need of additional assistance. The Parties will agree on a schedule on a monthly basis as to when District employees are needed to supplement City volunteer staffing of the Library as contemplated by this paragraph.
- D. District agrees to assist City with the organization and scheduling of volunteers for the Library. As part of these duties, District will provide all background checks for City

volunteers and recruit and supervise District students to work in the Library as volunteers for school credit.

- E. District agrees to recruit and coordinate student work groups to perform volunteer work in maintaining the general cleanliness of the Library and the grounds of the building.
- F. District recognizes and understands that the City, the public and community groups will have access to and use of the Program Room on days and times on which the Room is not reserved for the exclusive access and use of the District. District therefore agrees to remove its personal property or that of its students and representatives from the Room during non-exclusive use periods. District further agrees to leave the Library and equipment in neat, clean, functioning condition and without damage. After each use, District staff will be responsible for restoring the layout of any used space to the original condition and to remove and dispose of all trash properly. District agrees to pay for any additional cleaning, beyond regular janitorial services, of City's facilities that are necessary due to District's use.
- G. District recognizes and agrees that City will have no liability for or take any responsibility of the personal property of District or its students or representatives due to their use of the Library.
- H. District shall be responsible for damages caused to the Library that arise out of District's use of the building. Such responsibility shall include damages caused by District's students and representatives. District shall be liable for any damages or liability caused by such users to the same extent as if District caused such damages or liability.
- I. The District agrees to be solely and completely responsible for the condition of City's facilities after each use. District further agrees to leave the space, room and equipment in neat, clean, functioning condition and without damage. After each use, District's staff is responsible for restoring the layout of the space to the original condition, to remove and dispose of all trash properly. District agrees to pay for any additional cleaning, beyond regular janitorial services, of City's facilities that are necessary due to District's use. Such costs will be included in the monthly invoice City sends to the District pursuant to Article 6 of this Agreement. Should damage to City facilities occur due to District's use or the use by District's authorized users, the repair costs will be included in the monthly invoice to the District.

GENERAL TERMS AND CONDITIONS

3. All notices, demands, consents, approvals and other communications that are required or desired to be given by any Party to the others hereunder will be in writing and will be emailed, faxed, hand delivered, or sent by overnight courier or United States mail at its address set forth below, or at such other address as such Party will have last designated by notice to the other. Emails, notices, demands, consents, approvals, and other communications will be deemed given when delivered, three (3) business days after mailing by United States Mail, or upon receipt if sent by fax or courier:
 - a. City of Sutherlin
Jerry Gillham, City Manager
126 E. Central Avenue
Sutherlin, Oregon 97479
 - b. Sutherlin School District
Terry Prestianni, Superintendent
531 E. Central Avenue
Sutherlin, Oregon 97479
4. The initial term of this Agreement shall commence upon the date of its execution by the last signature hereto and shall expire on June 30, 2018, unless earlier terminated pursuant to paragraph 5 of this Agreement. This Agreement may be amended or extended by mutual consent of the Parties.
5. City may terminate this Agreement if necessary for City to join a consortium or other similar type of entity with other libraries in the County, provided such termination will not preclude District's use of the Program Room, office space or employee common areas prior to June 30, 2018. By mutual written consent of the Parties, this Agreement may be terminated, effective immediately, or at such time as the Parties provide. Any termination of this Agreement shall not prejudice any rights or obligations accrued to the Parties prior to termination.
6. The City and District agree that each Party will assume responsibility for the acts or omissions of its own agents, employees or officers in connection with any claims made by a third party against the City or District. Subject to the limits of the Oregon Constitution and the Oregon Tort Claims Act, if the acts of the agents, employees or officers of the District are the sole cause of any claim, action, damage, loss or expense brought against the City, the District shall indemnify, hold harmless and assume the defense of said claim or action. Subject to the limits of the Oregon Constitution and the Oregon Tort Claims Act, if the acts of the agents, employees or officers of the City are the sole cause of any claim, action, damage, loss or expense brought against the District, the City shall indemnify, hold harmless and assume the defense of said claim or action.

Each Party shall give the other immediate written notice of any action, suit or claim made against that Party that is related in any way to this Agreement.

