



CITY COUNCIL MAY 02, 2016 **AGENDA**
REGULAR MEETING 7:00 PM
City Hall, 1001 Bridge St. Vernonia OR 97064

Mission Statement

The City of Vernonia pledges to be an ethical and responsive government using community collaboration to foster leadership and a vision for civic improvement while providing a safe, peaceful, economically viable community.

- 1. Call to Order and Pledge of Allegiance – Mayor Parrow**
- 2. Additions or Removal of Agenda Items**
- 3. Presentations**
- 4. Councilor Committee Meeting Reports**
- 5. Topics from the Floor/Audience Participation**
- 6. Consent Agenda for Approval**
 - A. City Council Meeting Minutes from April 18, 2016..... 1-4
- 7. Unfinished Business**
 - A. Cal / Spencer Sewer Project Feasibility Study
 - B. Airport Culvert Replacement 5-6
 - C. Downtown Street Tree Update 7-9
- 8. New Business**
- 9. Business from Departments**
 - A. Police Department – Chief Conner

 - B. City Administrator Report – J. Mitchell
- OEM Public Assistance Contract 11-20
- 10. Ordinances/Resolutions**
- 11. Recess to Executive Session as per ORS 192.660 (2)(d)**

The City Council will now meet in Executive Session:

The executive session is held pursuant to ORS 192.660 (2), which allows the Council to meet in executive session for the purpose stated.

(d) To consider information or records that are exempt by law from public inspection.

Representatives of the news media and designated staff are allowed to attend the executive session.*
All other members of the audience are asked to leave the room. Representatives of the news media are specifically directed not to report on any of the deliberations during the executive session, except to state the general subject of the session as previously announced. No decision may be made in executive session. At the end of the executive session, we will return to open session and welcome the audience back into the room.

“A member of the news media or designee may not disclose any information from executive session, may not tape record, digitally record, and/ or video record any information to decrease the likelihood that information discussed in the executive session will be inadvertently disclosed.”
- 12. Return to Open Session for Final Action**
- 13. Correspondence**
- 14. Items from Mayor and Councilors**
- 15. Action Items Summary – City Administrator**

Adjournment

AMERICANS WITH DISABILITIES ACT NOTICE

Please contact the City Recorder, Vernonia City Hall, 1001 Bridge Street, Vernonia, OR 97064 (Phone No. 503-429-5291) at least 48 hours prior to the scheduled meeting time if you need an accommodation. TCC users please call Oregon Telecommunications Relay Service at 1-800-735-2900.



CITY COUNCIL APRIL 18, 2016 **MINUTES**
REGULAR MEETING 7:00 PM
City Hall, 1001 Bridge St. Vernonia OR 97064

Mission Statement

The City of Vernonia pledges to be an ethical and responsive government using community collaboration to foster leadership and a vision for civic improvement while providing a safe, peaceful, economically viable community.

Call to Order and Pledge of Allegiance – Mayor Parrow

Mayor Parrow called the meeting to order at 7:03pm

Additions or Removal of Agenda Items

Mayor Parrow added a Proclamation of Earth Day as New Business C.

Councilor Seager made a motion to approve the agenda with this addition. The motion was seconded by Councilor Hult, motion passes.

Mayor Report

A. Budget Committee Member Application for Rick Hobart

Mayor Parrow appointed Mr. Hobart to the Budget Committee.

Presentations

A. CC Rider Transportation Update – Janet Wright

Janet Wright gave their presentation to council. CC Rider would like the cities support in their May 17 Ballot Measure 5-251. The measure proposes creating a special transportation district with a property tax based off of .23/1000 of assessed value. The goal is to increase transport to Portland and Longview as well as to replace some of the vehicles that have over 400k miles on them.

Janelle Grove, CC Rider Board Director, explained to Council that in order to receive this funding they have had to establish a board of directors whom act as advisors to the Columbia County Commissioners. The current board is made up of 5 members whom will serve 4 terms and then be up for re-election. Brett Costley expressed concern that having all members of the board up for reelection at the same time may not be a wise choice. Janelle agreed and stated that she will look into having staggered elections. The new board will be made up of representatives from each community that is served.

Councilor Tierney expressed concern as to whether May was the best time to have this on the ballot or if November would be better. Janelle explained that May is typically when people take the time to read up on the measures and vote accordingly. Also, homeowners receive their tax statements in November so these ballots don't typically do well at that time.

Councilor Committee Meeting Reports

Councilor McNair attended the Cemetery Committee meeting where they discussed the urn garden plots. Jeff Hoyt will meet with the Cemetery Committee in May to finalize plans. They also discussed the possibility of placing boulders on the corners of the road but are undecided. The Boy Scout is building the flag rack tomorrow and is scheduled to complete his project by Thursday, April 21. The Boy Scouts have also expressed interest in killing the grass along the road way but will not do that until after Memorial Day.

Mayor Parrow attended the last Library meeting and everything is going well. The Library Committee wishes Council would reconsider their decision about the Library Board.

Topics from the Floor/Audience Participation

Scott Laird, C Street, would like to encourage Council to approve the request for the Vernonia High School students stay at Anderson Park at a reduced rate.

Consent Agenda for Approval

A. City Council Meeting Minutes April 04, 2016

B. Cemetery Committee Meeting Minutes March 10, 2016

Councilor Hult made a motion to approve the City Council meeting minutes from April 04, 2016 and the Cemetery Committee meeting minutes from March 10, 2016. The motion was seconded by Councilor Tierney, motion passes.

Unfinished Business

New Business

A. Chamber Room Tax

Nicole Larke, Vernonia Chamber Member, is here to propose a 10% room tax and \$1.00 campground fee to Council to help fund the Chamber. She explained that the Chamber is running out of money and may not be able to operate thru the end of the year. She recently went to Leavenworth where she was told their festivals are funded strictly thru the hotel room tax. Of the room tax, 18% would go towards administrative costs, 35% would fund festivals and events, 30% would go back to the city to pay for administering the tax, and 17% would go back to the community as scholarships. Councilor Tierney asked if the business owners this would affect are in agreement. Mrs. Larke stated that she is unsure as none of the owners came to the chamber meeting when it was discussed. Councilor Hult inquired as to how they would implement the tax. Mrs. Larke stated that they have not discussed how to implement it as they do not know how that works.

