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To provide oral comments via electronic means, please contact the City Recorder's Office no later than 2:00 p.m. on the day of the meeting. Most regular City Council meetings are streamed live through www.KeizerTV.com and cable-cast on Comcast Channel 23 within the Keizer City limits.

AGENDA
KEIZER CITY COUNCIL
REGULAR SESSION

Monday, July 6, 2026

6:00 PM

Robert L. Simon Council Chambers
930 Chemawa Road NE
Keizer, Oregon

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **FLAG SALUTE**
4. **SPECIAL ORDERS OF BUSINESS**
5. **COMMITTEE REPORTS**
 - a. **Volunteer Coordinating Committee Recommendation for the Parks & Recreation Advisory Board and the Multi-Modal Safety Committee**
6. **PUBLIC COMMENTS**

This time is provided for citizens to address the Council on any matters other than those on the agenda scheduled for public hearing.
7. **CONSENT CALENDAR**
 - a. **Approval of June 15, 2026 Regular Session Minutes**
 - b. **Event Center Fee Waiver - Joys of Living Assistance Dogs (JLAD) Graduation**
 - c. **RESOLUTION — Declaring the House at 4860 Bailey Road Northeast, Keizer, Oregon to be Surplus and Authorizing its Demolition**
 - d. **RESOLUTION - Restating the City of Keizer Cafeteria Plan Under Section 125 of the Internal Revenue Code**
 - e. **RESOLUTION - Amending the 2020-2030 Public Art Master Plan; Repeal of Resolution R2026-3653**
 - f. **RESOLUTION - Supporting Marion County's Action Regarding Drawdown of Detroit Lake**

8. **PUBLIC HEARINGS**

9. **ADMINISTRATIVE ACTION**

- a. Concierge Surcharge for Solid Waste Service for High Density Housing
- b. **RESOLUTION** - Establishing the Amount of the Sewer System Development Charge for Wastewater Treatment Facilities; Repealing Resolution R2025-3602
- c. Verda Lane Traffic Corridor Options
- d. **RESOLUTION** - Adopting User Fees for the Keizer Rapids Park Artificial Turf Fields; Repeal of Resolutions R2024-3506 and R2025-3571
- e. Change in the Management and Operations of the Keizer Synthetic Turf Fields at Keizer Rapids Park

10. **OTHER BUSINESS**

This time is provided to allow the Mayor, City Council members, or staff an opportunity to bring new or old matters before the Council that are not on tonight's agenda.

11. **STAFF UPDATES**

12. **COUNCIL MEMBER REPORTS**

13. **AGENDA INPUT**

Monday, July 13, 2026 - 6:00 p.m.

City Council Work Session - Police Services Fee - Equivalent Service Unit (ESU) Modeling

Monday, July 20, 2026 - 6:00 p.m.

City Council Regular Session

Monday, July 27, 2026 - 6:00 p.m.

City Council & Multi-Modal Safety Committee Joint Work Session

14. **ADJOURNMENT**

City of Keizer Mission Statement

The City of Keizer is committed to fostering a safe, unified, and economically vibrant community while maintaining fiscal responsibility. By delivering city services in a coordinated, efficient, and cost-effective manner, we strive to provide exceptional value to residents, ensuring sustainability and responsiveness to community needs to enhance the quality of life for all.



To: Mayor Clark and City Council Members

Thru: Adam J. Brown, City Manager

From: Melissa Bisset, City Recorder

Subject: VCC's Recommendation for the Parks & Recreation Advisory Board and the Multi-Modal Safety Committee

Proposed Motion

I move the City Council accept the recommendation of the Volunteer Coordinating Committee and appoint Liam Stitt to the Parks & Recreation Advisory Board and Lazlo Montoya Mendoza to the Multi-Modal Safety Committee as the Youth Liaisons for school year 2026-2027.

I. Summary

The Volunteer Coordinating Committee met on June 11, 2026, to review and interview applicants.

II. Background

- A. The Volunteer Coordinating Committee serves in an advisory capacity to the City Council and is responsible for making recommendations for appointments to various Boards and Commissions. The Committee is also responsible for the recognition of City volunteers.

III. Current Situation

- A. There are currently open Youth Liaison positions on the Parks & Recreation Advisory Board and the Multi-Modal Safety Committee. Applications were collected, and the Volunteer Coordinating Committee has interviewed two candidates for the two openings. They have made the following appointment recommendations for the City Council's consideration: Liam Stitt to the Parks & Recreation Advisory Board and Lazlo Montoya Mendoza to the Multi-Modal Safety Committee as the Youth Liaisons for school year 2026-2027. Both applicants are incumbents.

IV. Analysis

- A. **Strategic Impact** - Fostering an Engaged Community

B. **Financial** - N/A

C. **Timing** - The Parks & Recreation Advisory Board and the Multi-Modal Safety Committee have one opening each for the Youth Liaison positions. If the City Council makes the two appointments, there will be no remaining Youth Liaison openings on these committees.

D. **Policy/Legal** - The City Council approves the recommendation for this appointment.

V. Alternatives

A. Approve the appointments.

B. Not approve appointments.

VI. Recommendation

Staff recommends the City Council accept the recommended appointments from the Volunteer Coordinating Committee.

Attachments

None



**MINUTES
KEIZER CITY COUNCIL**

**Monday, June 15, 2026
Robert L. Simon Council Chambers
930 Chemawa Road NE
Keizer, Oregon**

CALL TO ORDER

Mayor Clark called the meeting to order at 6:02 p.m.

ROLL CALL

Roll call was taken as follows:

Present:

Cathy Clark, Mayor
Shaney Starr, Council President
Soraida Cross, Council Vice
President
Kyle Juran, Councilor
Daniel Kohler, Councilor
Marlene Parsons, Councilor
Lore Christopher, Councilor

Staff:

Adam Brown, City Manager
Tim Wood, Assistant City Manager
Shane Witham, Planning Director
Joseph Lindsay, City Attorney
Keare Blaylock, Public Works Director
Andrew Copeland, Police Chief
Melissa Bisset, City Recorder

FLAG SALUTE

Mayor Clark led the pledge of allegiance.

SPECIAL ORDERS OF BUSINESS

a. PROCLAMATION: Juneteenth

Cynthia Richardson, Board President for BE-BLAC Foundation, shared about Juneteenth.

Mayor Clark read the Proclamation recognizing June as Juneteenth. She presented Ms. Richardson with the Proclamation.

COMMITTEE REPORTS

City Manager Brown shared that he had received a request from the Keizer Community Fields Association (KCFA) asking to allow for a transfer of services to Sports Facilities Companies (SFCs). He explained that there would be scheduling agreements and maintenance to discuss and the current Board Members from KCFA was open to making a smooth transition. There would

need to be an amendment to the Sports Facilities Companies Agreement and the current contract with KCFA. City Attorney Lindsay shared that under public contracting, they could legally amend the contract if it were under 25 percent change of the value of the contract. If it were over 25 percent, there could be a direct appointment if there was a direct appointment hearing.

Discussion ensued regarding contract amendments. There was discussion about the sinking fund. The City Manager and City Attorney would work with KCFA and SFC on a timeline. Discussion ensued regarding tournaments. There was a question about why not to go out for a Request for Proposals (RFP). There was a request to have the Parks and Recreation Advisory Board review the matter.

Councilor Christopher moved that we would like to move forward with a transition, and we would like to bring that back as soon as possible because there was ongoing use for that field, as expeditiously as possible and bring back additional information from talking with those two parties concerned and make recommendations at our next City Council meeting. Seconded by Councilor Juran.

Council Vice President Cross commented that she felt that the options shouldn't be limited and was worth more than discussion this week, so she would be a no vote.

Mr. Brown noted that after the work session, the Council had asked for SFCs to be a backup plan, and so he had discussions with SFCs.

Motion passed as follows:

AYES: Clark, Starr, Juran, Christopher, and Parsons (5)

NAYS: Cross and Kohler (2)

ABSTENTIONS: None (0)

ABSENT: None (0)

Chair Matt Lawyer, Planning Commission, shared about the request to have goats on residential property to serve as emotional support animals. The Commissioners had concern about the disparity with residential housing types, capacities, and sizes. Chair Lawyer shared how he was concerned about the Police Department needing to deal with real crime rather than herding goats.

Chair Lawyer noted that the Planning Commission unanimously recommended to not consider any further action on the goat discussion. Chair Lawyer added that the applicant for this request attended the Planning Commission meeting, and she was very accepting of the recommendation. Chair Lawyer appreciated the fact that she used the entire civic process and for her willingness to go to the City Council and then the Planning Commission. Chair Lawyer felt that from a staff workload capacity, it was not the best use of staff time, as there were some big projects coming up.

Chair Matt Lawyer, Parks and Recreation Advisory Board, summarized the recent meeting. Chair Lawyer distributed a document to the Council about updating and amending the 2021 Keizer Parks Master Plan. He shared that the Parks Board unanimously recommended that the City Council approve the proposed Parks Master Plan update process and direct City staff to establish the Joint Parks Task Force.

There was no objection from the Council to have item 9.f. moved up to the beginning of Administrative Action.

Griffin Walker, Northwest Keizer Neighborhood Association, announced that they would be shifting their starting time from 7 p.m. to 6:30 p.m. starting in the Fall. He announced that the Junior Reserve Officer Training Corps (ROTC) program no longer existed, and so they would be running an adult-only graffiti abatement program this summer. They were looking for new partners for the graffiti abatement program. Councilor Christopher requested that Carlson Skate Park not be abated at this point, as she wished to have more discussion about the matter.

Mario Salazar, Keizer Public Arts Association, summarized their most recent meeting and shared that they had approved a concept for the mural at Los Dos Hermanos, they were looking at conducting an art inspection and an inventory, and they had approved artwork for a utility box wrap. Councilor Christopher provided an update on the Street Art Program, announcing that the artwork of Rachel Wood, McNary High School Student, had been selected.

PUBLIC COMMENTS

Mayor Clark summarized the written comments.

Griffin Walker, Keizer, read the written comment that he had provided, expressing concern about fire danger and the lack of enforcement related to fireworks, particularly around the 4th of July. He commented on the impact to military veterans with Post Traumatic Stress Disorder (PTSD) and families with pets.

Chief Copeland explained the challenges with firework enforcement. He shared that the Police Department announced that there would be additional enforcement efforts this year. They would be teaming up with the Fire Department to provide education.

There were comments about how different jurisdictions handle fireworks enforcement, the importance of communication, when red flag warnings are issued, if the Ordinance needed to be amended, and the circumstances when illegal fireworks could be confiscated.

Rebecca Ross, Salem, former General Manager of Keizer Community Fields Association (KCFA), shared the different programming that was held at the turf fields. She said that it wasn't a group effort. She felt that it was set up well, but not executed well. She said they had helped secure a grant for the next phase of funding. She felt there should be as much community help as possible. She commented on the member usage rate.

Dustin Karstetter, Keizer, felt that there may be an attempt to avoid accountability. He asked that the Council be very deliberate in their review and consider alternatives regarding the management of the fields. He commented that there had been a strong push for the fields to remain local and that access to the fields would be lost if the management contract was given to an outside group. He expressed concern about offloading the management agreement to an outside group and losing funds. He noted that Mid-Valley Soccer Club had been considered a member and expressed concern about why they were not familiar with the contract or able to hold to it. He thought there were still a lot of opportunities to consider.

CONSENT CALENDAR

a. Approval of the June 1, 2026 Regular Session Minutes

b. Approval of the June 8, 2026 Work Session Minutes

c. **RESOLUTION** - Certification of Delinquent Sewer Accounts

Council President Starr moved that the Keizer City Council approve the Consent Calendar. Councilor Kohler seconded. Motion passed unanimously as follows:

AYES: Clark, Starr, Cross, Kohler, Juran, Christopher, and Parsons (7)

NAYS: None (0)

ABSTENTIONS: None (0)

ABSENT: None (0)

PUBLIC HEARINGS

a. **RESOLUTION** - Certification of Lighting District Assessments

Mayor Clark opened the Public Hearing.

Assistant City Manager Tim Wood summarized the staff report. There were comments about Light Emitting Diode (LED) lighting.

With no further testimony, Mayor Clark closed the Public Hearing.

Council President Starr moved to adopt Resolution R2026- Certification of Lighting District Assessments. Councilor Kohler seconded. Motion passed unanimously as follows:

AYES: Clark, Cross, Kohler, Starr, Juran, Christopher, and Parsons (7)

NAYS: None (0)

ABSTENTIONS: None (0)

ABSENT: None (0)

ADMINISTRATIVE ACTION

a. **Receive recommendation from Multi-Modal Safety Committee (MMSC) to request funding from the Keizer Rotary and Salem Bicycle Club for the Helmet Program**

Public Works Director Keare Blaylock summarized the staff report.

Hersch Sangster, Vice Chair of the Multi-Modal Safety Committee, shared that the Helmet Program had been around since 1997 due to an ordinance requiring helmets in the parks. They had recently ran out of helmets. They provided fitted and provided helmets at events, schools, and in partnership with the Police Department. They charged \$5 for helmets as a donation, but they do not charge when there is a need. There was \$940 in the current helmet fund. There have been well over 6,000 helmets provided over the years. Discussion ensued regarding ordering helmets.

Council President Starr moved the City Council authorize application, acceptance, and use of bicycle helmet program donations and grant funds consistent with City policy, and direct staff to administer purchases for the bicycle helmet safety program through the City-maintained bicycle helmet account. Councilor Kohler seconded. Motion passed unanimously as follows:

AYES: Clark, Cross, Kohler, Starr, Juran, Christopher, and Parsons (7)

NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: None (0)

b. Park Fee Waiver - Claggett Creek Middle School - Back to School Kickoff Events

Assistant City Manager Tim Wood summarized the staff report.

Council President Starr moved that the City Council approve the waiver of fees in the amount of \$302 for the Claggett Creek Middle School - Back to School Kickoff events on September 1, 2026 and September 3, 2026. Councilor Kohler seconded. Motion passed unanimously as follows:

AYES: Clark, Cross, Kohler, Starr, Juran, Christopher, and Parsons (7)

NAYS: None (0)

ABSTENTIONS: None (0)

ABSENT: None (0)

c. ORDINANCE - Relating to Child Care Allowances and Alternative Design Review; Amending Keizer Code Appendix A

Planning Director Shane Witham summarized the staff report.

Council President Starr moved to adopt an Ordinance No. 2026- Relating to Child Care Allowances and Alternative Design Review; Amending Keizer Code Appendix A. Councilor Kohler seconded. Motion passed unanimously as follows upon first reading:

AYES: Clark, Cross, Kohler, Starr, Juran, Christopher, and Parsons (7)

NAYS: None (0)

ABSTENTIONS: None (0)

ABSENT: None (0)

d. RESOLUTION - Authorizing the City Manager to Enter Into 2026 SAMTD and City of Keizer Mutual Aid and Assistance Agreement

City Manager Adam Brown summarized the staff report. It was noted that it was an opportunity for assets that the City did not have. City Manager Brown was interested in pursuing a Mutual Aid and Assistance Agreement with Salem-Keizer School District as well.

Council President Starr moved to adopt Resolution R2026- Authorizing the City Manager to Enter Into 2026 SAMTD and City of Keizer Mutual Aid and Assistance Agreement. Councilor Kohler seconded. Motion passed unanimously as follows:

AYES: Clark, Cross, Kohler, Starr, Juran, Christopher, and Parsons (7)

NAYS: None (0)

ABSTENTIONS: None (0)

ABSENT: None (0)

e. ORDINANCE - Relating to Recognition of Neighborhood Associations; Amending Keizer Code Chapter 2, Article VIII

City Attorney Joseph Lindsay summarized the staff report. It was noted that the Neighborhood Associations were not City entities, but that if they wished to be recognized and receive City funds, they needed to follow the Ordinance. It was noted that there was currently no requirement for a hybrid meeting format.

Rhonda Rich, West Keizer Neighborhood Association, commented about Section 3.f. and that the joint sessions are usually in April, not March. She asked about the annual report being moved to March. She asked that there be a discussion with the Council in April before they submit their budget requests. Ms. Rich commented about the various considerations about potential use of technology, such as an owl during their meetings. She asked that it be left as an option but did not want it to affect their budget. She expressed appreciation for the use of the Event Center.

Council President Starr commented about a School District logo being used by a Neighborhood Association without permission of the entity. She wanted to make sure that permission was granted before a logo was used. Council President Starr wanted to make sure it was clear to remove any potential misunderstandings about where messaging was coming from.

Councilor Christopher explained that she was looking for safety, consistency and inclusivity with the proposed ordinance changes.

Discussion ensued regarding the use of software platforms. There was conversation about the timing of budget submissions in relation to the joint work session.

Tammy Kunz, Keizer, Greater Northeast Keizer Neighborhood Association President, commented that she had received permission from the school principal, but not the district, to use the school's logo on their materials. She expressed concern about the hybrid meetings but noted that they had agreed about hybrid meetings. She expressed concern about losing their beginning of the month meeting. Ms. Kunz shared information about their various meetings and reasons for their current model.

Jacqueline Green, Keizer, Greater Northeast Keizer Neighborhood Association Vice President, asked that the Council not mandate that the meetings be held at the Event Center with the use of "Owl" technology. She spoke about reasons for their current meeting model.

There was discussion about neighborhood associations meeting onsite versus off-site. It was noted that Neighborhood Associations could meet wherever they wished, but with the proposed ordinance change, in order to be recognized, they would need to meet at the Event Center.

There was a 10-minute recess at 8:19 p.m. The meeting resumed at 8:29 p.m.

Griffin Walker, Northwest Keizer Neighborhood Association President and Tammy Saldivar, Northwest Keizer Neighborhood Association, were happy to hear that the hybrid model would be optional. He spoke about best practices for hybrid meetings and the amount of technology, work and people needed to successfully manage the hybrid meeting. Discussion ensued regarding electronic meeting platforms. There was discussion about reviewing the Neighborhood Association boundaries every three years. There was a suggestion to have the discussion about the boundaries during the annual joint work session. It was proposed that "The boundaries shall be reviewed every three years by the neighborhood association" would be removed.

Colleen Busch, South East Keizer Neighborhood Association President, shared that she had emailed a list of questions for the Council. There was a suggestion to add the meeting agenda notice to be received by the City a week prior to the meeting. There were comments about the

Americans with Disabilities Act (ADA) accessibility for meeting materials on the City's website. There was a suggestion to move it from responsibilities to (e)(1), and there was a repetitiveness that may need to be cleaned up. Mr. Lindsay commented that it should be noted that at least one official website and an official social media page needed to be open to the public and not require friending or joining in order to access posts.

There was a question about social media pages versus individual accounts and what was considered a public page.

There was discussion about reporting factual information and linking to official City records.

The City Attorney would work on amending the Ordinance and bring it back to the Council at a future meeting.

Council President Starr moved to extend the meeting to complete the full agenda. Councilor Christopher seconded. Motion passed unanimously as follows:

AYES: Clark, Cross, Kohler, Starr, Juran, Christopher, and Parsons (7)

NAYS: None (0)

ABSTENTIONS: None (0)

ABSENT: None (0)

f. Parks Master Plan Revision Update and Recommendation

City Manager Adam Brown summarized the staff report. Councilor Parsons liked the idea and commented that volunteers would need to go to the parks and talk to people in the parks.

There was a question about the reasoning as to why there would be a different Task Force rather than the entire Parks and Recreation Advisory Board. Chair Lawyer shared that it was based on best practices from previous efforts. It was noted that it would be a public body that would need to follow public meetings law. Councilor Christopher wished that rather than forming a separate board, that the Parks and Recreation Advisory Board do the work.

There was discussion about the the different roles the Task Force would fill. There would be an ongoing monthly check-in with the Parks and Recreation Advisory Board. Chair Lawyer suggested to potentially add David Loudon if they decided to add a fourth parks board member. It was anticipated that the work would last 11 to 14 months. There was a suggestion to not include the names, but rather include the positions. There was a suggestion to add more outreach opportunities. There was a suggestion to use the new survey tool as well.

OTHER BUSINESS

City Manager Brown shared that a well-respected City Administrator in St. Helens had tragically fallen into the Columbia River.

Councilor Juran announced that his appointed Volunteer Coordinating Committee (VCC) member was moving, and he appointed Joe Grant to be his new Volunteer Coordinating Committee appointee.

Councilor Juran shared that he had met with the City Attorney regarding what had occurred at the last City Council Executive Session, and he had reviewed the City Attorney's memo regarding the

recording, and he felt that the best path forward was to file a complaint and request an inquiry. It was noted that five councilors needed to move the complaint forward. Councilor Christopher agreed to join him in the complaint due to the fact that she recognized potential improprieties and left the Executive Session meeting. He stated that any councilors involved or impacted by potential improprieties were not allowed to deliberate or vote for the inquiry. City Attorney Lindsay reviewed Council Rules of Procedure 16.1.

Christopher moved to suspend the rules to take up the matter. Councilor Juran seconded. Motion passed unanimously as follows:

AYES: Clark, Starr, Cross, Kohler, Juran, Christopher, and Parsons (7)

NAYS: None (0)

ABSTENTIONS: None (0)

ABSENT: None (0)

Councilor Juran moved to initiate an inquiry. Councilor Christopher seconded. Motion passed as follows:

AYES: Starr, Cross, Juran, Christopher, and Parsons (5)

NAYS: None (0)

ABSTENTIONS: Clark, Kohler (2)

ABSENT: None (0)

It was noted that Mayor Clark and Councilor Kohler would need to abstain from voting. There was a question about why Councilor Christopher was allowed to vote as she walked out. It was noted that the statement itself was about people involved in the conduct that would look into their actions and it was clarified that the inquiry was not looking into Councilor Christopher's action of walking out.

Councilor Juran moved to assemble an inquiry work group consisting of Councilors Juran, Starr and Christopher to work with our Human Resources Manager and anyone else necessary to complete the inquiry within 30 days.

Councilor Juran requested that Council President Starr and Councilor Christopher be on the inquiry work group. He further stated that up to two community members may be added to the work group at the request of the affected parties, with those members to be selected by Council members not involved in the inquiry. It was noted that the two members in question should not vote.

Seconded by Councilor Christopher.

Mr. Brown commented that in section 16.1 the written statement is to be submitted to the City Manager no later than five days prior to the meeting otherwise it is to be placed on the agenda at the following meeting.

City Attorney Lindsay reviewed section 16.1.

Motion passed as follows:

AYES: Starr, Cross, Juran, and Christopher (4)

NAYS: Parsons (1)

ABSTENTIONS: Clark and Kohler (2)

ABSENT: None (0)

Councilor Christopher moved to suspend the rules to take up the matter to establish a work group to determine what changes need to be made to our performance evaluation form and process.

Seconded by Council President Starr. Motion passed as follows:

AYES: Starr, Cross, Kohler, Juran, Christopher, and Parsons (6)

NAYS: Clark (1)

ABSTENTIONS: (0)

ABSENT: None (0)

Councilor Christopher requested a Task Force and that she be the Chair of the Task Force. She shared that she had begun preliminary work with the City Manager, including gathering position descriptions to align performance evaluations with employee responsibilities and identifying additional resources for consideration. Councilor Christopher estimated that the work could be completed within three to four meetings and commented on prior related experience. She requested that the Mayor Pro Tem and Councilor Juran be on the Task Force.

Councilor Christopher moved that we establish a Performance Evaluation Work Group that will completely review the forms that we're using, but also the process. Seconded by Councilor Cross.

Councilor Christopher made a friendly amendment. She would Chair with Councilor Juran and Mayor Pro-Tem Starr.

There was a request to wait to initiate the work for 30 days. There was a suggestion to include the Human Resources Director.

Motion passed as follows:

AYES: Starr, Cross, Kohler, Juran, and Christopher (5)

NAYS: Clark and Parsons (2)

ABSTENTIONS: (0)

ABSENT: None (0)

Councilor Kohler proposed that there be a policy that written public submissions be received at least 24 hours before scheduled meetings because this would allow the councilors the opportunity to review comments prior to the meetings. There was consensus that the City Staff would look into the matter.

There was a request for staff to ask leadership from Keizer Fire District to share information behind the phrase, browning out an ambulance. There was consensus from the Council to invite the Keizer Fire District to talk about this matter.

There was a discussion about whether to hold the Executive Session. There was a suggestion to wait to conduct the performance evaluations until the Human Resources Director returns. There was consensus to postpone the Executive Session.

STAFF UPDATES

Chief Copeland reported that there were close to 150 children registered for BLAST Camp.

COUNCIL MEMBER REPORTS

Mayor Clark commented that a really nice graphic on e-bikes and e-scooters was received, so hopefully that could be discussed when the Council meets with the Multi-Modal Safety Committee. Council President Starr noted that all of the rules except page 16 weren't effective until January 1st.

AGENDA INPUT

Agenda Input was not considered.

ADJOURNMENT

Mayor Clark adjourned the meeting at 9:58 p.m.

MAYOR:

APPROVED:

Cathy Clark

Dawn Wilson, Deputy City Recorder

Minutes approved: _____



To: Mayor Clark and City Council Members
Thru: Adam J. Brown, City Manager
From: Tim Wood, Assistant City Manager
Subject: Event Center Fee Waiver

Proposed Motion

I move the City Council approve the requested waiver of the Event Center use fees of \$1,800 for the Joys of Living Assistance Dogs Graduation event on October 17, 2026.

I. Summary

Joys of Living Assistance Dogs (JLAD) has requested a waiver of the rental fee for use of two Iris Rooms in the Keizer Event Center for their service dog graduation event on October 17, 2026.

The use rate for the Event Center room Iris A and B is \$187.50 per hour (includes a non-profit 25% discount) for 8.0 hours, or \$1,500 in total, along with a refundable security deposit of \$1,150. JLAD has requested access to the room from 2:00 pm to 10:00 pm on the day of the event. JLAD has also requested use of the stage and projector for an additional charge of \$300.

Staffing fees are included in the use fee. Staff will be required to set up the room prior to the event, cover during the event, and then clean/restore the room after the event. The approximate staff time is 10.0 hours, totaling \$600.

II. Background

- A. On May 5, 2026 JLAD submitted a letter requesting a use fee waiver for the Dog Graduation event on October 17, 2026.
- B. JLAD has had the use fees associated with the following events waived:
 - 1. May 10, 2025 - Dog Graduation - \$1,425
 - 2. April 20, 2024 - Dog Graduation - \$1,050

III. Current Situation

- A. The City has received and approved the Event Center Use Agreement dated May 5,

2026, for the October 17, 2026 event.

B. No other events are scheduled for this date and time.

IV. Analysis

A. **Strategic Impact** - Not applicable.

B. **Financial** - The financial impact of this request is a reduction in use fee income of \$1,800 for the Event Center.

C. **Timing** - The event is scheduled for October 17, 2026.

D. **Policy/Legal** - Resolution R2024-3435 - Adopting Use Policies and Rates for the Keizer Event Center: Repealing Resolution R2023-3423, indicates that the City Council may reduce or waive rates, deposits or other costs for certain uses if, in the Council's sole discretion, the use is a significant benefit to the Keizer community considering such factors as the City's fixed and non-fixed costs, staff resources, wear and tear on the facility, and other factors deemed appropriate by Council.

V. Alternatives

A. Approve the waiver of the Event Center use fees of \$1,800.

B. Take no action and the City will charge the applicable use fees for access to the room.

VI. Recommendation

Staff recommends the City Council approve the requested waiver of the Event Center use fees of \$1,800 for the Joys of Living Assistance Dogs Graduation event on October 17, 2026.

Attachments

1. LTR_CC_Joys of Living Assistance Dogs Fee Waiver Request_06 15 2026
2. RES_CC_R2024-3435_2023-01-02 - Adopting Use Policies and Rates for the Keizer Event Center_06 15 2026



May 5, 2026

Dear Keizer City Council,

We are writing this letter to request a fee waiver for our event on October 17, 2026.

Joys of Living Assistance Dogs (JLAD) is a nonprofit organization that trains service dogs for Veterans, First Responders and civilians for PTSD, mobility and assistance. Our program benefits the community by offering volunteer opportunities for residents. Some of our recipients reside in the Salem-Keizer area. By holding this fundraiser at the Keizer Event Center, we will have attendees from out of state and surrounding areas. This will benefit local businesses.

This event will include a graduation for our recipients as well as a fundraiser for our organization. Based on our fundraising efforts, we are able to place service dogs with veterans and first responders free of charge as a thank you for their service. By waiving the rental fee, it will take the burden off of total cost of the event and will allow us to increase our total amount raised for the fundraiser.

We are so grateful for the opportunity to use the Keizer Event Center again for our event. The council's generosity in granting this request is greatly appreciated.

Sincerely,

CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

Resolution R2024-3435

ADOPTING USE POLICIES AND RATES FOR THE
KEIZER EVENT CENTER; **REPEALING**
RESOLUTION R2023-3423

WHEREAS, the City Council adopted policies for community use of city hall facilities in 1986;

WHEREAS, the adopted policies for community use of city hall facilities has been amended several times with the last revision taking place in 2023;

WHEREAS, the City Council adopted the current use rates for the Civic Center Community Rooms pursuant to Resolution R2023-3423;

WHEREAS, the Keizer Community Center name has been used since the Civic Center was built in 2009;

WHEREAS, the City Council has reviewed the matter and finds that it is appropriate to amend the name, policies and fees for the Community Center;

WHEREAS, the City Council desires to amend the name, policies and fees;

NOW, THEREFORE,

BE IT RESOLVED by the City Council of the City of Keizer that the Keizer Community Center shall be referred to as the Keizer Event Center and that staff is directed to revise all documentation referencing the name as agreements expire.

BE IT FURTHER RESOLVED by the City Council of the City of Keizer that the following policies for use of the Keizer Event Center and lobby are hereby adopted:

Alcohol Policies: The following regulations apply to the allowance, sale or consumption of alcoholic beverages in the Keizer Event Center and lobby:

- a. Only individuals twenty-one (21) years of age or older may consume alcohol in accordance with this policy.
- b. No person shall sell, give or otherwise make available any alcoholic beverage to a person under the age of 21 years.
- c. No person shall sell, give or otherwise make available any alcoholic beverage to any person who is visibly intoxicated.
- d. Alcoholic beverages are permitted only in the Keizer Event Center and the adjoining lobby areas. Alcoholic beverages are prohibited outdoors and in other areas of the building.
- e. Alcoholic beverages are allowed only in conjunction with a reserved event and only after written approval has been given by the City.
- f. Alcoholic beverages will be served only by a licensed and bonded server pursuant to all Oregon Liquor Control Commission laws and regulations.
- g. Alcoholic beverages will be served only when acceptable Oregon Liquor Control Commission documentation has been provided to the City.
- h. Alcohol Caterer/server shall secure at its own expense General Liability Insurance with minimum limits of \$2,000,000.00 per occurrence and Liquor Liability Insurance with minimum limits of \$2,000,000.00 per occurrence unless specified by a specific contract approved by the City Attorney. The insurance policy is to be issued by an insurance company authorized to do business in the State of Oregon. The City of Keizer, its officers, agents, contractors, and employees shall be included as additional insured in said insurance policy. Evidence of the insurance and additional insured endorsement must be provided to City at least fourteen (14) days prior to the date of the event. As part of the event reservation process, the applicant and caterer/server shall agree to defend and indemnify the City, its employees, agents and contractors from any and all claims in connection with alcohol use on the premises.
- i. The City Manager may place reasonable conditions on the event to protect persons and property.

Insurance Policies: The following regulations apply to clients' use of the Keizer Event Center and lobby:

- a. The client shall, at its sole cost and expense, procure and maintain through the term of the rental a Commercial General Liability insurance

1 policy providing coverage against claims for bodily injury or death and
2 property damage occurring in or upon or resulting from the facilities used
3 hereunder in the amount of \$2,000,000, unless a different amount is
4 approved by the City Attorney. The Commercial General Liability
5 Insurance required shall be issued by an insurance company authorized to
6 do business in the State of Oregon. The City of Keizer, its officers, agents,
7 contractors, and employees shall be included as additional insured in said
8 insurance policy. Client must provide the City with the proof of the
9 insurance and additional insured endorsement evidencing such insurance at
10 least fourteen (14) days prior to the date of the contracted event. Failure to
11 provide the proof of insurance and endorsement will result in cancellation
12 of the event.

13 b. No insurance is required for non-alcoholic events when client is
14 using one or two small rooms.
15

16 BE IT FURTHER RESOLVED by the City Council of the City of Keizer that the
17 following use rates are hereby established:

18 1. Base Use Rates. The following base use rates shall be charged for the
19 Keizer Event Center:
20

- 21 a. Small room (828 - 864 square feet) - \$35.00 per hour with a three
22 hour minimum.
- 23 b. Medium room (2,556 - 2,769 square feet) - \$125.00 per hour with a
24 four hour minimum.
- 25 c. Large ballroom (8,165 square feet) - \$325.00 per hour with an eight
26 hour minimum.
- 27 d. Keizer-based 501(c) organizations may host fundraiser activities
28 using two Medium rooms or the Large ballroom for a base use fee
29 of \$600.00. This fee shall include the use of the facility and
30 amenities. The user will be responsible to pay all fees associated
31 with required staffing and security. The use under this provision is
32 limited to one (1) event per calendar year per Keizer-based 501(c)
33 organization and is limited to a maximum of twelve (12) hours
34 usage.
- 35 e. Keizer residents and Keizer-based 501(c) non-profit organizations
36 are entitled to a twenty-five percent (25%) discount on the base use
37 rates outlined in 1(b) and 1(c) herein. Keizer residents' use is limited
38 to personal, non-business use only, including, but not limited to
39 birthday parties, anniversary parties, and baby showers. (Small
40 rooms are not discounted.)

- 1 f. Government and quasi-government entities, e.g., City of Salem,
2 Marion County, State of Oregon, Salem-Keizer School District,
3 Keizer Fire District, Salem-Keizer Transit District, Keizer Chamber
4 of Commerce, League of Oregon Cities, Mid-Willamette Valley
5 Council of Governments, are entitled to a twenty percent (20%)
6 discount on the base use rates outlined in 1(b) and 1(c) herein.
7 (Small rooms are not discounted.)
8 g. City-hosted activities directly benefiting City operations are entitled
9 to a fifty percent (50%) discount on the base use rates outlined in
10 1(b) subject to the following:
11 i. Registration fees charged to participants shall total no more
12 than the actual out-of-pocket costs of the event.
13 ii. This discount is only available for one or two medium rooms.
14 The large ballroom and small room rates are not discounted.
15 iii. For Friday, Saturday or Sunday dates, the event may not be
16 reserved more than six (6) months prior to the event.
17 iv. No alcohol is allowed for City hosted events. Insurance is not
18 required.
19 h. The above discounts are not transferrable.
20

21 2. Exempt Uses. The following uses are exempt from payment of use rates
22 and insurance requirements, except caterer insurance if applicable. No
23 alcohol is allowed for these events:
24

- 25 a. City Meetings. City Council/Urban Renewal Agency meetings,
26 City/Urban Renewal Agency committee, task force, or staff
27 meetings, trainings, recruitments or exercises.
28 b. Neighborhood Associations. Recognized neighborhood
29 associations may hold their regular meetings, up to twelve (12)
30 meetings per year in one or two small rooms.
31 c. Keizer-based Youth Sports. Keizer-based youth sports
32 organizations may hold up to three (3) events per year using one
33 medium room or one or two small rooms.
34 d. Town Hall/Community Forums. City, Urban Renewal Agency,
35 Salem Area Mass Transit District, Marion County, and other
36 governmental agencies may hold town hall/community forums for
37 the purpose of gathering public input.
38 e. Keizer Library. The Keizer library may hold up to two (2) book sale
39 events per year using up to one medium room for up to three days.
40 f. City Employee/City Volunteer Training. Training and meetings for
41 City employees or City volunteers are exempt. Other governmental
42 employees or volunteers may also attend. No fee may be charged to

- 1 participants other than the actual meal cost, if a meal is served.
2 g. City-Hosted Educational Outreach Events. No registration fee may
3 be charged to the participants.
4 h. Outside Committees/Groups. With City Manager approval,
5 organizations connected with the City or benefitting City residents
6 such as Keizer United, Claggett Creek Watershed Council, and
7 Community Emergency Response Team may hold one meeting per
8 month in one or two small rooms. No registration fee may be
9 charged to the participants.

10
11 3. Other Agreements Exempt. Organizations with specific agreements for
12 Event Center Room use are not subject to the above rates. The City
13 Manager is authorized to negotiate and reduce the use rates for
14 organizations who request repeating scheduled use for a term not exceeding
15 two (2) years.

16
17 4. Council Approved Uses. The City Council may reduce or waive rates,
18 deposits or other costs for certain uses if, in the Council's sole discretion,
19 the use is a significant benefit to the Keizer community considering such
20 factors as the City's fixed and non-fixed costs, staff resources, wear and
21 tear on the facility, and other factors deemed appropriate by Council.

22
23 5 Additional Facility Charges. The City Manager is authorized to adopt and
24 impose surcharges for rental rates for additional facilities, including, but not
25 limited to stages, audio/visual equipment, computer equipment, kitchen
26 usage and additional labor expenses. The City Manager is authorized to
27 impose deposits, fees or additional charges as City Manager may deem
28 appropriate in their discretion.

29
30 6 Use Rates Subject to Facility Agreement. The use rates set forth herein are
31 subject to the provisions of the Facility Use Agreement as authorized by the
32 City Manager. The City Manager is authorized to amend the use rates if in
33 the City Manager's discretion such amended rates provide increased
34 transient occupancy taxes, other identifiable economic benefits to the
35 citizens of the City as a whole, or other identifiable fiscal benefits to the
36 City of Keizer administratively.

1 BE IT FURTHER RESOLVED by the City Council of the City of Keizer that
2 Resolution R2023-3423 (Adopting Use Policies and Rates for the Keizer Community
3 Center Rooms; Repealing Resolution R2018-2932) is hereby repealed in its entirety
4 except for already booked events.

5 BE IT FURTHER RESOLVED that this Resolution shall take effect on January 1,
6 2024.

7 PASSED this 2nd day of January, 2024.

8
9 SIGNED this 2nd day of January, 2024.

10
11
12
13
14
15

Anthony Clark
Mayor

Dawn Wilson
Deputy City Recorder



To: Mayor Clark and City Council Members
Thru: Adam J. Brown, City Manager
From: Keare Blaylock, Public Works Director
Subject: Resolution Declaring Surplus and Authorizing Demolition at 4860 Bailey Road NE, Keizer, Oregon

Proposed Motion

I move the City Council to adopt Resolution R2026-_____ Declaring the House at 4860 Bailey Road Northeast, Keizer, Oregon to be Surplus and Authorizing its Demolition.

I. Summary

The City Council is being asked to adopt Resolution R2026-_____ declaring the City-owned house at 4860 Bailey Road NE to be surplus, finding it is no longer useful for public purposes, and authorizing the City Manager and Public Works Director to take actions necessary for demolition. The resolution states that the City Manager has declared the structure, without the real property, to be of no further use for public purposes, and has a nominal value. Staff contacted Keizer Fire District to inquire about interest in utilizing the structure for a Burn to Learn exercise, which they were eager to affirm. After performing a site evaluation, Keizer Fire District confirmed their interest in the burn and made an additional request to use the house for training until a scheduled destruction could be arranged in the fall. Staff are in support of the Fire District's training and burn exercise.

II. Background

- A. On January 6, 2025, the City Council unanimously adopted a resolution authorizing purchase of 4860 Bailey Road NE for \$799,000. The purchase rationale included the usefulness of the property for an evidence storage building and the convenience of its location adjacent to the Civic Center.
- B. By May 2025, the sale had closed on the property, and it was determined that in order to use the shop building for evidence storage there would need to be upgrades for heating and cooling, secure doors, and cameras.
- C. It was further determined that if rented, the two-bedroom, two-car-garage single-family home would require a new roof, flooring, paint, and appliances, in addition to asbestos and lead paint mitigation.
- D. On May 19, 2025, Council unanimously directed staff to obtain hazards testing,

abatement, demolition, and restoration pricing and return to Council with costs.

- E. In February 2026, staff reported that the residence was not built under permit and recommended removal by demolition to prepare for future development. Facility planning materials identified the 0.96 acre site as having future opportunities including evidence storage, event parking/egress, and a possible Public Works Shop to consolidate staff.

III. **Current Situation**

- A. Public Works is currently in the process of removing the power, natural gas, water, and communications from the house in preparation for demolition. Staff reached out to our partners at Keizer Fire District (KFD) to inquire about a possible Burn to Learn exercise. KFD staff immediately performed a site assessment to evaluate the potential and confirmed that they could burn the structure in the fall. KFD also requested to use the house for training events until the scheduled demolition.
- B. Resolution R2026-____ would declare only the house at 4860 Bailey Road NE surplus; it does not declare the underlying real property surplus.
- C. Resolution R2026-____ would authorize the City Manager to demolish the structure by allowing Keizer Fire District to use it as a Burn to Learn exercise.
- D. Resolution R2026-____ would authorize the City Manager and Public Works Director to take any further action necessary or appropriate regarding demolition of the property and would take effect immediately upon passage.

IV. **Analysis**

- A. **Strategic Impact** - Does not apply
- B. **Financial** - The City Manager has determined the structure has nominal value. Staff previously estimated abatement/demolition costs at \$40,000–\$45,000 during the May 19, 2025, discussion. Use of the Keizer Fire District Burn to Learn exercise will reduce demolition-related costs. Any additional costs will be paid using funds from the Public Works and/or Facility Maintenance budget.
- C. **Timing** - Council previously directed staff to complete hazards testing and gather abatement, demolition, and restoration pricing before returning to Council. Adoption on July 6, 2026 would allow staff to coordinate with Keizer Fire District and proceed with necessary demolition-related actions after passage.
- D. **Policy/Legal** - Resolution R2026-____ relies on the authority of Ordinance No. 2008-579, which provides that the City may approve destruction of surplus personal property that is of nominal value. Recent surplus-property reporting also notes that Ordinance No. 2008-579 requires staff to provide Council with an annual surplus property report for items sold or disposed of, method of sale, and revenue. Because this action concerns the structure without the real property, it differs from prior real-property sale actions that required public hearing and evidence-of-value procedures before the sale of City-owned real property.