7. Each Party agrees to maintain insurance levels or self-insurance for the duration of this Agreement at levels necessary to protect against public body liability as specified in the Oregon Tort Claims Act.
8. Each Party agrees to comply with all local, state and federal ordinances, statutes and laws related to the performance of services under this Agreement.
9. The statements and information set forth in the Recitals are true and correct and are hereby incorporated as if fully set forth herein.
10. The Parties shall attempt in good faith to resolve any dispute arising out of this Agreement. In addition, the Parties may agree to utilize a jointly selected mediator or arbitrator (for non-binding arbitration) to resolve the dispute short of litigation.
11. This Agreement contains the entire agreement between the Parties on the subject of this Agreement and supersedes all prior written or oral discussions or understandings, express or implied.
12. The Agreement shall be governed by and construed in accordance with the laws of the State of Oregon. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions of this Agreement. This Contract is to be construed as if the parties drafted it jointly.
13. No modification of this Agreement shall have effect unless and until reduced to writing and signed by the authorized representatives of the Parties.
14. City and District are the only parties to this Agreement and as such are the only parties entitled to enforce its terms. Nothing in this Agreement gives or shall be construed to give or provide any benefit (direct, indirect or otherwise) to any third party.
15. The failure of any party to enforce any provision of this Agreement does not constitute a waiver of it or any other provision.
16. In the event an action, lawsuit or proceeding, including appeal therefrom, is brought for failure to fulfill or comply with any of the terms of this Agreement, each party shall be responsible for their own attorney fees, expenses, costs and disbursements for said action, lawsuit, proceeding or appeal.
17. Either party shall be deemed to be in default if it fails to comply with any provision of this Agreement. Complaining party shall provide the defaulting party with written notice of default and allow thirty (30) days within which to cure the defect. In addition to any

other specific provision of this Agreement, performance by any Party shall not be in default where delay or default is due to war, insurrection, strikes, walkouts, riots, floods, drought, earthquakes, fires, casualties, acts of God, governmental restrictions imposed or mandated by governmental entities other than the parties, enactment of conflicting state or federal laws or regulations, new or supplementary environmental regulation, litigation or similar bases for excused performance that are not within the reasonable control to the Party to be excused.

18. Each signatory, by affixing his or her signature hereto, personally certifies that he or she is authorized to do so by the Charter, Ordinances, and/or governing body of his or her respective governmental entity for which he or she is executing this Agreement or by state law, and that his or her signature shall cause this Agreement to be binding upon such party. The Parties have caused this Agreement to be executed by their duly appointed officers, authorized to bind the party for which they sign. Each party further warrants that it has full authority to perform the services and actions contemplated by this Agreement.
19. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and such counterparts shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties hereto have set their hands as of the day and year hereinafter written.

CITY OF SUTHERLIN, OREGON

SUTHERLIN SCHOOL DISTRICT #130

Authorized Signature

Authorized Signature

Printed Name: _____

Printed Name: _____

Date Executed: _____

Date Executed: _____

[illegible]



City of Sutherlin

STAFF REPORT					
Re: Decorative Street Light Purchase Approval for Central Avenue Streetscaping Project				Meeting Date: 6-12-17	
Purpose:	Action Item <input checked="" type="checkbox"/>	Workshop <input type="checkbox"/>	Report Only <input type="checkbox"/>	Discussion <input type="checkbox"/>	Update <input type="checkbox"/>
Submitted By: Brian Elliott, Community Development Director				City Manager Review <input checked="" type="checkbox"/>	
Attachments: Street light specs & price quote					

WHAT IS BEING ASKED OF COUNCIL?

City Council is being asked to approve the purchase of 25 Decorative Street Lights from Platt Electric in the amount of \$68,250

EXPLANATION

Part of the Downtown Streetscaping project is to replace the existing street lights with new Decorative Street Lights.

A design was selected by SDDI, Sutherlin's Chamber of Commerce and City Staff. Staff received three different price quotes with Platt Electrical having the lowest quote on this particular Street Light design.