Council consensus is to hold a workshop to discuss the proposal and to invite the Chamber. The workshop will be held on Monday, June 6th at 6:00.

B. Letter from Corinna Rumbolz

City Administrator Mitchell presented the letter to Council. She explained that the remaining monthly's have been given notice to leave the park but Dakota has been allowed to stay as an extended stay. When Corinna, the boy's mother, received notice of the rate increase she was really upset. She has checked with the Riverside RV park and there are no openings. She would like a reduced rate for the remaining two months of his stay. Council consensus is to allow Dakota to stay at the park until he graduates at the reduced rate of \$400/month.

C. Proclamation of Earth Day

Mayor Parrow read into the record the Proclamation of Earth Day.

Business from Departments

A. Police Department – Chief Conner

Chief Conner could not attend the meeting as he was on a call.

B. City Administrator Report – J. Mitchell

Wastewater Treatment Plant: At the construction meeting on April 6th we discussed that DEQ is looking to put together a MOA (as temporary permit) to allow for use of the hyporheic discharge this summer and they want to know when the system will be operable. The target is June 1st. By allowing us to use the hyporeic discharge it will allow us to treat all wastewater while simultaneously doing earth work on Lagoon #1 and/or Lagoon #2 without experiencing a storage problem. The City has two change orders that are currently waiting for price quotes from the contractor the first being a request for extending the interior chlorine contact walls, and providing manual gates. The Contractor has sent a response and it is being reviewed by Tetra Tech prior to the City review. The second change order is a request to relocation of the eye wash from where it currently is drawn inside the treatment building to outside the treatment building, and modification to the raising of the cell #2 outlet, if the handle for the cell #2 outlet is left where it currently is it will

be underground once the dikes are elevated. City staff will attend the scheduled construction meeting on Wednesday, April 20th.

Sewer Rates: Staff has had four customers request to downsize their water meters. Staff developed a form in which the customer fills out their customer information, identifies the fixture count (sinks, toilets, etc.) associated with the property the water meter is serving, which allows staff to calculate the minimum size water meter allowed by Oregon code to serve the property. Customers will have to pay the change out fee in full prior to meter swap.

Rose Avenue Project: The deadline to submit Statement of Qualifications in April 22nd, 2016. Staff has been asked to participate in a pre-meeting with NOAA and FWS to review the Rose Avenue project, and streamline any review they may need of the project and its effect to the river, streams, etc. prior to the Environmental Review. Staff will attend that meeting on May 5th, 2016 in Portland.

California Avenue: The deadline for submitting Request for Proposals is April 22nd, 2016. We have had 11 firms inquire about the project and receive the packets.

Seasonal Worker Posting: Staff is reviewed the applications two Fridays ago and interviews of the top four candidates took place on Monday, April 11th, 2016. All candidates did well. Jerry McCall was chosen as our seasonal part time worker, he started today.

FEMA Public Assistance: I met with our FEMA representative John Moak today, he is happy with the documentation we have and are providing. We should be scheduled for site visits very soon.

Make Vernonia Shine Day: Clean-up day is April 23rd this Saturday, Household Hazardous Waste will have a collection site in the parking lot of the old School District office, the Library Board is weeding and replacing bark around the library, PW crew is bringing in bark dust to be used at City properties, Parks crew is sprucing up the Hawkins Park Dewey Pool landscape area prior to the relining of Dewey Pool. Clean-up day typically starts at 9am-12pm. There is no formal organization of the day as past volunteers stepped down and were not replaced.

Nickerson Ridge Estates: The City Planner requested that the City Engineer do an inspection of the subdivision to identify the code violations in respect to the 1999 public works codes. The City engineer took a bit longer than expected, a letter outlining the violations should be sent out tomorrow. The staff wanted to assure the letter would be comprehensive. Councilor Seager requests that Council receive a copy of the report from the city engineer.

Soderback Property/WOEC/City: During the budget process the Budget Committee will determine if monies can be allocated to purchase the property in installments in order to start a discussion with WOEC to form a MOA and have them dedicate the roadway and allow the City to move forward immediately with any development interests. Once the first payment is received by West Oregon the City will request that they dedicate the road to the City thus giving the City access to the unused portion of the lot.

Shay Park Flag: The flag for Shay Park has been ordered and staff is working on installing lighting for the flag. Staff would also like to order a flag for the new Spencer Park.

Ordinances/Resolutions

Correspondence

A. Alumni Softball Field Dedication

Due to rain in the forecast, staff is unsure if the dedication will happen on Friday. City Recorder Borst will see if the dedication is still set to happen and send notice to Council.

B. Notice of Upcoming Construction on Pebble Creek Road10-11

Items from Mayor and Councilors

Councilor Seager would like to recognize staff and the park hosts effort at Anderson Park as it is looking great!

Action Items Summary – City Administrator

Adjournment

Mayor Parrow adjourned the meeting at 8:21pm.

These minutes were approved at the May 2nd, 2016 City Council Meeting.

Stephanie Borst, City Recorder

Randall J. Parrow, Mayor

CITY OF VERNONIA
CITY COUNCIL AGENDA ITEM

May 2nd, 2016

From: Josette Mitchell, City Administrator
To: Mayor and City Council
Re: **Request from Councilor Seager to Purchase Culvert Pipe**

Agenda Item Summary:

The Council has discussed the issue of purchasing the culvert pipe necessary to replace the culvert that crosses the Airport runway that has deteriorated and collapsed. Councilor Seager is requesting that Council transfer the funds needed (see attachment) to the Airport Fund from the General Fund, in the form of a loan to be repaid after the sale of the trailer, any remaining debt will be repaid through annual payments out of the Airport Fund to the General Fund in the fiscal year budget.