V. Alternatives

- A. Adopt Resolution R2026-_____ as presented, declaring the structure at 4860 Bailey Road NE surplus and authorizing demolition through the Keizer Fire District Burn to Learn exercise.
- B. Direct staff to pursue a different demolition or disposal method and return with a revised resolution.
- C. Take No Action: The structure would not be declared surplus at this time, delaying demolition and continued use of the property for training or future municipal facility planning.

VI. Recommendation

Staff recommends that the City Council adopt Resolution R2026-_____ declaring the house at 4860 Bailey Road NE surplus property and authorizing demolition through the Keizer Fire District Burn to Learn exercise.

Attachments

- 1. RES_CC_Authorizing Surplus of Bailey Road House_7 6 2026

1 CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

2
3 Resolution R2026-_____
4

5 DECLARING THE HOUSE AT 4860 BAILEY ROAD NORTHEAST,
6 KEIZER OREGON TO BE SURPLUS AND AUTHORIZING ITS
7 DEMOLITION
8

9 WHEREAS, the City Manager has declared the structure (without the real
10 property) owned by the City and located at 4860 Bailey Road Northeast, Keizer, Oregon
11 to be of no further use for public purposes;

12 WHEREAS, the City Manager recommends destroying the structure by Burn to
13 Learn by the Keizer Fire District;

14 WHEREAS, the City Manager has determined that such structure has nominal
15 value;

16 WHEREAS, the Keizer Fire District would like to use the property for training
17 until it is scheduled for destruction;

18 WHEREAS, the structure located at 4860 Bailey Road Northeast, Keizer, Oregon
19 is surplus property and of no use for public purposes;

20 WHEREAS, Ordinance No. 2008-579 provides that the City may approve the
21 destruction of surplus personal property which is of nominal value;

22 NOW, THEREFORE,

23 BE IT RESOLVED by the City Council of the City of Keizer that the structure
24 (without the real property) located at 4860 Bailey Road Northeast, Keizer, Oregon to be
25 of no further use for public purposes and is hereby declared surplus property.

1 BE IT FURTHER RESOLVED that the City Manager is authorized to demolish
2 the structure located at 4860 Bailey Road Northeast, Keizer, Oregon by allowing the
3 Keizer Fire District to use it as a Burn to Learn exercise.

4 BE IT FURTHER RESOLVED that the City Manager and Public Works Director
5 are authorized to take any further action necessary or appropriate with regard to
6 demolition of the property.

7 BE IT FURTHER RESOLED that this Resolution shall take effect immediately
8 upon the date of its passage.

9 PASSED this _____ day of _____, 2026.

10 SIGNED this _____ day of _____, 2026.

11

12

13

14

15

16

17

Mayor

City Recorder



To: Mayor Clark and City Council Members
Thru: Adam J. Brown, City Manager
From: Garrett Klever, Human Resources Director
Subject: Keizer Cafeteria Plan Under Section 125 of the Internal Revenue Code

Proposed Motion

I move that the Keizer City Council adopt Resolution R2026-___ Restating the City of Keizer Cafeteria Plan Under Section 125 of the Internal Revenue Code.

I. Summary

The City of Keizer has had a Cafeteria Benefit Plan under Section 125 of the Internal Revenue Code since 1999. Over the years, the contracted provider has changed. The current contracted provider is Professional Benefit Services (PBS). PBS has requested that the City adopt the attached Plan.

II. Background

- A. The Keizer City Council adopted a Cafeteria Benefit Plan under Section 125 of the Internal Revenue Code by Resolution R99-1157.
- B. The Keizer City Council amended and restated its Cafeteria Benefit Plan in 2010 and 2014.

III. Current Situation

- A. The City of Keizer has added Health Savings Accounts (HSAs) and Limited Purpose Flexible Spending Accounts (FSAs) to its Cafeteria 125 plan as administered by Professional Benefit Services.
- B. Professional Benefit Services requests the City of Keizer restate the amended plan as indicated in the item attached to this staff report.

IV. Analysis

- A. **Strategic Impact** - N/A
- B. **Financial** - The cost to administer each Health Savings Account is \$3 per account

per month. Limited purpose FSAs are offered at the same rate as other FSAs at \$5.50 per account per month.

C. **Timing** - The Keizer City Council must adopt the restated the plan in order for it to be effective July 1, 2026.

D. **Policy/Legal** - The Keizer City Council must adopt and approve the City's Cafeteria 125 plan.

V. Alternatives

A. Adopt the attached Resolution.

B. Take no action. The City would not offer HSAs to its employees.

VI. Recommendation

Staff recommends the Keizer City Council adopt Resolution R2026-__ Restating the City of Keizer Cafeteria Plan Under Section 125 of the Internal Revenue Code.

Attachments

1. RES_CC_Restating Cafeteria Plan Under Seciton 125_7 6 2026
2. City of Keizer Plan Document
3. City of Keizer SPD (1)

CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

Resolution R2026-_____

RESTATING THE CITY OF KEIZER CAFETERIA PLAN
UNDER SECTION 125 OF THE INTERNAL REVENUE
CODE

WHEREAS, the City Council of the City of Keizer adopted a Cafeteria Benefit
Plan under Section 125 of the Internal Revenue Code in 1999;

WHEREAS, the City Council of the City of Keizer amended and restated its
Cafeteria Plan under Section 125 of the Internal Revenue Code in 2010 and 2015;

WHEREAS, the City Manager contracted with Professional Benefit Services
(PBS) to provide assistance to the plan administrator in establishing and maintaining
the plan;

WHEREAS, PBS has requested that the City adopt the attached Plan;

WHEREAS, the City Council of the City of Keizer deems it to be in the best
interest of its employees and officers to restate its Cafeteria Plan under Section 125 of
the Internal Revenue Code;

NOW, THEREFORE,

BE IT RESOLVED by the City Council of the City of Keizer that the City
Council hereby adopts and approves the Cafeteria Plan attached hereto to be effective
as of July 1, 2026.

1 BE IT FURTHER RESOLVED by the City Council of the City of Keizer that
2 the City Council hereby restates its Cafeteria Plan under Section 125 of the Internal
3 Revenue Code.

4 BE IT FURTHER RESOLVED that the City Manager of the City of Keizer
5 shall have the authority to execute the attached Cafeteria Plan attached hereto, and
6 other documents and agreements as may be necessary to implement the Plan.

7 BE IT FURTHER RESOLVED that the City Recorder is directed to enter a
8 copy of the attached Cafeteria Plan into the records of the City of Keizer and into the
9 minutes of this meeting.

10 BE IT FURTHER RESOLVED that the City Manager shall take actions deemed
11 necessary and proper in order to implement the Plan, and to set up adequate accounting
12 and administrative procedures for the provision of benefits under the Plan.

13 BE IT FURTHER RESOLVED that the City Manager or designee shall act as
14 soon as possible to notify the employees of the City of Keizer of the adoption of the
15 Plan and to deliver to each employee a copy of the Summary Plan Description of the
16 Plan attached hereto.

17 ///

18 ///

19 ///

20 ///

21 ///

1 BE IT FURTHER RESOLVED that this Resolution shall take effect
2 immediately upon the date of its passage.

3 PASSED this _____ day of _____, 2026.

4
5 SIGNED this _____ day of _____, 2026.

6

7

8

9

Mayor

10

11

12

City Recorder

City of Keizer

City of Keizer
930 Chemawa Rd. NE
Keizer, OR 97303

City of Keizer FSA Plan

Plan Document

Amended and Restated July 01, 2026

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City of Keizer

City of Keizer FSA Plan

INTRODUCTION

The company amends and restates this Plan as of July 01, 2026 with an original effective date of July 01, 2021. Its purpose is to provide benefits for those Employees who shall qualify hereunder and their Dependents and beneficiaries. The concept of this Plan is to allow Employees to elect between cash compensation or certain nontaxable benefit options as they desire. The Plan shall be known as the City of Keizer FSA Plan (the "Plan").

The intention of the Employer is that the Plan qualify as a "Cafeteria Plan" within the meaning of Section 125 of the Internal Revenue Code of 1986, as amended, and that the benefits which an Employee elects to receive under the Plan be excludable from the Employee's income under Section 125(a) and other applicable sections of the Internal Revenue Code of 1986, as amended.

I. ARTICLE - PLAN DEFINITIONS

01. **"Administrator"** means the Employer, unless another person or entity has been designated by the Employer pursuant to the Article titled: "Administration" to administer the Plan on behalf of the Employer. If the Employer is the Administrator, the Employer may appoint any person, including but not limited to the Employees of the Employer, to perform the duties of the Administrator. Any person so appointed shall signify acceptance by filing written acceptance with the Employer. Upon the resignation or removal of any individual performing the duties of the Administrator, the Employer may designate a successor.
02. **"Benefit"** or **"Benefit Options"** means any of the optional benefit choices available to a Participant as outlined in the Article titled: "Benefit Information".
03. **"Cafeteria Plan Benefit Dollars"** means the amount available to Participants to purchase Benefit Options as provided under the Article titled: "Benefit Information". Each dollar contributed to this Plan shall be converted into one Cafeteria Plan Benefit Dollar.
04. **"Code"** means the Internal Revenue Code of 1986, as amended or replaced from time to time.
05. **"Compensation"** means the amounts received as compensation by the Participant from the Employer during a Plan Year.
06. **"Dependent"** means any individual who qualifies as a dependent under an Insurance Contract for purposes of coverage under that Contract only or under Code Section 152 (as modified by Code Section 105(b)). Any child of a Plan Participant who is determined to be an alternate recipient under a qualified medical child support order under ERISA Sec. 609 shall be considered a Dependent under this Plan.

"Dependent" shall include any Child of a Participant who is covered under an Insurance Contract, as defined in the Contract, or under the Health Flexible Spending Account or as allowed by reason of the Affordable Care Act.

For purposes of the Health Flexible Spending Account, a Participant's "Child" includes his or her natural child, stepchild, foster child, adopted child, or a child placed with the Participant for adoption. A Participant's Child will be an eligible Dependent until reaching the limiting age of 26, without regard to student status, marital status, financial dependency or residency status with the Employee or any other person. When the child reaches the applicable limiting age, coverage will end at the end of the calendar year.

The phrase "placed for adoption" refers to a child whom the Participant intends to adopt, whether or not the adoption has become final, who has not attained the age of 18 as of the date of such placement for adoption. The term "placed" means the assumption and retention by such Employee of a legal obligation for total or partial support of the child in anticipation of adoption of the child. The child must be available for adoption and the legal process must have commenced.

07. **"Effective Date"** means July 01, 2021.
08. **"Election Period"** means the period, established by the Administrator, immediately preceding the beginning of each Plan Year, such period to be applied on a uniform and nondiscriminatory basis for all Employees and Participants. However, an Employee's initial Election Period shall be determined pursuant to the Article titled: "Participant Elections".
09. **"Eligible Employee"** means any Employee who has satisfied the provisions of the Section titled: "Eligibility".

An individual shall not be an "Eligible Employee" if such individual is not reported on the payroll

records of the Employer as a common law employee. In particular, it is expressly intended that individuals not treated as common law employees by the Employer on its payroll records are not "Eligible Employees" and are excluded from Plan participation even if a court or administrative agency determines that such individuals are common law employees and not independent contractors.

An "Eligible Employee" shall exclude the following:

- Union Members
- Non-Resident Aliens

10. **"Employee"** means any person who is currently or hereafter employed by the Employer.

The term Employee shall include leased employees within the meaning of Code Section 414(n)(2).

11. **"Employer"** means City of Keizer and any successor which shall maintain this Plan; and any predecessor which has maintained this Plan. In addition, where appropriate, the term Employer shall include any Participating, or Adopting Employer.
12. **"ERISA"** means the Employee Retirement Income Security Act of 1974, as amended from time to time.
13. **"Insurance Contract"** means any contract issued by an Insurer underwriting a Benefit, or any self-funded arrangement providing any Benefit offered for health and welfare coverage to Eligible Employees of the Employer.
14. **"Insurance Premium Payment Plan"** means the plan of benefits contained in the "Benefit Options" section of this Plan, which provides for the payment of Premium Expenses.
15. **"Insurer"** means any insurance company that underwrites a Benefit or any self-funded arrangement under this Plan.
16. **"Key Employee"** means an Employee described in Code Section 416(i)(1) and the Treasury regulations thereunder.
17. **"Participant"** means any Eligible Employee who elects to become a Participant pursuant to the Section titled: "Application to Participate" and has not for any reason become ineligible to participate further in the Plan.
18. **"Plan"** means the flexible benefits plan described in this instrument, including all amendments thereto.
19. **"Plan Year"** means the 12-month period beginning July 01 and ending June 30. The Plan Year shall be the coverage period for the Benefits provided for under this Plan. In the event a Participant commences participation during a Plan Year, then the initial coverage period shall be that portion of the Plan Year commencing on such Participant's date of entry and ending on the last day of such Plan Year.
20. **"Premium Expenses"** or **"Premiums"** means the Participant's cost for the Benefits described in the Section titled: "Benefit Options".
21. **"Premium Expense Reimbursement Account"** means the account established for a Participant pursuant to this Plan to which part of his or her Cafeteria Plan Benefit Dollars may be allocated and from which Premiums of the Participant shall be paid or reimbursed. If more than one type of insured Benefit is elected, sub-accounts shall be established for each type of insured Benefit.
22. **"Qualified Reservist"** means a Participant of the plan who is a member of a reserve component such as: the Army National Guard; the Air National Guard; the Army Reserve; the Navy Reserve; the Marine Corps Reserve; the Air Force Reserve; the Coast Guard Reserve; the Reserve Corps of the Public Health Service; or as defined 37 U.S.C Section 101.
23. **"Qualified Reservist Distribution"** means a distribution to a Participant which includes a portion or the balance in the Participant's Health Flexible Spending Account as described in the Article titled: "Qualified Reservist Distribution".
24. **"Run-out Period"** means the set number of days after the plan year ends that allows you to submit claims for eligible expenses incurred during the Plan Year.
25. **"Salary Redirection"** means the contributions made by the Employer on behalf of Participants pursuant to the Section titled: "Salary Redirection". These contributions shall be converted to Cafeteria Plan Benefit Dollars and allocated to the funds or accounts established under the Plan pursuant to the Participants' elections made under the Article titled: "Participant Elections".
26. **"Salary Redirection Agreement"** means an agreement between the Participant and the Employer under which the Participant agrees to reduce his or her Compensation or to forego all or part of the increases in such Compensation and to have such amounts contributed by the

Employer to the Plan on the Participant's behalf. The Salary Redirection Agreement shall apply only to Compensation that has not been actually or constructively received by the Participant as of the date of the agreement (after taking this Plan and Code Section 125 into account) and, subsequently does not become currently available to the Participant.

27. **"Spouse"** means "spouse" as defined in an Insurance Contract, then, for purposes of coverage under that Insurance Contract only, "spouse" shall have the meaning stated in the Insurance Contract. In all other cases, "spouse" shall have the meaning stated under applicable federal or state law.

II. ARTICLE - PARTICIPATION

01. **ELIGIBILITY**

An individual is eligible to participate in this Plan if the individual:

- a. is an Eligible Employee as defined in the Article titled: "Definitions";
- b. is working an average of 20.00 hours or more per week;
- c. is eligible for the group medical plan or, the date the Employee provides certification of enrollment in another group health plan;

02. **EFFECTIVE DATE OF PARTICIPATION**

An Eligible Employee shall become a Participant effective as of the first day of the pay period following the waiting period.

03. **APPLICATION TO PARTICIPATE**

An Employee who is eligible to participate in this Plan shall, during the applicable Election Period, complete an application to participate in a manner set forth by the Administrator. The election shall be irrevocable until the end of the applicable Plan Year unless the Participant is entitled to change his or her Benefit elections pursuant to the Section titled: "Change in Status".

An Eligible Employee shall also be required to complete a Salary Redirection Agreement during the Election Period for the Plan Year during which they wish to participate in this Plan. Any such Salary Redirection Agreement shall be effective for the first pay period beginning on or after the Employee's effective date of participation pursuant to the Section titled: "Effective Date of Participation".

Notwithstanding the foregoing, an Employee who is eligible to participate in this Plan and who is covered by the Employer's insured Benefits under this Plan shall automatically become a Participant to the extent of the Premiums for such insurance, unless the Employee elects, during the Election Period, not to participate in the Plan.

04. **TERMINATION OF PARTICIPATION**

A Participant shall no longer participate in this Plan upon the occurrence of any of the following events:

- a. **Termination of employment.** The termination of Participant's employment, subject to the provisions of the Section titled: "Termination of Employment"
- b. **Death.** The Participant's death, subject to the provisions of the Section titled: "Death" or
- c. **Termination of the plan.** The termination of this Plan, subject to the provisions of the Section titled: "Termination".

05. **TERMINATION OF EMPLOYMENT**

If a Participant's employment with the Employer is terminated for any reason other than death, his or her participation in the Benefit Options provided under the Section titled: "Benefit Options" shall be governed in accordance with the following:

- a. **Insurance Benefit.** With regard to Benefits which are insured, the Participant's participation in the Plan shall cease, subject to the Participant's right to continue coverage under any Insurance Contract for which premiums have already been paid.
- b. **Dependent Care FSA.** With regard to the Dependent Care Flexible Spending Account, the Participant's participation in the Plan shall cease and no further Salary Redirection contributions shall be made. However, such Participant may submit claims for employment-related Dependent Care Expense reimbursements for expenses within 90 days after the date of termination, limited by the balance in the Participant's Dependent Care Flexible Spending Account as of the date of termination.
- c. **Health FSA, COBRA applicability.** With regard to the Health Flexible Spending Account, the Participant may submit claims for expenses that were incurred during the portion of the Plan Year for which contributions to the Health Flexible Spending Account have already been made. Thereafter, the health benefits under this Plan including the Health Flexible Spending Account, shall be applied and administered consistent with such further rights that a Participant and his or her Dependents may be entitled to pursuant to Code Section 4980B and the Section titled: "Continuation of Coverage" of the Plan.
- d. **Limited Purpose FSA, COBRA applicability** With regard to the Limited Purpose Flexible Spending Account, the Participant may submit claims for expenses that were incurred during

the portion of the Plan Year for which payments to the Limited Purpose Flexible Spending Account have already been made. Thereafter, the benefits under this Plan, shall be applied and administered consistent with such further rights that a Participant and his or her Dependents may be entitled to pursuant to Code Section 4980B and the Section of this Plan Document titled: "Continuation of Coverage".

06. REINSTATEMENT OF A FORMER PARTICIPANT

An Employee whose participation terminates and returns to an eligible status less than thirty days later may re-enroll within thirty days of returning to an eligible status with a commencement date of the first of the month following the adjusted eligibility date. An Employee who re-enrolls in a Health Flexible Spending Account or Dependent Care Account after such time must re-enter the Plan and reinstate their original elections for that Plan Year with adjustments to the annual election amount as the Administrator deems necessary to prorate the annual election amount over the remainder of the Plan Year. Expenses incurred by the employee during the time that the employee was not a Participant will not be covered expenses unless COBRA was elected pursuant to the Article titled: "Continuation of Coverage (COBRA)".

Any Employee who terminates employment and is rehired into an eligible status after thirty days from the date of termination will be treated as a new enrollee under the Plan. If such Employee returns within the same Plan Year, prior contributions made to the Health Flexible Spending Account and/or the Dependent Care Account will be taken into consideration so as not to exceed Plan or IRS maximums.

07. DEATH

If a Participant dies, his or her participation in the Plan shall immediately cease. However, such Participant's spouse or Dependents may submit claims for expenses or benefits for the remainder of the Plan Year or until the Cafeteria Plan Benefit Dollars allocated to a particular specific benefit are exhausted. In no event may reimbursements be paid to someone who is not a spouse or Dependent. If the Plan is subject to the provisions of Code Section 4980B, then those provisions and related regulations shall apply for purposes of the Health Flexible Spending Account.

III. ARTICLE - CONTRIBUTIONS TO THE PLAN

01. SALARY REDIRECTION

Subject to the provisions of the section titled "Employer Contributions," benefits under the Plan shall be financed by Salary Redirections sufficient to support the benefits that a Participant has elected hereunder and to pay the Participant's Premium Expenses. The salary administration program of the Employer shall be revised to allow each Participant to agree to reduce his or her pay during a Plan Year by an amount determined necessary to purchase the elected Benefit Options. The amount of such Salary Redirection shall be specified in the Salary Redirection Agreement and shall be applicable for a Plan Year. Notwithstanding the above, for new Participants, the Salary Redirection Agreement shall only be applicable from the first day of the pay period following the Employee's entry date up to and including the last day of the Plan Year. These contributions shall be converted to Cafeteria Plan Benefit Dollars and allocated to the funds or accounts established under the Plan pursuant to the Participant's elections made under the Section titled: "Initial Elections".

Any Salary Redirection shall be determined prior to the beginning of a Plan Year (subject to initial elections pursuant to the Section titled: "Initial Elections") and prior to the end of the Election Period and shall be irrevocable for such Plan Year. However, a Participant may revoke a Benefit election or a Salary Redirection Agreement after the Plan Year has commenced and make a new election with respect to the remainder of the Plan Year, if both the revocation and the new election are on account of and consistent with a change in status and such other permitted events as determined under the Article titled: "Participant Elections" and are consistent with the rules and regulations of the Department of the Treasury. Salary Redirection amounts shall be contributed on a pro rata basis for each pay period during the Plan Year. All individual Salary Redirection Agreements are deemed to be part of this Plan and incorporated by reference hereunder.

02. APPLICATION OF CONTRIBUTIONS

As soon as reasonably practical after each payroll period, the Employer shall apply the Salary Redirection to provide the Benefits elected by the affected Participants. Any contribution made or withheld for the Health Flexible Spending Account or Dependent Care Flexible Spending Account shall be credited to such fund or account. Amounts designated for the Participant's Premium Expense Reimbursement Account shall likewise be credited to such account for the purpose of paying Premium Expenses.

03. PERIODIC CONTRIBUTIONS

Notwithstanding the requirement provided above and in other Articles of this Plan that Salary Redirections be contributed to the Plan by the Employer on behalf of an Employee on a level and pro rata basis for each payroll period, the Employer and Administrator may implement a procedure in which Salary Redirections are contributed throughout the Plan Year on a periodic basis that is not pro rata for each payroll period. However, with regard to the Health Flexible Spending Account, the payment schedule for the required contributions may not be based on the rate or amount of reimbursements during the Plan Year.

04. EMPLOYER CONTRIBUTIONS

The Employer may provide non-elective contributions in the form of Employer Funding into the Health Flexible Spending Account, Limited Purpose Flexible Spending Account, and Dependent Care Spending Account to the extent as described in the Section Titled: "Limitation on Allocations". Such contributions may be prorated for Participants who begin participating in the middle of the Plan Year. Contributions or matching contributions made to the Health Flexible Spending Account, Limited Purpose Flexible Spending Account, and Dependent Care Spending Account generally do not count toward the annual contribution limit as described in the Section Titled: "Limitation on Allocations".

IV. ARTICLE - BENEFITS

01. **BENEFIT OPTIONS**

Each Participant may elect any one or more of the following optional Benefits:

- Health Flexible Spending Account
- Limited Purpose Flexible Spending Account
- Dependent Care Flexible Spending Account

In addition, each Participant shall have a sufficient portion of his or her Salary Redirections applied to the following Benefits unless the Participant elects not to receive such Benefits:

- Group Medical Plan
- Group Dental Plan
- Group Vision Plan

02. **HEALTH FLEXIBLE SPENDING ACCOUNT BENEFIT**

Each Participant may elect to participate in the Health Flexible Spending Account option, in which case the Article titled: "Health Flexible Spending Account" shall apply.

03. **LIMITED PURPOSE FLEXIBLE SPENDING ACCOUNT BENEFIT**

Each Participant may elect to participate in the Limited Purpose Flexible Spending Account option, in which case the Article titled: "Health Flexible Spending Account" shall apply.

04. **DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT BENEFIT**

Each Participant may elect to participate in the Dependent Care Flexible Spending Account option, in which case the Article titled: "Dependent Care Flexible Spending Account" shall apply.

05. **HEALTH INSURANCE BENEFIT**

- a. **Coverage for Participant and Dependents.** Each Participant may elect to be covered under a health Insurance Contract for the Participant, his or her Spouse, and his or her Dependents.
- b. **Employer selects contracts.** The Employer may select suitable health Insurance Contracts for use in providing this health insurance benefit, which contracts will provide uniform benefits for all Participants electing this Benefit.
- c. **Contract incorporated by reference.** The rights and conditions with respect to the benefits payable from such health Insurance Contract shall be determined therefrom, and such Insurance Contract shall be incorporated herein by reference.

06. **DENTAL INSURANCE BENEFIT**

- a. **Coverage for Participant and/or Dependents.** Each Participant may elect to be covered under the Employer's dental Insurance Contract. In addition, the Participant may elect either individual or family coverage under such Insurance Contract.
- b. **Employer selects contracts.** The Employer may select suitable dental Insurance Contracts for use in providing this dental insurance benefit, which contracts will provide uniform benefits for all Participants electing this Benefit.
- c. **Contract incorporated by reference.** The rights and conditions with respect to the benefits payable from such dental Insurance Contract shall be determined therefrom, and such dental Insurance Contract shall be incorporated herein by reference.

07. **VISION INSURANCE BENEFIT**

- a. **Coverage for Participant and/or Dependents.** Each Participant may elect to be covered under the Employer's vision Insurance Contract. In addition, the Participant may elect either individual or family coverage.
- b. **Employer selects contracts.** The Employer may select suitable vision Insurance Contracts for use in providing this vision insurance benefit, which contracts will provide uniform benefits for all Participants electing this Benefit.
- c. **Contract incorporated by reference.** The rights and conditions with respect to the

benefits payable from such vision Insurance Contract shall be determined therefrom, and such vision Insurance Contract shall be incorporated herein by reference.

08. HEALTH SAVINGS ACCOUNT CONTRIBUTIONS

- a. Participants may elect to make contributions on a pre-tax basis to a Health Savings Account ("HSA"). The HSA is not an employer-sponsored benefit plan. It is an individual trust or custodial account that Participants open and which may be used to reimburse Participants for eligible Medical Expenses as set forth in Code Section 223.

09. NONDISCRIMINATION REQUIREMENTS

- a. **Intent to be nondiscriminatory.** It is the intent of this Plan to provide benefits to a classification of employees which the Secretary of the Treasury finds not to be discriminatory in favor of the group in whose favor discrimination may not occur under Code Section 125.
- b. **25% concentration test.** It is the intent of this Plan not to provide qualified benefits as defined under Code Section 125 to Key Employees in amounts that exceed 25% of the aggregate of such Benefits provided for all Eligible Employees under the Plan. For purposes of the preceding sentence, qualified benefits shall not include benefits which (without regard to this paragraph) are includible in gross income.
- c. **Adjustment to avoid test failure.** If the Administrator deems it necessary to avoid discrimination or possible taxation to Key Employees or a group of employees in whose favor discrimination is prohibited by Code Section 125, it may, but shall not be required to, reduce contributions or non-taxable Benefits in order to assure compliance with this Section. Any act taken by the Administrator under this Section shall be carried out in a uniform and nondiscriminatory manner. If the Administrator decides to reduce contributions or non-taxable Benefits, following manner is one option available. First, the non-taxable Benefits of the affected Participant (either an employee who is highly compensated or a Key Employee, whichever is applicable) who has the highest amount of non-taxable Benefits for the Plan Year shall have his or her non-taxable Benefits reduced until the discrimination tests set forth in this Section are satisfied or until the amount of his or her non-taxable Benefits equals the non-taxable Benefits of the affected Participant who has the second highest amount of non-taxable Benefits. This process shall continue until the nondiscrimination tests set forth in this Section are satisfied. With respect to any affected Participant who has had Benefits reduced pursuant to this Section, the reduction shall be made proportionately among Health Flexible Spending Account Benefits and Dependent Care Flexible Spending Account Benefits, and once all these Benefits are expended, proportionately among insured Benefits. Contributions which are not utilized to provide Benefits to any Participant by virtue of any administrative act under this paragraph shall be forfeited and deposited into the benefit plan surplus.

10. NON-TAX DEPENDENT COVERAGE

- a. If (i) Employee Salary Redirections are made to fund Benefits under the Plan, and (ii) the Employer allows a Participant to elect to cover a Non-Tax Dependent through the Participant's coverage under group Medical, Dental or Vision benefit(s), a Participant who elects to participate in the Salary Redirection program may pay on a pre-tax basis through salary reduction contributions the Participant's portion of the premium cost of coverage under the Employer's Medical, Dental or Vision Benefits, provided that the full fair market value of such Medical, Dental or Vision coverage for any such Non-Tax Dependent shall be includible in the Participant's gross income as a taxable benefit in accordance with applicable federal income tax rules. For purposes of this Plan, the Participant electing coverage for Non-Tax Dependent(s) shall be treated as receiving, at the time that coverage is received, cash compensation equal to the full fair market value of such coverage and then as having purchased the coverage with after-tax employee contributions.
- b. Notwithstanding the foregoing, no Medical Care or Dependent Care expenses incurred by or with respect to a Non-Tax Dependent of a Participant shall be eligible for reimbursement as eligible expenses under the Health Flexible Spending Account or Dependent Care Flexible Spending Account.

V. ARTICLE - PARTICIPANT ELECTIONS

01. **INITIAL ELECTIONS**

An Employee who meets the eligibility requirements of the Section titled: "Eligibility" on the first day of, or during, a Plan Year may elect to participate in this Plan for all or the remainder of such Plan Year, provided they elect to do so on or before their effective date of participation pursuant to the Section titled: "Effective Date of Participation".

Notwithstanding the foregoing, an Employee who is eligible to participate in this Plan and who is covered by the Employer's insured benefits under this Plan shall automatically become a Participant to the extent of the Premiums for such insurance unless the Employee elects, during the Election Period, not to participate in the Plan.

02. **SUBSEQUENT ANNUAL ELECTIONS**

During the Election Period prior to each subsequent Plan Year, each Participant shall be given the opportunity to elect, on an election of benefits form or electronically, as provided by the Administrator, which spending account Benefit options they wish to participate in. Any such election shall be effective for any Benefit expenses incurred during the Plan Year which immediately follows the end of the Election Period. With regard to subsequent annual elections, the following options shall apply:

- a. A Participant or Employee who failed to initially elect to participate may elect different or new Benefits under the Plan during the Election Period;
- b. A Participant may terminate his or her participation in the Plan by notifying the Administrator in writing or by electronic notification, as determined by the Employer, during the Election Period that they do not want to participate in the Plan for the next Plan Year;
- c. An Employee who elects not to participate for the Plan Year following the Election Period will have to wait until the next Election Period before again electing to participate in the Plan, except as provided for in the Section titled: "Change of Status".

03. **FAILURE TO ELECT**

With regard to Benefits available under the Plan for which no Premium Expenses apply, any Participant who fails to complete a new benefit election pursuant to the Section titled: "Subsequent Annual Elections" by the end of the applicable Election Period shall be deemed to have elected not to participate in the Plan for the upcoming Plan Year. No further Salary Redirections shall therefore be authorized or made for the subsequent Plan Year for such Benefits, subject to the provisions of the Section titled: "Change in Status" below.

With regard to Benefits available under the Plan for which Premium Expenses apply, any Participant who fails to complete a new benefit election pursuant to the Section titled: "Subsequent Annual Elections" by the end of the applicable Election Period shall be deemed to have made the same Benefit elections as are then in effect for the current Plan Year. The Participant shall also be deemed to have elected Salary Redirection in an amount necessary to purchase such Benefit options.

04. **CHANGE IN STATUS**

- a. **Change in status defined.** Any Participant may change a Benefit election after the Plan Year (to which such election relates) has commenced and make new elections with respect to the remainder of such Plan Year if, under the facts and circumstances, the changes are necessitated by and are consistent with a change in status which is acceptable under rules and regulations adopted by the Department of the Treasury, the provisions of which are incorporated by reference. Notwithstanding anything herein to the contrary, if the rules and regulations conflict with any of the provisions of this Plan, then such rules and regulations shall control. See below in this Section for other situations in which changes in Benefit elections are permitted.

In general, a change in election is not consistent if the change in status is the Participant's divorce, annulment or legal separation from a Spouse, the death of a Spouse or Dependent, or a Dependent's ceasing to satisfy the eligibility requirements for coverage, and the Participant's election under the Plan is to cancel accident or health insurance coverage for any individual other than the one involved in such event. In addition, if the Participant, Spouse or Dependent gains eligibility for coverage under any other plan, then a Participant's election under the Plan to cease or decrease coverage for that individual under the Plan is consistent with that change in status only if coverage for that individual becomes applicable or is increased under said other plan. Also, if the Participant, Spouse or Dependent loses eligibility for coverage under any other plan, then a Participant's election under the Plan to start or increase coverage for that individual under the Plan is consistent with that change in

status only if coverage for that individual ceases or is decreased under said other plan.

Regardless of the consistency requirement, if the individual, or the individual's Spouse or Dependent, becomes eligible for continuation coverage under the Employer's group health plan as provided in Code Section 4980B or any similar state law, then the individual may elect to increase payments under this Plan in order to pay for the continuation coverage. However, this does not apply for COBRA eligibility due to divorce, annulment or legal separation.

Any new election shall be effective at such time as the Administrator shall prescribe, but not earlier than the first pay period beginning after the election form is completed and returned to the Administrator. For the purposes of this subsection, a change in status shall only include the following events or other events permitted by Treasury regulations:

1. Legal Marital Status: events that change a Participant's legal marital status, including marriage, divorce, death of a Spouse, legal separation or annulment;
2. Number of Dependents: Events that change a Participant's number of Dependents, including birth, adoption, placement for adoption, or death of a Dependent;
3. Employment Status: Any of the following events that change the employment status of the Participant, Spouse, or Dependent: termination or commencement of employment, a strike or lockout, commencement or return from an unpaid leave of absence, or a change in worksite. In addition, if the eligibility conditions of this Plan or other employee benefit plan of the Employer of the Participant, Spouse, or Dependent depend on the employment status of that individual and there is a change in that individual's employment status with the consequence that the individual becomes (or ceases to be) eligible under the plan, then that change constitutes a change in employment under this subsection;
4. Dependent satisfies or ceases to satisfy the eligibility requirements: An event that causes the Participant's Dependent to satisfy or cease to satisfy the requirements for coverage due to attainment of age, student status, or any similar circumstance; and
5. Residency: A change in the place of residence of the Participant, Spouse or Dependent, that would lead to a change in status (such as a loss of HMO coverage).

For the Dependent Care Flexible Spending Account, a Dependent becoming or ceasing to be a "Qualifying Dependent" as defined under Code Section 21(b) shall also qualify as a change in status.

Notwithstanding anything in this Section to the contrary, the gain of eligibility or change in eligibility of a child, as allowed under Code Sections 105(b) and 106, and IRS Notice 2010-38, shall qualify as a change in status.

- b. **Special enrollment rights.** Notwithstanding subsection (a), the Participants may change an election for accident or health coverage during a Plan Year and make a new election that corresponds with the special enrollment rights provided in Code Section 9801(f), including those authorized under the provisions of the Children's Health Insurance Program Reauthorization Act of 2009 (CHIP), provided that such Participant meets the sixty (60) day notice requirement imposed by Code Section 9801(f) (or such longer period as may be permitted by the Plan and communicated to Participants). Such change shall take place on a prospective basis, unless otherwise required by Code Section 9801(f) to be retroactive.
- c. **Qualified Medical Support Order.** Notwithstanding subsection (a), in the event of a judgment, decree, or order (including approval of a property settlement) (collectively, an "order") resulting from a divorce, legal separation, annulment, or change in legal custody (including a qualified medical child support order defined in ERISA Section 609) that requires accident or health coverage for a Participant's child (including a foster child who is a Dependent of the Participant):
 1. The Plan may change an election to provide coverage for the child if the order requires coverage under the Participant's plan; or
 2. The Participant shall be permitted to change an election to cancel coverage for the child if the order requires the former Spouse to provide coverage for such child, under that individual's plan, and such coverage is actually provided.
- d. **Medicare or Medicaid.** Notwithstanding subsection (a), a Participant may change elections to cancel accident or health coverage for the Participant or the Participant's Spouse or Dependent if the Participant or the Participant's Spouse or Dependent is enrolled in the accident or health coverage of the Employer and becomes entitled to coverage (i.e., enrolled) under Part A or Part B of Title XVIII of the Social Security Act (Medicare) or Title XIX of the Social Security Act (Medicaid), other than coverage consisting solely of benefits under Section 1928 of the Social Security Act (the program for distribution of pediatric vaccines). If the Participant or the Participant's Spouse or Dependent who has been entitled to Medicaid or

Medicare coverage loses eligibility, that individual may prospectively elect coverage under the Plan if a benefit package option under the Plan provides similar coverage.

- e. **Cost increase or decrease.** Notwithstanding subsection (a), if the cost of a Benefit provided under the Plan increases or decreases during a Plan Year, then the Plan shall automatically increase or decrease, as the case may be, the Salary Redirections of all affected Participants for such Benefit. Alternatively, if the cost of a benefit package option increases significantly, the Administrator shall permit the affected Participants to either make corresponding changes in their payments or revoke their elections and, in lieu thereof, receive on a prospective basis coverage under another benefit package option with similar coverage, or drop coverage prospectively if there is no benefit package option with similar coverage.

A cost increase or decrease refers to an increase or decrease in the amount of elective contributions under the Plan, whether resulting from an action taken by the Participants or an action taken by the Employer.

- f. **Loss of coverage.** Notwithstanding subsection (a), if the coverage under a Benefit is significantly curtailed or ceases during a Plan Year, affected Participants may revoke their elections of such Benefit and, in lieu thereof, elect to receive on a prospective basis coverage under another plan with similar coverage, or drop coverage prospectively if no similar coverage is offered.
- g. **Addition of a new benefit.** Notwithstanding subsection (a), if, during the period of coverage, a new benefit package option or other coverage option is added, an existing benefit package option is significantly improved, or an existing benefit package option or other coverage option is eliminated, then the affected Participants may elect the newly-added option, or elect another option if an option has been eliminated prospectively and make corresponding election changes with respect to other benefit package options providing similar coverage. In addition, those Eligible Employees who are not participating in the Plan may opt to become Participants and elect the new or newly improved benefit package option.
- h. **Loss of coverage under certain other plans.** Notwithstanding subsection (a), a Participant may make a prospective election change to add group health coverage for the Participant, the Participant's Spouse or Dependent if such individual loses group health coverage sponsored by a governmental or educational institution, including a state children's health insurance program under the Social Security Act, the Indian Health Service or a health program offered by an Indian tribal government, a state health benefits risk pool, or a foreign government group health plan.
- i. **Change of coverage due to change under certain other plans.** Notwithstanding subsection (a), a Participant may make a prospective election change that is on account of and corresponds with a change made under the plan of a Spouse, former Spouse's employer or Dependent's employer if (1) the cafeteria plan or other benefits plan of the Spouse, former Spouse's employer or Dependent's employer permits its participants to make a change; or (2) the cafeteria plan permits participants to make an election for a period of coverage that is different from the period of coverage under the cafeteria plan of a Spouse, former Spouse's employer or Dependent's employer.
- j. **Change in dependent care provider.** Notwithstanding subsection (a), a Participant may make a prospective election change that is on account of and corresponds with a change by the Participant in a dependent care provider. The availability of dependent care services from a new dependent care provider is similar to a new benefit package option becoming available. A cost change is allowable in the Dependent Care Flexible Spending Account only if the cost change is imposed by a dependent care provider who is not related to the Participant, as defined in Code Section 152(a)(1) through (8).
- k. Notwithstanding subsection (a), a Participant may prospectively revoke his or her election of group health plan coverage if (i) the Participant changes from full-time employment (i.e., an average of 30 hours of service per week) to part-time employment (i.e., an average of less than 30 hours of service per week), even if the Participant continues to be eligible for coverage under the group health plan, and (ii) the Participant, and any related individuals whose coverage is also to be revoked, intend to enroll in another plan that provides minimum essential coverage and is effective no later than the first day of the second month after the month during which the revocation is effective.
- l. Notwithstanding subsection (a), a Participant may prospectively revoke his or her election of group health plan coverage if (i) the Participant or a covered dependent is eligible for a Special Enrollment Period to enroll in a Qualified Health Plan through a Marketplace, or seeks to enroll in a Qualified Health Plan through a Marketplace during the Marketplace's annual open enrollment period, and (ii) the Participant, or any covered dependents intend to enroll in a Qualified Health Plan through a Marketplace that is effective no later than the day immediately following the effective date of the revocation.

- m. **Health Savings Account changes** Notwithstanding subsection (a), with regard to the Health Savings Account Benefit specified in the Article titled: "Benefits", a Participant who has elected to make elective contributions under such arrangement may modify or revoke the election prospectively, provided such change is consistent with Code Section 223 and the Treasury regulations thereunder.
- n. **Health Flexible Spending Account cannot change due to insurance change.** A Participant shall not be permitted to change an election to the Health Flexible Spending Account as a result of a cost or coverage change under any health insurance benefits.
- o. **Limited Purpose Flexible Spending Account cannot change due to insurance change.** A Participant shall not be permitted to change an election to the Limited Purpose Flexible Spending Account as a result of a cost or coverage change under any health insurance contract.

VI. ARTICLE - HEALTH FLEXIBLE SPENDING ACCOUNT

01. **ESTABLISHMENT OF BENEFIT**

This Health Flexible Spending Account is intended to qualify as a medical reimbursement plan under Code Section 105 and shall be interpreted in a manner consistent with such Code Section and the Treasury regulations thereunder. Participants who elect to participate in this Health Flexible Spending Account may submit claims for the reimbursement of allowable Medical Expenses. All amounts reimbursed shall be periodically paid from amounts allocated to the Participant's Health Flexible Spending Account. Periodic payments reimbursing Participants from the Health Flexible Spending Account shall in no event occur less frequently than monthly.