OPTIONS

Approve the purchase of 25 Decorative Street Lights for the Downtown Streetscaping Project from Platt Electric in the amount of \$68,250

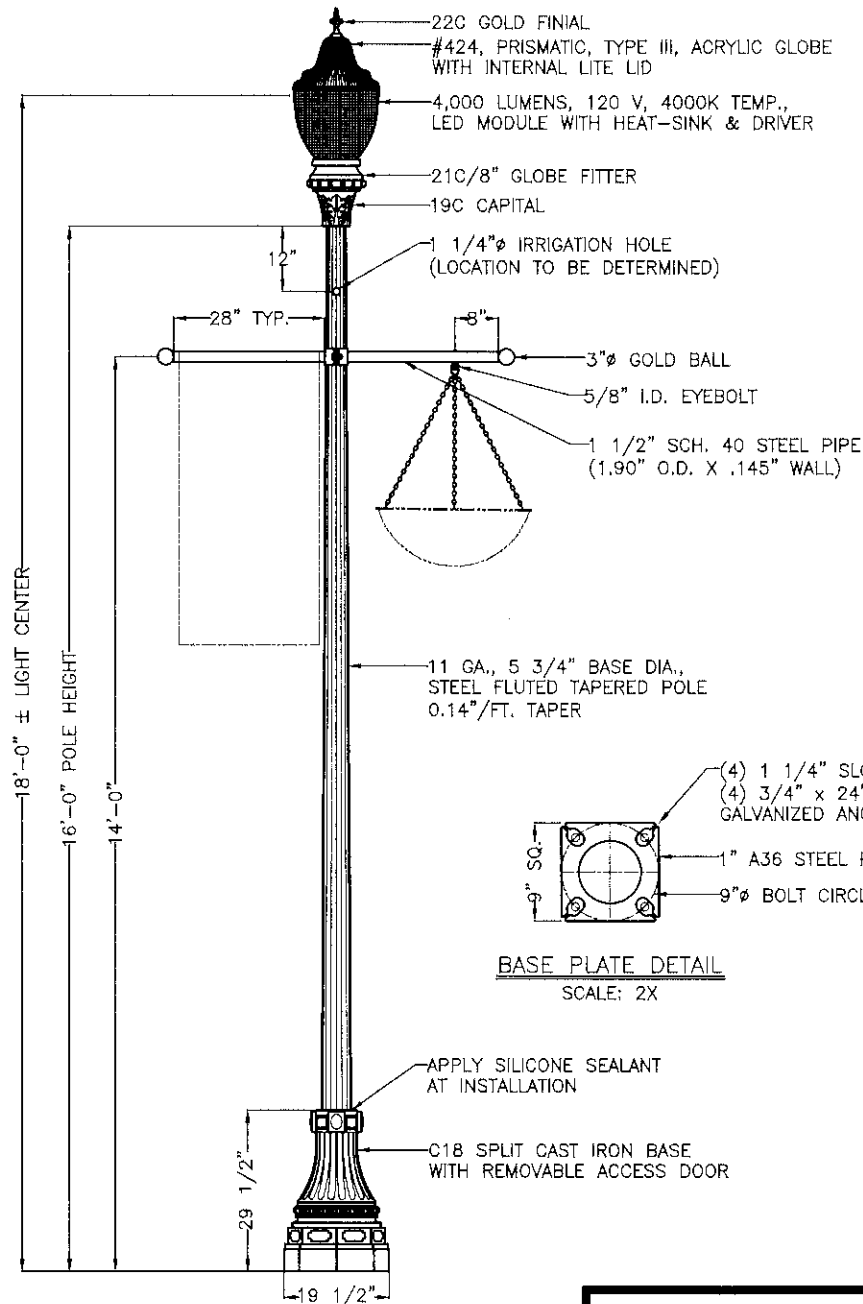
Not approve the purchase of 25 Decorative Street Lights for the Downtown Streetscaping Project from Platt Electric in the amount of \$68,250

SUGGESTED MOTION(S)

Approve the purchase of 25 Decorative Street Lights for the Downtown Streetscaping Project from Platt Electric in the amount of \$68,250

PAIN T SPECIFICATION

ALL CAST IRON AND STEEL LIGHT POLE PARTS ARE TO BE FACTORY FINISH PAINTED "BLACK OR DARK GREEN".