Bid for remaining culvert piping needed.

With the help of Tony Schrader we have found a supplier that will charge 32.00 a foot, that is a considerable reduction in cost per foot. So the remaining pipe needed will be approximately \$5120.00 not including any delivery charge that may be required.

Staff is asking Council to decide how they want to proceed. (See attached old staff report for options Council considered last winter).

CITY OF VERNONIA

CITY COUNCIL AGENDA ITEM

November 2nd, 2015

From: Josette Mitchell, City Administrator
To: Mayor and City Council
Re: Airport Culvert Project

Agenda Item Summary:

Two weeks ago Councilor Seager informed staff that the culvert that drains the Vernonia Airport runway has collapsed and needs removal and repair. Councilor Seager asked staff to determine where the funds would come from to purchase the culvert and rock required for the repair.

Staff has determined the cost of the culvert project:

Approx. costs

\$ 7,000.00 -200 ft. of 30 inch plastic culvert
\$ 1,000.00 – (4) loads of 3/4in minus gravel for backfill
\$ 8,000.00 TOTAL

The Airport Fund does not have the funds available to cover the cost of the repair. However the Airport Fund could take \$500.00 out of Airport Operational Materials and \$1000.00 out of Airport Contingency, for a total of \$1500.00 to put towards this project. The remaining balance of the repair costs is 6500.00.

Staff has determined that the only fund that could loan the Airport Fund the capital required for the purchasing of culvert project materials is the Contingency line item of the General Fund. Interfund Loans must be paid back to the original fund in no more than 5 fiscal years.

Staff has attached the profit and loss budgets for these funds for your review.

Additionally Council at this meeting is being asked to surplus the old equipment at the Airport, and also being asked to surplus the FEMA trailer the Airport received from the County in 2013. The IGA the City and County signed in 2013 does not prohibit the City from selling the asset.

If Council approves the surplus of these items the funds received from sale or scrapping of these items should be ear marked to replace the funds loaned to the Airport fund out of General Fund Contingency.

Subsequently the remainder of outstanding balance will be divided into 5 annual payments to be paid to the General Fund Contingency.

Project Cost	Funds from Airport Fund	Funds Received from Surplus Items	Remaining Cost	Yrs. of Repayment	Annual Payments
8000.00	-0.00	-0.00	8000.00	/5	1600.00
8000.00	-1500.00	-0.00	6500.00	/5	1300.00
8000.00	-1500.00	-1000.00	5500.00	/5	1100.00
8000.00	-1500.00	-2000.00	4500.00	/5	900.00
8000.00	-1500.00	-3000.00	3500.00	/5	700.00
8000.00	-1500.00	-4000.00	2500.00	/5	500.00

Attachments:

- Map outlining project
- Airport Budget – Profit and Loss to date
- General Fund Budget – Profit and Loss to date

If Council is in favor of this loan, during the Resolution section of the meeting Council would have to adopt Resolution 16-15 "A Resolution Authorizing Interfund Loan from the General Fund Contingency to the Airport Fund"

Vernonia Bridge Street Mapping

April 29, 2016

Prepared for: City Council

Prepared by: Ben Fousek

Purpose

The immediate purpose of this mapping project was to map street trees along Bridge Street. However, simply mapping street trees does not include enough information to make good decisions about street trees or any other improvements to Bridge Street through downtown. City staff has prepared a mapping project which also mapped lamp posts, utility poles, and other all other structures within the right-of-way, as well as, buildings, surface types and access points. With the initial mapping complete, City staff are prepared to provide additional information, mapping, and design as needed.

Planter Strip

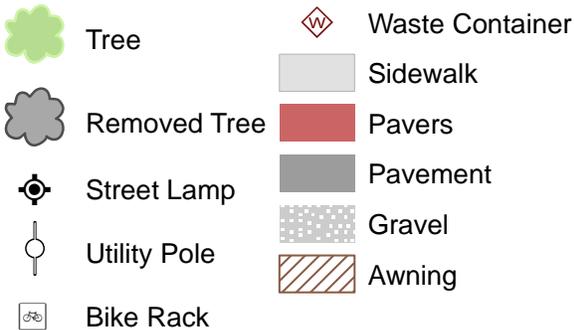
The 4' wide planter strip between the curb and sidewalk has been completely surface in brick pavers, with the exception of 4' wide strips for street trees. The total area of the planter strips, including the 4'x4' tree planters, is ~8000 sq. feet.