This Limited Purpose Flexible Spending Account is intended to qualify as a medical reimbursement plan under Code Section 105 and shall be interpreted in a manner consistent with such Code Section and the Treasury regulations thereunder. Participants who elect to participate in this Limited Purpose Flexible Spending Account may submit claims for the reimbursement of allowable Dental, Vision, and Preventative Care. All amounts reimbursed shall be periodically paid from amounts allocated to the Participant's Limited Purpose Flexible Spending Account. Periodic payments reimbursing Participants from the Limited Purpose Flexible Spending Account shall in no event occur less frequently than monthly.

02. **DEFINITIONS**

For the purposes of this Article and the Plan, the terms below have the following meanings:

- a. **"Health Flexible Spending Account"** means the account established for a Participant pursuant to this Plan to which part of his or her Cafeteria Plan Benefit Dollars may be allocated and from which all allowable Medical Expenses incurred by the Participant, his or her Spouse and his or her Dependents may be reimbursed.
- b. **"Highly Compensated Participant"** means, for the purposes of this Article and determining discrimination under Code Section 105(h), a participant who is:
 1. one of the 5 highest paid officers;
 2. a shareholder who owns (or is considered to own, applying the rules of Code Section 318) more than 10 percent in value of the stock of the Employer; or
 3. among the highest paid 25 percent of all Employees (other than exclusions permitted by Code Section 105(h)(3)(B) for those individuals who are not Participants).
- c. **"Limited Purpose Flexible Spending Account"** means the account established for a Participant pursuant to this Plan to which part of his or her Plan Benefit Dollars may be allocated and from which all allowable Dental, Vision, and Preventative Care Expenses incurred by a Participant, his or her Spouse or his or her Dependents may be reimbursed. This account is for Participants that are making contributions to a Health Savings Account (HSA) within the same plan year.
- d. **"Medical Expenses"** means any expense for medical care within the meaning of the term "medical care" as defined in Code Section 213(d) and the rulings and Treasury regulations thereunder, and not otherwise used by the Participant as a deduction in determining his or her tax liability under the Code. "Medical Expenses" can be incurred by the Participant, his or her Spouse and his or her Dependents. "Incurred" means, with regard to Medical Expenses, when the Participant is provided with the medical care that gives rise to the Medical Expense and not when the Participant is formally billed or charged for, or pays for, the medical care.

A Participant may not be reimbursed for the cost of other health coverage such as premiums paid under plans maintained by the employer of the Participant's Spouse or individual policies maintained by the Participant or his or her Spouse or Dependent.
- e. A Participant may not be reimbursed for "qualified long-term care services" as defined in Code Section 7702B(c).
- f. The definitions of the Article titled: "Plan Definitions" are hereby incorporated by reference to the extent necessary to interpret and apply the provisions of this Health Flexible Spending Account.

03. **FORFEITURES**

A Participant in the Health Care Flexible Spending Account may roll over up to \$680.00 of unused funds at the end of one Plan Year to the next Plan Year. The maximum limit may increase from year-to-year as provided under IRS Notice 2020-33 and Section 125(i) of the Internal Revenue Code. These funds can be used during the following Plan Year for expenses incurred in that Plan

Year. Amounts carried over do not affect the maximum amount of salary redirections otherwise permitted for said next Plan Year. Unused amounts are those remaining after all eligible expenses for the Plan Year have been reimbursed. These amounts may not be cashed out or converted to any other taxable or nontaxable benefit. Unused amounts in excess of maximum limit will be forfeited.

A Participant in the Limited Purpose Flexible Spending Account may roll over up to \$680.00 of unused funds at the end of one Plan Year to the next Plan Year. The maximum limit may increase from year-to-year as provided under IRS Notice 2020-33 and Section 125(i) of the Internal Revenue Code. These funds can be used during the following Plan Year for expenses incurred in that Plan Year. Amounts carried over do not affect the maximum amount of salary redirections otherwise permitted for said next Plan Year. Unused amounts are those remaining after all eligible expenses for the Plan Year have been reimbursed. These amounts may not be cashed out or converted to any other taxable or nontaxable benefit. Unused amounts in excess of maximum limit will be forfeited.

04. **LIMITATION ON ALLOCATIONS**

Notwithstanding any provision contained in this Health Flexible Spending Account to the contrary, the maximum amount of salary redirections that may be allocated to the Health Flexible Spending Account by a Participant in any Plan Year is \$3,400.00. The maximum limit may increase from year-to-year pursuant to Section 125(i)(2) of the Internal Revenue Code.

Notwithstanding any provision contained in this Limited Purpose Flexible Spending Account to the contrary, the maximum amount of salary redirections that may be allocated to the Limited Purpose Flexible Spending Account by a Participant in any Plan Year is \$3,400.00. The maximum limit may increase from year-to-year pursuant to Section 125(i)(2) of the Internal Revenue Code. .

Carryover: A Participant in the Health Care Flexible Spending Account may roll over up to \$680.00 of unused funds at the end of one Plan Year to the next Plan Year. The maximum limit may increase from year-to-year as provided under IRS Notice 2020-33 and Section 125(i) of the Internal Revenue Code. These funds can be used during the following Plan Year for expenses incurred in that Plan Year. Amounts carried over do not affect the maximum amount of salary redirections otherwise permitted for said next Plan Year. Unused amounts are those remaining after all eligible expenses for the Plan Year have been reimbursed. These amounts may not be cashed out or converted to any other taxable or nontaxable benefit. Unused amounts in excess of maximum limit will be forfeited.

Carryover: A Participant in the Limited Purpose Flexible Spending Account may roll over up to \$680.00 of unused funds at the end of one Plan Year to the next Plan Year. The maximum limit may increase from year-to-year as provided under IRS Notice 2020-33 and Section 125(i) of the Internal Revenue Code. These funds can be used during the following Plan Year for expenses incurred in that Plan Year. Amounts carried over do not affect the maximum amount of salary redirections otherwise permitted for said next Plan Year. Unused amounts are those remaining after all eligible expenses for the Plan Year have been reimbursed. These amounts may not be cashed out or converted to any other taxable or nontaxable benefit. Unused amounts in excess of maximum limit will be forfeited.

05. **NONDISCRIMINATION REQUIREMENTS**

- a. **Intent to be nondiscriminatory.** It is the intent of this Health Flexible Spending Account not to discriminate in violation of the Code and the Treasury regulations thereunder.
- b. **Adjustment to avoid test failure.** If the Administrator deems it necessary to avoid discrimination under this Health Flexible Spending Account, it may, but shall not be required to, reject any elections or reduce contributions or Benefits in order to assure compliance with this Section. Any act taken by the Administrator under this Section shall be carried out in a uniform and nondiscriminatory manner. If the Administrator decides to reject any elections or reduce contributions or Benefits, the following manner is one option available. First, the Benefits designated for the Health Flexible Spending Account by the member of the group in whose favor discrimination may not occur pursuant to Code Section 105 that elected to contribute the highest amount to the fund for the Plan Year shall be reduced until the nondiscrimination tests set forth in this Section and/or the Code are satisfied, or until the amount designated for the fund equals the amount designated for the fund by the member of the group in whose favor discrimination may not occur pursuant to Code Section 105 who has elected the second highest contribution to the Health Flexible Spending Account for the Plan Year. This process shall continue until the nondiscrimination tests set forth in this Section or the Code are satisfied. Contributions which are not utilized to provide Benefits to any Participant by virtue of any administrative act under this paragraph shall be forfeited and credited to the benefit plan surplus.

06. **COORDINATION WITH CAFETERIA PLAN**

All Participants under the Plan are eligible to receive Benefits under this Health Flexible Spending

Account. Enrollment under the Cafeteria Plan shall constitute enrollment under this Health Flexible Spending Account. In addition, other matters concerning contributions, elections and the like shall be governed by the general provisions of the Cafeteria Plan.

07. **HEALTH FLEXIBLE SPENDING ACCOUNT CLAIMS**

- a. **Expenses must be incurred during Plan Year.** All eligible Medical Expenses incurred by a Participant, his or her Spouse and his or her Dependents during the Plan Year shall be reimbursed, subject to the Section titled: "Termination of Employment", even though the submission of such a claim occurs after his or her participation hereunder ceases; but provided that the Medical Expenses were incurred during the applicable Plan Year. Medical Expenses are treated as having been incurred when the Participant is provided with the Medical care that gives rise to the Medical Expenses, not when the Participant is formally billed or charged for, or pays for the Medical care.
- b. **Reimbursement available throughout Plan Year.** The Administrator shall direct the reimbursement to each eligible Participant for all allowable Medical Expenses, up to a maximum of the amount designated by the Participant for the Health Flexible Spending Account for the Plan Year. Reimbursements shall be made available to the Participant throughout the year without regard to the level of Cafeteria Plan Benefit Dollars which have been allocated to the fund at any given point in time. Furthermore, a Participant shall be entitled to reimbursements only for amounts in excess of any payments or other reimbursements under any health care plan covering the Participant and/or his or her Spouse or Dependents.
- c. **Payments.** Reimbursement payments under this Plan shall be made directly to the Participant. However, in the Administrator's discretion, payments may be made directly to the service provider. The application for payment or reimbursement shall be made to the Administrator on an acceptable form within a reasonable time after incurring the debt or paying for the service. The application shall include a written statement from an independent third party stating that the Medical Expense has been incurred and the amount of such expense. Furthermore, the Participant shall provide a written statement that the Medical Expense has not been reimbursed or is not reimbursable under any other health plan coverage and, if reimbursed from the Health Flexible Spending Account, such amount will not be claimed as a tax deduction. The Administrator shall retain a file of all such applications.
- d. **Claims for reimbursement.** Claims for the reimbursement of Medical Expenses incurred in any Plan Year shall be paid as soon after a claim has been filed as is administratively practicable; provided however, that if a Participant fails to submit a claim within 90 days after the end of the Plan Year, those Medical Expense claims shall not be considered for reimbursement by the Administrator. However, if a Participant terminates employment during the Plan Year, claims for the reimbursement of Medical Expenses must be submitted within 90 days after the date of termination.

08. **DEBIT AND CREDIT CARDS**

Participants may, subject to a procedure established by the Administrator and applied in a uniform nondiscriminatory manner, use debit and/or credit (stored value) cards ("cards") provided by the Administrator and the Plan for payment of Medical Expenses, subject to the following terms:

- a. **Card only for Medical Expenses.** Each Participant issued a card shall certify that such card shall only be used for Medical Expenses. The Participant shall also certify that any Medical Expense paid with the card has not already been reimbursed by any other plan covering health benefits and that the Participant will not seek reimbursement from any other plan covering health benefits.
- b. **Card issuance.** Such card shall be issued upon the Participant's Effective Date of Participation and reissued or remain in effect for each Plan Year the Participant remains a Participant in the Health Flexible Spending Account. Such card shall be automatically cancelled upon the Participant's death or termination of employment, or if such Participant has a change in status that results in the Participant's withdrawal from the Health Flexible Spending Account.
- c. **Maximum dollar amount available.** The dollar amount of coverage available on the card shall be the amount elected by the Participant for the Plan Year. The maximum dollar amount of coverage available shall be the maximum amount for the Plan Year as set forth in the Section titled: "Limitation on Allocations".
- d. **Only available for use with certain service providers.** The cards shall only be accepted by such merchants and service providers as have been approved by the Administrator.
- e. **Card use.** The cards shall only be used for Qualified Expense purchases as defined in Code Section 213(d) and the rulings and Treasury regulations thereunder, including, but not limited to, the following:

1. Co-payments for doctor and other medical care;
 2. Purchase of drugs prescribed by a health care provider, including, if permitted by the Administrator, over-the-counter medications as allowed under IRS regulations;
 3. Purchase of medical items such as eyeglasses, syringes, crutches, etc.
- f. **Substantiation.** Such purchases by the cards shall be subject to confirmation by the Administrator, usually by requiring the Participant to submit a receipt from a service provider describing the service, the date and the amount. The Administrator shall also follow the requirements set forth in Revenue Ruling 2003-43 and Notice 2006-69. All charges shall be conditional pending confirmation by the Administrator.
- g. **Correction methods.** If such purchase is later determined by the Administrator to not qualify as a Medical Expense, the Administrator, in its discretion, shall use one of the following correction methods to make the Plan whole. Until the amount is repaid, the Administrator shall take further action to ensure that further violations of the terms of the card do not occur, up to and including denial of access to the card.
1. Repayment of the improper amount by the Participant;
 2. Withholding the improper payment from the Participant's wages or other compensation to the extent consistent with applicable federal and state law;
 3. Claims substitution or offset of future claims until the amount is repaid; and
 4. If subsections (1) through (3) fail to recover the amount, consistent with the Employer's business practices, the Employer may treat the amount as any other business indebtedness.

VII. ARTICLE - DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT

01. **ESTABLISHMENT OF ACCOUNT**

This Dependent Care Flexible Spending Account is intended to qualify as a program under Code Section 129 and shall be interpreted in a manner consistent with such Code Section. Participants who elect to participate in this program may submit claims for the reimbursement of Employment-Related Dependent Care Expenses. All amounts reimbursed shall be paid from amounts allocated to the Participant's Dependent Care Flexible Spending Account.

02. **DEFINITIONS**

For the purposes of this Article and the Plan, the terms below shall have the following meaning:

- a. **"Dependent Care Flexible Spending Account"** means the account established for a Participant pursuant to this Article to which part of his or her Cafeteria Plan Benefit Dollars may be allocated and from which Employment-Related Dependent Care Expenses of the Participant may be reimbursed for the care of the Qualifying Dependents of Participants.
- b. **"Earned Income"** means earned income as defined under Code Section 32(c)(2), but excluding such amounts paid or incurred by the Employer for dependent care assistance to the Participant.
- c. **"Employment-Related Dependent Care Expenses"** means the amounts paid for those expenses of a Participant that, if paid by the Participant, would be considered employment related expenses under Code Section 21(b)(2). Generally, they include expenses for household services and for the care of a Qualifying Dependent, to the extent that such expenses are incurred to enable the Participant to be gainfully employed for any period during which there are one or more Qualifying Dependents with respect to such Participant. Employment-Related Dependent Care Expenses are treated as having been incurred when the Participant's Qualifying Dependents are provided with the dependent care that gives rise to the Employment-Related Dependent Care Expenses, not when the Participant is formally billed or charged for, or pays for, the dependent care. The determination of whether an amount qualifies as an Employment-Related Dependent Care Expense shall be made subject to the following rules:
 1. If such amounts are paid for expenses incurred outside the Participant's household, they shall constitute Employment Related Dependent Care Expenses only if incurred for a Qualifying Dependent (as defined in the "Definitions" Section of the Article titled: "Dependent Care Flexible Spending Account") who regularly spends at least eight (8) hours per day in the Participant's household;
 2. If the expense is incurred outside the Participant's home at a facility that provides care for a fee, payment, or grant for more than six (6) individuals who do not regularly reside at the facility, the facility must comply with all applicable state and local laws and regulations, including licensing requirements, if any; and
 3. Employment-Related Dependent Care Expenses of a Participant shall not include amounts paid to or incurred by a child of such Participant who is under the age of 19 or to an individual who is a Dependent of such Participant or such Participant's Spouse.
- d. **"Qualifying Dependent"** means, for Dependent Care Flexible Spending Account purposes,
 1. a Participant's Dependent (as defined in Code Section 152(a)(1)) who has not attained age 13;
 2. a Dependent or Spouse of a Participant who is physically or mentally incapable of caring for himself or herself and has the same principal place of abode as the Participant for more than one-half of such taxable year; or
 3. a child that is deemed to be a Qualifying Dependent described in paragraph (1) or (2) above, whichever is appropriate, pursuant to Code Section 21(e)(5).
- e. The definitions of the Article titled: "Definitions" are hereby incorporated by reference to the extent necessary to interpret and apply the provisions of this Dependent Care Flexible Spending Account.

03. **DEPENDENT CARE FLEXIBLE SPENDING ACCOUNTS**

The Administrator shall establish a Dependent Care Flexible Spending Account for each Participant who elects to apply Cafeteria Plan Benefit Dollars to Dependent Care Flexible Spending Account benefits.

04. **INCREASES IN DEPENDENT CARE FLEXIBLE SPENDING ACCOUNTS**

A Participant's Dependent Care Flexible Spending Account shall be increased each pay period by the amount of Cafeteria Plan Benefit Dollars that they elected to apply toward his or her Dependent Care Flexible Spending Account pursuant to elections made under Article V hereof.

05. **DECREASES IN DEPENDENT CARE FLEXIBLE SPENDING ACCOUNTS**

A Participant's Dependent Care Flexible Spending Account shall be reduced by the amount of any Employment-Related Dependent Care Expense reimbursements paid or incurred on behalf of the Participant pursuant to the Section titled: "Dependent Care Flexible Spending Account Claims" hereof.

06. **ALLOWABLE DEPENDENT CARE REIMBURSEMENT**

Subject to limitations contained in the Section titled: "Limitation on Payments" below, and to the extent of the amount contained in the Participant's Dependent Care Flexible Spending Account, a Participant who incurs Employment-Related Dependent Care Expenses shall be entitled to receive from the Employer full reimbursement for the entire amount of such expenses incurred during the Plan Year or portion thereof during which they are a Participant.

07. **ANNUAL STATEMENT OF BENEFITS**

On or before January 31st of each calendar year, the Employer shall furnish to each Employee who was a Participant and received benefits under the Section titled: "Definitions" during the prior calendar year, a statement of all such benefits paid to or on behalf of such Participant during the prior calendar year. This statement is set forth on the Participant's Form W-2.

08. **FORFEITURES**

The amount in a Participant's Dependent Care Flexible Spending Account as of the end of any Plan Year (and after the processing of all claims for such Plan Year pursuant to the Section titled: "Dependent Care Flexible Spending Account Claims" hereof) shall be forfeited and credited to the benefit plan surplus. In such event, the Participant shall have no further claim to such amount for any reason.

09. **LIMITATION ON PAYMENTS**

- a. **Code limits.** Notwithstanding any provision contained in this Article to the contrary, amounts paid from a Participant's Dependent Care Flexible Spending Account in or on account of any tax year of the Participant shall not exceed the lesser of the Earned Income limitation described in Code Section 129(b) or \$7,500.00 (or cannot exceed \$7,500.00 as provided under Code Section 129 or \$3,750.00 if a separate tax return is filed by a Participant who is married as determined under the rules of paragraphs (3) and (4) of Code Section 21(e)).

10. **NONDISCRIMINATION REQUIREMENTS**

- a. **Intent to be nondiscriminatory.** It is the intent of this Dependent Care Flexible Spending Account that contributions or benefits not discriminate in favor of the group of employees in whose favor discrimination is prohibited under Code Section 129(d).
- b. **25% test for shareholders.** It is the intent of this Dependent Care Flexible Spending Account that not more than 25 percent of the amounts paid by the Employer for dependent care assistance during the Plan Year will be provided for the class of individuals who are shareholders or owners (or their Spouses or Dependents), each of whom (on any day of the Plan Year) owns more than 5 percent of (i) the stock of, or (ii) the capital or profits interest in, the Employer.
- c. **Adjustment to avoid test failure.** If the Administrator deems it necessary to avoid discrimination or possible taxation to a group of employees in whose favor discrimination is prohibited by Code Section 129, it may, but shall not be required to, reject any elections or reduce contributions or non-taxable benefits in order to assure compliance with this Section. Any act taken by the Administrator under this Section shall be carried out in a uniform and nondiscriminatory manner. If the Administrator decides to reject any elections or reduce contributions or Benefits, the following manner is one option available. First, the Benefits designated for the Dependent Care Flexible Spending Account by the affected Participant that elected to contribute the highest amount to such account for the Plan Year shall be reduced until the nondiscrimination tests set forth in this Section are satisfied, or until the amount designated for the account equals the amount designated for the account of the affected Participant who has elected the second highest contribution to the Dependent Care Flexible Spending Account for the Plan Year. This process shall continue until the nondiscrimination tests set forth in this Section are satisfied. Contributions which are not utilized to provide Benefits to any Participant by virtue of any administrative act under this paragraph shall be forfeited.

11. **COORDINATION WITH CAFETERIA PLAN**

All Participants under the Cafeteria Plan are eligible to receive Benefits under this Dependent Care Flexible Spending Account. The enrollment and termination of participation under the Cafeteria Plan shall constitute enrollment and termination of participation under this Dependent Care Flexible Spending Account. In addition, other matters concerning contributions, elections and the like shall be governed by the general provisions of the Cafeteria Plan.

12. **DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT CLAIMS**

The Administrator shall direct the payment of all qualified Dependent Care claims to the Participant upon the presentation to the Administrator of documentation of such expenses in a form satisfactory to the Administrator. However, in the Administrator's discretion, payments may be made directly to the service provider. In its discretion in administering the Plan, the Administrator may utilize forms and require documentation of costs as may be necessary to verify the claims submitted. At a minimum, the form shall include a statement from an independent third party as proof that the expense has been incurred during the Plan Year and the amount of such expense. In addition, the Administrator may require that each Participant who desires to receive reimbursement under this Program for Employment-Related Dependent Care Expenses submit a statement which may contain some or all of the following information:

- a. The Dependent or Dependents for whom the services were performed;
- b. The nature of the services performed for the Dependent, the cost of which the Participant wishes reimbursement;
- c. The relationship, if any, of the person performing the services to the Participant;
- d. If the services are being performed by a child of the Participant, the age of the child;
- e. A statement as to where the services were performed;
- f. If any of the services were performed outside the home, a statement as to whether the Dependent for whom such services were performed spends at least 8 hours a day in the Participant's household;
- g. If the services were being performed in a day care center, a statement:
 1. that the day care center complies with all applicable laws and regulations of the state of residence,
 2. that the day care center provides care for more than 6 individuals (other than individuals residing at the center), and
 3. of the amount of fee paid to the provider.
- h. If the Participant is married, a statement containing the following:
 1. the Spouse's salary or wages, if they are employed, or
 2. if the Participant's Spouse is not employed, that
 - i. he or she is incapacitated, or
 - ii. he or she is a full-time student attending an educational institution, and the months of the year during which they attend such institution.
- i. **Claims for reimbursement.** If a Participant fails to submit a claim within 90 days after the end of the Plan Year, those claims shall not be considered for reimbursement by the Administrator. However, if a Participant terminates employment during the Plan Year, claims for the reimbursement of Dependent Care Expenses must be submitted within 90 days after the date of termination.

VIII. ARTICLE - ERISA PROVISIONS

01. CLAIM FOR BENEFITS

- a. **Insurance claims.** Any claim for Benefits underwritten by Insurance Contract(s) shall be made to the Insurer. If the Insurer denies any claim, the Participant or beneficiary shall follow the Insurer's claims review procedure.
- b. **Health FSA claims.** If a Participant fails to submit a claim under the Health Flexible Spending Account within 90 days after the end of the Plan Year, those claims shall not be considered for reimbursement by the Administrator. However, if a Participant terminates employment during the Plan Year, claims for the reimbursement must be submitted within 90 days after the date of termination. Once a claim is submitted, the following timetable for claims and the rules below apply:

Notification of whether claim is accepted or denied	30 days
Extension due to matters beyond the control of the Plan	15 days
Insufficient information on the claim:	
Notification of	15 days
Response by Participant	45 days
Review of claim denial	60 days

The Plan Administrator will provide written or electronic notification of any claim denial. The notice will state:

1. The specific reason or reasons for the denial.
2. Reference to the specific Plan provisions on which the denial was based.
3. A description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary.
4. A description of the Plan's review procedures and the time limits applicable to such procedures. This will include a statement of the right to bring a civil action under Section 502 of ERISA following a denial on review.
5. A statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the Claim.
6. If the denial was based on an internal rule, guideline, protocol, or other similar criterion, the specific rule, guideline, protocol, or criterion will be provided with the denial free of charge. If this is not practical, a statement will be included that such a rule, guideline, protocol, or criterion was relied upon in making the denial and a copy will be provided free of charge to the claimant upon request.

When the Participant receives a denial, the Participant shall have 180 days following receipt of the notification in which to appeal the decision. The Participant may submit written comments, documents, records, and other information relating to the Claim. If the Participant requests, the Participant shall be provided, free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the Claim.

The period of time within which a decision on review is required to be made will begin at the time an appeal is filed in accordance with the procedures of the Plan. This timing is without regard to whether all the necessary information accompanies the filing.

A document, record, or other information shall be considered relevant to a Claim if it:

1. was relied upon in making the claim determination;
2. was submitted, considered, or generated in the course of making the claim determination, without regard to whether it was relied upon in making the claim determination;
3. demonstrated compliance with the administrative processes and safeguards designed to ensure and to verify that claim determinations are made in accordance with Plan documents and Plan provisions have been applied consistently with respect to all claimants; or

4. constituted a statement of policy or guidance with respect to the Plan concerning the denied claim.

The review will take into account all comments, documents, records, and other information submitted by the claimant relating to the Claim, without regard to whether such information was submitted or considered in the initial claim determination. The review will not afford deference to the initial denial and will be conducted by a fiduciary of the Plan who is neither the individual who made the adverse determination nor a subordinate of that individual.

- c. **Forfeitures.** Any balance remaining in the Participant's Dependent Care Flexible Spending Account or Health Flexible Spending Account as of the end of the time for claims reimbursement for each Plan Year shall be forfeited and deposited in the benefit plan surplus of the Employer pursuant to the Section titled: "Forfeitures", whichever is applicable. Provided, any provision of the Plan to the contrary notwithstanding, where a Participant has properly appealed the denial of a claim and the appeal has not been finally resolved or the appeal has been finally resolved in favor of the Participant, no forfeiture shall take place as to any such balance in dispute. If any such claim is denied on appeal, the amount held beyond the end of the Plan Year shall be forfeited and credited to the benefit plan surplus. If the Plan Administrator is unable to make payment to any Participant or other person to whom a payment is due under the Plan because it cannot ascertain the identity or whereabouts of such Participant or other person after reasonable efforts have been made to identify or locate such person, then such payment and all subsequent payments otherwise due to such Participant or other person shall be forfeited and returned to the Employer following a reasonable time after the date any such payment first became due.

02. APPLICATION OF BENEFIT PLAN SURPLUS

Any forfeited amounts credited to the benefit plan surplus may, but need not be, separately accounted for after the close of the Plan Year (or after such further time specified herein for the filing of claims) in which such forfeitures arose. In no event shall such amounts be carried over to reimburse a Participant for expenses incurred during a subsequent Plan Year for the same or any other Benefit available under the Plan; nor shall amounts forfeited by a particular Participant be made available to such Participant in any other form or manner, except as permitted by Treasury regulations. Amounts in the benefit plan surplus shall be used to defray any administrative costs and experience losses or used to provide additional benefits under the Plan.

03. NAMED FIDUCIARY

The Administrator shall be the named fiduciary pursuant to ERISA Section 402 and shall be responsible for the management and control of the operation and administration of the Plan.

04. GENERAL FIDUCIARY RESPONSIBILITIES

The Administrator and any other fiduciary under ERISA shall discharge their duties with respect to this Plan solely in the interest of the Participants and their beneficiaries and

- a. for the exclusive purpose of providing Benefits to Participants and their beneficiaries and defraying reasonable expenses of administering the Plan;
- b. with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims; and
- c. in accordance with the documents and instruments governing the Plan insofar as such documents and instruments are consistent with ERISA.

05. NONASSIGNABILITY OF RIGHTS

The right of any Participant to receive any reimbursement under the Plan shall not be alienable by the Participant by assignment or any other method, and shall not be subject to the rights of creditors, and any attempt to cause such right to be so alienated or subjected shall not be recognized, except to such extent as may be required by law.

IX. ARTICLE - ADMINISTRATION

01. PLAN ADMINISTRATION

The Employer shall be the Administrator, unless the Employer elects otherwise. The Employer may appoint any person or persons, including, but not limited to, one or more Employees of the Employer, to perform the duties of the Administrator. Any person so appointed shall signify acceptance by filing written acceptance with the Employer. An Administrator may resign by delivering a written resignation to the Employer or may be removed by the Employer by delivery of written notice of removal, to take effect at a date specified therein, or upon delivery if no date is specified. Upon the resignation or removal of any individual performing the duties of the Administrator, the Employer may designate a successor. The Employer shall be empowered to appoint and remove the Administrator from time to time as it deems necessary for the proper administration of the Plan to ensure that the Plan is being operated for the exclusive benefit of the Employees entitled to participate in the Plan in accordance with the terms of ERISA, the Plan and the Code.

The operation of the Plan shall be under the supervision of the Administrator. It shall be a principal duty of the Administrator to see that the Plan is carried out in accordance with its terms, and for the exclusive benefit of Employees entitled to participate in the Plan. The Administrator shall have full power and discretion to administer the Plan in all of its details and determine all questions arising in connection with the administration, interpretation, and application of the Plan. The Administrator may establish procedures, correct any defect, supply any information, or reconcile any inconsistency in such manner and to such extent as shall be deemed necessary or advisable to carry out the purpose of the Plan. The Administrator shall have all powers necessary or appropriate to accomplish the Administrator's duties under the Plan. The Administrator shall be charged with the duties of the general administration of the Plan as set forth under the Plan, including, but not limited to, in addition to all other powers provided by this Plan:

- a. To make and enforce such procedures, rules and regulations as the Administrator deems necessary or proper for the efficient administration of the Plan;
- b. To interpret the provisions of the Plan, the Administrator's interpretations thereof in good faith to be final and conclusive on all persons claiming benefits by operation of the Plan;
- c. To decide all questions concerning the Plan and the eligibility of any person to participate in the Plan and to receive benefits provided by operation of the Plan;
- d. To reject elections or to limit contributions or Benefits for certain highly compensated participants if it deems such to be desirable in order to avoid discrimination under the Plan in violation of applicable provisions of the Code;
- e. To provide Employees with a reasonable notification of their benefits available by operation of the Plan and to assist any Participant regarding the Participant's rights, benefits or elections under the Plan;
- f. To keep and maintain the Plan documents and all other records pertaining to and necessary for the administration of the Plan;
- g. To review and settle all claims against the Plan, to approve reimbursement requests, and to authorize the payment of benefits if the Administrator determines such should be paid. This authority specifically permits the Administrator to settle disputed claims for benefits and any other disputed claims made against the Plan;
- h. To establish and communicate procedures to determine whether a medical child support order is qualified under ERISA Section 609; and
- i. To appoint such agents, counsel, accountants, consultants, and other persons or entities as may be required to assist in administering the Plan.

Any procedure, discretionary act, interpretation or construction taken by the Administrator shall be done in a nondiscriminatory manner based upon uniform principles consistently applied and shall be consistent with the intent that the Plan shall continue to comply with the terms of Code Section 125 and the Treasury regulations thereunder.

02. EXAMINATION OF RECORDS

The Administrator shall make available to each Participant, Eligible Employee and any other Employee of the Employer, for examination at reasonable times during normal business hours, such records as pertain to their interest under the Plan.

03. PAYMENT OF EXPENSES

Any reasonable administrative expenses shall be paid by the Employer unless the Employer determines that administrative costs shall be borne by the Participants under the Plan or by any Trust Fund which may be established hereunder. The Administrator may impose reasonable conditions for payments, provided that such conditions shall not discriminate in favor of highly compensated employees.

04. INSURANCE CONTROL CLAUSE

In the event of a conflict between the terms of this Plan and the terms of an Insurance Contract of an independent third party Insurer or other benefit program that is self-insured whose product is then being used in conjunction with this Plan, the terms of the Insurance Contract shall control as to those Participants receiving coverage under such Insurance Contract. For this purpose, the Insurance Contract shall control in defining the persons eligible for insurance, the dates of their eligibility, the conditions which must be satisfied to become insured, if any, the benefits Participants are entitled to and the circumstances under which insurance terminates.

05. INDEMNIFICATION OF ADMINISTRATOR

The Employer agrees to indemnify and to defend to the fullest extent permitted by law any Employee serving as the Administrator or as a member of a committee designated as Administrator (including any Employee or former Employee who previously served as Administrator or as a member of such committee) against all liabilities, damages, costs and expenses (including attorney's fees and amounts paid in settlement of any claims approved by the Employer) occasioned by any act or omission to act in connection with the Plan, if such act or omission is in good faith.

X. ARTICLE - AMENDMENT OR TERMINATION OF PLAN

01. AMENDMENT

The Employer, at any time or from time to time, may amend any or all of the provisions of the Plan without the consent of any Employee or Participant. No amendment shall have the effect of modifying any benefit election of any Participant in effect at the time of such amendment, unless such amendment is made to comply with Federal, state and local laws, statutes and regulations.

02. TERMINATION

The Employer reserves the right to terminate this Plan, in whole or in part, at any time. In the event the Plan is terminated, no further contributions shall be made. Benefits under any Insurance Contract shall be paid in accordance with the terms of the Insurance Contract.

No further additions shall be made to the Health Flexible Spending Account or Dependent Care Flexible Spending Account, but all payments from such accounts shall continue to be made according to the elections in effect until 90 days after the termination date of the Plan. Any amounts remaining in any such fund or account as of the end of such period shall be forfeited and deposited in the benefit plan surplus after the expiration of the filing period.

XI. ARTICLE - MISCELLANEOUS

01. PLAN INTERPRETATION

All provisions of this Plan shall be interpreted and applied in a uniform, nondiscriminatory manner. This Plan shall be read in its entirety and not severed except as provided in the Section titled: "Severability".

02. GENDER AND NUMBER

Wherever any words are used herein in the masculine, feminine or gender neutral, they shall be construed as though they were also used in another gender in all cases where they would so apply, and whenever any words are used herein in the singular or plural form, they shall be construed as though they were also used in the other form in all cases where they would so apply.

03. WRITTEN DOCUMENT

This Plan, in conjunction with any separate written document which may be required by law, is intended to satisfy the written Plan requirement of Code Section 125 and any Treasury regulations thereunder relating to cafeteria plans.

04. EXCLUSIVE BENEFIT

This Plan shall be maintained for the exclusive benefit of the Employees who participate in the Plan.

05. PARTICIPANT'S RIGHTS

This Plan shall not be deemed to constitute an employment contract between the Employer and any Participant or to be a consideration or an inducement for the employment of any Participant or Employee. Nothing contained in this Plan shall be deemed to give any Participant or Employee the right to be retained in the service of the Employer or to interfere with the right of the Employer to discharge any Participant or Employee at any time regardless of the effect which such discharge shall have upon him as a Participant of this Plan.

06. ACTION BY THE EMPLOYER

Whenever the Employer under the terms of the Plan is permitted or required to do or perform any act or matter or thing, it shall be done and performed by a person duly authorized by the Employer.

07. EMPLOYER'S PROTECTIVE CLAUSES

- a. **Insurance purchase.** Upon the failure of either the Participant or the Employer to obtain the insurance contemplated by this Plan (whether as a result of negligence, gross neglect or otherwise), the Participant's Benefits shall be limited to the insurance premium(s), if any, that remained unpaid for the period in question and the actual insurance proceeds, if any, received by the Employer or the Participant as a result of the Participant's claim.
- b. **Validity of insurance contract.** The Employer shall not be responsible for the validity of any Insurance Contract issued hereunder or for the failure on the part of the Insurer to make payments provided for under any Insurance Contract. Once insurance is applied for or obtained, the Employer shall not be liable for any loss which may result from the failure to pay Premiums to the extent Premium notices are not received by the Employer.

08. NO GUARANTEE OF TAX CONSEQUENCES

Neither the Administrator nor the Employer makes any commitment or guarantee that any amounts paid to or for the benefit of a Participant under the Plan will be excludable from the Participant's gross income for federal or state income tax purposes, or that any other federal or state tax treatment will apply to or be available to any Participant. It shall be the obligation of each Participant to determine whether each payment under the Plan is excludable from the Participant's gross income for federal and state income tax purposes, and to notify the Employer if the Participant has reason to believe that any such payment is not so excludable. Notwithstanding the foregoing, the rights of Participants under this Plan shall be legally enforceable.

09. INDEMNIFICATION OF EMPLOYER BY PARTICIPANTS

If any Participant receives one or more payments or reimbursements under the Plan that are not for a permitted Benefit, such Participant shall indemnify and reimburse the Employer for any liability it may incur for failure to withhold federal or state income tax or Social Security tax from such payments or reimbursements. However, such indemnification and reimbursement shall not exceed the amount of additional federal and state income tax (plus any penalties) that the Participant would have owed if the payments or reimbursements had been made to the Participant

as regular cash compensation, plus the Participant's share of any Social Security tax and Medicare tax that would have been paid on such compensation, less any such additional income tax, Social Security tax, and Medicare tax actually paid by the Participant.

10. **FUNDING**

Unless otherwise required by law, contributions to the Plan need not be placed in trust or dedicated to a specific Benefit, but may instead be considered general assets of the Employer. Furthermore, and unless otherwise required by law, nothing herein shall be construed to require the Employer or the Administrator to maintain any fund or segregate any amount for the benefit of any Participant, and no Participant or other person shall have any claim against, right to, or security or other interest in, any fund, account or asset of the Employer from which any payment under the Plan may be made.

11. **GOVERNING LAW**

This Plan is governed by the Code and the Treasury regulations issued thereunder (as they might be amended from time to time). In no event does the Employer guarantee the favorable tax treatment sought by this Plan. To the extent not preempted by Federal law, the provisions of this Plan shall be construed, enforced and administered according to the laws of Oregon.

12. **SEVERABILITY**

If any provision of the Plan is held invalid or unenforceable, its invalidity or unenforceability shall not affect any other provisions of the Plan, and the Plan shall be construed and enforced as if such provision had not been included herein.

13. **CAPTIONS**

The captions contained herein are inserted only as a matter of convenience and for reference, and in no way define, limit, enlarge or describe the scope or intent of the Plan, nor in any way shall affect the Plan or the construction of any provision thereof.

14. **CONTINUATION OF COVERAGE (COBRA)**

Notwithstanding anything in the Plan to the contrary, in the event any benefit under this Plan subject to the continuation coverage requirement of Code Section 4980B becomes unavailable, each Participant will be entitled to continuation coverage as prescribed in Code Section 4980B, and related regulations. This Section shall only apply if the Employer employs at least twenty (20) employees on more than 50% of its typical business days in the previous calendar year.

15. **FAMILY AND MEDICAL LEAVE ACT (FMLA)**

Notwithstanding anything in the Plan to the contrary, in the event any benefit under this Plan becomes subject to the requirements of the Family and Medical Leave Act and regulations thereunder, this Plan shall be operated in accordance with Regulation 1.125-3.

16. **HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA)**

Notwithstanding anything in this Plan to the contrary, this Plan shall be operated in accordance with HIPAA and regulations thereunder.

17. **UNIFORM SERVICES EMPLOYMENT AND REEMPLOYMENT RIGHTS ACT (USERRA)**

Notwithstanding any provision of this Plan to the contrary, contributions, benefits and service credit with respect to qualified military service shall be provided in accordance with the Uniform Services Employment And Reemployment Rights Act (USERRA) and the regulations thereunder.

18. **QUALIFIED RESERVIST DISTRIBUTIONS**

Notwithstanding any provision of this Plan to the contrary, a Participant may elect to receive a distribution of certain funds from his or her Health Flexible Spending Account or Limited Purpose Flexible Spending Account if the following criteria is met:

1. The Participant is a Qualified Reservist as defined in the Section titled: "Definitions".
2. The Participant is ordered or called to active duty for a period in excess of 180 days or more, or for an indefinite period. If the period is less than 180 days, a Qualified Reservist Distribution is not allowed unless there are subsequent orders or calls for duty that increase the total period of active duty to 180 days or more.
3. The Participant has provided the Plan Administrator with a copy of the order or call to active duty and;
4. The request for distribution is made during the period beginning with the order or call to duty and ending on the last day of the Plan Year (or Grace Period if applicable, as defined in the Article titled: "Definitions") in which the order or call to duty occurred. The Participant delivers a written election to the Plan Administrator in a form designated or requested by the Plan Administrator.

The amount of the QRD shall be the entire amount elected for the current Plan Year minus any reimbursements received as of the date of the QRD request.