VI-C18-1-F/16'

PROJECT TITLE: SUTHERLIN, OREGON	
DISTRIBUTOR:	
CONTRACTOR:	
REPRESENTATIVE:	
SPECIFIED BY:	
SCALE: FULL	DATE: 1/18/17
JOB NO.:	CAD FILE: SUTHERLIN
29579 AMBERY LANE EUGENE, OREGON 97402 PHONE (541) 688-7741 FAX (541) 461-0951	

PLATT QUOTATION

PLATT

LIGHTING QUOTATION

BID DATE: May 30, 2017
 COMPANY: City of Sutherlin
 ATTN: Brian Elliott
 TERMS: Net 30
 FREIGHT: PPD--1 shipment

QUOTE DATE: 05/30/17
 PROJECT: City of Sutherlin
 Street Lighting
 QUOTED BY: Brian Evans
 PLATT BRANCH: Roseburg

ELECTRONIC SUBMITTALS AND O&M'S WILL BE FURNISHED

Prices quoted; unless otherwise specifically noted on this quotation; are subject to availability and must be accepted and released for immediate shipment within 48 hours. Prices are subject to change without notice. Customer agrees that this quotation and any sale of product entered into is applicable to Platt Electric's Standard Terms and Condition of Sale and cannot be waived. Platt's Standard Terms and Condition of Sale are not included in this document, but are so here incorporated by reference within this quotation. A copy of Platt's Standard Terms and Condition of Sale is available at <<http://www.platt.com/service/terms.pdf>>.

PRICING IN EFFECT AT TIME OF SHIPMENT

TOTAL: \$68,250.00

TYPE	QTY	MFG	DESCRIPTION	UNIT PRICE	U M	EXTENDED PRICE
A	25	VISCO	VI-C18-1-F16-AVI-SY3000K-EL-41W-DIM-424-III-22C-BA-FB-IH-CPD3000*-GV-FP-abs	\$2,730.00		\$68,250.00
		NOTES	GV-FP----Galvanized and finish paint V113 Dark Green			
		NOTES	Contractor supplied CDP3000*			
		NOTES	Freight---FOB FACTORY PREPAID--- PER ONE ORDER / ONE SHIPMENT Anchor bolts shipped ahead of poles will be plus freight.			
		NOTES	10-12 week lead time to ship ARO. This is based on current factory orders.			

THIS QUOTATION IS BASED ON ALL TYPES AND QUANTITIES. ANY CHANGES WILL BE SUBJECT TO REQUOTE.



City of Sutherlin

STAFF REPORT					
Re: Splash Pad Equipment Purchase Approval				Meeting Date:	6-12-17
Purpose:	Action Item <input checked="" type="checkbox"/>	Workshop <input type="checkbox"/>	Report Only <input type="checkbox"/>	Discussion <input type="checkbox"/>	Update <input type="checkbox"/>
Submitted By: Brian Elliott, Community Development Director and Kristi Gilbert, Community Development Specialist				City Manager Review	<input checked="" type="checkbox"/>
Attachments: Splash Pad Design & Equipment and Proposal					

WHAT IS BEING ASKED OF COUNCIL?

City Council is being asked to approve the Splash Pad Equipment Purchase from Rain Drop Products, LLC in the amount of \$57,060.

EXPLANATION

On August 22, 2016 City Council approved the purchase for the new play equipment for Central Avenue Park. Part of the improvement at Central Park is a 1000 square foot splash pad.

Rain Drop Products, LLC Is a Government Procurement Company and because we are working with Fitness Aquatic (Bruce Brunette) the City of Sutherlin received a discount of 30% on the equipment.

Because of the time frame with the delivery, we moved forward with ordering the Splash Pad Equipment. No funds have been exchanged at this time. Construction of the Splash Pad is anticipated to begin mid-June.

OPTIONS

Approve the purchase of the Splash Pad Equipment in the amount of \$57,060

Not approve the purchase of the Splash Pad Equipment in the amount of \$57,060

SUGGESTED MOTION(S)

Approve the purchase of the Splash Pad Equipment in the amount of \$57,060

Project 1529642



Rain Drop
Products, LLC
Ashland, OH - 800.343.6063 - www.rain-drop.com

INNOVATIVE
WATER PLAY
SINCE 1982

For presentation purposes only. Size, color, and placement may vary.

Project 1529642



Rain Drop
Products, LLC

Ashland, OH - 800.343.6063 - www.rain-drop.com

INNOVATIVE
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INNOVATIVE
WATER PLAY
SINCE 1982

For presentation purposes only. Size, color, and placement may vary.