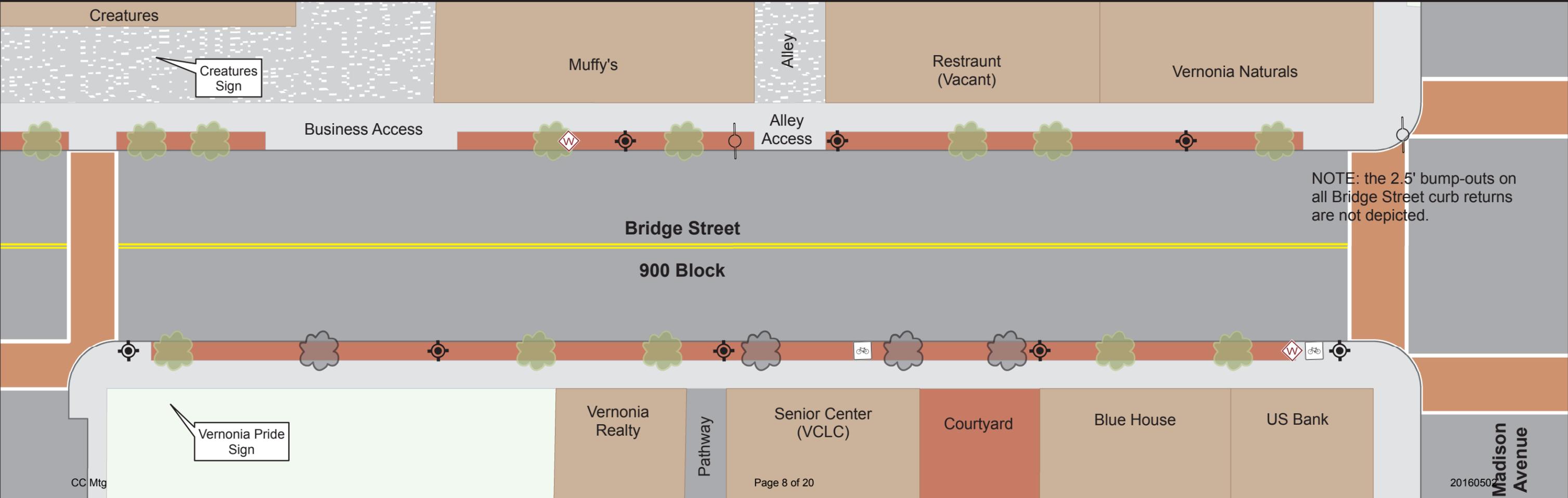
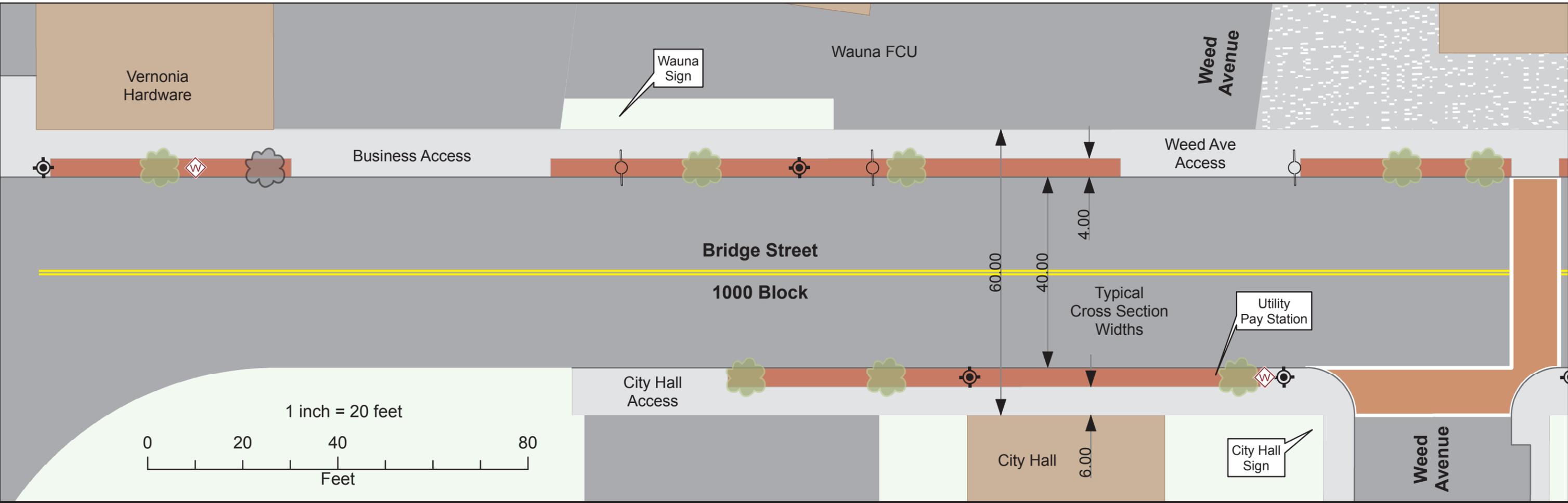
Street Trees

There are 46 tree planters along Bridge Street in downtown. Six of the tree planters have had the tree removed, leaving 40 trees.

Maps

Included are 2 maps with each showing 2 of the 4 downtown blocks.







Water Fountain
(Inoperable)

Decrotive
Metal Arch

Decrotive
Metal Arch

Grey Dawn

Unfinished
Courtyard
(Private)

John L. Scott
Realty

Black Bear
Outdoor Seating

Alley
(Pedestrian
only)

Black Bear

Black Bear
(Addition in
remodel)

Scrub Tub

Rusty Nail

Retail Space
(Vacant)

Cedar Side
Outdoor
Seating

Cedar Side

Alley

Vernonia Florist
and Restore

Northwest
Vapors

Business Access

Business Access

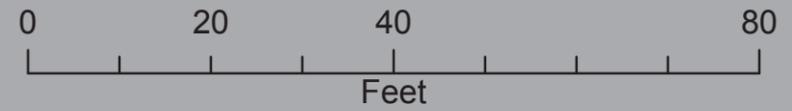
Alley
Access

All In Pub

Rusty Nail
Annex

Theater,
Gretchen's Saddlery
and Vacant Retail

Subway
Sign



Subway

1 inch = 20 feet

STATE OF OREGON
OFFICE OF EMERGENCY MANAGEMENT
INFRASTRUCTURE CONTRACT 4258-DR-OR

1.0 PARTIES TO THIS AGREEMENT

This Agreement is made and entered into by and between the State of Oregon, by and through the Oregon Military Department, Office of Emergency Management, hereinafter referred to as "OEM" and the City of Vernonia, a political subdivision of the State of Oregon, hereinafter referred to as the "SUBRECIPIENT". This Agreement shall be effective upon execution by the parties and receipt of any approvals required by law and shall terminate on the earlier of: (i) as provided in Section 17 of this Agreement, (ii) the end of the Agreement Period specified below or (iii) June 30, 2026.