19. **COMPLIANCE WITH HIPAA PRIVACY STANDARDS**

- a. **Application.** If any benefits under this Cafeteria Plan are subject to the Standards for Privacy of Individually Identifiable Health Information (45 CFR Part 164, the "Privacy Standards"), then this Section shall apply.
- b. **Disclosure of PHI.** The Plan shall not disclose Protected Health Information to any member of the Employer's workforce unless each of the conditions set out in this Section are met. "Protected Health Information" shall have the same definition as set forth in the Privacy Standards but generally shall mean individually identifiable information about the past, present or future physical or mental health or condition of an individual, including information about treatment or payment for treatment.
- c. **PHI disclosed for administrative purposes.** Protected Health Information disclosed to members of the Employer's workforce shall be used or disclosed by them only for purposes of Plan administrative functions. The Plan's administrative functions shall include all Plan payment functions and health care operations. The terms "payment" and "health care operations" shall have the same definitions as set out in the Privacy Standards, but the term "payment" generally shall mean activities taken to determine or fulfill Plan responsibilities with respect to eligibility, coverage, provision of benefits, or reimbursement for health care. Genetic information will not be used or disclosed for underwriting purposes.
- d. **PHI disclosed to certain workforce members.** The Plan shall disclose Protected Health Information only to members of the Employer's workforce who are authorized to receive such Protected Health Information, and only to the extent and in the minimum amount necessary for that person to perform his or her duties with respect to the Plan. "Members of the Employer's workforce" shall refer to all employees and other persons under the control of the Employer. The Employer shall keep an updated list of those authorized to receive Protected Health Information.
 1. An authorized member of the Employer's workforce who receives Protected Health Information shall use or disclose the Protected Health Information only to the extent necessary to perform his or her duties with respect to the Plan.
 2. In the event that any member of the Employer's workforce uses or discloses Protected Health Information other than as permitted by this Section and the Privacy Standards, the incident shall be reported to the Plan's privacy officer. The privacy officer shall take appropriate action, including:
 - i. investigation of the incident to determine whether the breach occurred inadvertently, through negligence or deliberately; whether there is a pattern of breaches; and the degree of harm caused by the breach;
 - ii. appropriate sanctions against the persons causing the breach which, depending upon the nature of the breach, may include oral or written reprimand, additional training, or termination of employment;
 - iii. mitigation of any harm caused by the breach, to the extent practicable; and
 - iv. documentation of the incident and all actions taken to resolve the issue and mitigate any damages.
- e. **Certification.** The Employer must and hereby does provide certification to the Plan that it agrees to adopt all required provisions as mandated under HIPAA for all non-exempt group health plans, including the following:
 1. Not use or further disclose the information other than as permitted or required by the Plan documents or as required by law;
 2. Ensure that any agent or subcontractor, to whom it provides Protected Health Information received from the Plan, agrees to the same restrictions and conditions that apply to the Employer with respect to such information;
 3. Not use or disclose Protected Health Information for employment-related actions and decisions or in connection with any other benefit or employee benefit plan of the Employer;
 4. Report to the Plan any use or disclosure of the Protected Health Information of which it becomes aware that is inconsistent with the uses or disclosures permitted by this Section, or required by law;
 5. Make available Protected Health Information to individual Plan members in accordance

with Section 164.524 of the Privacy Standards;

6. Make available Protected Health Information for amendment by individual Plan members and incorporate any amendments to Protected Health Information in accordance with Section 164.526 of the Privacy Standards;
7. Make available the Protected Health Information required to provide an accounting of disclosures to individual Plan members in accordance with Section 164.528 of the Privacy Standards;
8. Make its internal practices, books and records relating to the use and disclosure of Protected Health Information received from the Plan available to the Department of Health and Human Services for purposes of determining compliance by the Plan with the Privacy Standards;
9. If feasible, return or destroy all Protected Health Information received from the Plan that the Employer still maintains in any form, and retain no copies of such information when no longer needed for the purpose for which disclosure was made, except that, if such return or destruction is not feasible, limit further uses and disclosures to those purposes that make the return or destruction of the information infeasible; and
10. Ensure the adequate separation between the Plan and members of the Employer's workforce, as required by Section 164.504(f)(2)(iii) of the Privacy Standards.

20. **COMPLIANCE WITH HIPAA ELECTRONIC SECURITY STANDARDS**

Under the Security Standards for the Protection of Electronic Protected Health Information (45 CFR Part 164.300 et. seq., the "Security Standards"):

- a. **Implementation.** The Employer agrees to implement reasonable and appropriate administrative, physical and technical safeguards to protect the confidentiality, integrity and availability of Electronic Protected Health Information that the Employer creates, maintains or transmits on behalf of the Plan. "Electronic Protected Health Information" shall have the same definition as set out in the Security Standards, but generally shall mean Protected Health Information that is transmitted by or maintained in electronic media.
- b. **Agents or subcontractors shall meet security standards.** The Employer shall ensure that any agent or subcontractor to whom it provides Electronic Protected Health Information shall agree, in writing, to implement reasonable and appropriate security measures to protect the Electronic Protected Health Information.
- c. **Employer shall ensure security standards.** The Employer shall ensure that reasonable and appropriate security measures are implemented to comply with the conditions and requirements set forth in the Section titled: "Compliance with HIPAA Privacy Standards".

21. **MENTAL HEALTH PARITY AND ADDICTION EQUITY ACT**

Notwithstanding anything in the Plan to the contrary, the Plan will comply with the Mental Health Parity and Addiction Equity Act and ERISA Section 712.

22. **GENETIC INFORMATION NONDISCRIMINATION ACT (GINA)**

Notwithstanding anything in the Plan to the contrary, the Plan will comply with the Genetic Information Nondiscrimination Act.

23. **WOMEN'S HEALTH AND CANCER RIGHTS ACT**

Notwithstanding anything in the Plan to the contrary, the Plan will comply with the Women's Health and Cancer Rights Act of 1998.

24. **NEWBORNS' AND MOTHERS' HEALTH PROTECTION ACT**

Notwithstanding anything in the Plan to the contrary, the Plan will comply with the Newborns' and Mothers' Health Protection Act.

Execution Agreement

IN WITNESS WHEREOF, City of Keizer has caused its authorized officer to execute this amended and restated Plan document as of _____, the same to be effective **July 01, 2026**, unless otherwise indicated herein.

Company: City of Keizer

Signature:

Printed
Name:

Title:

Date:

CERTIFICATE OF RESOLUTION

The undersigned authorized representative of **City of Keizer** (the Employer) hereby certifies that the following resolutions were duly adopted by the governing body of the Employer on _____, and that such resolutions have not been modified or rescinded as of the date hereof:

RESOLVED, that the form of amended and restated Welfare Benefit Plan, effective July 01, 2026, presented to this meeting (and a copy of which is attached hereto) is hereby approved and adopted, and that the proper agents of the Employer are hereby authorized and directed to execute and deliver to the Plan Administrator of said Plan one or more counterparts of the Plan.

RESOLVED, that the Plan Administrator shall be instructed to take such actions that the Plan Administrator deems necessary and proper in order to implement the Plan, and to set up adequate accounting and administrative procedures for the provision of benefits under the Plan.

RESOLVED, that the proper agents of the Employer shall act as soon as possible to notify the employees of the Employer of the adoption of the Plan and to deliver to each employee a copy of the Summary Plan Description of the Plan, which Summary Plan Description is attached hereto and is hereby approved.

The undersigned further certifies that attached hereto as Exhibits, are true copies of City of Keizer's Benefit Plan Document and Summary Plan Description approved and adopted at this meeting.

Company: City of Keizer

Signature:

Printed
Name:

Title:

Date:

City of Keizer

City of Keizer
930 Chemawa Rd. NE
Keizer, OR 97303

City of Keizer FSA Plan

Summary Plan Description

Amended and Restated July 01, 2026

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City of Keizer

City of Keizer FSA Plan

INTRODUCTION

The Company's Flexible Benefit Plan ("Plan") has been established to allow Eligible Employees to pay for certain benefits on a pre-tax basis. There are specific benefits that you may elect, and they are outlined in this Summary Plan Description. You will also be informed about other important information concerning the Plan, such as the conditions you must satisfy before you can join and the laws that protect your rights.

Read this Summary Plan Description ("SPD") carefully so that you understand the provisions of the Plan and the benefits you will receive. This SPD describes the Plan's benefits and obligations as contained in the Plan document, which governs the operation of the Plan. The Plan document is written in much more technical language. Please note that if the non-technical language in this SPD and the legal language of the Plan document conflict, the Plan document will always govern the Plan. Also, if there is a conflict between any of the insurance contracts and either the Plan document or this Summary Plan Description, the insurance contracts will control the respective insurance policies. If you wish to receive a copy of the legal Plan document, please contact the Plan Administrator.

The Plan is subject to the Internal Revenue Code and other federal and state laws and regulations that may affect your rights under this plan. This SPD explains the current details of the Plan in order to comply with all applicable legal requirements. From time to time, the Plan may be revised due to a change in laws or due to pronouncements by the Internal Revenue Service (IRS) or other federal agencies. This Plan may be amended or terminated by the Company. If the Plan is ever amended or changed, the Company will notify you.

This SPD was designed to provide you with information regarding the Company Flexible Benefit Plan. If this SPD does not answer all of your questions, please contact the Administrator (or other assigned person). The name and address of the Administrator can be found in the Article of this SPD entitled "General Information About our Plan."

I. ARTICLE - ELIGIBILITY

01. How can I participate in the Plan?

Before you can become a Participant in the Plan, there are certain conditions that you must satisfy. First, you must be an active employee working 20.00 or more hours per week and meet the eligibility requirements.

After that, you must enroll in the Plan on the "entry date" that has been established for all employees. The "entry date" is defined in Question 3 below. However, in certain limited situations, you may enroll in the Plan at other times as well. See the Article titled: "Contributions".

02. What are the eligibility requirements for our Plan?

You will be eligible to join the Plan once you have satisfied the conditions for coverage under our group medical plan or, the date you provide certification of enrollment in another group health plan, and satisfy the other eligibility requirements established by your employer as defined in section 1.

03. When can I enter the plan?

You can enter the Plan on the first day of the pay period following the waiting period.

04. How do I enroll in the Plan?

Before you can join the Plan, you must complete an enrollment form. The enrollment form will allow you to select which benefits you want to participate in under the Plan. This form will also authorize the Company to redirect some of your earnings in order to pay for the benefits you select.

However, if you are already covered under any of the insured benefits, you will automatically participate in this Plan to the extent of your premiums unless you elect not to participate in this Plan. These benefits are listed in the Article titled: "Benefits".

II. ARTICLE - OPERATION

01. **How does this Plan operate?**

Before the start of each Plan Year, you will be able to elect to have some of your earnings contributed to the Plan. These amounts will be used to pay for the benefits you have chosen. The portion of your earnings that is paid to the Plan is not subject to Federal income or Social Security taxes. In other words, this allows you to use tax-free dollars to pay for certain kinds of benefits and expenses that you normally pay for with out-of-pocket, taxable dollars. However, if you receive a reimbursement for an expense under this Plan, you cannot claim a Federal income tax credit or deduction on your return. Participation in this plan is completely voluntary.

III. ARTICLE - CONTRIBUTIONS; ELECTIONS

01. **How much of my pay may the Employer redirect?**

Each year, we will automatically contribute on your behalf enough of your compensation to pay for the insurance coverage provided unless you elect not to receive any or all of such coverage. You may also elect to have us contribute on your behalf enough of your compensation to pay for any other benefits that you elect under the Plan. These amounts will be deducted from your pay over the course of the year on a per payroll basis.

02. **What happens to contributions made to the Plan?**

Prior to the Plan start date each year, you must decide on the amount of pre-tax dollars you want to contribute to the Plan. It is very important that you make these choices carefully based on what you expect to spend on each covered benefit or expense during the Plan Year. Later, those dollars will be used to pay those expenses as they arise during the Plan Year. In addition, you should also note that any previous benefit payments made from any Account under the Plan that are unclaimed (e.g., uncashed benefit checks) at the end of the Plan Year following the period of coverage in which the qualifying expense was incurred will be forfeited to the Employer.

For information regarding the administration of contributions in specific accounts under this Plan, please refer to the Article titled: "Benefits".

03. **When must I decide which accounts I want to use?**

You are required by Federal regulations to decide during the enrollment or election period (defined below) prior to the Plan Year start. You must decide which accounts you want and how much you want to contribute to each account.

If you are already covered by any of the insured benefits offered by this Plan, you will automatically become a Participant to the extent of the premiums for such insurance, unless you elect during the election period (defined below) not to participate in the Plan.

04. **When is the election period for our Plan?**

You will make your initial election on or before your entry date. (Please review the Article titled: "Eligibility" to better understand the eligibility requirements and entry date.) Then, for each following Plan Year, the election period is established by the Company and applied uniformly to all Participants. It will normally be a period of time prior to the beginning of each Plan Year. The Company will inform you each year about the election period. (See the Article entitled "General Information About Our Plan" for the definition of Plan Year.)

05. **May I change my elections during the Plan Year?**

Generally, you cannot change the elections you have made after the beginning of the Plan Year. However, there are certain limited situations when you can change your elections.

You are permitted to change elections if you have a "change in status" and you make an election change that is consistent with the change in status. Currently, Federal law considers the following events to be a change in status:

- Marriage, divorce, death of a spouse, legal separation or annulment;
- Change in the number of dependents, including birth, adoption, placement for adoption, or death of a dependent;
- Any of the following events for you, your spouse or dependent: termination or commencement of employment, a strike or lockout, commencement or return from an unpaid leave of absence, a change in worksite, or any other change in employment status that affects eligibility for benefits;
- One of your dependents satisfies or ceases to satisfy the requirements for coverage due to change in age, student status, or any similar circumstance; and
- A change in the place of residence of you, your spouse or dependent that would lead to a change in status, such as moving out of a coverage area for insurance.

In addition, if you are participating in the Dependent Care Flexible Spending Account, then there is a change in status if your dependent no longer meets the qualifications to be eligible for dependent care.

There are detailed rules on when a change in election is deemed to be consistent with a change in status. In addition, there are laws that give you certain other rights to change health coverage for you, your spouse, or your dependents. If you change coverage due to rights you have under the

law, then you can make a corresponding change in your elections under the Plan. If any of these conditions apply to you, you should contact the Administrator.

If the cost of a benefit provided under the Plan increases or decreases during a Plan Year, then we will automatically increase or decrease, as the case may be, your salary redirection election. If the cost increases significantly, you will be permitted to either make corresponding changes in your payments or revoke your election and obtain coverage under another benefit package option with similar coverage, or revoke your election entirely.

If the coverage under a Benefit is significantly curtailed or ceases during a Plan Year, then you may revoke your elections and elect to receive on a prospective basis coverage under another plan with similar coverage. In addition, if the Company adds a new coverage option or eliminates an existing option, you may elect the newly-added option (or elect another option if an option has been eliminated) and make corresponding election changes to other options providing similar coverage. If you are not a Participant, you may elect to join the Plan. There are also certain situations when you may be able to change your elections on account of a change under the plan of your spouse, former spouse or dependent's employer.

These rules on change due to cost or coverage do not apply to the Health Flexible Spending Account, and you may not change your election to the Health Flexible Spending Account if you make a change due to cost or coverage for insurance.

You may not change your election under the Dependent Care Flexible Spending Account if the cost change is imposed by a dependent care provider who is your relative.

In addition, there are laws that give you rights to change group health coverage for you, your spouse, and/or your dependents (i) if you go from working 30 or more hours a week to working less than 30 hours a week and you intend to enroll in certain other health plans, or (ii) if you or your dependents are eligible to enroll in and intend to enroll in certain Marketplace Qualified Health Plans. If you change coverage due to rights under these laws, then you can make a corresponding change in your elections under the Plan. If any of these conditions apply to you, you should contact the administrator.

Health Savings Account Changes; A participant who has elected to make elective contributions under such arrangement may modify or revoke the election prospectively, provided such change is consistent with Code Section 223 and the Treasury regulations thereunder.

06. **May I make new elections in future Plan Years?**

Yes. For each new Plan Year, you may change the elections that you previously made. You may also choose not to participate in the Plan for the upcoming Plan Year. If you do not make new elections during the election period before a new Plan Year begins, the Company will assume you want your elections for insured benefits only to remain the same and you will not be considered a Participant for the non-insured benefit options under the Plan for the upcoming Plan Year.

IV. ARTICLE - BENEFITS

01. **What benefits are offered under the Plan?**

You may choose to receive your entire compensation or use a portion to pay for benefits under this plan.

02. **Health Flexible Spending Account**

The Health Flexible Spending Account enables you to pay for expenses allowed under Sections 105 and 213(d) of the Internal Revenue Code and that are not covered by our insured medical plan, and to save taxes at the same time. The Health Flexible Spending Account allows you to be reimbursed by the Employer for out-of-pocket medical, dental and/or vision expenses incurred by you and your dependents.

Drug costs, including insulin, may be reimbursed. You may not, however, be reimbursed for the cost of other health care coverage maintained outside of the Plan, or for long-term care expenses. A list of covered expenses is available from the Administrator.

The most that you can contribute to your Health Flexible Spending Account for the Plan Year is \$3,400.00. The maximum limit may increase from year-to-year pursuant to Section 125(i)(2) of the Internal Revenue Code. In addition, you may carry over any amount left in your account up to \$680.00. The maximum limit may increase from year-to-year as provided under IRS Notice 2020-33 and Section 125(i) of the Internal Revenue Code. This amount can be used the following Plan year to pay for eligible expenses.

In order to be reimbursed for a health care expense, you must submit to the Administrator an itemized bill from the service provider. The Company will also provide you with a debit card to use to pay for qualified Medical Expenses. The Administrator will provide you with further details about the debit card. Amounts reimbursed from the Plan may not be claimed as a deduction on your personal income tax return. As required by law, reimbursement from the fund shall be paid at least once a month. Expenses under this Plan are treated as being "incurred" when you are provided with the care that gives rise to the expenses, not when you are formally billed or charged, or you pay for the medical care.

You may be reimbursed for expenses for any child until the end of the calendar year in which the child reaches age 26. A "child" is a natural child, stepchild, foster child, adopted child, or a child placed with you for adoption. If a child gains or regains eligibility due to these new rules, that qualifies as a change in status for purposes of coverage changes.

Newborns' and Mothers' Health Protection Act: Group health plans generally may not, under Federal law, restrict benefits for any hospital length of stay in connection with childbirth for the mother or newborn child to less than 48 hours following a vaginal delivery, or less than 96 hours following a cesarean section. However, Federal law generally does not prohibit the mother's or newborn's attending provider, after consulting with the mother, from discharging the mother or her newborn earlier than 48 hours (or 96 hours as applicable). In any case, plans and issuers may not, under Federal law, require that a provider obtain authorization from the plan or the issuer for prescribing a length of stay not in excess of 48 hours (or 96 hours).

Women's Health and Cancer Rights Act: This plan, as required by the Women's Health and Cancer Rights Act of 1998, will reimburse up to plan limits for benefits for mastectomy-related services including reconstruction and surgery to achieve symmetry between the breasts, prostheses, and complications resulting from a mastectomy (including lymphedema). Contact your Plan Administrator for more information.

03. **Limited Purpose Flexible Spending Account**

The Limited Purpose Flexible Spending Account enables you to pay for expenses allowed under Sections 105 and 213(d) of the Internal Revenue Code which are not covered by our insured medical plan and save taxes at the same time. The Limited Purpose Flexible Spending Account allows you to be reimbursed by the Employer for out-of-pocket Dental, Vision, and Preventative Care Expenses incurred by you and your dependents.

Drug costs may be reimbursed if they are considered for dental, vision or preventive care.

The most that you can contribute to your Limited Purpose Flexible Spending Account each Plan Year is \$3,400.00. The maximum limit may increase from year-to-year pursuant to Section 125(i)(2) of the Internal Revenue Code. In addition, you may carry over any amount left in your account at the end of the Plan Year, up to \$680.00. The maximum limit may increase from year-to-year as provided under IRS Notice 2020-33 and Section 125(i) of the Internal Revenue Code. This amount can be used the following Plan year to pay for eligible expenses.

04. **Dependent Care Flexible Spending Account**

The Dependent Care Flexible Spending Account enables you to pay for out-of-pocket, work-related dependent day-care costs with pre-tax dollars. If you are married, you can use the account if you and your spouse both work or, in some situations, if your spouse goes to school full-time. Single employees can also use the account.

The most that you can contribute to your Dependent Care Flexible Spending Account for the Plan Year is \$7,500.00.

An eligible dependent is someone for whom you can claim expenses on Federal Income Tax Form 2441 "Credit for Child and Dependent Care Expenses." Children must be under age 13. Other dependents must be physically or mentally unable to care for themselves. Dependent Care arrangements which qualify include:

- a. A Dependent (Day) Care Center, provided that if care is provided by the facility for more than six individuals, the facility complies with applicable state and local laws;
- b. An Educational Institution for pre-school children. For older children, only expenses for non-school care are eligible; and
- c. An "Individual" who provides care inside or outside your home: The "Individual" may not be a child of yours under age 19 or anyone you claim as a dependent for Federal tax purposes.

You should make sure that the Dependent Care Expenses you are currently paying qualify under our Plan.

The law places limits on the amount of money that can be paid to you in a calendar year from your Dependent Care Flexible Spending Account. Generally, your reimbursements may not exceed the lesser of: (a) \$7,500.00 (if you are married filing a joint return or you are head of a household) or \$3,750.00 (if you are married filing separate returns); (b) your taxable compensation; (c) your spouse's actual or deemed annual earned income (a spouse who is a full time student or incapable of caring for himself/herself has a deemed monthly earned income of \$250 for one dependent or \$500 for two or more dependents).

Also, in order to be able to exclude from your income the reimbursements made to you from this account, you must provide on your tax form for the year the name, address, and in most cases, the taxpayer identification number of the service provider, as well as the amount of such expense. In addition, Federal tax laws permit a tax credit for certain Dependent Care Expenses you may be paying even if you are not a Participant in this Plan. You may save more money if you take advantage of this tax credit rather than using the Dependent Care Flexible Spending Account under our Plan. Consult with your tax adviser for further information.

05. Premium Expense Account

A Premium Expense Account allows you to use tax-free dollars to pay for certain premium expenses under various group insurance programs the Company offers you. These premium expenses include:

- Health care premiums under our insured group medical plan
- Dental insurance premiums
- Vision insurance premiums
- Health Savings Account Contributions

Under this Plan, the Company will allocate the pre-tax premium withholding to the accounts established under the Plan pursuant to the Participants' elections. Certain limits on the amount of coverage that can be paid through pre-tax premiums may apply.

The Company may terminate or modify Plan benefits at any time, subject to the provisions of any insurance contracts providing benefits described above. The Company will not be liable to you if an insurance company fails to provide any of the benefits described above. Also, your insurance will end when you leave employment, are no longer eligible under the terms of any insurance policies, or when insurance terminates.

Any benefits to be provided by insurance will be provided only after (1) you have provided the Administrator the necessary information to apply for insurance, and (2) the insurance is in effect for you.

If you cover your children up to age 26 under your insurance, you can pay for that coverage through the Plan.

In addition to the Premium Expense Account or Accounts described above, this Plan also may provide for contributions (via payroll deduction) to be made by you on a pre-tax basis to a "Health Savings Account" (also referred to as an "HSA Program"). The HSA is a type of account that enables those who elect to participate in this program to pay eligible HSA Medical Expenses or

allow distribution of remaining balances for other qualifying purposes. The HSA Program, if applicable, is separately provided and administered through an HSA Trustee or similar custodial account. Your Employer's election to enable you to make contributions to the HSA Program provides the opportunity for you to contribute such amounts through this Plan on a pre-tax basis.

The eligible Employee will establish a Health Savings Account for contributions as elected for the HSA Program established or provided by the HSA Trustee. To the extent of any conflict between the terms of this Plan and those of the HSA Program, the terms of the HSA Program will control. We are not responsible for the decisions and operations of the HSA Trustee in the administration of the HSA Program.

V. ARTICLE - BENEFIT PAYMENTS

01. When will I receive payments from my accounts?

During the course of the Plan Year, you may submit requests for reimbursement of expenses you have incurred. Expenses are considered "incurred" when the service is performed, not necessarily when it is paid for. The Administrator will provide you with acceptable forms for submitting these requests for reimbursement. If the request qualifies as a benefit or expense that the Plan has agreed to pay, you will receive a reimbursement payment soon thereafter. Remember, these reimbursements which are made from the Plan are generally not subject to federal income tax or withholding. Nor are they subject to Social Security taxes. Requests for payment of insured benefits should be made directly to the insurer. You will be reimbursed from the Health Flexible Spending Account up to your total annual election. You will be reimbursed from the Dependent Care Flexible Spending Account to the extent that there are sufficient funds in the Account to cover your request.

02. What happens if I don't spend all Plan contributions during the Plan Year?

If you have unused contributions in your account at the end of the current Plan Year, those monies will be forfeited to the Employer. Obviously, qualifying expenses that you incur late in the Plan Year for which you seek reimbursement after the end of such Plan Year will be paid first before any amount is forfeited.

At the end of the Plan Year, and after all eligible reimbursements have been made, any unused funds up to \$680.00 in your Health Flexible Spending Account will roll over into the new Plan Year. The maximum limit may increase from year-to-year as provided under IRS Notice 2020-33 and Section 125(i) of the Internal Revenue Code. Any unused funds left in the account in excess of maximum limit will be forfeited. For the Health Flexible Spending Account, you must submit claims no later than 90 days after the end of the Plan Year.

At the end of the Plan Year, and after all eligible reimbursements have been made, any unused funds up to \$680.00 in your Limited Purpose Flexible Spending Account will roll over into the new Plan Year. The maximum limit may increase from year-to-year as provided under IRS Notice 2020-33 and Section 125(i) of the Internal Revenue Code. Any unused funds left in the account in excess of maximum limit will be forfeited. For the Limited Purpose Flexible Spending Account, you must submit claims no later than 90 days after the end of the Plan Year.

For the Dependent Care Flexible Spending Account, you must submit claims no later than 90 days after the end of the Plan Year.

Because it is possible that you might forfeit amounts in the Plan if you do not fully use the contributions that have been made, it is important that you decide how much to place in each account carefully and conservatively. Remember, you must decide which benefits you want to contribute to and how much to place in each account before the Plan Year begins. You want to be as certain as you can that the amount you decide to place in each account will be used up entirely.

03. Family and Medical Leave Act (FMLA)

If you take a leave under the Family and Medical Leave Act, you may continue, revoke or change your existing elections for health insurance and the Health Flexible Spending Account. If your coverage for these benefits terminates, due to your revocation of the benefit to your non-payment of contributions, you will be permitted to reinstate coverage for the remaining part of the Plan Year upon your return. You can resume your coverage at its original level and make payments for the time that you are on leave. For example, if you elect \$1,200 for the year and are out on leave for 3 months, then return and elect to resume your coverage at that level, your remaining payments will be increased to cover the difference - for example, from \$100 per month to \$150 per month, etc. Alternatively your maximum amount will be reduced proportionately for the time that you were gone. For example, if you elect \$1,200 for the year and are out on leave for 3 months, your amount will be reduced to \$900. The expenses you incur during the time you are not in the Health Flexible Spending Account are not reimbursable.

If you continue your coverage during your unpaid leave, you may pre-pay for the coverage, you may pay for your coverage on an after-tax basis while you are on leave, or you and your Employer may arrange a schedule for you to "catch up" your payments when you return.

04. Uniformed Services Employment and Reemployment Rights Act (USERRA)

If you are going into or returning from military service, you may have special rights to health care coverage through your Health Flexible Spending Account under the Uniformed Services Employment and Reemployment Rights Act of 1994. These rights can include extended health care coverage. If you may be affected, ask your Administrator for further details.

05. QUALIFIED RESERVIST DISTRIBUTIONS

Notwithstanding any provision of this Plan to the contrary, a Participant may elect to receive a distribution of certain funds from his or her Health Flexible Spending Account or Limited Purpose Flexible Spending Account if the following criteria is met:

1. The Participant is a Qualified Reservist as defined in the Section titled: "Definitions".
2. The Participant is ordered or called to active duty for a period in excess of 180 days or more, or for an indefinite period. If the period is less than 180 days, a Qualified Reservist Distribution is not allowed unless there are subsequent orders or calls for duty that increase the total period of active duty to 180 days or more.
3. The Participant has provided the Plan Administrator with a copy of the order or call to active duty and;
4. The request for distribution is made during the period beginning with the order or call to duty and ending on the last day of the Plan Year (or Grace Period if applicable. For the years 2020 and 2021 only, the Grace Period will also include any and all claims incurred for any applicable Plan Year during that taxable year, plus the twelve month extension period.) in which the order or call to duty occurred. The Participant delivers a written election to the Plan Administrator in a form designated or requested by the Plan Administrator.

The amount of the QRD shall be the entire amount elected for the current Plan Year minus any reimbursements received as of the date of the QRD request.

06. What happens if my employment terminates?

If you terminate employment during the Plan Year, your right to benefits will be determined in the following manner:

- a. You will remain covered by insurance, but only for the period for which premiums have been paid prior to your termination of employment.
- b. You will still be able to request reimbursement for qualifying Dependent Care Expenses up to 90 days after the date of termination from the balance remaining in your Dependent Care Account at the time of termination of employment. However, no further salary redirection contributions will be made on your behalf after termination.
- c. For health benefit coverage and Health Flexible Spending Account coverage on termination of employment, please see the Article entitled "Continuation Coverage Rights Under COBRA." Upon your termination of employment, your participation in the Health Flexible Spending Account will cease, and no further salary redirection contributions will be contributed on your behalf. However, you will be able to submit, within 90 days after the date of termination, claims for health care expenses that were incurred before the end of the period for which payments to the Health Flexible Spending Account have already been made. Your further participation will be governed by "Continuation Coverage Rights Under COBRA."
- d. For the Limited Purpose Flexible Spending Account coverage on termination of employment, please see the Section entitled "Continuation Coverage Rights Under COBRA." Upon termination of employment, your participation in the Limited Purpose Flexible Spending Account will cease, and no further salary redirection contributions will be contributed on your behalf. However, you will be able to submit, within 90 days after the date of termination, claims for eligible dental or vision expenses that were incurred before the end of the period for which payments to the Limited Purpose Flexible Spending Account have already been made. Your further participation will be governed by "Continuation Coverage Rights Under COBRA."
- e. If you are enrolled in a Health Savings Account and are making contributions through the Plan, any unused amounts within your HSA will continue to be available to you for withdrawal to pay qualified expenses on a tax free basis, or may be distributed to you, subject to applicable IRS guidelines or the terms of your HSA account. You should contact the HSA Trustee to discuss any questions regarding any rights you may have to unused amounts held in your Health Savings Account at termination.

07. Will my Social Security benefits be affected?

Your Social Security benefits may be slightly reduced because when you receive tax-free benefits under our Plan, it reduces the amount of contributions that you make to the Federal Social Security system as well as the Company contributions to Social Security on your behalf.

VI. ARTICLE - HIGHLY COMPENSATED AND KEY EMPLOYEES

01. Do limitations apply to highly compensated employees?

Under the Internal Revenue Code, highly compensated employees and key employees generally are Participants who are officers, shareholders or are highly paid. You will be notified by the Administrator each Plan Year whether you are a highly compensated employee or a key employee.

If you are within these categories, the amount of contributions and benefits for you may be limited so that the Plan as a whole does not unfairly favor those who are highly paid, their spouses or their dependents. Federal tax laws state that a plan will be considered to unfairly favor the key employees if they as a group receive more than 25% of all of the nontaxable benefits provided for under our Plan.

Plan experience will dictate whether contribution limitations on highly compensated employees or key employees will apply. You will be notified of these limitations if you are affected.

VII. ARTICLE - PLAN ACCOUNTING

01. Periodic Statements

Periodically during the Plan Year, the Administrator will provide you with a statement of your account that shows your account balance. It is important to read these statements carefully so you understand the balance remaining to pay for a benefit. Remember, you want to spend all the money you have designated for a particular benefit by the end of the Plan Year.

VIII. ARTICLE - GENERAL INFORMATION ABOUT OUR PLAN

This Section contains certain general information which you may need to know about the Plan.

01. **General Plan Information**

City of Keizer FSA Plan is the name of the Plan.

Your Employer has assigned Plan Number to your Plan.

The company amends and restates this Plan as of July 01, 2026 with an original effective date of July 01, 2021.

Your Plan's records are maintained on a twelve-month period of time known as the Plan Year. The Plan Year begins on July 01 and ends on June 30.

02. **Employer Information**

Your Employer's name, address, and tax identification number are:

City of Keizer
Kristen Meyers
930 Chemawa Rd. NE
Keizer, OR 97303
503-856-3419
HR@KeizerOR.gov
FEIN: 93-0836902

03. **Plan Administrator Information**

The name and address of your Plan's Administrator are:

City of Keizer
930 Chemawa Rd. NE
Keizer, OR 97303
503-856-3419
HR@KeizerOR.gov

The Administrator keeps the records for the Plan and is responsible for the administration of the Plan. The Administrator will also answer any questions you may have about our Plan. You may contact the Administrator for any further information about the Plan.

04. **Agent for Service of Legal Process**

Should it ever be necessary, you or your personal representative may serve legal process on the agent for service of legal process for the Plan. The Plan's Agent of Service is:

City of Keizer
930 Chemawa Rd. NE
Keizer, OR 97303
503-856-3419
HR@KeizerOR.gov

05. **Type of Administration**

The type of Administration is Employer Administration.

06. **Claims Submission**

Claims for expenses should be submitted to:

Professional Benefit Services, Inc.
1193 Royvonne Ave. SE Suite 22
Salem, OR 97302
800-982-2012

IX. ARTICLE - ADDITIONAL PLAN INFORMATION

01. Your Rights Under ERISA

As a participant in the Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA) and the Internal Revenue Code. These laws provide that Participants, eligible employees and all other employees are entitled to:

- a. examine, without charge, at the Plan Administrator's office, all Plan documents, including insurance contracts, collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor (also available at the Public Disclosure Room of the Employee Benefits Security Administration);
- b. obtain copies of all documents that govern the operations of the Plan, and other Plan information, upon written request to the Administrator. The Administrator may charge a reasonable fee for copies;
- c. continue health coverage for yourself, Spouse, or other dependents if there is a loss of coverage under the Plan as a result of a qualifying event. You or your dependents may have to pay for such coverage; and
- d. review this summary plan description and the documents governing COBRA continuation rights under the Plan.

In addition to creating rights for Plan Participants, ERISA imposes duties upon the people who are responsible for the operation of the Plan. The people who operate your Plan, who are called "fiduciaries" of the Plan, have a duty to do so prudently and in the best interest of you and the other Plan Participants and beneficiaries.

No one, including your employer or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a benefit or exercising your rights under ERISA.

If your claim for a benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a medical child support order, you may file suit in Federal court.

Under ERISA there are steps you can take to enforce the above rights. For instance, if you request materials from the Plan and do not receive them within thirty (30) days, you may file suit in a Federal court. In such a case, the court may request the Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court.

If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees; for example, if it finds your claim is frivolous.

If you have any questions about the Plan, you should contact the Administrator. If you have any questions about this statement, or about your rights under ERISA or the Health Insurance Portability and Accountability Act (HIPAA), or if you need assistance in obtaining documents from the Administrator, you should contact either the nearest Regional or District Office of the U.S. Department of Labor's Employee Benefits Security Administration (EBSA) or visit the EBSA website at www.dol.gov/ebsa/. (Addresses and phone numbers of Regional and District EBSA Offices are available through EBSA's website.) You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

02. Claims Process

It is recommended that you submit all reimbursement claims during the Plan Year. For information on how claims will be processed at the end of the Plan Year, please refer to the Article titled: "Benefit Payments".

Claims for insured benefits will be handled in accordance with procedures contained in the insurance policies. All other general requests should be directed to the Administrator of our Plan. If

a dependent care claim under the Plan is denied in whole or in part, you or your beneficiary will receive written notification. The notification will include the reasons for the denial, with reference to the specific provisions of the Plan on which the denial was based, a description of any additional information needed to process the claim and an explanation of the claims review procedure. Within 60 days after denial, you or your beneficiary may submit to the Administrator a written request for reconsideration of the denial.

Any such request should be accompanied by documents or records in support of your appeal. You or your beneficiary may review pertinent documents and submit issues and comments in writing. The Administrator will review the claim and provide, within 60 days, a written response to the appeal. (This period may be extended an additional 60 days under certain circumstances.) In this response, the Administrator will explain the reason for the decision, with specific reference to the provisions of the Plan on which the decision is based. The Administrator has the exclusive right to interpret the appropriate plan provisions. Decisions of the Administrator are conclusive and binding.

In the case of a claim for Medical Expenses under the Health Flexible Spending Account, the following timetable for claims applies:

Notification of whether claim is accepted or denied	30 days
Extension due to matters beyond the control of the Plan	15 days
Insufficient information on the claim:	
Notification of	15 days
Response by Participant	45 days
Review of claim denial	60 days

The Plan Administrator will provide written or electronic notification of any claim denial. The notice will state:

- a. The specific reason or reasons for the denial;
- b. Reference to the specific Plan provisions on which the denial was based;
- c. A description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary;
- d. A description of the Plan's review procedures and the time limits applicable to such procedures. This will include a statement of your right to bring a civil action under section 502 of ERISA following a denial on review;
- e. A statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the claim; and
- f. If the denial was based on an internal rule, guideline, protocol, or other similar criterion, the specific rule, guideline, protocol, or criterion will be provided free of charge. If this is not practical, a statement will be included that such a rule, guideline, protocol, or criterion was relied upon in making the denial and a copy will be provided free of charge to the claimant upon request.

When you receive a denial, you will have 180 days following receipt of the notification in which to appeal the decision. You may submit written comments, documents, records, and other information relating to the claim. If you request, you will be provided, free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the claim.

The period of time within which a denial on review is required to be made will begin at the time an appeal is filed in accordance with the procedures of the Plan. This timing is without regard to whether all the necessary information accompanies the filing.

A document, record, or other information shall be considered relevant to a claim if it:

- a. was relied upon in making the claim determination;
- b. was submitted, considered, or generated in the course of making the claim determination, without regard to whether it was relied upon in making the claim determination;
- c. demonstrated compliance with the administrative processes and safeguards designed to ensure and to verify that claim determinations are made in accordance with Plan documents and Plan provisions have been applied consistently with respect to all claimants; or

- d. constituted a statement of policy or guidance with respect to the Plan concerning the denied claim.

The review will take into account all comments, documents, records, and other information submitted by the claimant relating to the claim, without regard to whether such information was submitted or considered in the initial claim determination. The review will not afford deference to the initial denial and will be conducted by a fiduciary of the Plan who is neither the individual who made the adverse determination nor a subordinate of that individual.

03. **Qualified Medical Child Support Order**

A medical child support order is a judgment, decree or order (including approval of a property settlement) made under state law that provides for child support or health coverage for the child of a participant. The child becomes an "alternate recipient" and can receive benefits under the health plans of the Employer, if the order is determined to be "qualified." You may obtain, without charge, a copy of the procedures governing the determination of qualified medical child support orders from the Plan Administrator.

X. ARTICLE - CONTINUATION COVERAGE RIGHTS UNDER COBRA

Under the federal Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), certain employees and their families covered under health benefits under this Plan will be entitled to the opportunity to elect a temporary extension of health coverage (called "COBRA continuation coverage") beyond the time when coverage under the Plan would otherwise end. This notice is intended to inform Plan Participants and beneficiaries, in summary fashion, of their rights and obligations under the continuation coverage provisions of COBRA, as amended and reflected in final and proposed regulations published by the Department of the Treasury. This notice is intended to reflect the law and does not grant or take away any rights under the law.

The Plan Administrator or its designee is responsible for administering COBRA continuation coverage. Complete instructions on COBRA, as well as election forms and other information, will be provided by the Plan Administrator or its designee to Plan Participants who become Qualified Beneficiaries under COBRA. While the Plan itself is not a group health plan, it does provide health benefits. Whenever "Plan" is used in this section, it means any of the health benefits under this Plan including the Health Flexible Spending Account.

01. What is COBRA continuation coverage?

COBRA continuation coverage is the temporary extension of group health plan coverage that must be offered to certain Plan Participants and their eligible family members (called "Qualified Beneficiaries") at group rates. The right to COBRA continuation coverage is triggered by the occurrence of a life event that results in the loss of coverage under the terms of the Plan (the "Qualifying Event"). The coverage must be identical to the coverage that the Qualified Beneficiary had immediately before the Qualifying Event, or if the coverage has been changed, the coverage must be identical to the coverage provided to similarly situated active employees who have not experienced a Qualifying Event (in other words, similarly situated non-COBRA beneficiaries).

02. Who can become a Qualified Beneficiary?

In general, a Qualified Beneficiary can be:

- a. Any individual who, on the day before a Qualifying Event, is covered under a Plan by virtue of being on that day either a covered Employee, the Spouse of a covered Employee, or a Dependent child of a covered Employee. If, however, an individual who otherwise qualifies as a Qualified Beneficiary is denied or not offered coverage under the Plan under circumstances in which the denial or failure to offer constitutes a violation of applicable law, then the individual will be considered to have had the coverage and will be considered a Qualified Beneficiary if that individual experiences a Qualifying Event.
- b. Any child who is born to or placed for adoption with a covered Employee during a period of COBRA continuation coverage, and any individual who is covered by the Plan as an alternate recipient under a qualified medical support order. If, however, an individual who otherwise qualifies as a Qualified Beneficiary is denied or not offered coverage under the Plan under circumstances in which the denial or failure to offer constitutes a violation of applicable law, then the individual will be considered to have had the coverage and will be considered a Qualified Beneficiary if that individual experiences a Qualifying Event.

The term "covered Employee" includes any individual who is provided coverage under the Plan due to his or her performance of services for the employer sponsoring the Plan. However, this provision does not establish eligibility of these individuals. Eligibility for Plan coverage shall be determined in accordance with Plan Eligibility provisions.

An individual is not a Qualified Beneficiary if the individual's status as a covered Employee is attributable to a period in which the individual was a nonresident alien who received from the individual's Employer no earned income that constituted income from sources within the United States. If, on account of the preceding reason, an individual is not a Qualified Beneficiary, then a Spouse or Dependent child of the individual will also not be considered a Qualified Beneficiary by virtue of the relationship to the individual. A domestic partner is not a Qualified Beneficiary.

Each Qualified Beneficiary (including a child who is born to or placed for adoption with a covered Employee during a period of COBRA continuation coverage) must be offered the opportunity to make an independent election to receive COBRA continuation coverage.

03. What is a Qualifying Event?

A Qualifying Event is any of the following if the Plan provides that the Plan participant will lose coverage (i.e., cease to be covered under the same terms and conditions as in effect immediately before the Qualifying Event) in the absence of COBRA continuation coverage:

- a. The death of a covered Employee.

- b. The termination (other than by reason of the Employee's gross misconduct), or reduction of hours, of a covered Employee's employment.
- c. The divorce or legal separation of a covered Employee from the Employee's Spouse. If the Employee reduces or eliminates the Employee's Spouse's Plan coverage in anticipation of a divorce or legal separation, and a divorce or legal separation later occurs, then the divorce or legal separation may be considered a Qualifying Event even though the Spouse's coverage was reduced or eliminated before the divorce or legal separation.
- d. A covered Employee's enrollment in any part of the Medicare program.
- e. A Dependent child's ceasing to satisfy the Plan's requirements for a Dependent child (for example, attainment of the maximum age for dependency under the Plan).

If the Qualifying Event causes the covered Employee, or the covered Spouse or a Dependent child of the covered Employee, to cease to be covered under the Plan under the same terms and conditions as in effect immediately before the Qualifying Event, the persons losing such coverage become Qualified Beneficiaries under COBRA if all the other conditions of COBRA are also met. For example, any increase in contribution that must be paid by a covered Employee, or the Spouse, or a Dependent child of the covered Employee, for coverage under the Plan that results from the occurrence of one of the events listed above is a loss of coverage.