PROPOSAL



NJPA #030117

Reference: 1529642
Project Name: Sutherlin Spgd
Salesperson: SBRD

Date: 4/28/2017

To: Kristi Gilbert
Purchaser: City of Sutherlin
Billing Address: 126 E. Central Ave
Sutherlin, OR 97479

First Shipment Address:

Quantity	Item #	Item Description	Unit Price	Extended Amt
ABOVE GROUND FEATURES				
1.00	/CFBD-001-LF-OM	CF BULLDAWG LF OMNI	\$4,785.00	\$4,785.00
1.00	BLSJ-005-OM	BELLE SPRAY JET-OMNI	\$2,750.00	\$2,750.00
3.00	AQHP-004-MF-OM	AQUA HOOP-MYSTICAL FUN-OMNI	\$6,950.00	\$20,850.00
SURFACE SPRAYS				
1.00	CIRT-012-LF	CIRCLE TIME-12 OUTLET-LOW FLOW	\$4,010.00	\$4,010.00
3.00	PPJT-003-LF	POP JET MIN-4 OUTLET-LOW FLOW OMNII	\$200.00	\$600.00
3.00	TNLP-001	TINY TOOLIP SPRAY	\$275.00	\$825.00
3.00	SLJT-003-LF	SLANT JET-LOW FLOW	\$195.00	\$585.00
6.00	PKJT-003-LF	POPKORN JET-LOW FLOW	\$275.00	\$1,650.00
LOOP 3 & 3				
8.00	UPJT-007-LF	UPSTREAM JET-LOW FLOW	\$195.00	\$1,560.00
LOOP 3, 3 & 2				
MOUNTING SYSTEM				
5.00	POD-A001	OMNI-POD TEMPLATE	\$0.00	\$0.00
ACTIVATOR				
1.00	BOL-005	6" BOLLARD ACT-POLY-BUTTON	\$3,055.00	\$3,055.00
CONTROL SYSTEM				
1.00	ISPLASH-032	iSPLASH CONTROLLER WITH SELF MONITORING AND REPORTING TECHNOLOGY-32 IN/OUTPUTS	\$6,250.00	\$6,250.00
MANIFOLD EQUIPMENT				
1.00	MANIFOLD-4-24	4" MANIFOLD	\$1,900.00	\$1,900.00
1.00	PSOL-RMK-UNN-2	2" PRESSURE CONTROL VALVE ASSEMBLY, TRUE UNION BALL VALVE FOR RAIN MAKER	\$715.00	\$715.00
MINIMUM SIZED SUPPLY LINE REQUIRED IS 2"				
3.00	BLV-MFD-UNN-1	1" BALL VALVE ASSEMBLY, TRUE UNION BALL VALVE FOR MANIFOLD	\$135.00	\$405.00
17.00	SOL-MFD-ISOS-UNN-1-DC	1" SOLENOID VALVE ASSEMBLY, TRUE UNION BALL VALVE-DC FOR iSPLASH	\$200.00	\$3,400.00
WATER TO WASTE SPRAYGROUND				

PROPOSAL



Reference: 1529642
Project Name: Sutherlin Spgd
Salesperson: SBRD

2.00	DRN12-002	DRAIN-12x12x12-FIBERGLASS-6" NOZZLE-CYCOLAC GRATE & FRAME	\$495.00	\$990.00
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SPRAYGROUND MAX FLOW IS 107.2 GPM; CHOREOGRAPHED FLOW IS 70.94 GPM
NJPA CONTRACT #030117



Total Order	\$54,330.00
Freight	\$2,730.00
Taxes - See General Terms, Conditions and Warranty	\$0.00
Net Order	\$57,060.00

Inquire about our nationwide cooperative purchasing programs!

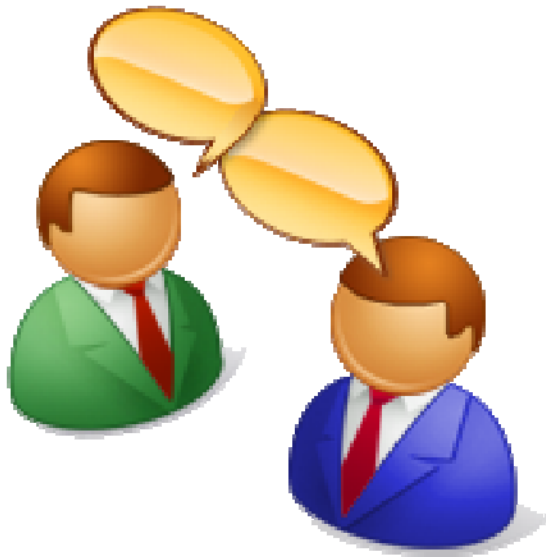
Payment Terms: Net 30

Estimated Delivery Date upon placement of Order: 12-16 weeks

See the following pages for General Terms, Conditions and Warranty related to this Proposal