WHEREAS the President of the United States has declared that a major disaster exists in the State of Oregon based on damage resulting from the Severe Winter Storms, Straight-line winds, Flooding, Landslides and Mudslides from December 6-23, 2015 and

WHEREAS OEM is authorized by the 2016 FEMA-State Agreement for the 2015 Severe Winter Storms, Straight-line Winds, Flooding, Landslides, and Mudslides to execute on behalf of the State of Oregon all necessary documents for public assistance, including approval of sub-grants and certification of claims;

THEREFORE, the Parties mutually agree to the following:

2.0 PURPOSE

Federal funding is provided by the Federal Emergency Management Agency (FEMA) and is administered by OEM. Under the authority of Presidential Major Disaster Declaration FEMA 4258-DR-OR ("FEMA Declaration"), OEM is reimbursing the SUBRECIPIENT for those eligible costs and activities necessary for the repair and restoration of public facilities damaged during the period of December 6-23, 2015, in the manner described herein and in accordance with the completed Project Worksheets sheets submitted by SUBRECIPIENT and approved by FEMA and OEM. The parties understand and agree that after the project(s) described in a Project Worksheet is reviewed and approved by FEMA and OEM and determined to be eligible for funding under the FEMA Declaration in terms of an eligible SUBRECIPIENT, project and amount, then the amount(s) set forth in the Project Worksheet will be transferred from FEMA to OEM for disbursement on a reimbursement basis as set forth in this Agreement. For any project(s) that SUBRECIPIENT seeks reimbursement for under the FEMA Declaration, SUBRECIPIENT shall obtain a completed, executed and approved Project Worksheet substantially in the form of the attached Exhibit B.

3.0 TIME OF PERFORMANCE

Activities payable under this Agreement and to be performed by the SUBRECIPIENT under this Agreement shall be those activities which occurred on or subsequent to the incident period defined in the FEMA-State Agreement and shall terminate upon completion of the project(s) approved by federal and state officials, including completion of close out and audit, all as detailed in the applicable FEMA application and Project Worksheet. This period shall be referred to as the "Agreement Period."

4.0 CLOSE-OUT

It shall be the responsibility of OEM to issue close-out instructions to the SUBRECIPIENT upon completion of the project(s).

5.0 FUNDING

OEM will administer the disaster assistance program and reimburse any eligible costs for eligible projects to the SUBRECIPIENT which are identified under the auspices of the Presidential Major Disaster Declaration FEMA-4258-DR-OR and in the Project Worksheet. It is understood that no final dollar figure is committed to at the time that this Agreement is executed, but that financial commitments will be made as Project Worksheets are completed in the field and projects are authorized by state and federal officials. Each Project Worksheet that is completed, signed by FEMA and SUBRECIPIENT, and approved by OEM will constitute a new agreement that consists of the terms and conditions set forth in this Agreement and the completed Project Worksheet. OEM's obligation to disburse funds under this Agreement is contingent upon receipt of sufficient funds under the FEMA Declaration and sufficient appropriation, limitation, allotment or other expenditure authorization to make the disbursement.

The parties understand that FEMA will contribute 75 percent of the eligible project costs identified in the Project Worksheet for any eligible project, that a Subrecipient allowance may be made at the end of a project, subject to FEMA approval of documentation submitted by OEM and as provided for in subsection 3 of Section 6.0 of this Agreement, and that no state funds are obligated for contribution under this Agreement.

The SUBRECIPIENT will commit and is responsible for providing the required 25 percent match to any eligible project costs identified in the Project Worksheet.

6.0 PAYMENTS

OEM, using funds granted for the purposes of the Presidential Major Disaster Declaration from FEMA and allocated by FEMA pursuant to the applicable Project Worksheet, shall issue payments to the SUBRECIPIENT as follows:

1. Small Projects:
 - a) Small Projects are eligible for funding up to an amount designated by FEMA as provided in 44 CFR 206.205(a). For FEMA-4258-DR-OR, that amount is \$121,800.
 - b) Payments are made for all small projects to the SUBRECIPIENT upon submission of a State of Oregon Disaster Assistance Payment Request to OEM, and the subsequent approval by OEM.
2. Large Projects
 - a) Large Projects are eligible for funding in excess of the amount allowed for Large Projects, as provided in 44 CFR 206.205(b).
 - b) Partial Payments: Partial payment of funds for costs already incurred on large projects may be made to the SUBRECIPIENT upon submission of a State of Oregon Disaster Assistance Payment Request, with appropriate supporting documentation, to OEM, upon approval by OEM.
 - c) Final Payment: Final payment will be made upon submission by the SUBRECIPIENT of CERTIFICATION OF LARGE PROJECT COST, completion of project(s), completion of all final inspections by OEM, and

final approval by FEMA. Final payment may also be conditioned upon a financial review, if determined necessary by OEM or FEMA. Adjustments to the final payment may be made following any audits conducted by the Oregon Secretary of State's Audits Division or the United States Inspector General's Office.

All payment requests shall be made on a State of Oregon Disaster Assistance Payment Request Form to OEM, which references the appropriate Project Worksheet (PW), and appropriate documentation as required.

3. Funding shall not exceed the total federal contributions eligible for the repair and restoration costs under this Presidential Major Disaster Declaration FEMA-4258-DR-OR and the amount(s) approved in the applicable PW. On Large Projects, OEM reserves the right to make any inspection prior to release of any payment or at any time during the duration of this Agreement.

7.0 RECORDS MAINTENANCE

The SUBRECIPIENT shall maintain books, records, documents, and other evidence and accounting procedures and practices, which sufficiently and properly reflect all direct costs of any nature expended in the performance of this Agreement. These records shall be subject at all reasonable times to inspection, review, or audit by OEM personnel, other personnel duly authorized by OEM, the Secretary of State's Audits Division or the United States Inspector General. The SUBRECIPIENT will retain all books, records, documents, and other material relevant to this Agreement for six years after date of final payment, or an extended period as established by FEMA in 2 CFR § 200.333.