The taking of leave under the Family and Medical Leave Act of 1993 ("FMLA") does not constitute a Qualifying Event. A Qualifying Event will occur, however, if an Employee does not return to employment at the end of the FMLA leave and all other COBRA continuation coverage conditions are present. If a Qualifying Event occurs, it occurs on the last day of FMLA leave and the applicable maximum coverage period is measured from this date (unless coverage is lost at a later date and the Plan provides for the extension of the required periods, in which case the maximum coverage date is measured from the date when the coverage is lost.) Note that the covered Employee and family members will be entitled to COBRA continuation coverage even if they failed to pay the employee portion of premiums for coverage under the Plan during the FMLA leave.

04. **What factors should be considered when determining to elect COBRA continuation coverage?**

You should take into account that a failure to continue your group health coverage will affect your rights under federal law. You should be aware that you have special enrollment rights under federal law (HIPAA). You have the right to request special enrollment in another group health plan for which you are otherwise eligible (such as a plan sponsored by your Spouse's employer) within 30 days after Plan coverage ends due to a Qualifying Event listed above. You will also have the same special right at the end of COBRA continuation coverage if you get COBRA continuation coverage for the maximum time available to you.

05. **What is the procedure for obtaining COBRA continuation coverage?**

The Plan has conditioned the availability of COBRA continuation coverage upon the timely election of such coverage. An election is timely if it is made during the election period.

06. **What is the election period and how long must it last?**

The election period is the time period within which the Qualified Beneficiary must elect COBRA continuation coverage under the Plan. The election period must begin no later than the date the Qualified Beneficiary would lose coverage on account of the Qualifying Event and ends 60 days after the later of the date the Qualified Beneficiary would lose coverage on account of the Qualifying Event or the date notice is provided to the Qualified Beneficiary of her or his right to elect COBRA continuation coverage. If coverage is not elected within the 60 day period, all rights to elect COBRA continuation coverage are forfeited.

07. **Is a covered Employee or Qualified Beneficiary responsible for informing the Plan Administrator of the occurrence of a Qualifying Event?**

The Plan will offer COBRA continuation coverage to Qualified Beneficiaries only after the Plan Administrator or its designee has been timely notified that a Qualifying Event has occurred. The Employer (if the Employer is not the Plan Administrator) will notify the Plan Administrator or its designee of the Qualifying Event within 30 days following the date coverage ends when the Qualifying Event is:

- a. the end of employment or reduction of hours of employment,
- b. death of the employee,
- c. commencement of a proceeding in bankruptcy with respect to the Employer, or
- d. entitlement of the employee to any part of Medicare.

IMPORTANT:

For the other Qualifying Events (divorce or legal separation of the employee and spouse or a dependent child's losing eligibility for coverage as a dependent child), you or someone on your behalf must notify the Plan Administrator or its designee in writing within 60 days after the Qualifying Event occurs, using the procedures specified below. If these procedures are not followed or if the notice is not provided in writing to the Plan Administrator or its designee during the 60-day notice period, any spouse or dependent child who loses coverage will not be offered the option to elect continuation coverage. You must send this notice to the Plan Administrator or its designee.

NOTICE PROCEDURES: Any notice that you provide must be *in writing*. Oral notice, including notice by telephone, is not acceptable. You must mail, fax or hand-deliver your notice to the person, department or firm listed below, at the following address:

Professional Benefit Services, Inc.

1193 Royvonne Ave. SE Suite 22
Salem, OR 97302
800-982-2012

If mailed, your notice must be postmarked no later than the last day of the required notice period. Any notice you provide must state:

- the **name of the plan or plans** under which you lost or are losing coverage,
- the **name and address of the employee** covered under the plan,
- the **name(s) and address(es) of the Qualified Beneficiary(ies)**, and
- the **Qualifying Event** and the **date** it happened.

If the Qualifying Event is a **divorce or legal separation**, your notice must include **a copy of the divorce decree or the legal separation agreement**.

Be aware that there are other notice requirements in other contexts, for example, in order to qualify for a disability extension.

Once the Plan Administrator or its designee receives *timely notice* that a Qualifying Event has occurred, COBRA continuation coverage will be offered to each of the qualified beneficiaries. Each Qualified Beneficiary will have an independent right to elect COBRA continuation coverage. Covered employees may elect COBRA continuation coverage for their spouses, and parents may elect COBRA continuation coverage on behalf of their children. For each Qualified Beneficiary who elects COBRA continuation coverage, COBRA continuation coverage will begin on the date that plan coverage would otherwise have been lost. If you or your spouse or dependent children do not elect continuation coverage within the 60-day election period described above, the right to elect continuation coverage will be lost.

08. **Is a waiver before the end of the election period effective to end a Qualified Beneficiary's election rights?**

If, during the election period, a Qualified Beneficiary waives COBRA continuation coverage, the waiver can be revoked at any time before the end of the election period. Revocation of the waiver is an election of COBRA continuation coverage. However, if a waiver is later revoked, coverage need not be provided retroactively (that is, from the date of the loss of coverage until the waiver is revoked). Waivers and revocations of waivers are considered made on the date they are sent to the Plan Administrator or its designee, as applicable.

09. **Is COBRA coverage available if a Qualified Beneficiary has other group health plan coverage or Medicare?**

Qualified Beneficiaries who are entitled to elect COBRA continuation coverage may do so even if they are covered under another group health plan or are entitled to Medicare benefits on or before the date on which COBRA is elected. However, a Qualified Beneficiary's COBRA coverage will terminate automatically if, after electing COBRA, they become entitled to Medicare or becomes covered under other group health plan coverage (but only after any applicable preexisting condition exclusions of that other plan have been exhausted or satisfied).

10. **When may a Qualified Beneficiary's COBRA continuation coverage be terminated?**

During the election period, a Qualified Beneficiary may waive COBRA continuation coverage. Except for an interruption of coverage in connection with a waiver, COBRA continuation coverage that has been elected for a Qualified Beneficiary must extend for at least the period beginning on the date of the Qualifying Event and ending not before the earliest of the following dates:

- a. The last day of the applicable maximum coverage period.
- b. The first day for which Timely Payment is not made to the Plan with respect to the Qualified Beneficiary.
- c. The date upon which the Employer ceases to provide any group health plan (including a successor plan) to any employee.
- d. The date, after the date of the election, that the Qualified Beneficiary first becomes covered under any other Plan that does not contain any exclusion or limitation with respect to any pre-existing condition, other than such an exclusion or limitation that does not apply to, or is satisfied by, the Qualified Beneficiary.
- e. The date, after the date of the election, that the Qualified Beneficiary first becomes entitled to Medicare (either part A or part B, whichever occurs earlier).
- f. In the case of a Qualified Beneficiary entitled to a disability extension, the later of:
 1. (i) 29 months after the date of the Qualifying Event, or (ii) the first day of the month that is more than 30 days after the date of a final determination under Title II or XVI of the Social Security Act that the disabled Qualified Beneficiary whose disability resulted in the Qualified Beneficiary's entitlement to the disability extension is no longer disabled, whichever is earlier; or
 2. the end of the maximum coverage period that applies to the Qualified Beneficiary without regard to the disability extension.

The Plan can terminate for cause the coverage of a Qualified Beneficiary on the same basis that the Plan terminates for cause the coverage of similarly situated non-COBRA beneficiaries, for example, for the submission of a fraudulent claim.

In the case of an individual who is not a Qualified Beneficiary and who is receiving coverage under the Plan solely because of the individual's relationship to a Qualified Beneficiary, if the Plan's obligation to make COBRA continuation coverage available to the Qualified Beneficiary ceases, the Plan is not obligated to make coverage available to the individual who is not a Qualified Beneficiary.

11. What are the maximum coverage periods for COBRA continuation coverage?

The maximum coverage periods are based on the type of the Qualifying Event and the status of the Qualified Beneficiary, as shown below.

- a. In the case of a Qualifying Event that is a termination of employment or reduction of hours of employment, the maximum coverage period ends 18 months after the Qualifying Event if there is not a disability extension and 29 months after the Qualifying Event if there is a disability extension.
- b. In the case of a covered Employee's enrollment in the Medicare program before experiencing a Qualifying Event that is a termination of employment or reduction of hours of employment, the maximum coverage period for Qualified Beneficiaries other than the covered Employee ends on the later of:
 1. 36 months after the date the covered Employee becomes enrolled in the Medicare program; or
 2. 18 months (or 29 months, if there is a disability extension) after the date of the covered Employee's termination of employment or reduction of hours of employment.
- c. In the case of a Qualified Beneficiary who is a child born to or placed for adoption with a covered Employee during a period of COBRA continuation coverage, the maximum coverage period is the maximum coverage period applicable to the Qualifying Event giving rise to the period of COBRA continuation coverage during which the child was born or placed for adoption.
- d. In the case of any other Qualifying Event than that described above, the maximum coverage period ends 36 months after the Qualifying Event.

12. Under what circumstances can the maximum coverage period be expanded?

If a Qualifying Event that gives rise to an 18-month or 29-month maximum coverage period is followed, within that 18- or 29-month period, by a second Qualifying Event that gives rise to a 36-months maximum coverage period, the original period is expanded to 36 months, but only for individuals who are Qualified Beneficiaries at the time of and with respect to both Qualifying Events. In no circumstance can the COBRA maximum coverage period be expanded to more than 36 months after the date of the first Qualifying Event. The Plan Administrator must be notified of the second qualifying event within 60 days of the second qualifying event. This notice must be

sent to the Plan Administrator or its designee in accordance with the procedures above.

13. How does a Qualified Beneficiary become entitled to a disability extension?

A disability extension will be granted if an individual (whether or not the covered Employee) who is a Qualified Beneficiary in connection with the Qualifying Event that is a termination or reduction of hours of a covered Employee's employment, is determined under Title II or XVI of the Social Security Act to have been disabled at any time during the first 60 days of COBRA continuation coverage. To qualify for the disability extension, the Qualified Beneficiary must also provide the Plan Administrator with notice of the disability determination on a date that is both within 60 days after the date of the determination and before the end of the original 18-month maximum coverage. This notice must be sent to the Plan Administrator or its designee in accordance with the procedures above.

14. Does the Plan require payment for COBRA continuation coverage?

For any period of COBRA continuation coverage under the Plan, Qualified Beneficiaries who elect COBRA continuation coverage may be required to pay up to 102% of the applicable premium and up to 150% of the applicable premium for any expanded period of COBRA continuation coverage covering a disabled Qualified Beneficiary due to a disability extension. Your Plan Administrator will inform you of the cost. The Plan will terminate a Qualified Beneficiary's COBRA continuation coverage as of the first day of any period for which timely payment is not made.

15. Must the Plan allow payment for COBRA continuation coverage to be made in monthly installments?

Yes. The Plan is also permitted to allow for payment at other intervals.

16. What is Timely Payment for COBRA continuation coverage?

Timely Payment means a payment made no later than 30 days after the first day of the coverage period. Payment that is made to the Plan by a later date is also considered Timely Payment if either under the terms of the Plan, covered Employees or Qualified Beneficiaries are allowed until that later date to pay for their coverage for the period or under the terms of an arrangement between the Employer and the entity that provides Plan benefits on the Employer's behalf, the Employer is allowed until that later date to pay for coverage of similarly situated non-COBRA beneficiaries for the period.

Notwithstanding the above paragraph, the Plan does not require payment for any period of COBRA continuation coverage for a Qualified Beneficiary earlier than 45 days after the date on which the election of COBRA continuation coverage is made for that Qualified Beneficiary. Payment is considered made on the date on which it is postmarked to the Plan.

If Timely Payment is made to the Plan in an amount that is not significantly less than the amount the Plan requires to be paid for a period of coverage, then the amount paid will be deemed to satisfy the Plan's requirement for the amount to be paid, unless the Plan notifies the Qualified Beneficiary of the amount of the deficiency and grants a reasonable period of time for payment of the deficiency to be made. A "reasonable period of time" is 30 days after the notice is provided. A shortfall in a Timely Payment is not significant if it is no greater than the lesser of \$50 or 10% of the required amount.

17. Are there other coverage options besides COBRA Continuation Coverage?

Yes. Instead of enrolling in COBRA continuation coverage, there may be other coverage options for you and your family through the Health Insurance Marketplace, Medicaid, or other group health plan coverage options (such as a spouse's plan) through what is called a "special enrollment period." Some of these options may cost less than COBRA continuation coverage. You can learn more about many of these options at www.healthcare.gov.

18. Must a Qualified Beneficiary be given the right to enroll in a conversion health plan at the end of the maximum coverage period for COBRA continuation coverage?

If a Qualified Beneficiary's COBRA continuation coverage under a group health plan ends as a result of the expiration of the applicable maximum coverage period, the Plan will, during the 180-day period that ends on that expiration date, provide the Qualified Beneficiary with the option of enrolling under a conversion health plan if such an option is otherwise generally available to similarly situated non-COBRA beneficiaries under the Plan. If such a conversion option is not otherwise generally available, it need not be made available to Qualified Beneficiaries.

19. How is my participation in the Health Flexible Spending Account affected?

You can elect to continue your participation in the Health Flexible Spending Account for the remainder of the Plan Year, subject to the following conditions. You may only continue to participate in the Health Flexible Spending Account if you have elected to contribute more money than you have taken out in claims. For example, if you elected to contribute an annual amount of

\$750 and, at the time you terminate employment, you have contributed \$400 but only claimed \$200, you may elect to continue coverage under the Health Flexible Spending Account. If you elect to continue coverage, then you would be able to continue to receive your health reimbursements up to the \$750. However, you must continue to pay for the coverage, just as the money has been taken out of your paycheck, but on an after-tax basis. The Plan can also charge you an extra amount (as explained above for other health benefits) to provide this benefit.

IF YOU HAVE QUESTIONS

If you have questions about your COBRA continuation coverage, you should contact the Plan Administrator or its designee. For more information about your rights under ERISA, including COBRA, the Health Insurance Portability and Accountability Act (HIPAA), and other laws affecting group health plans, contact the nearest Regional or District Office of the U.S. Department of Labor's Employee Benefits Security Administration (EBSA). Addresses and phone numbers of Regional and District EBSA Offices are available through EBSA's website at www.dol.gov/ebsa.

KEEP YOUR PLAN ADMINISTRATOR INFORMED OF ADDRESS CHANGES

In order to protect your and your family's rights, you should keep the Plan Administrator informed of any changes in the addresses of family members. You should also keep a copy, for your records, of any notices you send to the Plan Administrator or its designee.

Attachment A

****HIPAA NOTICE OF PRIVACY PRACTICES****

THIS NOTICE DESCRIBES HOW MEDICAL INFORMATION ABOUT YOU MAY BE USED AND DISCLOSED AND HOW YOU CAN GET ACCESS TO THIS INFORMATION. PLEASE REVIEW IT CAREFULLY.

Purpose

This notice is intended to inform you of the privacy practices followed by the Company's group health Plan. It also explains the Federal privacy rights afforded to you and the members of your family as Plan Participants covered under a group health plan.

As a Plan sponsor we often need access to health information in order to perform Plan Administrator functions. We want to assure the Plan Participants covered under our group health plan that we comply with Federal privacy laws and respect your right to privacy. We require all members of our workforce and third parties that are provided access to health information to comply with the privacy practices outlined below.

Your Rights

You have the right to:

- Get a copy of your health and claims records
- Correct your health and claims records
- Request confidential communication
- Ask us to limit the information we share
- Get a list of those with whom we've shared your information
- Get a copy of this privacy notice
- Choose someone to act for you
- File a complaint if you believe your privacy rights have been violated

Your Choices

You have some choices in the way that we use and share information as we:

- Answer coverage questions from your family and friends
- Provide disaster relief
- Market our services and sell your information

Our Uses and Disclosures

We may use and share your information as we:

- Help manage the health care treatment you receive
- Run our organization
- Pay for your health services
- Administer your health plan
- Help with public health and safety issues
- Do research
- Comply with the law
- Respond to organ and tissue donation requests and work with a medical examiner or funeral director
- Address workers' compensation, law enforcement, and other government requests
- Respond to lawsuits and legal actions

To the extent that we have your substance use disorder patient records, subject to 42 CFR part 2, we will not share that information for investigations or legal proceedings against you without (1) your written consent or (2) a court order and a subpoena.

Your Rights

When it comes to your health information, you have certain rights. This section explains your rights and some of our responsibilities to help you.

Get a copy of health and claims records

- You can ask to see or get a copy of your health and claims records and other health information we have about you. Ask us how to do this.
- We will provide a copy or a summary of your health and claims records, usually within 30 days of your request. We may charge a reasonable, cost-based fee.

Ask us to correct health and claims records

- You can ask us to correct your health and claims records if you think they are incorrect or incomplete. Ask us how to do this.
- We may say "no" to your request, but we'll tell you why in writing within 60 days.

Request confidential communications

- You can ask us to contact you in a specific way (for example, home, office, or mobile phone) or to send mail to a different address.
- We will consider all reasonable requests, and must say “yes” if you tell us you would be in danger if we do not.

Ask us to limit what we use or share

- You can ask us not to use or share certain health information for treatment, payment, or our operations.
- We are not required to agree to your request, and we may say “no,” for example, if it could affect your care. If we agree to your request, we may still share this information in the event that you need emergency treatment.

Get a list of those with whom we’ve shared information

- You can ask for a list (accounting) of the times we’ve shared your health information for six years prior to the date you ask, who we shared it with, and why.
- We will include all the disclosures except for those about treatment, payment, and health care operations, and certain other disclosures (such as any you asked us to make). We’ll provide one accounting a year for free but will charge a reasonable, cost-based fee if you ask for another one within 12 months.

Get a copy of this privacy notice

You can ask for a paper copy of this notice at any time, even if you have agreed to receive the notice electronically. We will provide you with a paper copy promptly.

Choose someone to act for you

- If someone has authority to act as your personal representative, such as if someone has your medical power of attorney or if someone is your legal guardian, that person can exercise your rights and make choices about your health information.
- We will make sure the person has this authority and can act for you before we take any action.

File a complaint if you feel your rights are violated

- You can complain if you feel we have violated your rights by contacting us using the information on page 1.
- You can file a complaint with the U.S. Department of Health and Human Services Office for Civil Rights by sending a letter to 200 Independence Avenue, S.W., Washington, D.C. 20201, calling 1-877-696-6775, or visiting <https://www.hhs.gov/hipaa/filing-a-complaint/index.html>.
- We will not retaliate against you for filing a complaint.

Your Choices

For certain health information, you can tell us your choices about what we share. If you have a clear preference for how we share your information in the situations described below, talk to us. Tell us what you want us to do, and we will follow your instructions.

In these cases, you have both the right and choice to tell us to:

- Share information with your family, close friends, or others involved in payment for your care
- Share information in a disaster relief situation

If you are not able to tell us your preference, for example if you are unconscious, we may go ahead and share your information if we believe it is in your best interest. We may also share your information when needed to lessen a serious and imminent threat to health or safety.

In these cases we *never* share your information unless you give us written permission:

- Marketing purposes
- Sale of your information

Our Uses and Disclosures

How do we typically use or share your health information?

We typically use or share your health information in the following ways.

Help manage the health care treatment you receive

We can use your health information and share it with professionals who are treating you.

Example: A doctor sends us information about your diagnosis and treatment plan so we can arrange additional services.

Run our organization

- We can use and disclose your information to run our organization and contact you when necessary.
- We are not allowed to use genetic information to decide whether we will give you coverage and the price of that coverage. This does not apply to long term care plans.

Example: We use health information about you to develop better services for you.

Pay for your health services

We can use and disclose your health information as we pay for your health services.

Example: We share information about you with your dental plan to coordinate payment for your dental work.

Administer your plan

We may disclose your health information to your health plan sponsor for plan administration.

Example: Your company contracts with us to provide a health plan, and we provide your company with certain statistics to explain the premiums we charge.

How else can we use or share your health information?

We are allowed or required to share your information in other ways – usually in ways that contribute to the public good, such as public health and research. We have to meet many conditions in the law before we can share your information for these purposes. And in all cases, if we have substance use disorder patient records about you, subject to 42 CFR part 2, we cannot use or share information in those records in civil, criminal, administrative, or legislative investigations or proceedings against you without (1) your consent or (2) a court order and a subpoena.

Help with public health and safety issues

We can share health information about you for certain situations such as:

- Preventing disease
- Helping with product recalls
- Reporting adverse reactions to medications
- Reporting suspected abuse, neglect, or domestic violence
- Preventing or reducing a serious threat to anyone's health or safety

Do research

We can use or share your information for health research.

Comply with the law

We will share information about you if state or federal laws require it, including with the Department of Health and Human Services if it wants to see that we're complying with federal privacy law.

Respond to organ and tissue donation requests and work with a medical examiner or funeral director

- We can share health information about you with organ procurement organizations.
- We can share health information with a coroner, medical examiner, or funeral director when an individual dies.

Address workers' compensation, law enforcement, and other government requests

We can use or share health information about you:

- For workers' compensation claims
- For law enforcement purposes or with a law enforcement official
- With health oversight agencies for activities authorized by law
- For special government functions such as military, national security, and presidential protective services

Respond to lawsuits and legal actions

We can share health information about you in response to a court or administrative order, or in response to a subpoena.

Our Responsibilities

- We are required by law to maintain the privacy and security of your protected health information.
- We will let you know promptly if a breach occurs that may have compromised the privacy or security of your information.
- We must follow the duties and privacy practices described in this notice and give you a copy of it.
- We will not use or share your information other than as described in this notice unless you tell us we can in writing. If you tell us we can, you may change your mind at any time. Let us know in writing if you change your mind.

For more information see: www.hhs.gov/ocr/privacy/hipaa/understanding/consumers/noticepp.html.

Legal Information

The Company is required by law to protect the privacy of your information, provide this notice about information practices, and follow the information practices that are described in this notice.

We may change our policies at any time. Before we make a significant change in our policies, we will provide you with a revised copy of this notice. You can also request a copy of our current notice at any time. For more information about our privacy practices, contact the person listed below:

City of Keizer
Kristen Meyers
930 Chemawa Rd. NE
Keizer, OR 97303
503-856-3419
HR@KeizerOR.gov

If you have any questions or complaints, please contact the Plan Administrator listed under the Article titled: "General Information About Our Plan".

Filing a Complaint If you are concerned that we have violated your privacy rights, or you disagree with a decision we made about access to your records, you may contact the person listed above. You also may send a written complaint to the U.S. Department of Health and Human Services; Office of Civil Rights. The person listed above can provide you with the appropriate address upon request or you may visit www.hhs.gov/ocr for further information.



To: Mayor Clark and City Council Members
Thru: Adam J. Brown, City Manager
From: Adam Brown, City Manager
Subject: Public Art Master Plan Amendment

Proposed Motion

I move that the Keizer City Council adopt Resolution R2026-___ Amending the 2020-2030 Public Art Master Plan; Repeal of Resolution R2026-3653.

I. Summary

The City Council is being asked to amend the 2020–2030 Keizer Public Art Master Plan to allow the City to provide approved paint and required non-slip additives/materials for street art projects and to provide a stipend to the artist. The amendment would align program implementation with recent KPAC budget discussions and the current street art project timeline, while maintaining Public Works review of street painting locations and materials.

II. Background

- A. The City Council adopted the revised 2020–2030 Public Art Master Plan in March 2026 as a guiding document for City efforts to promote public art throughout Keizer. The adopted Plan includes the Keizer Street Art Painting Program as Appendix 4.
- B. The Public Art Master Plan guides public art acquisition, program criteria, collection documentation, and maintenance practices, and programmatic costs are handled within the annual Council-approved KPAC budget.
- C. Current Appendix 4 states that applicants must include a list of paint colors and non-slip paint additives, and then states, “The City does not provide paint.”
- D. Street painting requires roadway/right-of-way-appropriate paint with a special additive for slip resistance to meet applicable slip-resistance requirements. Prior street art materials also state that only approved paint can be used and that non-slip additive must be mixed into paint used on the roadway surface.
- E. The Public Arts Commission budget materials show that KPAC’s FY 2025–26 annual budget was \$6,000, including a \$2,000 allocation for a potential street art grant, with \$0 spent from that street art allocation as of May 15, 2026.
- F. Public Arts Commission discussion on May 19, 2026 indicated that the Commission

had set aside \$2,000 to execute one street art project, primarily to pay for paint, and that special paint could cost up to \$2,000 depending on project needs and donations.

- G. The June 23, 2026 Public Arts Commission materials included an item to consider amending the KPAC Master Plan Street Art Program for the City to provide paint. The June 23 materials also included a pending street art application from Rachel Wood for Newberg Street with proposed paint dates of July 27–31, 2026, and optional additional dates of August 10–14, 2026.
- H. At the June 23, 2026 KPAC meeting, a motion was made and seconded to pay for paint and supplies for the Street Art Program and provide a \$200 stipend to the accepted artist, with a cap of \$1,000.

III. **Current Situation**

- A. The current Street Art Painting Program language requires applicants to identify paint colors and non-slip additives, but expressly states that the City does not provide paint.
- B. A street art project is currently moving forward through the program review process, and the submitted application identifies Newberg Street as the proposed location and late July 2026 as the proposed painting schedule.
- C. Under Keizer Code Section 12-29, locations for the street painting program must be approved by the Public Works Department. The current Appendix 4 process also provides for KPAC review, Public Works review, Keizer Police Department review, and Public Works provision of the traffic control plan and traffic control devices.
- D. Council action on the proposed amendment would clarify whether approved paint and required non-slip additives/materials may be provided by the City for street art projects, and allows a stipend to be paid to the artist subject to budget availability and Public Works specifications.

IV. **Analysis**

- A. **Strategic Impact** - The Strategic Plan includes a goal to adopt the Keizer Public Arts Master Plan. That plan was adopted, but a revision is being requested due to the oversight of not including the cost of paint for the street art.
- B. **Financial** - Adoption of the amendment itself does not create a separate appropriation. Paint and material costs would be paid from the existing Council-approved KPAC budget or other available or donated funds. KPAC's FY 2025–26 budget was \$6,000, including a \$2,000 allocation for a potential street art grant and \$2,451.56 remaining as of May 15, 2026. Recent KPAC discussion identified the \$2,000 street art set-aside as intended to help execute one street art project and primarily pay for paint. The project will need a supplemental budget to continue the project in the 2026-2027 fiscal year.
- C. **Timing** - The amendment is time-sensitive because a street art application is

pending with proposed painting dates beginning July 27, 2026. Clarifying paint responsibility at the July 6, 2026 City Council meeting would allow staff, KPAC, Public Works, the applicant, and neighborhood partners to finalize materials and logistics before the proposed installation period.

- D. **Policy/Legal** - The City Council adopted the Public Art Master Plan as a guiding document, and the adoption resolution provides that certain appendix revisions may be made without further Council action if they do not conflict with the Public Art and Public Murals section of the Keizer Code. Keizer Code Section 12-29 assigns approval of street painting program locations to the Public Works Department, and Section 12-24 assigns KPAC responsibility for reviewing public art applications and applying review criteria. The amendment should be limited to funding and material support and should not change the existing design, location, safety, traffic control, or maintenance review process.

V. Alternatives

- A. Alternative A: Adopt the attached resolution approving the amendment as proposed, allowing the City to provide approved paint and required non-slip additives/materials for street art projects and a stipend to the artist, subject to budget availability and Public Works specifications.
- B. Take No Action: The current language would remain unchanged and would continue to state that the City does not provide paint.

VI. Recommendation

Staff recommends that the City Council adopt the attached resolution approving the amended 2020–2030 Keizer Public Art Master Plan to provide that the City may provide approved paint and required non-slip additives/materials for street art projects and a stipend to the artist, subject to budget availability and Public Works specifications.

Attachments

1. RES_CC_Adopting 2020-2030 Public Art Master Plan_7 6 2026
2. ATT_2020-2030 Master Plan - Art_7 6 2026

CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

Resolution R2026-_____

AMENDING THE 2020-2030 PUBLIC ART MASTER PLAN; REPEAL OF
RESOLUTION R2026-3653

WHEREAS, the City adopted the 2020-2030 Public Art Master Plan by
Resolution R2026-3653;

WHEREAS, the Keizer Public Arts Commission wishes to revise the Master Plan
for the Keizer Public Arts Commission to include expenditures for the street art painting
program and stipend for the artist;

WHEREAS, the Council has considered the request and wishes to support its
continued commitment to public art throughout the City;

NOW, THEREFORE,

BE IT RESOLVED that the City Council of the City of Keizer hereby adopts the
2020-2030 Public Art Master Plan attached hereto and by this reference incorporated
herein to be used as a guiding document to be used by the City in its efforts to promote
public art throughout the City.

BE IT FURTHER RESOLVED that revisions can be made to Appendix 4,
Appendix 5, and Appendix 6 at any time without further Council action so long as it
does not conflict with the Public Art and Public Murals section of the Keizer Code.

1 BE IT FURTHER RESOLVED that Resolution R2026-3653 is hereby repealed in
2 its entirety.

3 BE IT FURTHER RESOLVED that this Resolution shall take effect immediately
4 upon the date of its passage.

5 PASSED this _____ day of _____, 2026.

6
7 SIGNED this _____ day of _____, 2026.

8
9

10

11

12

13

14

Mayor

City Recorder

KEIZER PUBLIC ARTS COMMISSION

2020-2030 PUBLIC ART MASTER PLAN

REVISED 07/06/2026



Cover Art: Isabella Biondi
Keizer Arts Commission Student Liaison, 2020–2021

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9. APPENDIX 3 – Chapter 12 Rules for the Code for Public Art and Public Murals
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I. Purpose Statement

The Keizer Public Arts Commission is established to serve in an advisory capacity to the Keizer City Council to foster community pride, celebrate our shared spirit, and honor the volunteerism that defines our city by promoting and supporting public art that enriches our cultural landscape, inspires creativity, and reflects the unique character of Keizer. Through collaboration with artists, residents, and volunteers, we seek to make art accessible to all and to create vibrant spaces that connect people, tell our stories, and strengthen our community identity.

The Commission will advise the City Council about establishing policies relating to all Public Art Programs. The Commission will review, evaluate, select, and document all Public Art Initiatives. The Commission will have final approval for the selection of all Public Art within the City.

The Commission will establish policies and criteria on which to base review and selection of Public Art. The criteria shall include, but are not limited to, artistic quality, originality, context, permanence, diversity, feasibility, scale and community support.

At a minimum, the policies for the placement of Public Art shall include any policies adopted by City Council Ordinance or Resolution. The Commission may recommend a budget with estimated expenditures and/or income associated with the Public Art Program to the Finance Director annually for the ensuing fiscal year.

II. Executive Summary

This Master Plan outlines the vision, framework, and operational procedures of the Keizer Public Arts Commission (KPAC). It is designed to align with the City of Keizer's values and strategic goals, as informed by community input and stakeholder collaboration.

Public art enriches cities culturally, socially, and economically. It reflects our shared history, celebrates our evolving identity, and transforms public spaces into meaningful places. In Keizer, public art is a vital expression of community pride and creativity. It connects generations, disciplines, and ideas—making art accessible to all and embedding it into the fabric of civic life.

By integrating artists into the planning and design of public spaces, KPAC ensures that Keizer's built environment is not only functional but also inspiring. This plan affirms our commitment to cultivating a distinct sense of place through art that honors our heritage and invites future innovation.

III. ADOPTED ART INITIATIVES

Exterior Street Sculptures - (see Appendix 2 for full information)

- An artist may apply for placement of public art at other locations, including, but not limited to, statues and sculptures outdoors.
- Artwork must not interfere with City-owned displayed art.
- The Keizer Public Arts Commission (KPAC) shall review each application and supporting materials.
- Public art, other than art placed at the Keizer Civic Center, may only be placed at locations approved by the city council. This category includes, but is not limited to, public statues or sculptures located in council-approved areas where the city has been granted license or easement rights, or in public right-of-way areas.
- Property owners will be required to enter into an Art License prior to installation of Public Art and such Art License shall be placed before the Keizer City Council for authorization.
- City will insure Public Art such as public statues and sculptures in an amount the Artist and City agree to in the Agreement for Exhibition of Property. The maximum liability to the City shall be \$25,000.00 per individual art piece.
- An annual honorarium may be paid to the Artist for long term loan of original art.

Murals/Insta Art/ Tile Murals – (see Appendix 2 for full information)

- Artwork must not interfere with City-owned displayed art.
- A Public Mural may not include any words, pictures, or symbols that may be considered advertising for any business, entity, or location where the Public Mural is affixed.
- Art design must be submitted and approved by Keizer Public Arts Commission and artists will be required to enter into an Agreement for Exhibition of Property prior to installation.
- Public art, other than art placed at the Keizer Event Center, may only be placed at locations approved by the city council. in-approved areas where the city has been granted license or easement rights, or in public right-of-way areas.
- Property owners will be required to enter into an Art Easement prior to installation of a Public Mural, and such Art Easement shall be placed before the Keizer City Council for authorization.
- City will insure Public Murals in the City of Keizer. The maximum liability to the City shall be \$10,000.00 per Public Mural.

Interior Art Exhibitions (see Appendix 2 for full information)

- Keizer Public Arts Commission shall be responsible for maintaining rotating local art exhibitions in the Keizer Civic Center Galleries.
- Any artist may apply for placement of public art in the Keizer Civic Center Galleries.
- The Keizer Public Arts Commission shall review each application and supporting materials for approval of art.
- Only City staff, authorized Keizer Art Association members, or authorized volunteers are permitted to install and uninstall Artwork in the Keizer Community Center

- Regardless of market value, the maximum liability to the City shall be \$3,000 per individual art piece or \$50,000 per exhibition. An exhibition means all Artwork displayed in the Keizer Civic Center at the same time, but does not include City-owned displayed art.
- Artist will be required to enter into an Agreement for Exhibition of Property prior to City staff installing property for display.

Utility Box Wraps -

- The Keizer Public Arts Commission (KPAC) has oversight over the utility box wrap initiative. Artists of all ages can submit original artwork to be wrapped around utility boxes in Keizer, Oregon.
- Selected artwork would need to be electronically provided (digitalized pattern) in a high enough resolution and aspect ratio for it to be printed in a large scale so that it could be wrapped around a utility box. The resolution needs to be at least 600 dpi.
- Generally, the print area should be close to 115.5 inches wide and 58 inches tall. The aspect ratio varies a little depending upon the age of the utility boxes.
- If the Keizer Public Arts Commission has accepted your artwork to be wrapped around a utility box in Keizer and provided that your artwork conforms to the above specifications, you would enter into a contract with the City for the City to purchase your electronic design for \$200.
- KPAC has limited budget to pay for utility box wraps annually, the wraps cost approximately \$1,000, and anyone could sponsor a wrap.

Street Art (see Appendix 4 for full information)

- The Keizer Street Painting program encourages creativity of art using the street asphalt as a canvas. Approved art proposals can be painted directly onto the local streets of Keizer. The community itself chooses and installs the creation. This art is not intended to be a traffic control device, but rather to beautify and identify a neighborhood.
- Street paintings can be applied to any street designated by the city of Keizer as being a local street within the Keizer Transportation System Plan
- Design acceptance is determined by KPAC. Local artists' work is encouraged to be used for this application. The art must be an original and not a copy of some other art. An Artist Waiver to Rights needs to be signed and submitted to the City.
- Designs cannot cover existing pavement markings, or extend beyond the street surface to curbs, sidewalks and other features.
- If the Keizer Public Arts Commission has permitted the street art, the accepted artist will be paid a \$200 stipend.
- KPAC has limited budget to pay for street art, KPAC will pay for paint and supplies for the Street Art program with a cap of \$1,000 per project.
- The city will not maintain the painting or restore it after construction or damage. The neighborhood can choose to maintain the painting or let it fade. The life expectancy is about 3 years.
- Maintaining the painting will require permission from the city. The applicant or Neighborhood Association will apply through the same process. It will need to be refreshed exactly as was originally approved or a new application will be required for a new proposal.

Storm Drain Designs (see Appendix 5 for full information)

- The Storm Drain Art project will provide aesthetically pleasing art around storm drains designed to educate the public and reduce pollutants entering the storm system.

- Keizer City Council authorizes the Keizer Public Arts Commission (KPAC) to work with Public Works to identify high visibility catch basins for painting. City Council will waive the ROW permit fee for the catch basins selected for painting.
 - KPAC will review and approve all art submissions. Selections based to ensure art quality, fairness, and connections to art themes.
 - Provides artist with paintbrushes and mixing containers
 - Coordinate artists and Public Works Department to get area around the catch basin cleaned, prepped, and painted with primer.

IV. ANNUAL PROGRAMS AND MAINTENANCE

PROJECT	TIMELINE	COST ESTIMATE
Review Prior Year Budget and prepare budget request for next budget year	February-March	
Review and select current year holiday card	March	\$300.00
Select Art to purchase to City collection	June	
Review and Edit Art Inventory Appendix	July-August	
Schedule Wood Sculpture Preservation	June-September	\$750.00
Schedule for Mural Graffiti Protection Apply anti-graffiti coating every 5 yrs. (TEX-COTE Graffiti Gard used in 2016, 2021 Vendor: Portland Tech Sales Group / Western Chemical Labs, Lake Oswego, OR	2026 2031 2036 2041	\$250.00



EAST ART GALLERY



V. ART PROJECTS PLANNING

Defined as initiatives spanning 1 to 10 years.

PROJECT	TIMELINE	COST ESTIMATE
Identify 3 additional spaces for sculpture on main arterials and secure easements	2026-2030	\$3,000
Identify 2-3 Mural spaces and secure easements	2026 - 2030	\$3,000
Launch Sidewalk Chalk Event as part of the Iris Festival	2026 – 2030	\$500
Explore Wind Art Installations	2026 - 2030	TBD
Complete Utility Box Wrap Program	2030	\$6,000
Develop a Banner Program for Keizer Arterials	2026 - 2030	TBD
Review and Update Public Art master Plan	2029	
Complete Update of the Keizer Art Map	2030	\$1,000



Chemawa Indian School Student Murals in the North Gallery



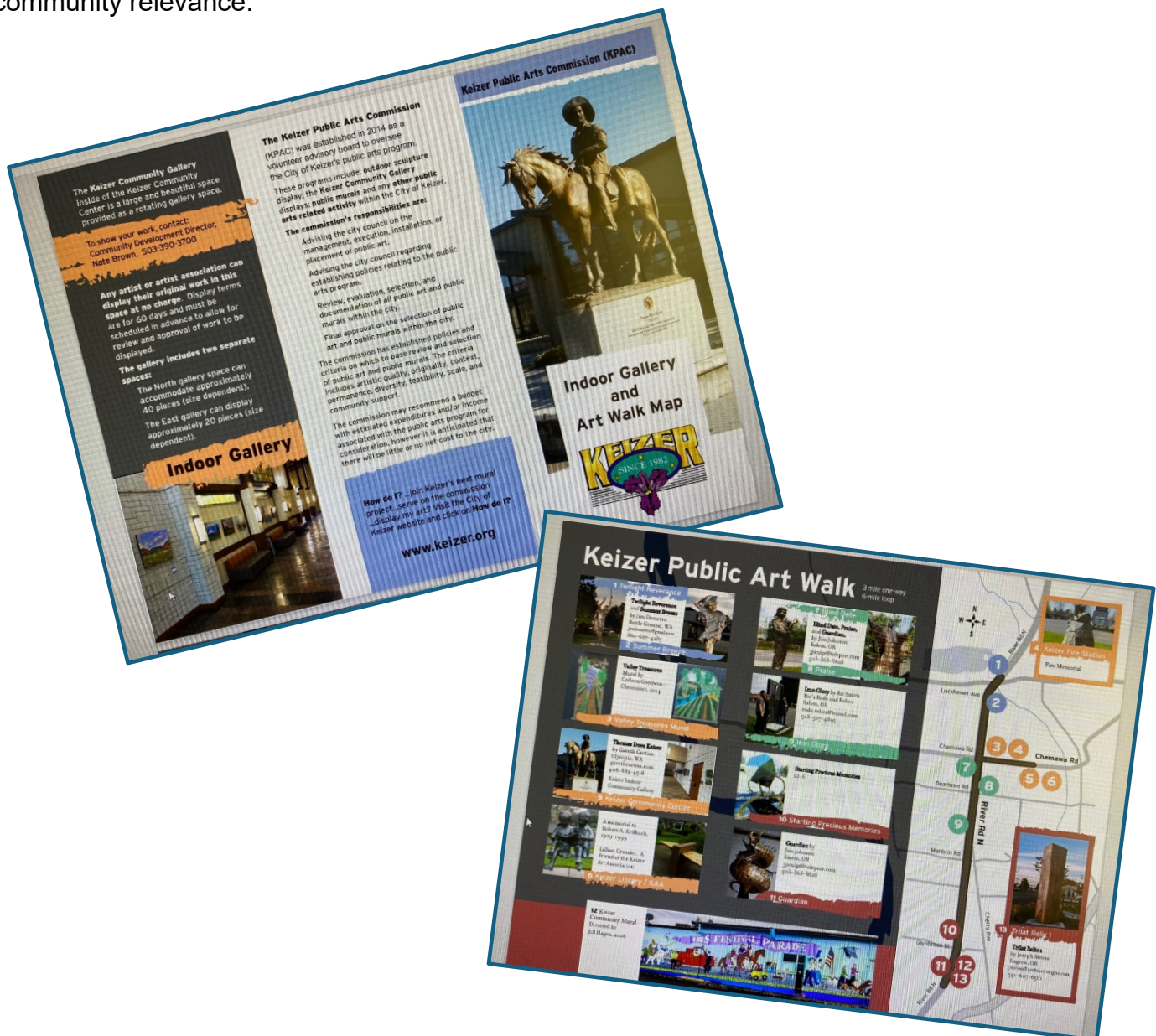
VI. Guidelines for Future Art Proposals

Community members, artists, and organizations are encouraged to submit ideas to KPAC via mail, email, or in-person at scheduled City Hall meetings.