COUNCIL COMMENTS





PUBLIC COMMENT





Executive Session





ADJOURNMENT





FOR YOUR INFORMATION



SACC Monthly Report
Tourism - Motel Tax Fund
Thru April 30th 2017-Corr

	BUDGET:	ACTUAL:
Receipts from City	100,000.00	71,799.07
Receipts from Street Fair		225.00
Receipts from Hot Rod Run		760.00
Total Revenue		<u>72,784.07</u>
Expenditures:		
Personnel:	45,000.00	37,515.00
Mat'l & Services:		
Advertising	18,000.00	11,683.01
Building Maint. & Services	1,500.00	1,237.12
Furnishings & Equipment	750.00	394.99
Memberships	300.00	100.00
Office Supplies	500.00	364.19
Postage	250.00	50.90
Telephone	1,500.00	1,127.04
Tour. Promotion-Music...	500.00	247.10
Tour. Event - Museum	250.00	-
Tour. Event - Blackberry	6,000.00	6,500.00
Tour. Event - Hot Rod Run	4,000.00	1,783.45
Tour. Event - Rodeo	1,500.00	-
Tour. Event - Street Fair	5,000.00	3,548.62
Tour. Flag Proj Dev.	6,400.00	-
Travel & Training	600.00	563.34
Utilities	1,200.00	442.13
Total Mat'l & Services	48,250.00	28,041.88
General Admin:	6,000.00	1,925.12
Totals	750.00	5,302.07
Actual Carry-over Funds	16,048.85	3,169.00
Woofstock Tour. Event	1,500.00	
Tourism Promo Plan Award	30,880.00	
Street Banners/City Map		3,713.50

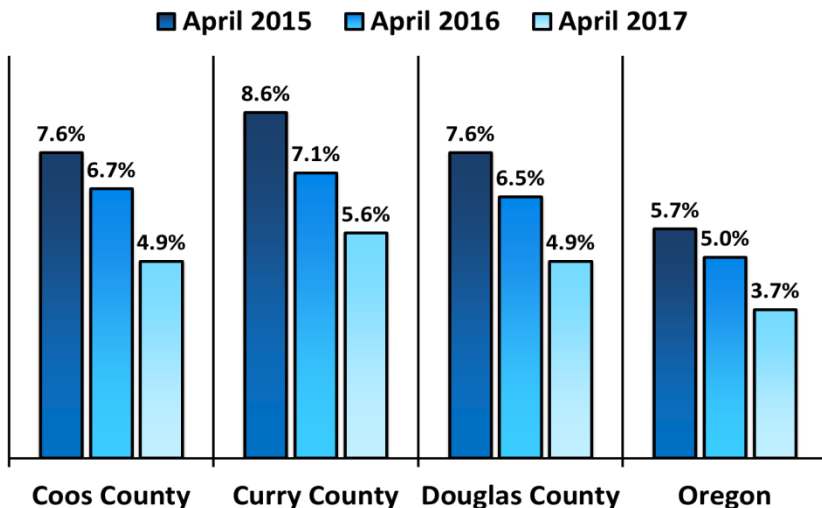
Southwestern Oregon Economic Indicators

May 2017 (April 2017 data)

Local and State Unemployment Rates

(Seasonally adjusted)

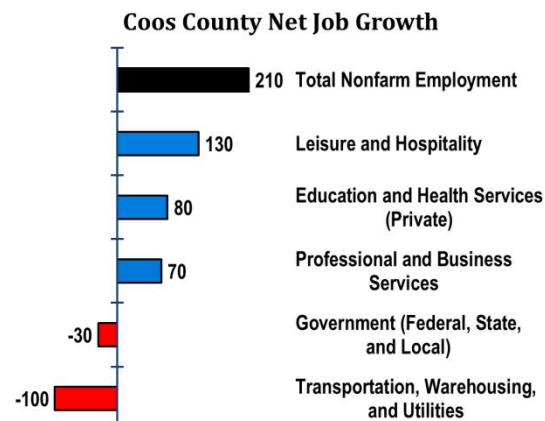
Source: Oregon Employment Department, Local Area Unemployment Statistics