8.0 PROPERTY/EQUIPMENT MANAGEMENT AND RECORDS CONTROL AND RETENTION OF RECORDS and REPORTING

1. Property/Equipment Management and Records Control. The Subrecipient agrees to comply with all requirements set forth in 2 CFR §200.333 for the active tracking and monitoring of property/equipment. Procedures for managing property/equipment, whether acquired in whole or in part with grant funds, until disposition takes place, will, at a minimum, meet the requirements set forth in 2 CFR §200.313, 314 and 329, and the following requirements:
 - a. All property/equipment purchased under this agreement, whether by the Subrecipient or a subcontractor, will be recorded and maintained in the Subrecipient's property/equipment inventory system.
 - b. The Subrecipient shall maintain property/equipment records that include: a description of the property/equipment, the manufacturer's serial number, model number, or other identification number, the source of the property/equipment, including the, Project Worksheet number, Catalog of Federal Domestic Assistance (CFDA) number, who holds title; the acquisition date; the cost of the property/equipment and the percentage of Federal participation in the cost, the location, use and condition of the property/equipment, and any ultimate disposition data including the date of disposition and sale price of the property/equipment.

- c. A physical inventory of the property/equipment must be taken and the results reconciled with the property/equipment records, at least once every two years.
 - d. A control system must be developed to ensure adequate safeguards to prevent loss, damage or theft of the property/equipment. Any loss, damage or theft shall be investigated.
 - e. Adequate maintenance procedures must be developed to keep the property/equipment in good condition.
 - f. If the Subrecipient is authorized to sell the property/equipment, proper sales procedures must be established to ensure the highest possible return.
 - g. The Subrecipient shall pass on property/equipment management requirements that meet or exceed the requirements outlined above for all subcontractors, consultants and the Subrecipients who receive pass-through funding from this grant agreement.
2. Retention of Property/Equipment Records. Records for property/equipment shall be retained for a period of six years from the date of the disposition or replacement or transfer at the discretion of the awarding agency. Title to all property/equipment and supplies purchased with funds made available under the FEMA Public Assistance program shall vest in the Subrecipient agency that purchased the property/equipment, except as may be provided in 2 CFR §200.313.

9.0 AUDITS

If Subrecipient expends \$750,000 or more from all federal funding sources during its fiscal year, Subrecipient must submit an organization-wide financial and compliance audit report. The audit must be performed in accordance with the requirements of Government and Accountability Office's (GAO) Government Auditing Standards, located at <http://www.gao.gov/govaud/ybk01.htm>, and the requirements of Subpart F of 2 C.F.R. Part 200.f. The SUBRECIPIENT is to procure, at its own cost, audit services based on the following guidelines:

As applicable, the SUBRECIPIENT must ensure the audit is performed in accordance with Generally Accepted Accounting Principles and Generally Accepted Government Auditing Standards developed by the Comptroller General; and all state and federal laws and regulations governing the program.

The SUBRECIPIENT must prepare a Schedule of Financial Assistance for federal funds that includes: Grantor name (OEM), program name, federal catalog number (CFDA-97.036), total award amount, beginning balance, current year revenues, current year expenditures and ending balance. With the submission and completion of each Project Worksheet OEM is required by 2 CFR 200.331 (pursuant to FEMA Public Assistance Program Interim Guidance on 2 C.F.R. Part 200) to complete the information set forth in Exhibit A to this Agreement. SUBRECIPIENT shall submit with each Project Worksheet any information requested by OEM that is necessary to accurately complete Exhibit A.

The SUBRECIPIENT shall maintain records and accounts in such a way as to facilitate OEM's audit requirements, and shall ensure that Subcontractors also maintain records which are auditable. The SUBRECIPIENT is responsible for any audit exceptions incurred by itself or by its Subcontractors. OEM reserves the right to recover from the SUBRECIPIENT disallowed costs resulting from the final audit.

The SUBRECIPIENT shall send the audit report to OEM's Project Administrator as soon as it is available, but no later than nine months after the end of the SUBRECIPIENT's fiscal year in which SUBRECIPIENT receives any funds under this Agreement. Responses to previous management findings and disallowed or questioned costs shall be included with the audit report. The SUBRECIPIENT will respond to OEM's requests for information or corrective action concerning audit issues within 30 days of the request.

The SUBRECIPIENT shall include these requirements in any subcontracts.

10.0 RECOVERY OF FUNDS

In the event that the SUBRECIPIENT fails to complete the project(s), fails to expend or is overpaid federal funds in accordance with federal or state disaster assistance laws or programs, or is found by audit or investigation to owe funds to the State or to FEMA, OEM reserves the right to recapture funds in accordance with federal or state laws and requirements. Repayment by the SUBRECIPIENT of funds under this recovery provision shall occur within 30 days of demand. In the event that OEM is required to initiate legal proceedings to enforce this recovery provision, OEM shall be entitled to its costs thereof, including reasonable attorney fees.

The SUBRECIPIENT shall be responsible for pursuing recovery of monies paid under this Agreement in providing disaster assistance against any party that might be liable, and further the SUBRECIPIENT shall cooperate in a reasonable manner with the State and the United States in efforts to recover expenditures under this Agreement.

In the event the SUBRECIPIENT obtains recovery from a responsible party, the SUBRECIPIENT shall first be reimbursed its reasonable costs of litigation from such recovered funds. The SUBRECIPIENT shall pay to the state the proportionate federal share of all project funds recovered in excess of costs of litigation.

11.0 CONFLICT OF INTEREST

The SUBRECIPIENT will prohibit any employee, governing body, contractor, subcontractor or organization from participating if the employee or entity has an actual or potential conflict of interest that a public official would have under ORS Chapter 244. In addition, SUBRECIPIENT must disclose in a timely manner and in writing to OEM, all violations of Federal criminal law involving fraud, bribery, or gratuity potentially affecting the funds provided under this Agreement as provided in 2 CFR § 200.113.

12.0 POLITICAL ACTIVITY

No portion of the funds provided herein shall be used for any partisan political activity or to further the election or defeat of any candidate for public office or influence the approval or defeat of any ballot measure.

13.0 ASSIGNMENT

This Agreement, and any claim arising under this Agreement, is not assignable or delegable by the SUBRECIPIENT either in whole or in part.