Proposal Requirements

- Project description and objectives
- Proposed location and dimensions
- Materials and maintenance plan
- Estimated budget and funding sources
- Timeline and key milestones
- Designated project manager or contact person
- Stakeholder engagement plan (e.g., property owners, artists, tradespeople)
- Approval coordination with City Council and relevant bodies

All approved projects must adhere to agreed timelines and standards of quality, accessibility, and community relevance.



APPENDIX 1

Public Art Inventory

EXTERIOR ART

Title: **PRAISE**
 Location: River Road, Keizer Plaza
 Artist: Jim Johnson
 Owner: Artist, on loan, \$200 honorarium annually
 Medium: Cast Bronze and welded
 Dimensions: 6' X 50" X 32"
 Year Installed: 2008
 Value: \$20,000



Title: **PLEASE**
 Location: River Road, Abby's Pizza Parlor
 Artist: Jim Johnson
 Owner: Artist, on loan, \$200 honorarium annually
 Medium: Welded Steel and copper
 Dimensions: 6' X 32"
 Year Installed: 2021
 Value: \$15,000



Title: **BLIND DATE**
 Location: River Road, Keizer Corner
 Artist: Jim Johnson
 Owner: Artist, on loan, \$200 honorarium annually
 Medium: Bronze
 Dimensions: 6' X 3' X 3'
 Year Installed: 2006
 Value: \$6,000



Title: **TRILAT RELIC (FRAGMENTS)**
 Location: River Road, The Rec
 Artist: Joseph Mross
 Owner: Artist, on loan, \$200 honorarium annually
 Medium: Copper/Steel
 Dimensions: 11' X 3'6"
 Year Installed: 2010
 Value: \$13,400



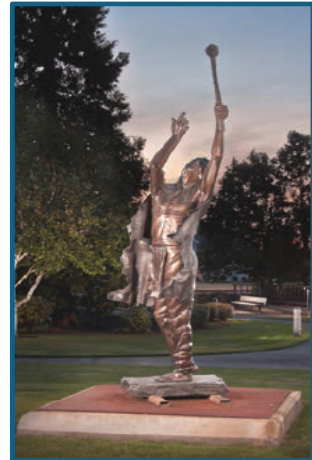
Title: **IRON GLORY**
Location: River Road, V2 Dentistry
Artist: Ric Smith
Owner: Artist, on permanent loan, no compensation
Medium: Salvage Fabricate/Steel
Dimensions: 94" X 54" X 6"
Year Installed: 2015
Value \$5,500



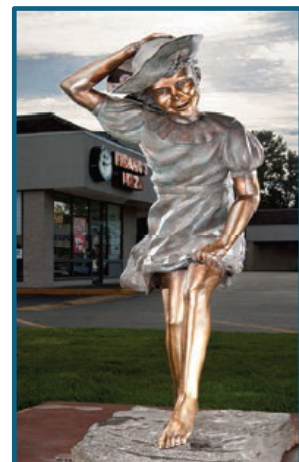
Title: **ENTWINED**
Location: River Road, Copper Creek Mercantile
Artist: Ric Smith
Owner: Artist, on permanent loan, no compensation
Medium: Steel
Dimensions: 50" X 50" X 96"
Year Installed: 2021
Value \$5,000



Title: **TWILIGHT REVERENCE**
Location: River Road, Staats Lake Greenway
Artist: Jim DeMetro
Owner: Artist, on loan, \$200 honorarium annually
Medium: Cast Bronze
Dimensions: 120" X 30" X 28"
Year Installed: 2010
Value \$25,000



Title: **SUMMER BREEZE**
Location: River Road, Figaroes
Artist: Jim DeMetro
Owner: Artist, on loan, \$200 honorarium annually
Medium: Cast Bronze
Dimensions: 60" X 26" X 24"
Year Installed: 2010
Value \$6,500



Title: **THOMAS DOVE KEIZER**
 Location: Chemawa Road, Keizer Civic Center
 Artist: Gareth Curtiss
 Owner: City of Keizer
 Medium: Copper/Steel
 Dimensions: Life Size
 Year Installed: 2008
 Value: \$150,000



Title: **STARTING PRECIOUS MEMORIES**
 Location: River Road x Hollyhock
 Artist: UK
 Owner: Boucher Jewelers
 Medium: Bronze
 Dimensions: 5' X 5'
 Year Installed: 2016
 Value: \$5,200



Title: **SASQUATCH**
 Location: Keizer Rapids Park
 Artist: Jim Lukinich
 Owner: City of Keizer
 Medium: Wooden Chainsaw Carving
 Dimensions: 6' X 2' X 2'
 Year Installed: 2021
 Value: \$1,500



Title: **The BIG TOY InstaArt**
 Location: Keizer Rapids Park, The BIG TOY
 Artist: Issabella Biondi
 Owner: City of Keizer
 Medium: Exterior Paint on Cement Block
 Dimensions: 24' X 6'
 Year Installed: 2021
 Value: \$1,500



Title: **STORY POLE – KEIZER HERITAGE**
Location: Keizer Civic Event Campus
Artist: 3-D Art and Chainsaw Sculptures
Owner: City of Keizer
Medium: Chainsaw Carving an existing tree trunk
Dimensions: 24' X 30"
Year Installed: 2019
Value \$20,000



Title: **STORY POLE – KEIZER AGRICULTURE**
Location: Keizer Event Center Campus
Artist: Jim Lukinich
Owner: City of Keizer
Medium: Chainsaw Carving on existing tree trunk
Dimensions: 20' X 30"
Year Installed: 2020
Value \$20,000



Title: **VALLEY TREASURES MURAL**
Location: Chemawa at Keizer Florist
Artist: Colleen Goodwin-Chronister
Owner: City of Keizer
Medium: Exterior Paint on Concrete
Dimensions: 30' X 12'
Year Installed: 2014
Value \$10,000



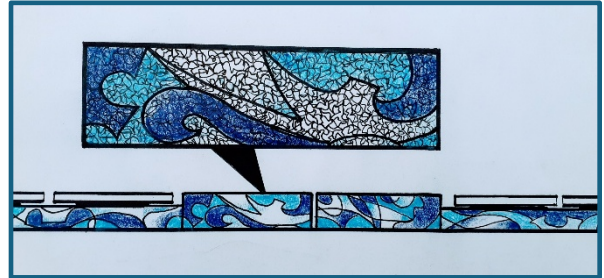
Title: **COMMUNITY IRIS PARADE MURAL**
Location: The Rec
Artist: Various Keizer Art Association Member Artists
Owner: City of Keizer
Medium: Exterior Paint on Cement Block
Dimensions: 40' X 6'
Year Installed: 2021
Value \$1,500



Title: ROSALIE'S SILLY COWS
Location: Verda Lane in Roundabout
Artist: Tara Choate/Ric Smith
Owner: City of Keizer
Medium: Cut Steel/Powder Coated
Dimensions: 36" X 6' 4 each
Year Installed: 2022
Value \$7,500



Title: DANCE IN MOTION
Location: Chalmers Jones Park
Artist: Didier Planell
Owner: City of Keizer
Medium: Tile Mosaic on Cement
Dimensions: 65' X 12" & 18"
Year Installed: 2022
Value \$15,000



UTILITY BOX WRAPS



Title: **Abstract Iris**
Location: Chemawa X River
Artist: Enrique Sepulveda



Title: **Jerseys in Jerseys**
Location: Chemawa X River
Artist: Sharon Housen



Title: **Chinook Salmon**
Location: Lockhaven X Keizer
Station Boulevard
Artist: Mackenzie Melendy



Title: **Floral**
Location: River X Glynbrook
Artist: Carolyn Lehl



Title: **Trout**
Location: River X Dearborn
Artist: Sharon Housen



Title: **Irises**
Location: River X Sunset
Artist: Bridgette Miller

INTERIOR ART



Early Spring, Shari Lord, 2010 \$3,000



Party Girls, Colleen Goodwin Chronister, 2011 \$1,800



Peaceful Path, Barbara Bassett, 2012, \$1,750



Vines to Wines, Lorraine Dye, 2022, \$600



Clouds over Redhawk, Tara Choate, 2023, \$100



You can Taste the Lavender Undertones, Tara Choate, 2023, \$100

Tara Choate, 2023



Fast Friends, \$100



Grab The Ring, \$100



**You Have My Rapt
Attention, \$100**



Blue Bandana, \$100



**Wild Flowers, Blue Sky
Deborah Sisco, 2024, \$80**



**Four Seasons,
Rachel Wood, 2022, \$35**



**Enchanted Forest,
Gary Hlastala, 2024, \$60**



**Into the Wilderness
Gary Hlastala, 2024, \$60**



**Coastal Forest in Oregon
Deborah Sisco, 2024, \$60**

Gary Hstalala, 2025

Apple, \$45



Orange, \$50



Cherry, \$45



Joel Nickel, 2024



Move Out of The Box, \$750



Rise and Shine, \$600



Unity in Diversity, \$750

APPENDIX 2

POLICIES FOR PUBLIC ART AND PUBLIC MURALS

Adopted 4/6/2020

1. Artwork must not interfere with City-owned displayed art.
2. Only City staff, authorized Keizer Art Association members, or authorized volunteers are permitted to install and uninstall Artwork in the Keizer Community Center.
3. Except for Keizer Art Association exhibitions, City will be responsible for damage loss to the Artwork while on display in the Keizer Community Center. Regardless of market value, the maximum liability to the City shall be \$3,000 per individual art piece or \$50,000 per exhibition. An exhibition means all Artwork displayed in the Keizer Community Center at the same time, but does not include City-owned displayed art.
4. City will insure Public Murals in the City of Keizer. The maximum liability to the City shall be \$10,000.00 per Public Mural.
5. City will insure Other Public Art such as public statues and sculptures in an amount the Artist and City agree to in the Agreement for Exhibition of Property. The maximum liability to the City shall be \$25,000.00 per individual art piece.
6. If damaged Artwork, other than artwork associated with a Keizer Art Association exhibition, is repairable, City shall reimburse actual out-of-pocket costs for materials and Artist shall repair the Artwork without charges for labor.
7. Artist will indemnify City related to any defects of the Artwork, faulty workmanship of the Artist, or any acts of negligence by the Artist.
8. Except for Keizer Art Association exhibitions, Artist will be required to enter into an Agreement for Exhibition of Property prior to City staff installing property for display in the Keizer Community Center.
9. Property owners will be required to enter into an Art Easement prior to installation of a Public Mural and such Art Easement shall be placed before the Keizer City Council for authorization prior to the City Manager signing it.
10. City shall not broker for Artist in any manner, including, but not limited to, connecting Artist with potential purchasers or fielding questions about the property.
11. A Public Mural may not include any words, pictures, or symbols that may be considered advertising for any business, entity, or location where the Public Mural is affixed.

APPENDIX 3

PART II - CODE OF ORDINANCES

Chapter 12 CULTURAL AFFAIRS

Chapter 12 CULTURAL AFFAIRS

ARTICLE I. IN GENERAL

Secs. 12-1—12-18. Reserved.

ARTICLE II. PUBLIC ART AND PUBLIC MURALS

Sec. 12-19. Purpose.

This article provides for the placement of public art and public murals.

(Ord. No. 2020-813, § 1, 4-6-2020)

Sec. 12-20. Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Alteration means any change to a public mural, including, but not limited to, any change to the images, materials, colors or size of the public mural. The term "alteration" does not include naturally occurring changes to the public mural caused by exposure to the elements or the passage of time or maintenance or repair of the public mural that includes slight and unintended deviations from the original image, colors or materials that occur when the public mural is repaired due to the passage of time or after damage resulting from vandalism.

Art easement means an easement given by a property owner to the city to provide for placement of public art.

Artist means a practitioner in the visual arts, generally recognized by critics and peers as a professional of serious intent, who produces works of art and who is not a member of the public arts commission.

Artwork means all forms of original creations of visual art, including, but not limited to, painting, sculpture, prints, ceramics, drawings, stained glass, mosaics, photography, fiber and textiles, calligraphy, mixed media, and any combination of media, including collage.

City building means any building owned or leased by the city, or area therein, which is open to the public; provided, however, the term "city building" does not include parking lots, roads, bridges, utility lines, service facilities, maintenance sheds, pump stations, treatment plants and utility facilities, or buildings that have the primary purpose of displaying historical artifacts, cultural items, or works of art.

City manager means the city manager or the city manager's designee.

Keizer Event Center means interior hallway walls at the Keizer Event Center located at 930 Chemawa Road Northeast, Keizer, Oregon.

Public art means original artwork which is accessible to the public and/or public employees and which has been approved as public art by the public arts commission, acting on behalf of the city.

Public mural means an original, two-dimensional work of visual art, comprised of paint, ceramic or glass tiles, or tesserae, executed by hand directly upon, or affixed directly to, an exterior wall of a building, which has been approved by the public arts commission and accepted by the city into its public art collection pursuant to this article. A public mural is not an original work of visual art if it is mechanically reproduced or computer-generated and printed on a base that will be attached to the wall, such as, by way of illustration but not limitation, limited images digitally printed on vinyl. (Ord. No. 2020-813, § 2, 4-6-2020)

Sec. 12-21. Application for placement of public mural.

A property owner or designee in nonresidential zones may apply for placement of a public mural with the public arts commission.

(Ord. No. 2020-813, § 3, 4-6-2020)

Sec. 12-22. Application for placement of public art at Keizer Event Center.

An artist may apply for placement of public art at the Keizer Event Center.

(Ord. No. 2020-813, § 4, 4-6-2020)

Sec. 12-23. Application for other public art.

An artist may apply for placement of public art at other locations, including, but not limited to, statues and sculptures outdoors.

(Ord. No. 2020-813, § 5, 4-6-2020)

Sec. 12-24. Review by Keizer Public Arts Commission.

- (a) The Keizer Public Arts Commission (KPAC) shall review each application and supporting materials, except for applications submitted by the Salem-Keizer School District, the Salem Keizer Education Foundation, or any other student art displays. Subject to scheduling approval, applications submitted by the Salem-Keizer School District, the Salem Keizer Education Foundation, or any other student art displays from schools, educational groups or students approved by the city manager shall be allowed without KPAC approval. In addition, applications submitted by the Keizer Art Association shall be allowed without KPAC approval.
- (b) The public arts commission shall develop specific policies and criteria on which to base such review. These criteria shall include, but are not limited to, artistic quality, originality, context, permanence, diversity, feasibility, scale and community support.
- (c) The public arts commission shall be guided by the policies and criteria adopted by city council resolution, if any.

(Ord. No. 2020-813, § 6, 4-6-2020)

Sec. 12-25. Funding/city staff time.

Unless specifically budgeted for by the city council, any and all actual costs shall be by donation or in-kind work only. City staff time shall be allowed, as directed by the city manager.

(Ord. No. 2020-813, § 7, 4-6-2020)

Sec. 12-26. Siting of public mural.

A public mural obtained pursuant to this article may be sited in, on or about any city building as approved by the city council or other property under the control of or made available to the city by an art easement between the property owner and the city.

(Ord. No. 2020-813, § 8, 4-6-2020)

Sec. 12-27. Public mural/art easement.

A property owner who wishes to donate wall space to the public for a public arts commission approved public mural may do so by granting an art easement for placement of a public mural on the building of such property owner to the city. Art easements will be for five or more years. The city council can accept or decline any art easements for public murals which are offered to it. Art easements are managed by the city manager, as with other publicly owned properties. The city recorder is responsible for maintaining a written and photographic record of each public arts commission-approved public mural and accepted art easement.

(Ord. No. 2020-813, § 9, 4-6-2020)

Sec. 12-28. Public mural; creation.

No person or artist shall commence creation of any public mural without first obtaining approval from the public arts commission and agreeing to donate the public mural to the city's public art collection. Any public mural that is created without approval of the public arts commission, is inconsistent with the conditions of approval from the public arts commission or is altered without approval is not an allowed public mural and is an infraction under chapter 1, article II.

(Ord. No. 2020-813, § 10, 4-6-2020)

Sec. 12-29. Location of other public art.

Except for locations for the street painting program and locations for the storm drain art program, public art, other than art placed at the Keizer Event Center, may only be placed at locations approved by the city council. This category includes, but is not limited to, public statues or sculptures located in council-approved areas where the city has been granted license or easement rights, or in public right-of-way areas. Locations for the street painting program and locations for the storm drain art program shall be approved by the public works department.

(Ord. No. 2020-813, § 11, 4-6-2020; Ord. No. 2026-909, § 1(exh. A), 3-16-2026)

Sec. 12-30. Naming of city-owned art.

Public art owned by the city or being commissioned for the city may only be named by the artist or, if the artist does not name the art, by the city council.

(Ord. No. 2023-859, § 1(12), 5-15-2023)

Sec. 12-31. Abatement of nuisance/citation for infraction.

The city manager or designee may make an investigation to determine whether a violation of this article has occurred. If the city manager or designee determines that there is a violation of this article, the city manager or designee may proceed to abate the nuisance pursuant to chapter 24, article III or may seek any other legal or equitable remedy provided by law for the abatement of the nuisance or for the enforcement of the provisions of this article, including, without limitation, issuing a citation for infraction.

(Ord. No. 2020-813, § 12, 4-6-2020; Ord. No. 2023-859, § 1(13), 5-15-2023)

APPENDIX 4

Keizer Street Painting Program

What it is

The Keizer Street Painting program encourages creativity of art using the street asphalt as a canvas. Approved art proposals can be painted directly onto the local streets of Keizer. The community itself chooses and installs the creation. This art is not intended to be a traffic control device, but rather to beautify and identify a neighborhood.

Location Criteria

Street paintings can be applied to any street designated by the city of Keizer as being a local street within the Keizer Transportation System Plan which can be found in figure 4.2 of the Plan at

<https://evogov.s3.amazonaws.com/media/60/media/49250.pdf>

or at this link <https://digital.osl.state.or.us/islandora/object/osl%3A69261>

(Street paintings cannot be applied to any pervious surface of public Right of Way)

Design criteria

Designs must be approved by KPAC. Local artists' work is encouraged to be used for this application.

- The art must be an original. An Artist Waiver to Art Rights needs to be signed and submitted to the City. (provided in document)
- Designs cannot cover existing pavement markings, or extend beyond the street surface to curbs, sidewalks and other features.
- Designs shall include the following buffers:
 - 50-foot buffer from signalized intersections or to the stop-controlled leg of an intersection.
 - 10-foot buffer from speed humps
 - 10- foot buffer from stop bars and marked crosswalks
- Designs shall not mimic traffic control devices.

Application process

Proposals for street painting shall be submitted to the Public Arts Commission through a Street Painting Application found at the end of this document. This can be printed and turned into City Hall.

Applications will include:

- Applicant contact information
- Location of proposed art
- Proposed dates of paint application (all phases)
- Image of painting design
 - Recommend an aerial image of the street
 - Include length and width, and distance from road features (curbs, sidewalks, etc.)
- List of paint colors and non-slip paint additives to be used. (See text box below)
- Signed petition showing approval of all fronting and adjacent properties.

Painting roadways and other public right-of-way requires specific paints with a special additive for slip resistance. This ensures they meet State slip resistance requirements, found on page 937 of the Oregon Standard Specifications for Construction 2021.

Only approved paint can be used for the project. Most paints are not safe for installations on a roadway. The benefit of the paints below is that they are able to be tinted to any color you would like.

The approved paints that can be tinted are:

- California Paints AllFlor Porch and Patio Acrylic Epoxy Fortified Paint
- Olympic Solid Stain and Sealant
- Storm System Acrylic Stain
- Benjamin Moore Arborcoat Waterborne Exterior Stain
- Sherwin Williams SuperDeck Exterior Stain

In addition to the list of approved paints above, you do have the option of using paint known as “traffic paint” or “traffic zone marking paint”. The benefit of the traffic paints is that they tend to be less expensive but have a much smaller range of colors. If you would like to use traffic paint, ask the paint store for the “spec sheet” for the product. Public Works will review that spec sheet before approving the use of that paint on the street. Every drop of paint that hits the ground must have a non-slip additive mixed in. Paint stores sell packets of the additive that are measured to be used in one gallon of paint. So, you just empty the packet into the paint and stir it in. It does settle, so you will want to stir the paint every once in a while and definitely stir it well if the paint has been sitting with the additive in it for more than 2 hours.

It is recommended not to purchase the paint until approval is given.

Application Approval

- The Applicant will be contacted by the City Recorder to be informed at which meeting date the application will be discussed by KPAC.
- The Arts Commission will review the application for Committee approval and send the approved proposal application to Public Works and Keizer Police Department (KPD).
 - If denied, an explanation will be provided by the Commission at that time.
- Public Works will review the packet for approval and confirm that no construction projects are planned in the next three years at that location.
- KPD will review any concerns and inform Public Works.
- Once approved by both departments, Public Works will return the approved packet to KPAC. Public Works will provide information on the traffic control plan to be used and make arrangements to provide the traffic control devices (signs and barricades).
- The City Recorder will inform the applicant of approval.

Installation Process

- The area may be swept, blown clean, or pressure washed to prep the roadway. During pressure washing, sweeping, or other preparation caution should be exercised to protect the storm drains so street pollutants do not enter the storm drain.
- It is recommended to apply primer ahead of the art paint.
- Painting and cleanup must be done in a manner that does not allow any paint to enter the storm drain system, water body, or wetland.

Maintenance

- The city will not maintain the painting or restore it after construction or damage.
- The city is not responsible for any damage caused to the painting.
- The neighborhood can choose to maintain the painting or let it fade. The life expectancy is about 3 years.
- Maintaining the painting will require permission from the city. The applicant or Neighborhood Association will apply through the same process. It will need to be refreshed exactly as was originally approved or a new application will be required for a new proposal.

Supplemental information

The amount of paint will depend on the size and complexity of the design, the number of coats of paint, and whether you apply primer (recommended) to the site first. Primer is recommended (but not required) as it will help the paint adhere to the street surface and may reduce the number of coats needed for colored paint. The street surface is slightly porous and absorbs a fair amount of paint. Calculate for an average of 25-30 gallons for intersection painting installations. A gallon of paint typically covers 100-200 square feet. Lighter colors often require more coats than other colors to get the best appearance.

Keizer Street Painting Neighbors Petition for Approval

fronting/adjacent property address	name	signature

Keizer Street Painting Program Application

Turn into City Hall to go to the Arts Commission

Section 1

Name of Applicant _____

Address of Applicant _____

Phone number _____

Email address _____

Name of Artist _____

Location of Proposed Street Art _____

Section 2

Proposed dates of paint application (all phases) if approved: _____

Section 3- List of Paint Type and non-slip additives

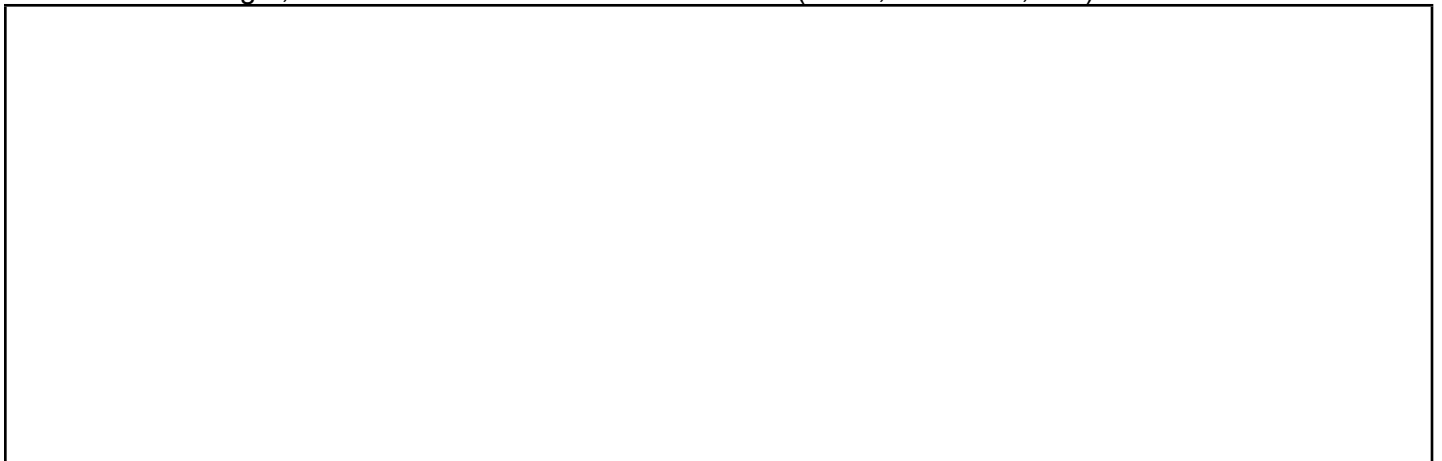
Paint: _____

Additive: _____

Section 4 (Can be skipped if this is a Maintenance Application for current art)

sketch of painting with street measurements

include length, width and distance from road features (curbs, sidewalks, etc.)



Satellite view attached showing location ☐

This area for City staff to check once approved

Public Works approval ☐

KPD approval ☐

STREET ART – ARTIST WAIVER

Artist warrants that the work designed is a unique or original project of the Artist's creative efforts; that it is an edition of one, unless otherwise stated; and that it has not been accepted for sale or installed elsewhere.

Artist hereby releases all copyright, reproduction and resale rights of Art and transfers such rights to City. Artist waives all photographic reproduction rights and other rights to work under all applicable laws, including but not limited to the Visual Artists Rights Act of 1990.

Artist agrees and understands that City may market and sell photographic and other images of the Art without compensation to Artist. Artist may use photographic images of Art for advertising or marketing purposes.

Artist understands that the nature of street art leads to the art fading or diminishing over time. The City isn't responsible to protect or otherwise preserve the art, and the City can remove or cover up the art at any time at City's discretion.

Artist understands that working on roadways is a dangerous activity. Artist is strongly encouraged to stay alert, be responsible and watch out for themselves, their workmates, and the traveling public.

Artist further understands that they should wear proper clothing to protect themselves from uneven ground, temperature, and weather. Artist needs to be self-aware and self-regulating regarding heat and cool water breaks when working outdoors.

Artist shall save and defend the City and its agents with respect to any damages which may be alleged to have arisen from any acts or omissions alleged to have been done during the project by Artist, and further waives any rights against the City of Keizer for any and all injuries or damages alleged to have arisen during the project by Artist. Artist further waives any rights against the City of Keizer for any and all injuries or damages alleged to have arisen during the project by Artist.

I understand this document and I have read it in its entirety and I freely and voluntarily assume all risks and responsibilities associated with the project. I agree that I understand and consent to the terms of this document. THIS IS A RELEASE AND WAIVER OF RIGHTS – READ BEFORE SIGNING.

Signed this _____ day of _____, 2026. _____

Artist Signature _____

Signature of Guardian if Artist is under 18 years of age _____

Printed Name _____

APPENDIX 5

Storm Drain Art Program

IMPLEMENTATION PLAN

Partners: City of Keizer & Keizer Public Arts Commission (KPAC)

February 2026

Program Overview & Goals

The Storm Drain Art Program is a partnership between the City of Keizer Environmental & Technical Team and the Keizer Public Arts Commission. The program goals include:

- Educate the public that storm drains lead rainwater, unfiltered and untreated, into our local waterways and groundwater. Keeping pollutants out of storm drains is essential to protecting these resources.
- Enhance public spaces through engaging, high-quality artwork.

Artist Eligibility:

- One artist will be selected from each of two categories- youth (14-17 ages) and adult
- Resident of greater Keizer area

Theme: Successful entries will include the phrase “Only Rain Down the Drain” in the design and address one of the following themes:

- “Only Rain Down the Drain”- Explore the relationship between humans and waterways that exists because of storm drains.
- “Ecosystem Appreciation”- Promote the value and beauty of local streams, wetlands, the Willamette River, and/or local riparian wildlife.

Judging Criteria:

Designs should be vibrant and eye-catching, must be the original design of the artist, be appropriate for public display, and may not include branding or trademarks. Artists may include their name. Judging criteria will include:

- Interpretation and clarity of theme
- Creativity and originality of theme
- Quality of artistic composition and overall design
- Overall impression of the art
- Feasibility completion within the time available (up to 3 days)

Roles & Responsibilities

Before painting

City of Keizer Environmental & Technical Division

- Create promotional flyer and promote Call to Artists on social media

- Provide information to Deputy City Recorder for creation of application packet and form
- Screen artwork prior to judging, to ensure it meets permit requirements and design criteria
- Select storm drain locations for paintings each year
- Develop Traffic Control Plan per ODOT Traffic Control Plans Design Manual
- Purchase primer, paint and sealant
- Coordinate & lead artist orientation, artist scheduling, signing waiver, and communicating logistics lead up to painting days
- Coordinate site prep- clean storm drain area (sweep, power wash, and paint with primer), set up BMPs, obtain port-a-potty or restroom access for artists

Keizer Public Arts Commission

- Promote Call to Artists to their local art communities and connections (ongoing)
- Create application packet & form and post to KPAC website (Deputy City Recorder)
- Receive artist submissions and respond to inquiries
- Select artists during June KPAC meeting – one youth and one adult
- Notify all applicants of results. Refer winning artists to Education Coordinator for follow up. (Deputy City Recorder)
- Provide brushes and mixing containers to Education Coordinator for artist use

On painting days

City of Keizer Environmental & Technical Division

- Drop off paint, rinse water, brushes, mixing containers, and safety vest
- Set up canopy, port-a-potty/ restroom access, & water station
- Clean up/take down at end of day
- Take photos to document painting process
- Be available to answer questions and support artists as needed throughout the day, by phone and/or in person

City of Keizer Stormwater Division

- Implement traffic control plan and BMPs to cover storm drain

After painting

City of Keizer Environmental & Technical Division

- Cover artwork with sealant
- Post photos of artwork and artist bios to Environmental & Technical website and City of Keizer social media. Add to City of Keizer public art map.

Keizer Public Arts Commission

- Provide \$200 stipend for selected artists upon completion of storm drain art installation

Program Timeline

- Ongoing: Call to Artists outreach throughout the year
- Early June: Call to Artists closes for current year
- June: Judging and selection during scheduled KPAC meeting
- End of June: Artists notified
- July: Artist orientation, site prep, painting occurs (up to 3 days)

Application form will include specific deadlines and dates.

Examples of storm drain art projects from other cities

[City of Springfield, OR – UpStream Art Program](#)

[Richmond, VA, Storm drain Art](#)

[Goshen, Indiana Storm drain Art](#)



Holiday Card Contest



HOLIDAY GREETINGS

2026 Keizer Public Arts Commission Holiday Card Competition ~ Call to Artists:

The Kelzer Public Arts Commission exists to bring public art into our community. The commission invites artists of all ages to submit artwork which expresses the holiday season in Kelzer for the 2026 Holiday Card Competition.

One piece of artwork will be selected by the Keizer Public Arts Commission through an anonymous review process, with the selected artist's name released following the selection, to be reproduced as the City of Keizer's 2026 Holiday Greeting Card. The artist who submitted the winning selection will receive a \$100 gift card to Michaels® Arts & Crafts. Submit your entry(s) to Dawn Wilson at the Keizer Event Center located at 930 Chemawa Road NE, Keizer, Oregon no later than 4:00 pm, Monday, March 2, 2026.

Attach a signed entry form to each submission. Entry forms are available for download at www.keizeror.gov or may be picked up at the Keizer Event Center lobby.

2026 Keizer Public Arts Commission Holiday Card Contest OFFICIAL ENTRY FORM

I _____ wish to take part in
this year's Holiday Card Contest.

My art is titled: _____

And was completed on (month and year)

If I am the winning entrant — I license the City of Keizer to use my original artwork as stated in this agreement. Please use my name as follows:

(Print or type the way you wish your name to be printed)

Specifications of Art:

Type (medium) of art: _____

Exact size of art: _____

Notes or special remarks: _____
(Continued on next page)



Name: _____

Address: _____

Phone Number: _____ E-mail: _____

TERMS OF AGREEMENT

1. Submissions may be new works of art created for the competition or past works for which the artist has full rights to their work (i.e. the submitted work must not have been created under a work-for-hire contract). The winning entry will be selected by the Keizer Public Arts Commission based on established guidelines for public art in Keizer and relevance to the competition theme. The artist with the winning entry will be notified by email or phone no later than March 25, 2026.
2. The artist hereby grants an irrevocable license to use the work for the purpose of reproduction on the 2026 City of Keizer Holiday Greeting Card to be widely distributed and to appear in media publication related to the competition. The artist will retain authorship and intellectual property rights for each work submitted. Artwork containing religious symbols or words (such as a general holiday), advertisements, including business logos, and/or licensed characters will not be considered. Photo entries shall not include images of persons except at a distance. Selected entries will be displayed in the Keizer Event Center from December 1, 2026 to January 5, 2027.
3. Submitted work must be flat and proportional to the printed card size (4x6"). A photograph of a three-dimensional work may be submitted. Low resolution (72-180 dpi) images will not be considered. If the original work is larger than 8x10", please provide a high resolution (300 dpi) digital copy of the work.

Artwork which is not proportional to the finished card size will be cropped at the commission's discretion. All submissions must be picked up at the Keizer Event Center by January 12, 2027. Items not picked up by that time will be discarded. The City of Keizer will not be held responsible for loss or damage to the original artwork submitted. Compensation includes attribution and a \$100 Michaels® Arts & Crafts gift card only.

- **I have read and agree to the above terms. This document constitutes a contract between myself and the City.**
- **I certify that the work submitted is an original work of authorship and that intellectual property rights of this work belong to me, the original artist.**
- **I agree to defend and indemnify the City, its employees, officers and agents against any direct or indirect claim, including, but not limited to claims that use of the artwork by City is illegal or in violation of any rights.**



Signature _____

Date _____

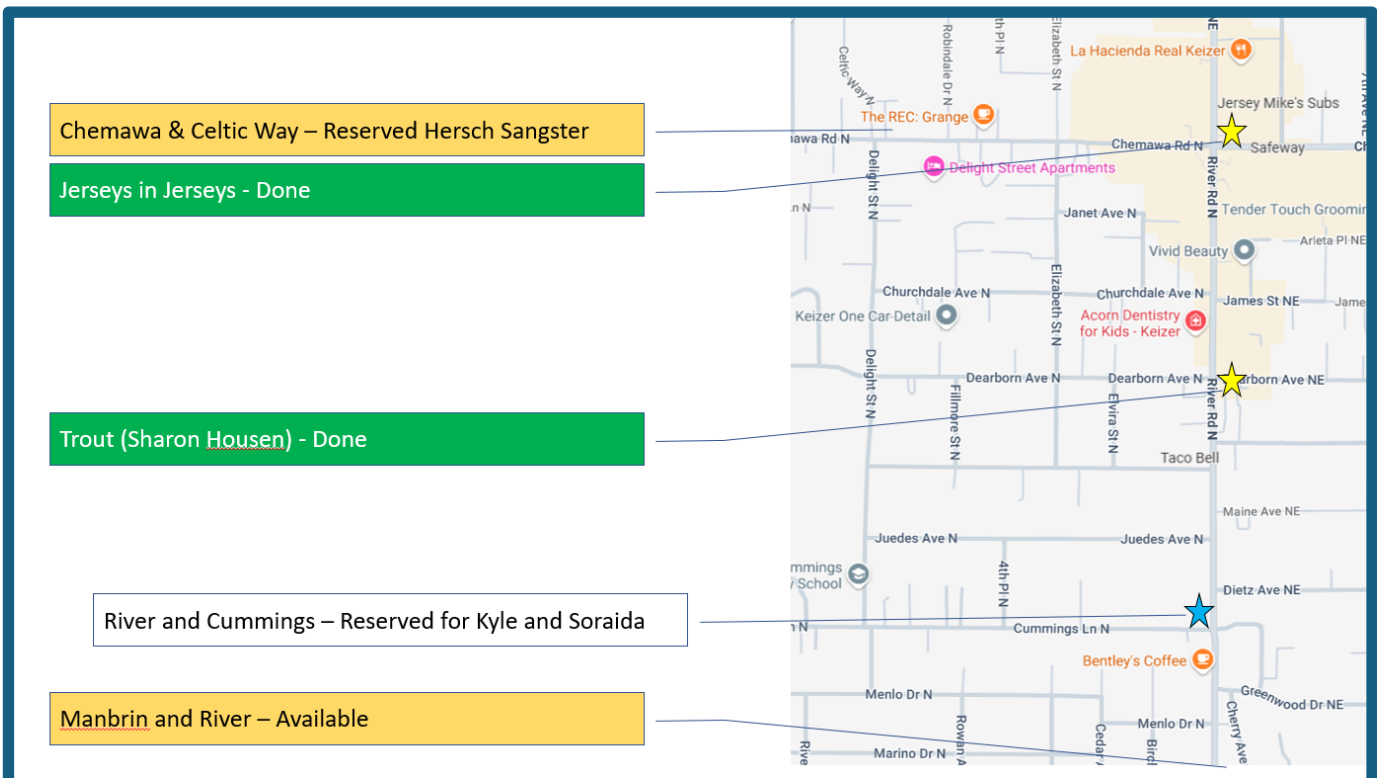
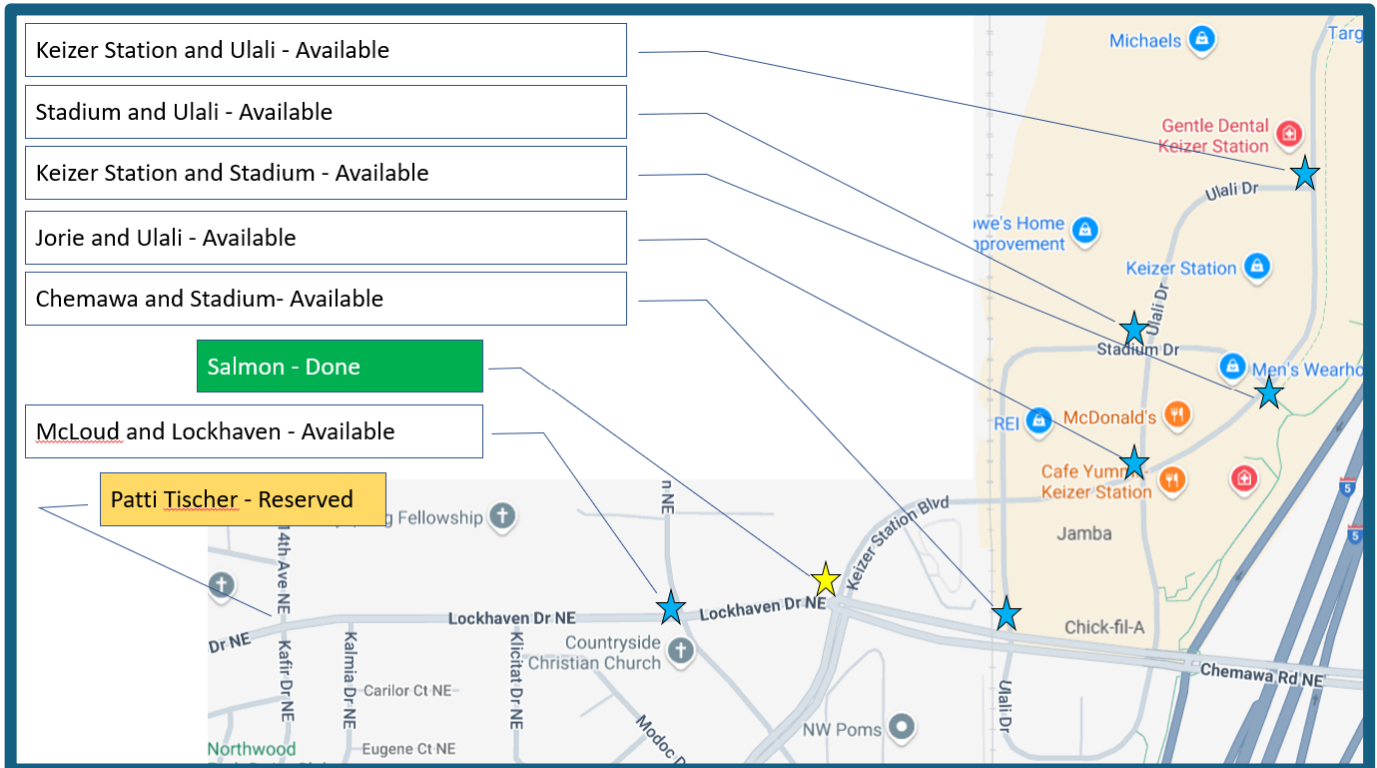
Parent Signature (if artist is under the age of 18) _____

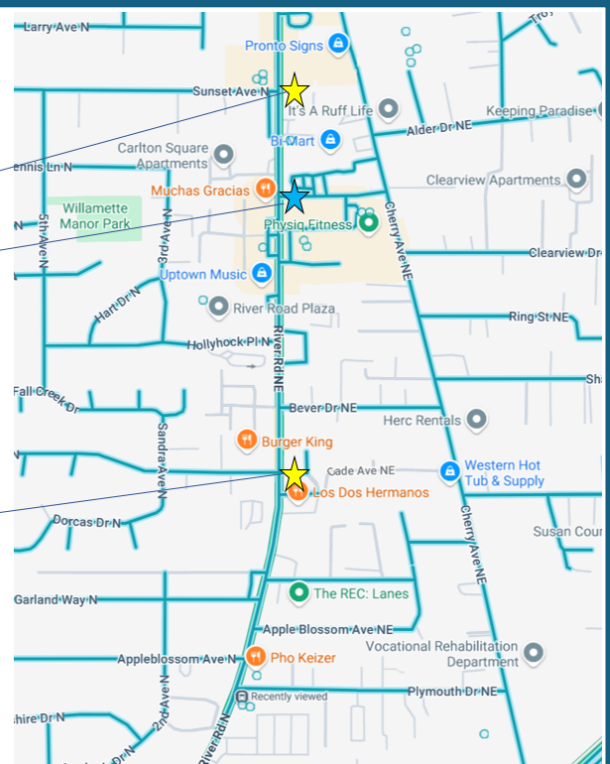
Date: _____



APPENDIX 7

Utility Box Wraps MAP







To: Mayor Clark and City Council Members
Thru: Adam J. Brown, City Manager
From: Joseph Lindsay, City Attorney
Subject: Drawdown of Detroit Lake

Proposed Motion

I move that the Keizer City Council adopt Resolution R2026-___ Supporting Marion County's Action Regarding Drawdown of Detroit Lake.