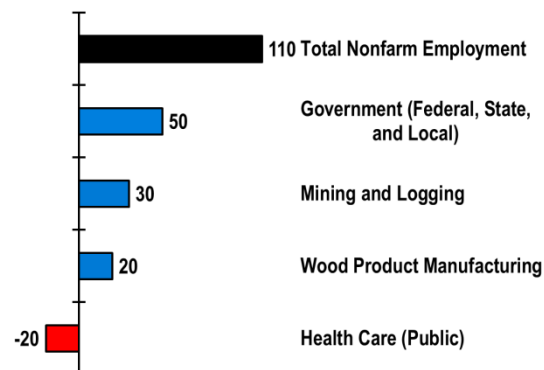
Industry Gains and Losses

(Over-the-year net change in employment)

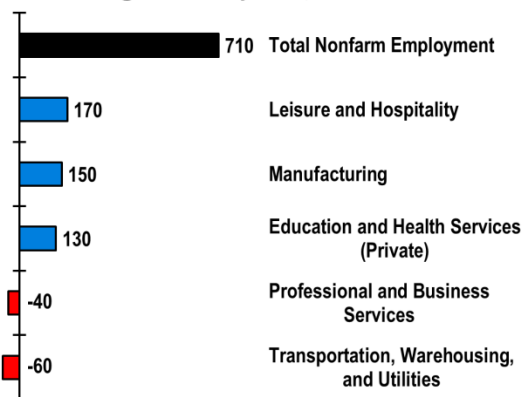
Source: Oregon Employment Department, Current Employment Statistics



Curry County Net Job Growth



Douglas County Net Job Growth

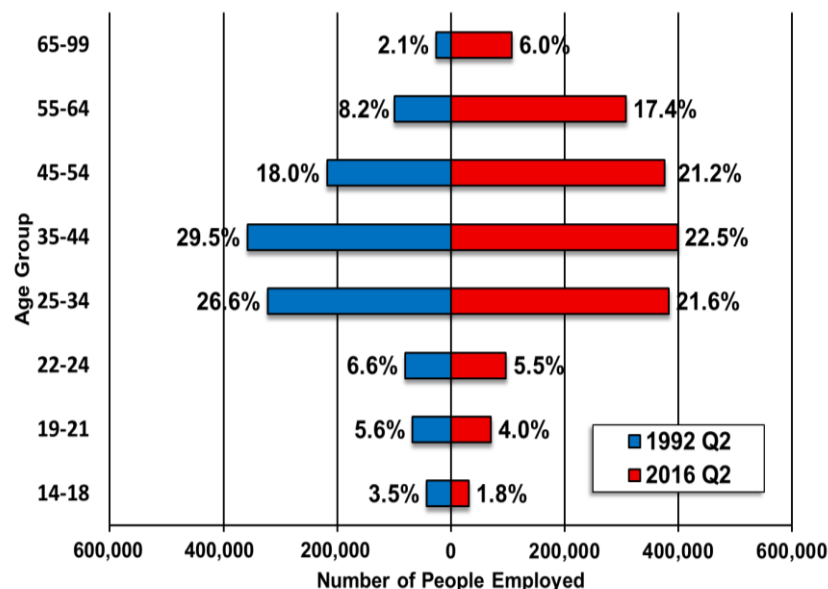


Graph of the Month

Share of Total Employment by Age Group (Oregon)

1992 Q2 vs. 2016 Q2 (Four month average with prior three quarters)

Source: U.S. Census Bureau, QWI Explorer



Since 1992, the share of workers within the labor force aged 45-54 has grown by 3.2 percentage points, those aged 55-64 has more than doubled, and those aged 65 and over has nearly tripled. This is largely due to baby boomers at or nearing retirement age. Meanwhile, the younger age groups and their share of total employment has decreased, most noticeably in those aged 14-18. This is most likely due to younger workers being disproportionately affected by the Great Recession, and the jobs available to this age group failing to reach their pre-recession levels.