14.0 SUBCONTRACTS FOR ENGINEERING SERVICES

In the event that the SUBRECIPIENT subcontracts for engineering services, the SUBRECIPIENT shall require that the engineering firm be covered by errors and omissions insurance in an amount not less than the amount of the firm's subcontract. If the firm is unable to obtain errors and omissions insurance, the firm shall post a bond with the SUBRECIPIENT for the benefit of the SUBRECIPIENT of not less than the amount of its subcontract. Such insurance or bond shall remain in effect for the entire term of the subcontract. The subcontract shall provide that cancellation or lapse of the bond or insurance during the term of the subcontract shall constitute a material breach of the subcontract and cause for subcontract termination. The SUBRECIPIENT shall cause the subcontractor to provide it with a 30 day notice of cancellation issued by the insurance company.

15.0 APPEALS

Consistent with the Code of Federal Regulations, 44 CFR 206.206, the SUBRECIPIENT may appeal any determination previously made related to the federal assistance for the SUBRECIPIENT. The SUBRECIPIENT's appeal shall be made in writing and submitted to OEM within 60 days after receipt of notice of the action which is being appealed. The appeal shall contain documented justification supporting the SUBRECIPIENT's position.

Upon receipt of a SUBRECIPIENT's appeal, OEM will review the material submitted, make such additional investigations as necessary, and shall forward the appeal with a written recommendation to FEMA within 60 days. Within 90 days following receipt of the appeal, FEMA shall advise OEM, in writing, as to the disposition of the appeal or the need for additional information. If the decision is to grant the appeal, then FEMA will take the appropriate implementing action.

16.0 GOVERNING LAW AND VENUE

This Agreement shall be governed and construed in accordance with the laws of the State of Oregon without regard to principles of conflicts of law. Any claim, action, suit or proceeding (collectively "Claim") between OEM and SUBRECIPIENT that arises from or relates to this Agreement shall be brought and conducted solely and exclusively within the Circuit Court of Marion County for the State of Oregon provided, however, if the Claim must be brought in a federal forum, then it shall be brought and conducted solely and exclusively with the United States District Court for the District of Oregon. SUBRECIPIENT, BY EXECUTION OF THIS AGREEMENT, HEREBY CONSENTS TO THE IN PERSONAM JURISDICTION OF SAID COURTS.

17.0 TERMINATION

1. Except as otherwise provided in this Agreement, either party may terminate this Agreement (which includes the applicable Project Worksheet(s)) upon giving thirty (30) days written notice to the other party. In the event of termination of this

Agreement, each party shall be liable only for project costs and allowable expenses incurred by the other party, prior to the effective date of termination.

2. OEM may terminate all or part of this Agreement or may change the project specifications set forth in a Project Worksheet if there is a reduction in federal funds which are the basis for this Agreement, and OEM approves the reduction.
3. OEM may terminate this Agreement, in whole or in part, immediately upon written notice to SUBRECIPIENT, or at such later date as OEM may establish in such notice, if SUBRECIPIENT commits any material breach or default of any covenant, warranty, obligation or certification under this Agreement. In its notice, OEM may permit SUBRECIPIENT an opportunity to cure the breach, default or Failure in such time and on such terms as OEM may specify in such notice.

18.0 WAIVERS

The failure of OEM to exercise, and any delay in exercising, any right, power, or privilege under this Agreement shall not operate as a waiver thereof, nor shall any single or partial exercise of any right, power, or privilege under this Agreement preclude any further exercise thereof or the exercise of any other such right, power or privilege. The remedies provided herein are cumulative and not exclusive of any remedies provided by law.

19.0 INDEMNIFICATION

To the extent permitted by any constitutional and statutory limitations applicable to SUBRECIPIENT, including, but not limited to, provisions relating to debt limits, tort claims limits and workers' compensation, the SUBRECIPIENT shall, as required by ORS 401.145(2), indemnify, defend, save and hold harmless the United States and its agencies, officers, employees, agents and members, and the State of Oregon and its agencies, officers, employees, agents and members, from and against all claims, damages, losses, expenses, suits or actions of any nature arising out of or resulting from the activities of SUBRECIPIENT, its agencies, officers, employees, agents, members, contractors or subcontractors under this Agreement.

20.0 SUBRECIPIENT ASSURANCES

SUBRECIPIENT represents and warrants to OEM as follows:

1. SUBRECIPIENT is political subdivision of the State of Oregon. SUBRECIPIENT has full power, authority and legal right to execute and deliver this Agreement and incur and perform its obligations hereunder.
2. This Agreement has been duly authorized, executed and delivered on behalf of Subrecipient and constitutes the legal, valid and binding obligation of Subrecipient, enforceable in accordance with its terms.
3. The SUBRECIPIENT hereby assures and certifies that it will comply with all applicable state and federal laws and regulations, including, but not limited to, the provisions of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 USC §§ 5121-5206 (Public Law 93-288, as amended; hereafter "Stafford Act"); 44 CFR Parts 7, 17, 18 and 206, and Subchapters B, C and D; 2 CFR Part 200 (including Appendix II); the Oregon State Public Assistance Administrative Plan DR4258; Wages, Hours and Records Laws (ORS Chapter 652) Conditions

of Employment Laws (ORS Chapter 643) and Unemployment Insurance Laws (ORS Chapter 657).