I. Summary

Marion County's Legal Counsel Steve Elzinga asked if the City of Keizer had any interest in joining Marion County in the litigation that they filed regarding the drawdown of Detroit Lake. This matter is before Council to consider a Resolution supporting Marion County's action regarding the drawdown of Detroit Lake.

II. Background

- A. The Council considered the matter of the planned drawdown of Detroit Lake at its September 2, 2025 meeting.
- B. Following that discussion, the Council moved to support in stopping the drawdown of Detroit Lake until drinking water needs are met for the communities drawing water out of the Santiam River.
- C. On May 13, 2026, Marion County Counsel Steve Elzinga inquired as to whether the City would support Marion County in the litigation that they filed in the District Court for the District of Oregon.
- D. On June 15, 2026, by consensus of the City Council, staff was directed to bring a Resolution supporting Marion County in this matter.

III. Current Situation

- A. Marion County has filed a complaint in the United States District Court against the U.S. Army Corps of Engineers. See attached.
- B. Marion County requested that the City of Keizer prepare a Resolution supporting the matter.

C. A draft Resolution is attached for your consideration.

IV. Analysis

A. **Strategic Impact** - The Santiam Canyon and the cities which get drinking water from the Santiam are an important part of our regional economy and community.

B. **Financial** - None.

C. **Timing** - Marion County has already filed the complaint and desires to use the City's resolution of support in future pleadings.

D. **Policy/Legal** - The City Council determines which regional activities to support.

V. Alternatives

A. Adopt the attached Resolution.

B. Amend the Resolution and adopt it as amended.

C. Take no action.

VI. Recommendation

Staff recommends that the Council adopt the attached Resolution.

Attachments

1. Marion Co v. US Army Corp - Complaint - 6.26-cv-00956 (1)
2. RES_CC_Drawdown of Detroit Lake_7 6 2026

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Attorney for County of Marion

Of Attorneys for Plaintiff Marion County

UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF OREGON

EUGENE DIVISION

MARION COUNTY, a Political Subdivision of
the State of Oregon,

Plaintiff,

v.

U.S. ARMY CORPS OF ENGINEERS,
DANIEL P. DRISCOLL, in his official
capacity as Secretary of the Army, and
WILLIAM H. GRAHAM, JR., in his official
capacity as Chief of Engineers and Commanding
General of the U.S. Army Corps of Engineers.

Defendants.

Case No.

COMPLAINT
(For Violations of the APA)

DEMAND FOR JURY TRIAL

Marion County (herein “Marion County” or “Plaintiff”) alleges as follows:

INTRODUCTION

1.

The Secretary of the Army, the Chief of Engineers and Commanding General of the U.S. Army Corps of Engineers, and the U.S. Army Corps of Engineers (collectively “Army Corps” or “Defendants”) have violated federal law by failing to submit a report on turbidity in the Willamette Valley, Oregon by the January 4, 2026 statutory deadline set by Congress.

2.

For over four months, the Army Corps has been in ongoing violation of the deadline set by Congress in federal law.

3.

Marion County seeks to compel the Army Corps to comply with federal law and complete the turbidity report.

4.

The Army Corps is currently evaluating plans for partial draining of Detroit Lake¹ and published a draft Supplemental Environmental Impact Statement (SEIS).

5.

Congress required the Army Corps to evaluate lessons learned from turbidity problems caused by a similar draining of nearby Green Peter Lake.

¹ The Army Corps uses the term “deep drawdown” instead of “draining.” This lawsuit uses the two terms synonymously.

6.

The Army Corps proposed draining Detroit Lake to such a low level that there is a significant, if not nearly certain, risk of having insufficient water for municipal uses such as providing drinking water and water for fighting fires, as well as agricultural, recreational, and environmental uses.

7.

The dangerously low level to which the Army Corps has proposed draining Detroit Lake would harm water quality.

8.

The dangerously low level to which the Army Corps has proposed draining Detroit Lake will cost downstream cities like Stayton and Salem millions of dollars in infrastructure repairs/upgrades.

9.

The public comment period on the SEIS started November 14, 2025 and ended January 13, 2026.

10.

Due to the anticipated effects of the proposed draining, the analysis that is part of the legally required turbidity study would have also informed the SEIS and public comments on the SEIS.

11.

If the Army Corps had followed federal law and published the required turbidity report by the January 4, 2026 statutory deadline, the public would have had an opportunity to evaluate that report and submit comments to the Army Corps about how the proposed Detroit Lake

draining would be impacted by the turbidity report.

12.

By violating federal law, the Army Corps blocked fully informed public comments.

13.

This action seeks to ensure that the public, including Marion County, has the same public comment rights that would have been available if the Army Corps had followed federal law.

14.

This action seeks court intervention to pause efforts to drain Detroit Lake until the Army Corps completes the turbidity report required by federal law and allows informed public comments.

JURISDICTION AND VENUE

15.

Jurisdiction is proper in this Court under 28 U.S.C. § 1331 because this action arises under the laws of the United States, including the Administrative Procedure Act (“APA”), 5 U.S.C. § 701 *et seq.*, and the National Environmental Policy Act, 42 U.S.C. §4321 *et seq.* An actual, justiciable controversy exists between the parties, and the requested relief is therefore proper under 5 U.S.C. §§ 701-06.

16.

Venue is proper in the Eugene Division of this district under 28 U.S.C. § 1391(b)(2), (e)(1) and LR 3-2(a)(3) because the violations and the resources at issue occur in this judicial district. Both Marion County and Detroit Lake are in this division.

17.

The federal government waived sovereign immunity in this action pursuant to 5 U.S.C. § 702.

18.

Plaintiff, Marion County, has been adversely affected or aggrieved by the process the Army Corps used to open and close the comment period on its draft SEIS; *to-wit* it has not completed the required turbidity study and therefore foreclosed Marion County's, and others' ability to comment based on the study. Under 5 U.S.C. § 702, "[a] person suffering legal wrong because of agency action, or adversely affected or aggrieved by agency action within the meaning of a relevant statute, is entitled to judicial review thereto."

PARTIES

19.

Plaintiff Marion County has standing to be a party to this lawsuit. Marion County is located in the Willamette Valley, Oregon and includes Detroit Lake. Detroit Lake is associated with the Detroit Dam constructed and operated by the Army Corps, as part of the Army Corps' Willamette Valley System.

20.

Marion County and its residents have deep and long-standing specific interests in protecting and enjoying Detroit Lake and the Santiam River, including safeguarding water quality, recreation, and the environment, which interests are harmed by Defendants' actions and inactions challenged herein.

21.

Defendant U.S. ARMY CORPS OF ENGINEERS is an agency or instrumentality of the United States, under the U.S. Department of Army and the Department of Defense, and owns, operates, and maintains the Willamette Project, which includes the Detroit Dam that protects Detroit Lake and the Santiam River. The Corps maintains an office in Portland, Oregon that serves as the headquarters of the Northwest Division, which includes the Portland District and four other districts in the United States. The Portland District of the Army Corps is responsible for Endangered Species Act consultation concerning the Willamette Project. The Army Corps is sued for non-monetary relief under the Administrative Procedures Act.

22.

Defendant U.S. ARMY CORPS OF ENGINEERS is a federal agency within the meaning of the APA, 5 U.S.C. § 551(1).

23.

Defendant DANIEL P. DRISCOLL is sued only in his official capacity as Secretary of the Army responsible for overseeing the Army Corps and implementing various statutory duties, including duties established by Sections 1002 and 1205(b) of Thomas R. Carper Water Resources Development Act of 2024 (S. 4367).

24.

Defendant WILLIAM H. GRAHAM, JR. is sued only in his official capacity as Chief of Engineers and Commanding General of the U.S. Army Corps of Engineers responsible for overseeing the Army Corps and implementing various statutory duties, including duties established by Sections 1002 and 1205(b) of Thomas R. Carper Water Resources Development Act of 2024 (S. 4367).

25.

The Secretary of the Army is a federal agency within the meaning of the APA, 5 U.S.C. § 551(1).

26.

The Chief of Engineers and Commanding General of the U.S. Army Corps of Engineers is a federal agency within the meaning of the APA, 5 U.S.C. § 551(1).

GENERAL ALLEGATIONS

A. Importance of Detroit Lake to Marion County

27.

Marion County has a population of over 340,000 residents, all of whom need access to a reliable, safe water supply.

28.

Many Marion County residents recreate on or around Detroit Lake via boating, fishing, and camping.

29.

According to a presentation by the Army Corps, Detroit Lake is the number one or number two recreation reservoir in the state of Oregon.

30.

The Santiam River flowing from Detroit Lake is a critical source of water supply for many water uses located in Marion County, including the City of Salem, the City of Stayton, and agricultural irrigators.

31.

According to the Army Corps' own data, in fiscal year 2024, there were 32,917 visits to Detroit Lake, including 5,458 picnickers, 2,575 swimmers, 9,088 walkers/hikers/joggers, 151 boaters, 20,909 sightseers, 6,021 anglers, 3,862 special event attendees, and 2,234 others.

32.

In fiscal year 2024, visitation to Detroit Lake resulted in \$1,204,903 in visitor spending within 30 miles of Detroit Lake, \$893,326 in sales, 7 jobs, \$326,591 in labor income, and \$430,156 in value added within 30 miles of Detroit Lake. These categories each comprise or lead to revenue in or for Marion County.

33.

Much of the area within 30 miles of Detroit Lake is in Marion County.

34.

Many of the businesses related to visitor spending, sales, jobs, labor, and added value within 30 miles of Detroit Lake are in Marion County.

35.

In fiscal year 2024, visitation to Detroit Lake resulted in \$274,515 in National Economic Development Benefits.

36.

In fiscal year 2024, with multiplier effects, visitor trip spending related to Detroit Lake resulted in \$1,494,041 in total sales, 10 jobs, \$533,380 in labor income, and \$757,679 in value added (wages and salaries, payroll benefits, profits, rents, and indirect business taxes).

37.

Money spent by visitors to Detroit Lake on trip expenses adds to the local and national economies by supporting jobs and generating income.

38.

Visitor spending represents a sizable component of the economy in many communities around Detroit lake, which are in Marion County.

39.

The Army Corps has recognized that, by providing opportunities for active recreation, Detroit Lake helps combat one of the most significant of the nation's health problems: lack of physical activity. Recreational programs and activities at Detroit Lake also help strengthen family ties and friendships; provide opportunities for children to develop personal skills, social values, and self esteem; and increase water safety.

40.

Recreation experiences increase motivation to learn more about the environment; understanding and awareness of environmental issues; and sensitivity to the environment.

41.

Detroit Lake recreation generates many thousands of dollars of impact for individuals, businesses, and local governments in Marion County.

B. Harms from Draining Detroit Lake: Reduced Water Quality and Access

42.

Many Marion County residents, including residents of the Cities of Salem and Stayton, obtain their drinking water from the Santiam River that flows out of Detroit Lake.

43.

Many Marion County residents obtain water for agricultural irrigation from the Santiam River that flows out of Detroit Lake.

44.

When the Detroit Lake's water level is reduced too far during the winter, as the Army Corps has proposed, a below-average rainfall will result in water levels that are too low to provide needed water for municipal, industrial, agricultural, and recreational uses in following months.

45.

As of April 16, 2026, the federal National Oceanic and Atmospheric Administration (NOAA) National Weather Service Climate Prediction Center forecast that seasonal precipitation in November 2026 to January 2027 will be below normal in the Willamette Valley.

46.

The federal Environmental Protection Agency (EPA) recognizes that high turbidity is “often associated with higher levels of disease-causing microorganisms such as viruses, parasites and some bacteria. These organisms can cause symptoms such as nausea, cramps, diarrhea, and associated headaches.” See <https://www.epa.gov/ground-water-and-drinking-water/national-primary-drinking-water-regulations>

47.

Increased turbidity significantly affects and reduces the quality of the human environment, in particular water quality.

48.

Increased turbidity has negative environmental impacts.

49.

Water flows from the Santiam River into the Detroit Lake Reservoir and then flows back into the Santiam River. A deep drawdown or draining of Detroit Lake will result in significant volumes of silt moving through the Detroit Dam and into the Santiam River, which causes increased turbidity downstream.

50.

Increased turbidity is a reasonably foreseeable environmental effect of any deep drawdown or draining of Detroit Lake.

51.

Multiple jurisdictions in Marion County use slow sand filtration, including the cities of Salem and Stayton.

52.

Slow sand filters are highly impacted by increased turbidity.

53.

The draining of Detroit Lake proposed in the draft SEIS would damage sand filters, especially since the fine silt of a deep drawdown or draining is more damaging to slow sand filters than the larger particles of temporary storm-created turbidity.

54.

The deep drawdown or draining of Detroit Lake proposed in the draft SEIS would significantly increase the total collective costs to local governments in Marion County. These costs are expected to be millions of dollars to repair, replace, or find alternative water sources. More importantly, preparations will take more time than proposed in the SEIS – *i.e.* full preparations cannot be completed by the fall of 2026.

55.

For example, the City of Stayton has a slow sand filter that can be temporarily closed during temporary storm events with high turbidity because the City's water system usually has around three days' worth of water storage. However, the Army Corps' proposal for an extended deep drawdown or draining lasting longer than a few days could not be handled with reserve water and would force the city to either spend significant funds that it does not have or turn off municipal water.

56.

The draft SEIS does not include any assurance of monitoring for turbidity at a location far enough upstream from municipal water uses such that a deep drawdown or draining could be paused for unacceptable turbidity (i.e. in pool monitoring).

57.

Failure of any of the North Santiam potable water systems can be and must be avoided – recovery of damaged water systems takes months, at extreme costs, and must be part of the SEIS impacts analysis.

C. Harms from Draining Detroit Lake: Fish Death

58.

The deep drawdown or draining of Green Peter Lake resulted in thousands, if not millions, of fish dying due to barotrauma.

59.

The deep drawdown or draining of Green Peter Lake resulted in thousands, if not millions, of fish being flushed out of the lake.

60.

A deep drawdown or draining of Detroit Lake will result in many fish dying due to barotrauma.

61.

A deep drawdown or draining of Detroit Lake will result in many fish being flushed out of the lake.

62.

The harm that a deep drawdown or draining of Detroit Lake will have for fish will also create cascading harms to the broader ecosystem.

D. Harms from Draining Detroit Lake: Reduced Recreation

63.

A deep drawdown or draining of Detroit Lake will reduce visitation to and recreation around Detroit Lake.

64.

A deep drawdown or draining of Detroit Lake will reduce the monetary impact of recreation in Marion County.

65.

A deep drawdown or draining of Detroit Lake will reduce fishing in the lake and the Santiam River below Detroit Lake.

66.

A deep drawdown or draining of Detroit Lake will result in reduced revenue to Marion County from county park camping spots along the Santiam River impacted by lower river levels and fish death.

E. Harms from Draining Detroit Lake: Financial Harm to Residents, Businesses, and Local Governments

67.

A deep drawdown or draining of Detroit Lake will harm the Santiam Canyon communities in Marion County who are still recovering from the 2020 Labor Day wildfires.

68.

Marion County has current or recent grants to support development in the Santiam Canyon cities of Idana, Detroit, Gates, and Mill City. Each of these cities is impacted by any changes to the Santiam River, and thus also by any deep drawdown or draining of Detroit Lake. The City of Detroit is especially harmed by any deep drawdown or draining of Detroit Lake. Any deep drawdown or draining of Detroit Lake reduces the benefit of Marion County's financial investment.

69.

Marion County has already, and continues, to spend resources planning a trail project along the Santiam River with the goal of improving tourism in the Santiam Canyon. Any deep drawdown or draining of Detroit Lake would undermine the impact of this project and harm Marion County's financial investment.

70.

Marion County has already, and continues, to spend resources planning a North Fork recreation plan with the goal of improving tourism in the Santiam Canyon. Any deep drawdown or draining of Detroit Lake would undermine the impact of this project and harm Marion County's financial investment.

71.

Marion County spends money through its Community Prosperity Initiative to support cities around the county. For the past few years, this program has made available direct financial support of \$20,000 per year available to the city of Stayton, to be used for city development priorities.

72.

A deep drawdown or draining of Detroit Lake will reduce recreational and economic activity in Marion County near the Detroit Lake area.

73.

Reduced recreational and economic activity in the Detroit Lake area will harm businesses in Marion County and reduce the value of those businesses. This will reduce or slow the growth of values for business property, equipment, and other personal property, which in turn will result in less property tax revenue for Marion County and other local governments.

74.

A deep drawdown or draining of Detroit Lake will harm agricultural irrigation in Marion County.

75.

A deep drawdown or draining of Detroit Lake endangers irrigation water access and thus all agricultural activities that depend on such irrigation.

76.

Marion County is one of the top agricultural counties in Oregon, with agricultural product sales of \$874.6 million in 2022.

77.

Marion County's interests in protecting and enjoying Detroit Lake and the Santiam River are being directly harmed by Defendants' actions and inactions.

78.

Unless the relief prayed for is granted, Marion County's above-described interests will be adversely affected and irreparably injured by Defendants' violations of law.

79.

Delay of a deep drawdown or draining of Detroit Lake would reduce harms to Marion County.

F. Thomas R. Carper Water Resources Development Act of 2024

80.

Thomas R. Carper Water Resources Development Act of 2024 (S. 4367) was signed into law on January 4, 2025 by the President after passing by overwhelming bipartisan margins in both the House (399 votes in favor; 18 against) and Senate (97 votes in favor; 1 against). It is now Public Law No: 118-272. <https://www.congress.gov/bill/118th-congress/senate-bill/4367>

81.

Sections 1002 and 1205(b) of Thomas R. Carper Water Resources Development Act of 2024 (S. 4367) required the Secretary of the Army to submit, to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Environment and Public Works of the Senate a turbidity report “[n]ot later than 1 year after the date of enactment of this Act.” Upon submission to Congress, the turbidity report would also be available to the public.

82.

The S. 4367 Section 1205(b) report on turbidity in the Willamette Valley, Oregon was due on January 4, 2026.

83.

The Secretary of the Army did not timely submit the turbidity report required by S. 4367 Section 1205(b) and still has not submitted the report months later.

84.

Under S. 4367 Section 1205(b), the Army Corps’ report was required to address:

- “instances of high turbidity in a reservoir in the Willamette Valley resulting from a drawdown in the reservoir;”
- “identify and report instances during the 10-year period preceding the date of enactment of this Act in which turbidity concerns have arisen following a drawdown at a reservoir in the Willamette Valley, including Foster Lake and Green Peter Lake;”
- “report on turbidity monitoring that the Secretary performs during drawdowns to identify, and if necessary correct, turbidity issues;”

- “provide a summary of turbidity monitoring records collected during drawdowns with respect to which turbidity concerns have been raised by the public, including a comparison between turbidity prior to a drawdown, during a drawdown, and following refilling;”
- “identify lessons learned associated with turbidity resulting from drawdowns and indicate how changes based on those lessons learned are being implemented;” and
- “identify opportunities to minimize monetary strains on non-Federal entities caused by increased turbidity levels.”

85.

Had the Army Corps completed and provided the turbidity study by the statutory deadline, more fully informed comments on the SEIS could have been provided on significant concerns, possible improvements, and alternative options.

G. National Environmental Policy Act

86.

Under 42 U.S. Code § 4332(2)(C), all federal actions “significantly affecting the quality of the human environment” must include “a detailed statement” on “reasonably foreseeable environmental effects of the proposed agency action” among other things.

87.

Congress passing a law requiring a report evaluating the turbidity impacts of the Green Peter deep drawdown or draining demonstrates that increased turbidity is a reasonably foreseeable result of any deep drawdown or draining in the Willamette Valley System.

88.

Since increased turbidity has environmental impacts and Congress required a relevant turbidity report, that report will address effects that are “reasonably foreseeable,” especially considering lessons from the recent deep drawdowns at nearby Green Peter Lake.

89.

Under NEPA, the Army Corps may not complete the SEIS without evaluating all “reasonably foreseeable environmental effects,” which means that the Army Corps may not complete the SEIS prior to completing the turbidity report required by Congress.

90.

The general public must have the opportunity to review and comment on draft Environmental Impact Statements and Supplemental Environmental Impact Statements.

91.

A federal agency must consider alternatives to a proposed action. This necessarily includes consideration of all substantive comments and conducting further analysis if necessary.

92.

When announcing the SEIS, Army Corps stated that “Public input is the cornerstone of success when we’re working with projects that impact our communities;” “Comments will help us better understand how the proposed changes in the SEIS may affect communities, the environment, and reservoir users;” “We’re moving quickly to complete this study and ensure we’re meeting our obligations, while also considering potential impacts to communities;” and “We encourage everyone to participate in the public comment period and help us make informed decisions about the future management of the Willamette Valley dams.” *See*

<https://www.nwp.usace.army.mil/Media/News-Releases/Article/4332270/public-invited-to-comment-on-draft-study-of-detroit-reservoir-deep-drawdown-pot/>

93.

Under NEPA, the Army Corps may not complete the SEIS without evaluating all “reasonably foreseeable environmental effects,” which means that the Army Corps may not complete the SEIS prior to considering public comments informed by the turbidity report required by Congress.

H. Administrative Procedure Act

94.

The Administrative Procedure Act confers a right of judicial review on any person that is adversely affected by a federal agency action. 5 U.S.C. § 702. Upon review, the court shall “hold unlawful and set aside agency actions . . . found to be arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law.” *Id.* § 706(2)(A). The APA defines “agency action” to include a “failure to act.” *Id.* §§ 551(13), 701(b)(2). A reviewing court also shall “compel agency action unlawfully withheld or unreasonably delayed.” *Id.* § 706(1).

CAUSES OF ACTION

FIRST CLAIM FOR RELIEF: VIOLATION OF THE APA Action Unlawfully Withheld or Unreasonably Delayed (Thomas R. Carper Water Resources Development Act of 2024 (S. 4367))

95.

Marion County realleges and incorporates by reference all previous paragraphs as if fully set forth herein.

96.

In accordance with the APA, a court must “compel agency action unlawfully withheld or unreasonably delayed.” 5 U.S.C. § 706(1).

97.

An “agency action” “includes the whole or a part of an agency rule, order, license, sanction, relief, or the equivalent or denial thereof, or failure to act.” 5 U.S.C. § 701(b)(2); 5 U.S. Code § 551(13).

98.

Defendants’ decision not to timely complete the turbidity report required by Sections 1002 and 1205(b) of the Thomas R. Carper Water Resources Development Act of 2024 (S. 4367) by the statutory deadline constitutes a final agency action, which is reviewable under the APA.

99.

Failure to timely complete the turbidity report required by Sections 1002 and 1205(b) of the Thomas R. Carper Water Resources Development Act of 2024 (S. 4367) for months past its statutory deadline is an agency action unlawfully withheld or unreasonably delayed in violation of the APA.

100.

Failure to timely complete the turbidity report required by Sections 1002 and 1205(b) of the Thomas R. Carper Water Resources Development Act of 2024 (S. 4367) before the conclusion of the comment period for the SEIS is an agency action unlawfully withheld or unreasonably delayed in violation of the APA.

101.

Marion County has been harmed by this failure and unreasonable delay, in that it, along

with others, is not able to provide fully informed comments on the draft SEIS. Nor has the Army Corps been able to complete the in-depth analysis of the available alternatives, as required under federal law.

102.

If the Army Corps had followed federal law and published the required turbidity report by the January 4, 2026 statutory deadline, the public would have had nine days to consider the report and provide public comments before the end of the SEIS public comment period on January 13, 2026.

103.

On January 6, 2026, Marion County asked the Army Corps to voluntarily extend the public comment deadline for the draft SEIS until the turbidity report was complete, but the Army Corps declined to do so.

104.

The Court should order the Army Corps to complete and publish the turbidity report required by federal law and then either (1) allow a reasonable amount of additional time (at least nine days) for the public to review and submit comments on the draft SEIS based on the turbidity report or (2) revise the draft SEIS based on the turbidity report and then open a new public comment period based on the revised draft SEIS.

**SECOND CLAIM FOR RELIEF: VIOLATION OF THE APA
Action that is Contrary to Law
(Thomas R. Carper Water Resources Development Act of 2024 (S. 4367))**

105.

Marion County realleges and incorporates by reference all previous paragraphs as if fully set forth herein.

106.

In accordance with the APA, a court must “hold unlawful and set aside agency action, findings, and conclusions found to be . . . arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law.” 5 U.S.C. § 706(2)(A).

107.

Failure to timely complete the turbidity report required by Sections 1002 and 1205(b) of the Thomas R. Carper Water Resources Development Act of 2024 (S. 4367) for months past its statutory deadline is an agency action contrary to law in violation of the APA.

108.

Failure to timely complete the turbidity report required by Sections 1002 and 1205(b) of the Thomas R. Carper Water Resources Development Act of 2024 (S. 4367) before the conclusion of the comment period for the SEIS is an agency action contrary to law in violation of the APA.

109.

The Court should order the Army Corps to complete and publish the turbidity report required by federal law and then either (1) allow a reasonable amount of additional time (at least nine days) for the public to review and submit comments on the draft SEIS based on the turbidity report or (2) revise the draft SEIS based on the turbidity report and then open a new public comment period based on the revised draft SEIS.

THIRD CLAIM FOR RELIEF: VIOLATION OF THE APA
Action that is Arbitrary and Capricious
(Thomas R. Carper Water Resources Development Act of 2024 (S. 4367))

110.

Marion County realleges and incorporates by reference all previous paragraphs as if fully set forth herein.

111.

In accordance with the APA, a court must “hold unlawful and set aside agency action, findings, and conclusions found to be . . . arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law.” 5 U.S.C. § 706(2)(A).

112.

Failure to timely complete the turbidity report required by Sections 1002 and 1205(b) of the Thomas R. Carper Water Resources Development Act of 2024 (S. 4367) for months past its statutory deadline is an agency action that is arbitrary and capricious in violation of the APA.

113.

Failure to timely complete the turbidity report required by Sections 1002 and 1205(b) of the Thomas R. Carper Water Resources Development Act of 2024 (S. 4367) before the conclusion of the comment period for the SEIS is an agency action that is arbitrary and capricious in violation of the APA.

114.

The Court should order the Army Corps to complete and publish the turbidity report required by federal law and then either (1) allow a reasonable amount of additional time (at least nine days) for the public to review and submit comments on the draft SEIS based on the turbidity

report or (2) revise the draft SEIS based on the turbidity report and then open a new public comment period based on the revised draft SEIS.

**FOURTH CLAIM FOR RELIEF: VIOLATION OF THE APA
Action that is an Abuse of Discretion
(Thomas R. Carper Water Resources Development Act of 2024 (S. 4367))**

115.

Marion County realleges and incorporates by reference all previous paragraphs as if fully set forth herein.

116.

In accordance with the APA, a court must “hold unlawful and set aside agency action, findings, and conclusions found to be . . . arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law.” 5 U.S.C. § 706(2)(A).

117.

Failure to timely complete the turbidity report required by Sections 1002 and 1205(b) of the Thomas R. Carper Water Resources Development Act of 2024 (S. 4367) for months past its statutory deadline is an agency action that is an abuse of discretion in violation of the APA.

118.

Failure to timely complete the turbidity report required by Sections 1002 and 1205(b) of the Thomas R. Carper Water Resources Development Act of 2024 (S. 4367) before the conclusion of the comment period for the SEIS is an agency action that is an abuse of discretion in violation of the APA.

119.

The Court should order the Army Corps to complete and publish the turbidity report required by federal law and then either (1) allow a reasonable amount of additional time (at least

nine days) for the public to review and submit comments on the draft SEIS based on the turbidity report or (2) revise the draft SEIS based on the turbidity report and then open a new public comment period based on the revised draft SEIS.

**FIFTH CLAIM FOR RELIEF: VIOLATION OF THE APA
Action Unlawfully Withheld or Unreasonably Delayed
(NEPA (42 U.S.C. § 4321))**

120.

Marion County realleges and incorporates by reference all previous paragraphs as if fully set forth herein.

121.

The Court may review NEPA claims under Section 706(1) of the APA. 5 U.S.C. § 706(1). The Court may “compel an agency to perform a ministerial or non-discretionary act, or to take action upon a matter, without directing how it shall act.” *Norton v. S. Utah Wilderness All.*, 542 U.S. 55, 64, 124 S. Ct. 2373, 159 L. Ed. 2d 137 (2004) (internal quotations and emphasis omitted).

122.

Under Section 706(1) of the APA, Plaintiffs must only assert that the Army Corps failed to take an action that it is required to take.

123.

The Army Corps had a clear legal mandate to complete the turbidity study by a given date, and it has not done so. The Army Corps has offered no sufficient substantive explanation for its failure, let alone an explanation that would support a reasonable delay.

124.

Under NEPA, the Army Corps may not complete the SEIS without evaluating all “reasonably foreseeable environmental effects,” which means that the Army Corps may not complete the SEIS prior to completing the turbidity report required by Congress and allowing public comments based on that turbidity report.

125.

The Court should order the Army Corps to complete and publish the turbidity report required by federal law and then either (1) allow a reasonable amount of additional time (at least nine days) for the public to review and submit comments on the draft SEIS based on the turbidity report or (2) revise the draft SEIS based on the turbidity report and then open a new public comment period based on the revised draft SEIS.

SIXTH CLAIM FOR RELIEF: *ULTRA VIRES*
Action That Is Beyond the Scope of the Army Corps’ Authority (*Ultra Vires*)

126.

Marion County realleges and incorporates by reference all previous paragraphs as if fully set forth herein.

127.

In accordance with the APA, a court must “hold unlawful and set aside agency action, findings, and conclusions found to be . . . not in accordance with law.” 5 U.S.C. § 706(2)(A). In essence, an agency may act only within the bounds of its authority.

128.

The Army Corps was required to, and in fact did, prepare a draft SEIS for public comment. However, it is required to allow for fully informed public comment.

129.

It was not within the Army Corps' authority to fail to complete the turbidity study by the statutory deadline set by Congress.

130.

It is not within the Army Corps' authority to complete the SEIS prior to providing the turbidity study and allowing public comment informed by the study.

131.

The Court should order the Army Corps to complete and publish the turbidity report required by federal law and then either (1) allow a reasonable amount of additional time (at least nine days) for the public to review and submit comments on the draft SEIS based on the turbidity report or (2) revise the draft SEIS based on the turbidity report and then open a new public comment period based on the revised draft SEIS.

PRAYER FOR RELIEF

WHEREFORE, Marion County respectfully requests the entry of judgment against the Army Corps and that the following relief be granted:

- A. Compel Defendants to complete, provide to the specified Congressional committees, and further consider the turbidity study and impacts thereof, including the impact on various alternatives on a timeframe that is reasonably practicable;
- B. Prohibit Defendants from finalizing the SEIS prior to completing the turbidity report required by Congress.
- C. Compel Defendants to reopen the public comment period, for a reasonable amount of time, on the draft SEIS after the turbidity study is made publicly available;

- D. Award attorney fees and costs to the Plaintiff pursuant to the Equal Access to Justice Act, 28 U.S.C. § 2412;
- E. Award discretionary costs; and
- F. Such further relief as the Court deems just and proper to provide relief to Plaintiff and to protect the public interest.

Dated this 13th day of May, 2026

/s/Steve Elzinga

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1 CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

2
3 Resolution R2026-_____

4
5 SUPPORTING MARION COUNTY'S ACTION
6 REGARDING DRAWDOWN OF DETROIT LAKE
7

8 WHEREAS, on September 2, 2025, Council directed staff to add Keizer's name to the
9 entities requesting deferment of the drawdown of Detroit Lake until solutions to handle drinking
10 water were met;

11 WHEREAS, the City of Keizer has an interest in this matter because the City has a
12 mutual aid agreement with the City of Salem to assist in providing water;

13 WHEREAS, if the City of Salem has an inability to process clean water because of the
14 drawdown of Detroit Lake, Keizer's ability to assist them is minimal based on what Keizer's
15 system can produce;

16 WHEREAS, Marion County filed a Complaint in the United States District Court
17 against the U.S. Army Corps of Engineers, Daniel P. Driscall, and William H. Graham, Jr.;

18 WHEREAS, Marion County is requesting entry of a judgment against the U.S. Army
19 Corps of Engineers compelling them to complete a turbidity study and provide it to the specified
20 Congressional committees, prohibiting the U.S. Army Corps of Engineers from finalizing the
21 Supplemental environmental Impact Statement (SEIS) prior to completing the turbidity report,
22 and to reopen the public comment period after the turbidity study is made public;

23 WHEREAS, the Keizer City Council supports Marion County's action;

24 NOW, THEREFORE,

25 BE IT RESOLVED by the City Council of the City of Keizer that the City Council
26 officially supports Marion County's requests that the U.S. Army Corps of Engineers be

1 compelled to complete a turbidity study and provide it to the specified Congressional
2 committees, prohibit them from finalizing the Supplemental Environmental Impact Statement
3 (SEIS) prior to completing the turbidity report, and to reopen the public comment period after
4 the turbidity study is made public.

5 BE IT FURTHER RESOLVED that this Resolution shall be effective upon the date of
6 its passage.

7 PASSED this _____ day of _____, 2026.

8

9 SIGNED this _____ day of _____, 2026.

10

11

12

Mayor

13

14

15

City Recorder



To: Mayor Clark and City Council Members
Thru: Adam J. Brown, City Manager
From: Adam Brown, City Manager
Subject: Solid Waste Service for High Density Housing

Proposed Motion

I move that the Keizer City Council direct staff to work with Loren's Sanitation and Recycling, Inc. and Valley Recycling Disposal, Inc. and return to the City Council with a proposed amendment to the solid waste hauling rate schedule adding a concierge surcharge for high-density housing and similar developments where standard automated roadway service is not feasible.

I. Summary

Loren's Sanitation and Recycling, Inc. and Valley Recycling Disposal, Inc. are Keizer's franchised solid waste haulers, and Keizer regulates solid waste collection through private franchise agreements with those two haulers. Certain high-density housing forms, including cottage clusters, may create site layouts where carts cannot be served by the typical roadway-based automated collection method. The current rate schedule states that roll cart service may not be appropriate for customers that do not provide access to the cart for automated equipment or who do not comply with service restrictions. Council direction would allow staff to develop a rate amendment for a concierge surcharge, complete the required analysis, and return for Council consideration through the established rate-setting process.

II. Background

- A. Keizer's solid waste collection system is served by Loren's Sanitation and Recycling, Inc. and Valley Solid Waste Management Corporation, operating as Valley Recycling Disposal, Inc.
- B. The City Council determines and establishes solid waste collection rates. A franchisee may request a rate adjustment or new rate by filing an application with the City Manager; the City Manager investigates and makes a recommendation; a public hearing is set before Council; and Council issues an order establishing findings, rates, and effective dates.
- C. Council's rate-review criteria include current and projected revenues, operating expenses, equipment acquisition and replacement, construction and maintenance

costs, reasonable return, and special services.

- D. The solid waste chapter states that collection rates should be just, fair, reasonable, and adequate, and that the City seeks to prohibit discriminatory rate or service practices and provide public collection service standards.
- E. Current residential multi-family rates include categories for four units or less and five units or more with single billing.
- F. Keizer's Development Code defines a cottage cluster as a grouping of at least four detached buildings per acre, with each building designed for separate households and oriented around a common courtyard.
- G. Cottage clusters may be on a single lot under single ownership, or individual cottages may be on individually owned lots. Individual cottage lots have no minimum lot size, cottage cluster development must meet a minimum density of four units per acre, and there is no maximum cottage-cluster density.

III. **Current Situation**

- A. Loren's Sanitation and Recycling, Inc. and Valley Recycling Disposal, Inc. have identified service conditions at high-density housing and similar developments, including cottage clusters, where collection vehicles cannot serve carts or containers using typical roadway-based service.
- B. Where carts or containers must be moved manually, collected from internal areas, or otherwise served through a concierge-style process, the service may require labor and operating conditions beyond standard curbside automated collection.
- C. The existing rate schedule's access limitation for roll cart service provides a basis for further analysis of whether an additional surcharge is appropriate when customers or developments cannot provide access for automated equipment.
- D. Direction from Council at this meeting would not adopt a surcharge. It would direct staff to prepare a proposed rate amendment, work with the franchised haulers, evaluate objective surcharge criteria, and return to Council for consideration through the required rate-setting process.

IV. **Analysis**

- A. **Strategic Impact** - Does not apply.
- B. **Financial** - The requested action has no direct General Fund impact because it only directs staff to prepare a future rate amendment for Council consideration. Solid waste charges are customer charges paid to franchised haulers; the November 2025 solid waste rate adjustment of 2.1 percent had no anticipated General Fund impact. Any future surcharge should be tied to the added cost of special service conditions and developed using the rate-review factors in Keizer Code, including operating expenses, equipment needs, reasonable return, and special services.
- C. **Timing** - Newer high-density and middle-housing development patterns can create collection access issues that are not fully addressed by the current rate schedule.

The current rate schedule became effective January 1, 2026, and recognizes that roll cart service may not be appropriate where access for automated equipment is not provided. Council direction now would allow staff to develop a proposed amendment before the City and haulers encounter additional projects where service expectations and cost responsibility are unclear.

- D. **Policy/Legal** - Keizer Code requires Council approval of solid waste rate changes and provides the process for a franchisee request, City Manager investigation and recommendation, public hearing, and Council order establishing rates and effective dates. Keizer Code also requires rates to be just, fair, reasonable, and adequate and prohibits discriminatory rate or service practices. Staff should develop any concierge surcharge using objective service conditions, such as lack of truck-accessible cart staging, distance from collection point, number or type of carts, manual handling requirements, or similar cost drivers.

V. Alternatives

- A. Alternative A: Direct staff to return with a proposed rate amendment limited to high-density housing and cottage cluster developments where standard automated roadway service is not feasible.
- B. Alternative B: Direct staff to return with a broader amendment addressing all residential and multi-family properties where site conditions require concierge, manual, or non-standard collection service.
- C. Alternative C: Direct staff to gather additional information from the haulers and affected property owners before preparing a proposed rate amendment.
- D. Take No Action: The City would continue using the existing solid waste rate schedule, and non-standard service conditions at high-density developments may remain unresolved.

VI. Recommendation

Staff recommends that the City Council direct staff to work with Loren's Sanitation and Recycling, Inc. and Valley Recycling Disposal, Inc. and return with a proposed amendment to the solid waste hauling rate schedule adding a concierge surcharge for high-density housing and similar developments where standard automated roadway service is not feasible.

Attachments

None



To: Mayor Clark and City Council Members
Thru: Adam J. Brown, City Manager
From: Tim Wood, Assistant City Manager
Subject: Salem Sewer System Development Charge

Proposed Motion

I move the City Council adopt Resolution R2026-____ Establishing the Amount of the Sewer System Development Charge for Wastewater Treatment Facilities; Repealing Resolution R2025-3602.

I. Summary

The City of Keizer entered into an Intergovernmental Agreement (IGA) with the City of Salem relating to wastewater treatment. Pursuant to the IGA, the City agreed to adopt the City of Salem's sewer system development charge (SDC) for wastewater treatment facilities. The City of Salem has provided the new charge of \$407 effective July 1, 2026.

II. Background

- A. In 2009, the City entered into an IGA with the City of Salem relating to wastewater treatment.
- B. The City agreed to adopt the City of Salem's sewer system development charge for wastewater treatment facilities.
- C. The charge is essentially a "pass through" to Salem.
- D. This charge is separate from the transmission sewer SDC collected by Keizer for construction of new sewer lines.
- E. It is appropriate to repeal Resolution R2025-3602 and adopt the City of Salem's 2026-27 charge as contemplated under the IGA.
- F. State law requires that all fees be adopted by the City Council and that public comment be accepted.
- G. There is no requirement for a formal public hearing, but the Mayor must ask if any party wants to provide comment.

III. **Current Situation**

- A. The City is currently collecting \$401, the 2025–26 charges under the IGA.
- B. The City needs to collect \$407, the 2026-27 charges under the IGA.

IV. **Analysis**

- A. **Strategic Impact** - Not Applicable
- B. **Financial** - This is a pass-through charge for the City of Salem.
- C. **Timing** - Adoption of the 2026-27 charges will allow the City to collect the correct amount under the IGA.
- D. **Policy/Legal** - State law requires that all fees be adopted by the City Council and that public comment be accepted.

V. **Alternatives**

- A. Adopt the attached Resolution establishing the 2026-27 amount under the IGA.
- B. Take No Action - The City will continue to collect the 2025-26 amount.

VI. **Recommendation**

Staff recommends that the City Council allow for public comment and unless there are objections or questions, adopt the attached resolution.

Attachments

1. RES_CC_Setting 2026 Salem Sewer System Development Charge_7 6 2026

1 CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

2
3 Resolution R2026-____

4
5 ESTABLISHING THE AMOUNT OF THE SEWER SYSTEM
6 DEVELOPMENT CHARGE FOR WASTEWATER TREATMENT
7 FACILITIES; **REPEALING RESOLUTION R2025-3602**
8

9 WHEREAS, the City Council adopted Resolution R2025-3602 establishing the
10 sewer system development charge for wastewater treatment facilities;

11 WHEREAS, the City of Keizer entered into an Intergovernmental Agreement
12 with the City of Salem for wastewater treatment in 2009;

13 WHEREAS, pursuant to such Intergovernmental Agreement, the City agreed to
14 adopt the City of Salem sewer system development charge for wastewater treatment
15 facilities;

16 WHEREAS, it is appropriate to repeal Resolution R2025-3602 and adopt the
17 City of Salem's 2026 sewer system development charge for wastewater treatment
18 facilities effective July 1, 2026;

19 NOW, THEREFORE,

20 BE IT RESOLVED by the City Council of the City of Keizer that effective July
21 1, 2026 the sewer system development charges for wastewater treatment facilities on
22 properties with a ¾" meter or less set by the City of Salem are hereby adopted as
23 follows:

24	Sanitary Sewer Connection Fee	\$ 59.00
25	SDC-Sewer Reimbursement	\$ 60.00
26	SDC-Sewer Improvement	\$132.00

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To: Mayor Clark and City Council Members
Thru: Adam J. Brown, City Manager
From: Keare Blaylock, Public Works Director
Subject: Verda Lane Traffic Corridor

Proposed Motion

I move that the Council retain the current speed limit of 35-mph on Verda Lane NE, south of Chemawa Road to the city limits, and direct staff to continue addressing the Verda Lane corridor between Lockhaven Drive NE and Chemawa Road NE using the City's adopted Neighborhood Traffic Management Program.

I. Summary

In response to livability complaints from the Multimodal Safety Committee and residents on Verda Lane NE (north of Chemawa), staff was directed to assess traffic management options on Verda Lane NE and report back to Council. Residents north of Chemawa report speeding and high-volume traffic as the primary issues impacting livability. Councilor Christopher suggested placing multiple stop signs between Lockhaven Drive and the roundabout to control speeding. A broader discussion centered on reducing the speed limit on Verda south of Chemawa for consistency at the roundabout. Staff evaluated the historical record of complaints, Keizer Police speed study data, Oregon traffic code, and consulted engineers to assess traffic management options. Staff is reporting the findings of the assessments and providing recommendations for the Council's consideration.

This report aims to address traffic management options along the Verda Lane corridor with a focus on two Regions of Interest (ROIs) hereto referred to as Verda North (of Chemawa) and Verda South (of Chemawa).

II. Background

Verda South ROI – Speed Limits

- In March of 2026 the Council noted that speed limits on streets leading to the roundabout were the same for Chemawa Road, but different for Verda Lane. There

were some concerns that the different speed limits might be confusing to drivers, despite clearly posted speed limit signs on each street. Staff was directed to evaluate the potential to reduce the speed limit on Verda Lane south of Chemawa from 35 mph to 30 mph for consistency.

Verda North ROI – Stop Signs

- A review of the historical record indicates that complaints from residents and members of the Multimodal Safety Committee (MMSC) have increased since the apartment complex was constructed in May of 2024. Complainants have reported speeding and increased traffic volumes from “cut-through” traffic, which is impacting livability.
- Officer Powell presented speed study data to the Multimodal Safety Committee on two previous occasions: in 2024 and 2025. In both cases, he reported that while volumes were increasing, speeding was not significant and did not meet Neighborhood Traffic Management Program (NTMP) thresholds.
- The MMSC successfully advocated to reduce the speed threshold from the 85th percentile to the 50th percentile. The revised NTMP was adopted by Council in September of 2024. Since then, the committee has continued to have focused discussions on speeding issues and the need to revise the City’s adopted Neighborhood Traffic Management Program (NTMP), deeming the process too difficult to effectively address traffic concerns. A work session with the Council has been scheduled on July 27, 2026 to discuss the committee’s recommendations for additional revisions.
- On March 16, 2026, a resident and MMSC member again raised concerns about speeding and congestion on Verda. In response, Councilor Christopher proposed adding stop signs on Verda Lane at the intersections of Larchwood, Lawnview, and Kalmia. Council consensus supported staff bringing back a report and recommendation.

III. Current Situation

Verda South ROI:

- Verda Lane NE south of the circle has a designated speed; therefore, to reduce the speed limit, the City must submit an online request form to ODOT for review and approval.
- Verda Lane NE south of the circle has a federal functional classification of arterial, therefore an engineering study is required to reduce the speed limit.
- The speed limit at the roundabout is consistent (20 MPH).
- The city has already made prior investments to address concerns at this intersection and it seems to be functioning well. A new study is unlikely to result in

recommendations that will improve safety.

- The City has an active road construction project on the south corridor of Verda Lane and another capital improvement project in the queue (planned and grant funded).

Verda North ROI:

- State law requires strict adherence to the MUTCD which prohibits the use of a STOP sign to control speed.
- Adding stop signs will result in the loss of on-street parking at 13 residences.
- According to Keizer Police, speeding is not a problem. Based on the speed data from multiple studies, neither the total number of speeders nor the rate of speeds recorded justified further enforcement actions.
- Based on a speed study in May 2026, the traffic volume on Verda translates to 1,731 Average Daily Trips (ADT), which exceeds the NTMP threshold, however both criteria must be met to advance the complaint (this aligns with MUTCD standards).
- The City is currently in the process of updating the TSP, which will include a comprehensive traffic analysis of the Verda corridor.

IV. Analysis

A. Strategic Impact -

Verda South ROI: see Attachment: Verda South_Speed Limit Analysis for complete details.

- A cursory review of SKATS crash data suggests that most drivers are able to maneuver the roundabout without incident. If a problem does exist, it will be identified in the process of updating the TSP, which will include a traffic analysis and significant public engagement and community outreach.
- The City paid a considerable amount of money for engineering on the Verda Road Reconstruction project, which included an evaluation of traffic metrics, and was critical to the design of the road.
- Reducing the speed may unintentionally create an ongoing safety, speeding, and enforcement problem since drivers will feel comfortable going 35-mph by design.

Verda North ROI: see Attachment: Verda North_Stop Sign Analysis for complete details.

- The solution to a volume problem is traffic diversion. Unfortunately, if traffic controls are used to reduce volume on Verda, traffic will be diverted to River Road, where congestion is already a problem.
- The 2026-2030 Strategic Plan lists “addressing traffic congestion on River Road” as a Council priority and further directs staff to explore alternative north-south routes to identify solutions to traffic congestion on River Road.

- The 2009 Transportation System Plan (TSP) has already identified Verda as the primary alternative North-South Corridor to River Road.
- The application of traffic controls to prevent cut-through traffic on Verda will establish a long-term traffic pattern that contradicts both the TSP and the Council's stated goals.
- This may be more of a transportation problem than a traffic problem.

B. Financial -

Verda South ROI:

- Because no speed change is recommended, no new expenditure is required for this action. Not pursuing a speed change avoids sign replacement, installation and ongoing maintenance costs.
- If Council directs staff to pursue a speed change, the City will incur additional costs for an engineering study and the cost of replacing the brand-new signage, beyond the project scope.
- The approved 2026-27 City Budget does not include funding for expenses associated with this item.

Verda North ROI:

- Because no installation is recommended, no new expenditure is required for this action. Not installing additional stop signs avoids immediate sign installation and ongoing maintenance costs.
- If Council directs installation, staff would need to determine the cost of signs, striping, enforcement, and maintenance costs and identify an appropriate funding source before implementation.
- Alternative measures such as pavement markings, signs, speed displays, speed humps, speed tables, or crossing enhancements may require separate cost estimates, budget authorization, and maintenance review if later warranted.
- The approved 2026-27 City Budget does not include funding for expenses associated with this item.

C. Timing -

Verda South ROI:

- The City has a multi-million-dollar road reconstruction project in progress, spanning from the south City limits to Dearborn Ave NE. The City also has received grant funding to complete an additional capital improvement project from Dearborn Ave NE to the roundabout at Chemawa Ave NE.
- The City's considerable investment in capital improvements on Verda Lane (south of Chemawa) should be realized before substantive traffic modifications are implemented.

Verda North ROI:

- The City is in the process of updating the TSP, which will include a comprehensive traffic analysis of Verda Lane as a potential alternate North-South corridor to River Road.
- With the understanding that speeding is not the problem, there is less pressure to act with immediacy. While high traffic volume can impact a neighborhood's livability, from a public safety perspective, speeding is a far more immediate and critical safety concern than traffic volume.

D. Policy/Legal -

Verda South ROI:

- Statutory speed limits are default speed limits set by law (ORS 811.105 & 811.111).
- ORS 810.180 grants ODOT authority to designate a speed limit on a public roadway based on an engineering investigation.

Verda North ROI:

- ORS 810.210 dictates that every local road authority in Oregon must ensure that all traffic control devices they erect, maintain, or use conform strictly to the 11th edition of the Manual on Uniform Traffic Control Devices (MUTCD) (as adopted by OAR 734-020-0005).
- Section 2B.06 of the MUTCD explicitly states that STOP signs should not be used for speed control.
- According to MUTCD guidelines (Section 2B), the purpose of a stop sign is to assign right-of-way and an engineering study or judgment should be used prior to any installation to ensure the device is legally justified and appropriate for the location.
- ORS 811.550 and the Keizer Development Code Sec. 40-84 restricts parking within 50 feet of an intersection.
- The NTMP was last adopted by Council in 2024 and serves as the City's systematic process used to address neighborhood traffic issues.

V. Alternatives

Verda South ROI:

- A. Pursue an engineering study and initiate an ODOT review to reduce the speed limit from 35-mph to 30-mph on Verda Lane NE south of Chemawa Rd NE to city limits.
- B. Take No Action. Retain the current designated speed limit of 35-mph on Verda Lane NE south of the roundabout.

Verda North ROI:

- A. Direct staff to pursue an engineered traffic diversion solution to reduce volume on Verda Lane NE (north of Chemawa Rd NE).
- B. Direct staff to pursue an interim engineering solution to mitigate traffic volumes on Verda Lane NE (north of Chemawa Rd NE) in which temporary measures could be applied.
- C. Take No Action. Staff will continue to address traffic on Verda Lane NE (north of Chemawa Rd NE) using the Neighborhood Traffic Management Program process.

VI. Recommendation

Staff recommends the Council take no action and retain the current designated speed limit of 35-mph on Verda Lane NE south of Chemawa Rd NE and direct staff to continue to address traffic on Verda Lane NE north of Chemawa Rd NE using the Neighborhood Traffic Management Program process, which may be improved soon.

Attachments

- 1. ATT_CC_Verda North_Stop Sign Analysis_07-06-2026
- 2. ATT_CC_Verda South_Speed Limit Analysis_07-06-2026

Verda Lane Traffic Management Analyses

July 06, 2026

This analysis of the Verda Lane NE corridor is not to be construed as an engineering traffic study. The results are based on preliminary research and review of Manual on Uniform Traffic Control Devices (MUTCD) standards, Keizer Development Code, 2009 Transportation System Plan (TSP), and consultation with the Keizer Police Department and the City's Engineer of Record.

Verda North ROI – Stop Sign Installation

In response to complaints brought to the City Council that traffic on Verda North was impacting livability due to speeding and high-volume (congestion), Councilor Christopher recommended that stop signs be installed to address traffic concerns. A discussion on the history of complaints ensued resulting in Council consensus to direct staff to evaluate traffic on Verda Lane north of Chemawa. Public Works staff performed the following assessment for proposed stop signs at the intersections of Larchwood, Lawnview, and Kalmia.



Stop Sign Policy

Local road authorities manage traffic devices on local streets, provided they meet state standards.

- ORS 810.210 dictates that every local road authority in Oregon must ensure that all traffic control devices they erect, maintain, or use conform strictly to the 11th edition of the Manual on Uniform Traffic Control Devices (MUTCD) (as adopted by OAR 734-020-0005).
- Section 2B.06 of the MUTCD explicitly states that STOP signs should not be used for speed control.
- According to MUTCD guidelines (Section 2B), the purpose of a stop sign is to assign right-of-way and an engineering study or judgment should be used prior to any installation to ensure the device is legally justified and appropriate for the location.

Intersection Policy

- ORS 811.550 and the Keizer Development Code Sec. 40-84.
 - Areas within 50 feet of an intersection are prohibited to all parking due to traffic hazards, including, but not limited to, restricted vision clearance, pedestrian movements, turning movements, and street ingress and egress volumes.

Results:

- State law requires strict adherence to the MUTCD which prohibits the use of a STOP sign to control speed.
 - An engineering study could be pursued to determine if stop signs are warranted at the proposed locations for reasons other than speed control.
- Adding stop signs will result in the loss of on-street parking at 13 residences.

Neighborhood Traffic Management Program (NTMP)

The NTMP is the City's systematic process used to address neighborhood traffic issues. It details procedures for identifying, analyzing, and implementing traffic safety and calming measures in residential neighborhoods.

The document was prepared by a collaborative team which included Council members, Planning Commissioners, Multi-Modal Safety Committee (MMSC) members, city staff, and engineers. It was last revised and adopted by City Council in September of 2024. The MMSC has a work session with the Council scheduled for July 27, 2026, to discuss revising the NTMP again.

Per NTMP Definitions: Stop Signs are devices used to assign right-of-way at an intersection. Stop signs should not be installed and are not effective in diverting traffic or reducing speeding.

In response to speeding complaints on Verda Lane NE (north of Chemawa Rd NE) staff followed the NTMP process adopted by Council.

Speed Studies

Keizer Police conducted three separate speed studies over the course of three years.

- In 2024, the study showed that speed criteria were not met.
 - The complaint was therefore not advanced to Step 4: Engineering.
 - The MMSC made a recommendation to Council to revise the NTMP speed criteria, reducing the threshold from 85% to 50%; the Council adopted the revised NTMP.
- In 2025, in response to speeding complaints, Keizer Police conducted another study. The results showed that speed criteria were not met, even with the reduced speed threshold.
 - The complaint was therefore not advanced to Step 4: Engineering.
- In May 2026, in response to a volume complaint, another study was conducted by Keizer Police.
 - The results again showed that speed criteria were not met.
 - Less than 1% of all cars over a one-week period would have resulted in a speeding citation.
 - The 50th percentile was 27 mph.
- On June 18, 2026, Officer Powell presented a comparison of speed study data from Verda, Shoreline, and Harmony.
 - Speed Comparison: Verda (98%) was second of three for total number of drivers under the threshold over seven days, with Shoreline having the highest (99.2%), and Harmony having the lowest (96.6%).
 - Officer Powell noted that despite public perceptions, all three streets had very low instances of speeding and that there are other streets in Keizer that are problematic that have greater priority.
 - He concluded that continuing to monitor speeding on this section of Verda was not productive use of his time, nor efficient use the Department's limited resources.
 - Volume Comparison: Verda (12,118) was second of three for total number of cars in seven days, with Shoreline having the highest volume (15,212) and Harmony having the lowest (11,632).

Results:

- Speeding is not the problem. Based on the speed data from multiple studies, neither the total number of speeders nor the rate of speeds recorded justified further enforcement actions.
- The volume on Verda translates to 1,731 Average Daily Trips (ADT), which exceeds the NTMP threshold, however both criteria must be met to advance the complaint (this aligns with MUTCD standards).

Conclusion:

The MUTCD prohibits the use of a STOP sign to control speed. Furthermore, adding additional stop signs could further impact livability by removing on-street parking from 13 homeowners, increasing congestion, noise and air pollution, and potentially reduce pedestrian safety (see *“Why Stop Signs Aren’t Used for Speeding”* below).

Based on multiple speed studies by the Keizer Police Department, the speed thresholds listed in the City’s adopted Neighborhood Traffic Management Program have not been met, indicating that while speeding does occur, the severity of the issue may be perceived as being worse than it actually is.

However, the volume data obtained from the May 2026 study shows approximately 1,700 ADT on Verda, which exceeds the NTMP threshold. According to the TSP, as a general rule of thumb, residential livability concerns arise when a local street reaches approximately 1,600 ADT. We’re seeing this play out on Verda right now. Because high traffic volume, rather than speeding, is the primary issue, stop signs would only create more congestion and traditional traffic calming measures like speed cushions may be less effective.

The solution to a volume problem is traffic diversion. An engineering study can determine the appropriate traffic controls to divert drivers away from Verda Lane and reduce cut-through traffic. Unfortunately, this means most of the traffic would be diverted to River Road, where congestion is already a problem. In fact, “addressing traffic congestion on River Road” is listed as a Council priority in the 2026-2030 Strategic Plan.

The Strategic plan further directs staff to prepare a report to explore alternative north-south routes to identify solutions to traffic congestion on River Road. The 2009 Transportation System Plan (TSP) has already identified Verda as the primary alternative North-South Corridor. Project R5 calls for an extension of Verda Lane north of Lockhaven Drive to complete the connection from the Parkway to River Road. Thus, the use of traffic controls to prevent cut-through traffic will establish a long-term traffic pattern that contradicts both the TSP and the Council’s stated goals.

With work on the new TSP getting underway, it may be beneficial to pause any traffic modifications until more information can be gleaned. Certainly, Verda Lane will be examined thoroughly as part of the transportation analysis. Of course, the Council may determine the traffic priorities for Verda Lane at any time.

Alternatively, the Council could direct staff to pursue an interim engineered solution in which temporary measures could be applied. While funds could be available in the short-term, the approved 2026-27 budget does not include allocations for engineering, purchase, or installation of traffic controls for this purpose. The Council could amend the budget to accommodate the expenses, otherwise the project may not be scheduled for the following fiscal year.

With the understanding that speeding is not the problem, there is less pressure to act with immediacy. While high traffic volume can impact a neighborhood’s livability, from a public safety perspective, speeding is a far more immediate and critical safety concern than traffic volume.

In sum, Verda Lane is a special case given its orientation and planned use. This is not simply a traffic problem, it's a transportation system problem, which is beyond the scope of this analysis. As such, the Council may choose to act now and direct staff to pursue an engineered traffic diversion solution that may impact River Road and other nearby local streets, take no action until the TSP is complete and more information becomes available, or direct staff to pursue an interim engineering solution in which temporary measures could be applied.

Staff Recommendations:

Recommendation: Take No Action until the new TSP is complete. Staff will continue to address traffic on Verda Lane NE (north of Chemawa Rd NE) using the Neighborhood Traffic Management Program process.

Alternative 1: Direct staff to pursue an engineered traffic diversion solution to reduce volume on Verda Lane NE (north of Chemawa Rd NE).

Alternative 2: Direct staff to pursue an interim engineering solution to mitigate traffic volumes on Verda Lane NE (north of Chemawa Rd NE) in which temporary measures could be applied.

Why Stop Signs Aren't Used for Speeding

Traffic engineers do not use stop signs for speed or volume control because decades of real-world traffic data prove that doing so actually increases speeds, lowers safety, and harms the environment.

Studies prove that when drivers encounter unwarranted stop signs, they tend to accelerate rapidly between intersections to make up for lost time, often reaching higher top speeds mid-block than they did before the sign was placed.

When drivers sense that a stop sign has no intersection safety purpose they frequently "roll" through it or ignore it entirely, creating a secondary safety hazard for pedestrians.

Pedestrians, especially children and the elderly, see a stop sign and assume they are safe to cross. Because driver non-compliance spikes at unwarranted signs, pedestrians are placed at a significantly higher risk of being struck.

Poor air quality: vehicles emit the highest amount of greenhouse gases and particulates when accelerating from a complete stop. Unwarranted stop signs sharply spike neighborhood emissions.

Noise: Neighbors living near an unwarranted stop sign must constantly endure the sound of squeaking brakes, idling engines, and heavy acceleration noise.

Government Liability: If a city installs a stop sign without a proper engineering study (violating the MUTCD) and a serious crash occurs, the city can be held legally and financially liable for improper traffic engineering.

Verda Lane Traffic Management Analyses

July 06, 2026

This analysis of the Verda Lane NE corridor is not to be construed as an engineering traffic study. The results are based on preliminary research and review of Manual on Uniform Traffic Control Devices (MUTCD) standards, Oregon Vehicle Code, ODOT Speed Zone Manual, 2009 Transportation System Plan (TSP), and interviews with engineers including the City Engineer of Record (AKS) and the Verda Lane Urban Reconstruction Project Engineer (ODOT).

Verda South ROI – Speed Limit Reduction

In March 2026, the Council discussed traffic on Verda Lane south of the roundabout and noted that speed limits entering and exiting the roundabout were the same for Chemawa Road, but different for Verda Lane. There were some concerns that the inconsistent speed limits might be confusing to drivers, despite clearly posted speed limit signage on each street. Staff was directed to evaluate reducing the speed limit on Verda Lane from 35 mph to 30 mph to create consistency at the roundabout.



Speed Limit Policy

Statutory Speed Limits: These are default speed limits set by law (ORS 811.105 & 811.111).

- Statutory speed limits can be posted without ODOT involvement, unless there is currently a designated speed limit on the roadway.
- ORS 810.180(11) grants cities authority to designate a 20-mph speed limit on non-arterial roadways in residence districts by ordinance without an engineering investigation.
- Any deviation from statutory speed limit must be backed by an engineering investigation as described in Oregon Administrative Rules (OAR) and the Speed Zone Manual. Even if it's on a local or collector classified roadway, except in cases where ORS 810.180(11) is being applied.

Designated Speed Limits: These are speed limits that differ from statutory speed limits.

- ORS 810.180 grants ODOT authority to designate a speed limit on a public roadway based on an engineering investigation. The engineering investigation is guided by OAR and the Speed Zone Manual and results in an official order from ODOT.
- If the roadway section has a federal functional classification of arterial or higher, an engineering study is required.

Current Conditions:

- Chemawa Road NE between Windsor Island Road N and Lockhaven Dr NE has a federal functional classification of minor arterial and is also identified as a minor arterial in the City's 2009 TSP.
 - The posted speed limit east and west of the roundabout is 30-mph, which was designated by ODOT Order 3712 in 1988 at the City's request.
- Verda Lane north of the roundabout has a federal functional classification of minor collector, although it is identified in the City's TSP as a local street.
 - The posted speed limit is 25-mph which is consistent with the statutory speed limit for residential districts (local streets).
- Verda Lane south of the roundabout has a federal functional classification of minor arterial and is also identified as a minor arterial street in the TSP.
 - The posted speed limit is 35-mph, which was designated by ODOT Orders 446D and 447D in 1987 at the City's request.

Results:

- Verda Lane NE south of the circle has a designated speed limit of 35-mph; therefore, the City must submit an online request form to ODOT for review and approval.
- Verda Lane NE south of the circle has a federal functional classification of arterial, therefore an engineering study is required.

Speed Limit Consistency

The Council's primary concern is that the different speed limits on streets approaching the roundabout might be confusing to drivers.

- The roundabout itself has a consistent, established speed of 20-mph posted at each of the four intersection approaches.

Verda Lane southbound approach



Verda Lane northbound approach



Chemawa Road eastbound approach



Chemawa Road westbound approach



- Reducing the speed limit to 30-mph on Verda South alone does not achieve consistency since the speed limit on Verda North is 25-mph.
 - To achieve consistent speed limits at the roundabout, the City would also need to designate the speed limit north of the roundabout as 30-mph or designate all speed limits to 25-mph, which may be difficult to warrant.
- Crash data is a key indicator of driver confusion due to poorly executed traffic controls.
 - Remember how poorly this intersection was functioning prior to the roundabout.
 - The City made a considerable investment in the roundabout project, which was planned, funded, designed, and delivered in 2016 through SKATS/ODOT. That project included a comprehensive engineering traffic study that included a review of the same criteria we are discussing today, such as speed limits, crash data, average daily trips, geometric configuration, accesses, land uses, vision clearances, and more.
 - Crash data from SKATS 2017-2021 High Injury Corridor report showed one collision at the roundabout over the five-year period since it was installed.

Results:

- The speed limit at the roundabout is consistent.
- The city has already made prior investments to address concerns at this intersection and it seems to be functioning well. A new study is unlikely to result in recommendations that will improve safety.
- A cursory review of SKATS crash data suggests that most drivers are able to maneuver the roundabout without incident.
- If a problem does exist, then it will be identified in the process of updating the TSP, which will include a traffic analysis and significant public engagement and community outreach.

Other Considerations

At the time of this analysis, the City has an active road construction project on the south corridor of Verda Lane and another capital improvement project in the queue (planned and grant funded).

- New speed signage will result in costs unaccounted for in the approved budget.
 - The City could initiate a change order for the new speed limit signs included in the project. However, it's unlikely that ODOT could process the City's request in time to be included in the project scope.
 - It's more likely the City will incur the cost of replacing brand new speed limit signs.
- The speed of the roadway is one of the most important elements in the design of the roadway and has significant impact on the safety of users.

- Per ODOT's Verda Lane Urban Road Reconstruction Project Engineer, the road was evaluated and engineered specifically for a speed of 35 mph.
- Research shows that drivers naturally adjust their speed to how safe and "forgiving" the road feels rather than looking at the posted sign. If a street is designed like an arterial but has a low speed limit, drivers will generally speed, leading to safety conflicts, particularly on vulnerable users such as bicyclists and pedestrians, but also for motorists.
- The planned and partially funded capital improvements between Dearborn Ave and Chemawa Rd will also include an engineering review of traffic performance and safety.

Results:

- The City will incur additional costs by initiating a change in speed at this time.
- Reducing the speed may unintentionally create an ongoing safety, speeding, and enforcement problem since drivers will feel comfortable going 35-mph by design.
- The City's considerable investment in the capital improvements on Verda Lane should be realized before substantive changes are implemented.

Conclusion:

Verda Lane NE south of the circle is an arterial road with a designated speed limit of 35-mph, therefore to change the speed limit, the City must complete an engineering study and submit an online request form to ODOT for review and approval.

Speed limits are set through a combination of statutory laws and engineering studies that evaluate how a road is designed and how drivers actually use it. The city has already made prior investments to address concerns at this intersection and it seems to be functioning well. A new study is unlikely to result in recommendations that will improve safety.

The speed limit at the roundabout is already consistent and a cursory review of SKATS crash data suggests that most drivers are able to maneuver the roundabout without incident. Reducing the speed may unintentionally create an ongoing safety, speeding, and enforcement problem since drivers will feel comfortable going 35-mph, per roadway design. If speed limit inconsistencies are a problem, it will be identified in the new TSP, which includes detailed traffic analyses and extensive community outreach.

Given the City's considerable investment in the capital improvements on Verda Lane, as well as the added costs of an engineering study, new speed limit signage, temporary traffic change warning signage, and additional enforcement resources, it would be prudent and more cost-effective to revisit this topic through the TSP renewal process and after the projects have been completed, to see how the improvements influence traffic patterns along this corridor.

Staff Recommendations:

- **Recommendation:** Retain the current designated speed limit of 35-mph on Verda Lane NE south of the roundabout.
 - **Alternative:** Pursue an engineering study and initiate an ODOT review to reduce the speed limit from 35-mph to 30-mph on Verda Lane NE south of Chemawa Rd NE to city limits.
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To: Mayor Clark and City Council Members
Thru: Adam J. Brown, City Manager
From: Adam Brown, City Manager
Subject: Field Fee Schedule Change

Proposed Motion

I move that the Keizer City Council adopt Resolution R2026-____ Adopting User Fees for the Keizer Rapids Park Artificial Turf Fields; Repeal of Resolutions R2024-3506 and R2025-3571.

I. Summary

Council is being asked to approve a resolution amending the use-fee schedule for the synthetic turf fields at Keizer Rapids Park. The amendment responds to KCFA's first-quarter financial review and the June 8, 2026 Council work session direction regarding revised field rates, with the goal of preserving affordable off-peak access for local and member organizations while increasing revenue during prime time, weekends, tournament use, and other high-demand periods.

II. Background

- A. KCFA manages the City's synthetic turf fields at Keizer Rapids Park under an agreement requiring KCFA to coordinate field bookings and charge rates set by City Council resolution.
- B. The management agreement required KCFA to provide quarterly income and expense reports and established a financial goal aiming to raise \$240,000 by April 30, 2027 for a facility sinking fund. Staff's original analysis of the fields prior to construction was an annual deficit of \$47,778 which included providing \$125,038 annually to the sinking fund. The revenue mark in those projections was \$137,250, which was never achieved in the six quarters of operation.
- C. The City Council originally adopted a three-tier fee structure in 2024 for member, local nonmember, and visitor/nonlocal/for-profit/tournament users, with Council discussion emphasizing affordability for local youth and a long-term replacement and sinking-fund strategy.
- D. The Council amended the fees in April 2025 to increase certain full-field rates, raise the light usage fee from \$10 to \$15, and allow additional chemical-toilet costs to be

passed through to users for larger activities.

- E. At the June 8, 2026 work session, KCFA reported financial challenges from its 2026 first-quarter review and proposed changes including a \$20 per hour off-prime member rate, a \$40 per hour prime-time member rate, a weekly cap on discounted member reservations, and full-market weekend rates for all users.
- F. On June 8, 2026, Council discussed the proposed rate structure, staff recommended moving forward with KCFA's increased fee changes, and Council recommended including tournament rates.

III. Current Situation

- A. KCFA's Statement of Activity for January 1 through March 31, 2026, reported total revenue of \$26,600.12, total expenditures of \$20,619.83, net operating revenue of \$5,680.29, and net revenue including interest of \$5,824.45.
- B. FY 2026-27 budget materials note that the turf fields have an estimated life of approximately 10 years and that the managers aimed to provide \$120,000 per year toward resources to replace the turf. That is not possible under the current rate structure.
- C. KCFA's proposed fee structure retains the \$20 per hour off-prime member rate, increases member prime-time use to \$40 per hour, limits discounted member use to 40 half-field reservations per week, and charges weekend rentals at full market rate for all users, including members.

D.

	Current		Proposed	
	Full Field	Half Field	Full Field	Half Field
Keizer-Based Programs Prime Time Weekdays 5-8 pm	\$20	\$15	\$40	\$20
Keizer-Based Programs non-Prime Time Weekdays	\$20	\$15	\$20	\$15
Local, But Non-Keizer-Based Rate	\$75	\$40	\$75	\$40
Weekend for all users	\$75	\$40	\$75	NA
(Visitor) Non-Local/For-Profit/Tournament)	\$125	\$75	\$125	\$75

*Once a Keizer-Based Program exceeds 40 half-field reservations (20 full-field equivalents) in a week, all additional usage will be charged at the full market rate for local programs.

E. As the city council discusses a change in management and operation of the fields at Keizer Rapids Park, both the KCFA and the City agree that the fee schedule change should proceed at this time and not wait until a future decision is made about the management and operation agreement.

F. Council action is needed before KCFA can implement revised facility fees because the management agreement requires facility fees to be adopted by City Council.

IV. **Analysis**

A. **Strategic Impact** - Does not apply

B. **Financial** - The proposed amendment is intended to improve KCFA's or its successor's ability to generate revenue for operations and future field replacement without relying on General Fund or Parks Fund support. KCFA's 2026 first-quarter net revenue, including interest of \$5,824.45, should dramatically improve the city's goal for the fields to be self-funding while saving for the future maintenance and replacement of the artificial turf.

C. **Timing** - Council reviewed KCFA's financial and operational status at the June 8, 2026 work session and directed that a revised fee structure move forward, including tournament rates. Adoption at this meeting would allow KCFA to implement the amended rates during the current operating season and provide updated progress reports during the summer reporting period requested by Council.

D. **Policy/Legal** - The KCFA management agreement requires KCFA to charge rates set by City Council resolution and states that all facility fees must be adopted by City Council, excluding revenue derived from food trucks. Approval of the attached Resolution would provide the required Council authorization for the amended synthetic turf field rates.

V. **Alternatives**

A. Alternative A: Adopt the attached resolution amending the use fees for the synthetic turf fields at Keizer Rapids Park as presented.

B. Alternative B: Modify the proposed fee schedule before adoption and direct staff to incorporate Council's changes into the resolution.

C. Direct staff to return with additional analysis or alternative management and fee options.

D. Take No Action: The current fee schedule would remain in place, and KCFA would

not be authorized to implement the proposed amended rates at this time.

VI. Recommendation

Staff recommends that the City Council adopt the attached Resolution amending the rates for the synthetic turf fields at Keizer Rapids Park.

Attachments

1. RES_CC_Keizer Artifical Turf Fields User Fees_7 6 2026

1 CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

2
3 Resolution R2026-_____

4
5 ADOPTING USER FEES FOR THE KEIZER RAPIDS
6 PARK ARTIFICIAL TURF FIELDS; **REPEAL OF**
7 **RESOLUTIONS R2024-3506 AND R2025-3571**
8

9 WHEREAS, the City of Keizer has constructed artificial turf fields at Keizer
10 Rapids Park;

11 WHEREAS, Council adopted user fees for the Keizer Rapids Park Artificial
12 Turf Fields by Resolution R2024-3506;

13 WHEREAS, Council amended the user fees for the Keizer Rapids Park
14 Artificial Turf Fields by Resolution R2025-3571;

15 WHEREAS, it has been requested that the rate structure be revised;

16 WHEREAS, Council has considered the proposed rate structure and desires to
17 adopt and approve the revised field usage rates for the use of the artificial turf fields;

18 NOW, THEREFORE,

19 BE IT RESOLVED by the City Council of the City of Keizer that the Council
20 adopts and approves the following rates for the usage at the artificial turf fields at
21 Keizer Rapids Park:

22 1. Definitions for the rate categories are as follows:

23 A. Keizer-Based Program – Teams from leagues whose
24 physical home office is based in Keizer, Oregon. The current leagues
25 that fit this definition are Keizer Community Fields Association, Mid

Valley Soccer Club and The Salem Women's Football Association. Any additional league being added to this definition will require approval by the City Council.

B. Local, but Non-Keizer-Based – Any organization with its home within 1,000 feet of the Salem-Keizer Urban Growth Boundary, but who is not a Keizer-Based Program.

C. Non-Local/For-Profit/Tournament – Any for-profit or non-profit group wanted to reserve the fields beyond 1,000 feet of the Salem-Keizer Urban Growth Boundary as well as local for-profit groups and tournament play.

D. Prime Time – Prime Time for Full Fields is Monday through Friday 5:00 p.m. to 8:00 p.m. Prime Time for Half Fields is Monday through Thursday 5:00 p.m. to 8:00 p.m. The minimum reservation time for Prime Time is in sixty or ninety minute blocks. Prime Time reservations should be scheduled on the hour or in blocks from 5:00 p.m. to 6:30 p.m. or 6:30 p.m. to 8:00 p.m.

2. The fee schedule is as follows:

	Full Field	Half Field
Keizer-Based Program – Prime Time – Weekdays	\$40 per hour	\$20 per hour
Keizer-Based Program – Non-Prime Time – Weekdays	\$20 per hour	\$15 per hour
Local, but Non-Keizer-Based Rate	\$75 per hour	\$40 per hour

Visitor (Non-Local/For-Profit/ Tournament)	\$125 per hour	\$75 per hour
Weekend Rates – All Users	\$75 per hour	NA
Light Usage Fee	\$15 per hour	\$15 per hour
Chemical Toilets	Actual Cost	NA
Once a Keizer-Based Program exceeds 40 half-field reservations (20 full-field equivalents) in a week, all additional usage will be charged at the full market rate for local programs.		

1 3. Scheduled games take precedence over practice during the weekdays.

2 4. Half-field reservations are only available Monday through Thursday.

3 BE IT FURTHER RESOLVED that the fees adopted herein shall not be
4 changed without prior adoption by the Keizer City Council.

5 BE IT FURTHER RESOLVED by the City Council of the City of Keizer that
6 Resolution R2024-3506 and Resolution R2025-3571 are hereby repealed in their
7 entirety except for already booked events.

8 BE IT FURTHER RESOLVED that this Resolution shall take effect
9 immediately upon the date of its passage.

10 PASSED this _____ day of _____, 2026.

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12 SIGNED this _____ day of _____, 2026.

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Mayor

City Recorder



To: Mayor Clark and City Council Members
Thru: Adam J. Brown, City Manager
From: Adam Brown, City Manager
Subject: Synthetic Turf Management

Proposed Motion

I move the City Council direct staff to bring back a proposal for City Council consideration to transfer management and operations of the synthetic turf fields at Keizer Rapids Park from Keizer Community Fields Association (KCFA) to The Sports Facilities Companies (SFC) through contract amendment, termination of the current agreement with KCFA, operating plan, budget, transition plan, and timeline.

I. Summary

The City Council is being asked to provide direction for staff to return with a formal proposal regarding the future management and operations of the Keizer Rapids Park synthetic turf fields. The fields opened in October 2024, and the current agreement with Keizer Community Field Association runs through April 30, 2027. The requested action does not approve a transfer at this time; it directs staff to prepare a proposal for Council review that could include transfer to The Sports Facilities Companies, the current operator of Keizer Little League Park.

II. Background

- A. The synthetic turf fields were constructed with approximately \$4 million in ARPA funding, including \$2 million from the City and \$2 million from Marion County. Construction began March 1, 2024, and the City sought additional grant funding for related improvements such as restrooms, pedestrian and bicycle improvements, and handicap parking because the original ARPA allocation was not sufficient for the fields plus all supporting improvements.
- B. On August 5, 2024, Council canceled the original solicitation for artificial turf management and operations to re-evaluate the operation plan and procurement process.
- C. On August 19, 2024, Council directed staff to work out an agreement for management and operations with Mid-Valley Soccer Club and Salem Women's Football League while also addressing short-term services during negotiation.
- D. Staff identified operating goals for the facility that included minimizing City subsidy,

funding a sinking fund for future turf replacement, and providing equal opportunities for local leagues to access the facility.

- E. Council adopted user fees for the fields in September 2024 and later approved a management agreement and revised user fees in April 2025.
- F. The April 2025 agreement with Keizer Community Field Association requires KCFA to coordinate bookings and charge Council-approved rates, inspect fields for damage or wear, communicate repair needs, monitor and repair vandalism, ensure compliance with City rules, and report utilization and issues to the City.
- G. On May 18, 2026, Council received a biannual operational update from KCFA, and a June 2026 work session focused on operational structure, field and asset care, usage, and financials.
- H. On June 15, 2026, the City Manager reported receiving a request from KCFA asking Council to consider allowing KCFA to work toward transferring management and operations to The Sports Facilities Companies, the operator of Keizer Little League Park.

III. Current Situation

- A. Council discussion on June 15, 2026 identified key transition issues, including scheduling agreements, maintenance responsibilities, continuity of community-user opportunities, and the need for a smooth transition.
- B. Staff indicated that a transfer could require an amendment to the existing Sports Facilities Companies agreement and potentially closing the KCFA agreement.
- C. Staff indicated that the existing KCFA agreement has a 30-day termination provision, while the SFC agreement is a five-year contract with a six-month-out provision. SFC will give their scheduled 6-month presentation to the City Council on July 7, 2026.
- D. Staff also identified procurement paths for Council review. One path is to amend the existing SFC agreement since the change is under 25 percent of the contract value. Another path to assigning responsibility is by direct appointment through an exception hearing if the change exceeds that threshold.
- E. Councilor Cross raised whether the City should pursue another RFP rather than amending the current SFC agreement; staff responded that an RFP is an option but would take longer, while amending the SFC agreement would be the path of least resistance if legally permissible.
- F. A proposal brought back to Council should address the financial treatment of prior sinking-fund expectations, because prior discussions treated the \$120,000 per year or \$240,000 over the agreement term as a goal rather than a guaranteed payment.
- G. SFC has a detailed 5-page plan for taking over facilities such as this. Staff has shared the transition list with KCFA and had a meeting since the last council meeting with SFC and KCFA separately. Most importantly, KCFA is continuing to operate the fields during this transition period and is committed to doing it until the full duties are transitioned to another party.
- H. The City Council has already directed us to bring back the fee schedule that KCFA

presented, which was to increase the fees on member organizations. In anticipation of some change, staff broadened the fee schedule to mimic what was done for the Keizer Little League Park agreement, where users based in Keizer would have a lower field rental. The next fee rental tier would be users within 1,000 feet of the Urban Growth Boundary (UGB), but not based in Keizer. The highest fee would be for all other users, including tournament play. This schedule puts us in better alignment with both the baseball/softball park, and the synthetic turf fields.

IV. **Analysis**

- A. **Strategic Impact** - No strategic impact.
- B. **Financial** - SFC has agreed to not increase their management fee with the addition of these sports fields to their portfolio of operations. Both parks could operate out of the same fund. In the short term, funds could be tracked but commingled for the continuance of business operations for both facilities. Eventually, as operations are optimized, each facility can work to transfer funds back to the appropriate field accounts within the fund. The Finance Director has reviewed this concept and agreed that they could both operate out of the same pot of money.

Discussion has been had about the previous operation not being able to fund the sinking fund. From the early analysis of the fields, staff expected a net operating cost of approximately \$47,778, which included equipment and field replacement at the appropriate life cycle. Funding the sinking fund was a goal that we were not sure was achievable. Even funding a portion of the sinking fund, however, would help for the anticipated replacement.

The current direction would not authorize a new expenditure or contract amendment by itself. Staff would return with financial details, including projected operating costs and revenues, any SFC contract-amendment cost, replacement-reserve expectations, and transition costs.

- C. **Timing** - Direction on July 6, 2026 would allow staff to prepare a timely proposal before the next required annual operational review window under the KCFA agreement, which occurs after June 30 and no later than November 1. It would also allow staff to coordinate scheduling and maintenance continuity before fall field-use demands and before further Phase III decisions are brought forward.
- D. **Policy/Legal** - Staff has identified possible pathways including amending the existing SFC agreement, conducting a direct appointment through an exception hearing, or issuing a new RFP. The proposal should also address the termination or transition of the KCFA agreement.

V. **Alternatives**

- A. Alternative A: Direct staff to bring back a proposal focused on amendment of the existing Sports Facilities Companies agreement, together with transition documents for the KCFA agreement. Potential benefit: this may provide the most direct path to Council consideration.

- B. Alternative B: Direct staff to bring back a proposal for a new competitive RFP process for management and operations of the synthetic turf fields. Potential benefit: this would allow comparison of qualified operators. Potential consideration: this approach would take longer and may extend uncertainty regarding operations and transition planning.
- C. Alternative C: Direct staff to refer the matter to the Parks Advisory Board for review before staff returns to Council with a proposal. This would provide additional advisory review of park system and community-access issues. Potential consideration: this would add another step before Council receives a formal proposal.
- D. Take No Action: The existing KCFA management agreement would remain in place, subject to its terms, reporting obligations, and future Council review.

VI. Recommendation

Staff recommends that the City Council direct staff to bring back a proposal for Council consideration to transfer management and operations of the synthetic turf fields at Keizer Rapids Park to The Sports Facilities Companies or another qualified sports-facility management company, including the proposed procurement path, contract amendments or termination documents, operating plan, budget and fee implications, transition plan, and timeline.

Attachments

None