Have questions? Need local data?

Contact me!

Kale Donnelly - Workforce Analyst

kale.donnelly@oregon.gov

541.530.0605

Patricia Klassen
1925 Innsbrook Court
Sutherlin, Oregon 97479

May 22, 2017

Sutherlin Planning Commission;

Dear Group of Commissioners,

Please accept this letter of notification that I will be leaving my position as of May 22, 2017.

I have enjoyed all of my volunteer work for the City of Sutherlin and hope that I was able to make a difference.

In July we will be relocating to Boise Idaho. I hope to be able to continue my volunteer work there. It has been my pleasure to serve with all of you.

Sincerely,

A black rectangular redaction box covering the signature of Patricia Klassen.

Patricia Klassen



STRATEGIC PLAN - ACCOUNTABILITY BENCHMARKS

MONTH	DEPT	GOAL	ACTION	✓
FEB 2017				
02/27/17	CDD/Planning	Strengthen Building Development Code - Zone Restrictions	Establish methodology and timeline, report to Council-Workshop	✓
02/27/17	CDD/Planning	Strengthen Building Development Code - Zone Restrictions	Draft Development Code language, present to Planning Comm for review and recommendations to Council	✓
02/27/17	CDD/Planning	Dev. Code Updates & Mixed Use Zone	Present to Council-Workshop	✓
MAR 2017				
03/13/17	CDD/Planning	Strengthen Building Development Code - Zone Restrictions	Present to Council for adoption	✓
03/27/17	Finance	Enact a Court Fine Amnesty Program	Report to Council - Email to Council	
03/27/17	PW/WWTR	Establish and implement plan to assume full responsibility for city-wide STEP System inspection	Report to Council - Workshop 4/24/17	✓
03/27/17	City Mgr/Admin	Business Licenses & Building Safety Inspection	Establish methodology and timeline and report to Council-Workshop - 4/10/17	✓
APR 2017				
04/10/17	Finance	Develop long-term facility & physical asset equipment replacement reserve	Report to Council - Email to Council	
04/10/17	PW/WWTR	Establish/implement plan to assume full responsibility for STEP system inspection	Report to Council - 4/24/17 Workshop	✓
04/10/17	City Mgr/Admin	Business Licenses & Building Safety Inspection	Research options & report to Council - Workshop	✓
04/24/17	Fire	Emergency Operations Center-Public Safety Building/City Hall	Establish methodology and timeline-report to Council	✓
MAY 2017				
05/08/17	Fire	Upgrade Fire Equipment	Establish methodology and timeline and report to Council - Discuss during Budget Process - 4/17/17	✓
05/22/17	PW/WWTR	Wastewater system improvement SBR Pre-load	Council Approval - 5/8/17	✓
JUN 2017				
06/12/17	City Mgr/Admin	CBA-AFSCME	Present to Council - 4/10/17	✓
06/26/17	PW/WWTR	14" Sanitary Sewer Forcemain	Report to Council	
JUL 2017				
07/24/17	Finance	Examine SDC Rates	Establish methodology and timeline and report to Council	
AUG 2017				
08/28/17	CDD/Econ Dev	Clean-up deteriorated properties in Sutherlin especially along Central Ave	Research ordinances used by other Oregon cities to present to Council	
08/28/17	PW Fac/Parks	Rehabilitation of Central Park Playground	Report to Council	
08/28/17	Police	Develop a plan for improving Emergency Communications Infrastructure	Establish a methodology and timeline and report to Council	

Diane Harris

From: Diane Harris
Sent: Wednesday, June 07, 2017 8:16 AM
To: April Ehrlich; Ashley KQEN News (ashley@bciradio.com); DC Commissioners; KUGN; KYLE-KQUEN; News Desk (newsdesk@nrtoday.com); Register Guard; Roseburg Beacon; Vera Westbrook (vwestbrook@nrtoday.com)
Subject: Public Meeting Notice
Attachments: CC AGENDA JUN 12.17 Meeting.pdf

Good morning!

Please see attached agenda for the June 12th Sutherlin City Council meeting!

Have a great day,



Diane Harris

Deputy City Recorder
City of Sutherlin
126 E Central Ave
Sutherlin, OR 97479
(541)-459-2856
d.harris@ci.sutherlin.or.us