4. The emergency or disaster relief work for which federal assistance is requested herein does not or will not duplicate benefits received for the same loss from any other source.
5. The SUBRECIPIENT will operate and maintain the facilities being restored using funds provided under this Agreement in accordance with the minimum standards as may be required or prescribed by the applicable federal, state and local agencies for the maintenance and operation of such facilities.
6. The SUBRECIPIENT will, for any repairs or construction financed herewith, comply with applicable standards of safety, decency and sanitation and in conformity with applicable codes, specifications and standards, and will evaluate the hazards in areas in which the proceeds of the grant are to be used and take appropriate action to mitigate such hazards, including safe land use and construction practices. SUBRECIPIENT will, prior to the start of any construction activity, ensure that all applicable federal, state and local permits and clearances are obtained including FEMA compliance with the National Environmental Policy Act, the National Historic Preservation Act, the Endangered Species Act and all other federal and state environmental laws.
7. The SUBRECIPIENT will not enter into a contract with a contractor who is on the General Services Administration (GSA) List of Parties Excluded from Federal Procurement or Non-procurement Programs.
8. The SUBRECIPIENT will comply with minimum wage and maximum hours provision of the Federal Fair Labor Standards Act.
9. The SUBRECIPIENT shall comply with all applicable federal and state non-discrimination laws, regulations, and policies. No person shall, on the grounds of age, race, color, sex, religion, national origin, marital status, or disability (physical or mental) be denied the benefits of, or otherwise be subjected to discrimination under any project, program, or activity, funded, in whole or in part, under this Agreement (as required by Executive Orders 11246, 11375, 41 CFR Part 60-1.4(b), the provisions of which are incorporated herein by reference). A violation of this provision is a material breach and cause for termination under Section 17.0 of this Agreement.
10. The SUBRECIPIENT shall utilize certified minority-owned and women-owned businesses (MWBE's) to the maximum extent possible in the performance of this Agreement.
11. Reserved
12. The SUBRECIPIENT and its contractors, subcontractors and other employers providing work, labor or materials as a result of the application are subject employers under the Oregon Workers' Compensation Law. All employers, including SUBRECIPIENT, 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. Contractor shall ensure that each of its

Subcontractors complies with these requirements. This shall include Employer's Liability Insurance with coverage limits of not less than \$100,000 for each accident.

13. Reserved

14. Reserved

15. Subrecipients will comply with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) as supplemented by Department of Labor regulations (29 CFR Part 5).

16. Notice of awarding agency requirements and regulations pertaining to reporting.
– Reporting requirements: The Subrecipient will submit a Quarterly Project Status Report (OEM Form) on all Large projects to OEM on a 3-month interval. OEM will submit quarterly progress reports to FEMA that will contain the status of all large projects that have not received final payment. The first quarterly report will be submitted on a quarterly schedule mutually agreed upon between FEMA and OEM. Quarterly reports after that date will be due in OEM by July 15, October 15, January 15 and April 15.

17. Subrecipient will comply with all applicable standards, orders or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Air Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15).

18. Subrecipient shall comply with mandatory standards and policies relating to energy efficiency which are contained in the state energy conversation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 871).

21.0 OWNERSHIP OF PROJECT/CAPITAL FACILITIES

OEM makes no claim to any capital facilities or real property improved or constructed with funds under this Agreement, and by this grant of funds does not and will not acquire any ownership interest or title to such property of the SUBRECIPIENT.

22.0 ACKNOWLEDGMENTS

The SUBRECIPIENT shall include language which acknowledges the funding contribution of the Federal Emergency Management Agency (FEMA) to the project in any release or other publication developed or modified for, or referring to the project.

23.0 INSURANCE

The SUBRECIPIENT will comply with the insurance requirements of the Stafford Act, as amended, and obtain and maintain any other insurance as may be reasonable, adequate, and necessary to protect against further loss to any property which was replaced, restored, repaired or constructed with this assistance.

24.0 SEVERABILITY

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

25.0 HEADINGS

The section headings in this Agreement are included for convenience only, do not give full notice of the terms of any portion of this Agreement and are not relevant to the interpretation of any provision of this Agreement.

26.0 AGREEMENT ADMINISTRATION

The Parties' representatives for purposes of this Agreement are:

For SUBRECIPIENT:

NAME
TITLE
ADDRESS
CITY
Phone:
Fax:

For OEM:

Clint Fella
Alternate Governor's Authorized Representative
Office of Emergency Management
P. O. Box 14370
Salem, OR 97309-5062
Phone: (503)378-2911, ext 22227
Fax: 503-373-7833

Notices under this Agreement shall be given in writing by personal delivery, facsimile, email or by regular or certified mail to the person identified in this Section, or to such other person or at such other address as either party may hereafter indicate pursuant to this section. Any notice delivered personally shall be deemed received upon delivery. Notice by facsimile shall be deemed given when receipt of the transmission is generated by the transmitting machine. Notice by email is deemed received upon a return email or other acknowledgment of receipt by the receiver, and notice by certified or registered mail is deemed received on the date the receipt is signed or delivery is refused by the addressee.

27.0 ENTIRE AGREEMENT

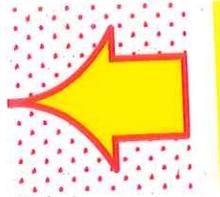
This Agreement, when combined with one or more completed Project Worksheets, sets forth the entire agreement between the parties with respect to the subject matter hereof. Except for the completion of Project Worksheets, any additional terms and conditions imposed by the Federal Emergency Management Agency or OEM will be incorporated into a written amendment to this Agreement. Commitments, warranties, representations and understandings or agreements not contained, or referred to, in this Agreement with

completed Project Worksheets or written amendment hereto shall not be binding on either party. Except as may be expressly provided herein, no alteration of any of the terms or conditions of this Agreement will be effective without the written consent of both parties.

IN WITNESS WHEREOF, OEM and the SUBRECIPIENT have executed this Agreement as of the date and year written below.

Clint Fella, Alternate GAR
Office of Emergency Management
Date:

Subrecipient Signature
Printed Name:
Title:
Date:



APPROVED
FOR LEGAL SUFFICIENCY

SUBRECIPIENT - PLEASE PRINT THE
FOLLOWING TO EXPEDITE PROCESSING

Cynthia Byrnes
Assistant Attorney General
By Email
DATE:

Federal Tax ID No. (TIN):

DUNS #:

Organization:

Office of Emergency Management
P. O. Box 14370
Salem, OR 97309-5062
CFDA: 97-036

Address:

Phone: