

CITY OF KEIZER MISSION STATEMENT

KEEP CITY GOVERNMENT COSTS AND SERVICES TO A MINIMUM BY PROVIDING CITY SERVICES TO THE COMMUNITY IN A COORDINATED, EFFICIENT AND LEAST COST FASHION

A G E N D A
KEIZER CITY COUNCIL
EXECUTIVE SESSION

June 15, 2015

5:30 p.m.

Keizer Civic Center

Keizer, Oregon 97303

1. CALL TO ORDER

2. ROLL CALL

3. DISCUSSION

- a. Pursuant to ORS 192.660(2)(i) – *To review and evaluate the employment-related performance of the chief executive officer of any public body, a public officer, employee or staff member who does not request an open hearing.*

4. ADJOURN

Upon request, auxiliary aids and/or special services for those with disabilities will be provided. To request services, please contact us at (503) 390-3700 or through Oregon Relay 1-800-735-2900 at least two working days(48 hours) in advance.

The Oregon Public Meeting Law authorizes governing bodies to meet in executive session in certain limited situations. An executive session is defined as any meeting or part of a meeting of a governing body which is closed to certain persons for deliberations on certain matters as defined by ORS 192.660. These sessions are closed to the public. The media may attend the session, unless the Oregon State Statutes specifically prohibits media attendance. The governing body is not allowed to take any final action or make any final decisions during the executive sessions. Any final action or decision must be made after returning or at the next regularly scheduled meeting.

CITY OF KEIZER MISSION STATEMENT

KEEP CITY GOVERNMENT COSTS AND SERVICES TO A MINIMUM BY PROVIDING CITY SERVICES TO THE COMMUNITY IN A COORDINATED, EFFICIENT AND LEAST COST FASHION

A G E N D A
KEIZER CITY COUNCIL
EXECUTIVE SESSION

Monday, June 15, 2015

6:15 p.m.

**Keizer Civic Center
Keizer, Oregon 97303**

1. CALL TO ORDER

2. ROLL CALL

3. DISCUSSION

- a. Pursuant to ORS 192.660(2)(e) – *To conduct deliberations with persons designated by the governing body to negotiate real property.*
- b. Pursuant to ORS 192.660(2)(f) – *To consider information or records that are exempt by law from public inspection.*
- c. Pursuant to ORS 192.660(2)(h) – *To consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed.*
- d. Pursuant to ORS 192.660(2)(i) – *To review and evaluate the employment related performance of the chief executive officer of a public body, a public officer, employee or staff member who does not request an open hearing.*

4. ADJOURN

Upon request, auxiliary aids and/or special services for those with disabilities will be provided. To request services, please contact us at (503) 390-3700 or through Oregon Relay 1-800-735-2900 at least two working days(48 hours) in advance.

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CITY OF KEIZER MISSION STATEMENT
**KEEP CITY GOVERNMENT COSTS AND SERVICES TO A MINIMUM BY PROVIDING CITY
SERVICES TO THE COMMUNITY IN A COORDINATED, EFFICIENT AND LEAST COST FASHION**

A G E N D A
URBAN RENEWAL AGENCY OF THE CITY OF KEIZER

Monday, June 15, 2015

6:55 p.m.

Keizer Civic Center - Council Chambers
Keizer, Oregon

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **PUBLIC TESTIMONY**
This time is provided for citizens to address the Urban Renewal Agency on any matter not scheduled for public hearing.
4. **PUBLIC HEARING**
5. **ADMINISTRATIVE ACTION**
 - a. **RESOLUTION** – Authorization for Appropriation Transfer for Program Income Capital Outlay to Materials and Services; Repealing UR2015-169
6. **CONSENT CALENDAR**
 - a. **Approval of June 1, 2015 Urban Renewal Agency Minutes**
7. **OTHER BUSINESS**
This time is provided to allow Urban Renewal Agency members the opportunity to bring matters before the Agency that are not on tonight's agenda.
8. **AGENDA INPUT**
9. **ADJOURN**

Upon request, auxiliary aids and/or special services will be provided to participants with disabilities. To request services, please contact us at (503) 390-3700 at least two working days (48 hours) in advance.

BOARD MEETING: June 15, 2015

AGENDA ITEM NUMBER: _____

TO: CHAIR CLARK AND BOARD MEMBERS

THROUGH: CHRIS EPPLEY
CITY MANAGER

FROM: SUSAN GAHLSDORF, CPA
FINANCE DIRECTOR

SUBJECT: Correction of Resolution for Appropriation Transfer

ISSUES: Resolution UR2015-169 passed on Monday, June 1, 2015. The resolution contained an error and needs to be repealed and replaced with the attached resolution.

FISCAL IMPACT: None

RECOMMENDATION: Staff recommends the council adopt the attached resolution repealing UR2015-169.

KEIZER URBAN RENEWAL DISTRICT, CITY OF KEIZER, STATE OF OREGON

Resolution UR2015-_____

**AUTHORIZATION FOR APPROPRIATION TRANSFER FOR PROGRAM INCOME
CAPITAL OUTLAY TO MATERIALS & SERVICES REPEALING UR2015-169**

WHEREAS ORS 294.463 provides that transfers of appropriations may be made within a fund when authorized by ordinance or resolution of the governing body of a municipal corporation.

WHEREAS UR2015-169 as passed by the Board, contained an error and is hereby repealed.

NOW, THEREFORE, BE IT RESOLVED by the North Keizer River Road Urban Renewal District, that the following appropriations be made for fiscal year ending June 30, 2015:

	Adopted/ Amended Budget	Adjustment		Revised Budget
		Increase	Decrease	
Program Income Fund				
Materials & Services	6,000	45,800		51,800
Capital Outlay	45,800		45,800	-
Funds originally designated for Keizer Station Area B improvements are needed for repayment to Taxing Jurisdictions.				

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

PASSED this _____ day of _____, 2015

SIGNED this _____ day of _____, 2015

Mayor

City Recorder



MINUTES
KEIZER URBAN RENEWAL AGENCY
Monday, June 1, 2015
Keizer Civic Center
Keizer, Oregon

CALL TO ORDER

Chair Clark called the session to order at 6:40 p.m. Roll Call was taken as follows:

Present:

Cathy Clark, Chair
Kim Freeman
Marlene Quinn
Dennis Koho
Roland Herrera (6:42)
Any Ripp
Brandon Smith

Staff:

Chris Eppley, City Manager
Shannon Johnson, City Attorney
Nate Brown, Community Development
Bill Lawyer, Public Works Director
Susan Gahlsdorf, Finance Director
Tim Wood, Assistant Controller
Tracy Davis, City Recorder

**PUBLIC
TESTIMONY**

None

**ADMINISTRATIVE
ACTION**

**a. RESOLUTION –
Authorization for
Appropriation
Transfer for
Program Income
Capital Outlay to
Materials and
Services**

Finance Director Susan Gahlsdorf announced that the Urban Renewal Agency had completed all projects and requirements of its plan and staff is recommending closing the plan. This will save time and expenses related to auditing, fees and notices. Remaining funds not expended by fiscal year end can be used to repay taxing jurisdictions. She explained Oregon Budget Law relating to transfers and appropriations and recommended Agency approval of the resolution.

Agent Koho moved that the Keizer Urban Renewal Agency approve a Resolution - Authorization for Appropriation Transfer for Program Income Capital Outlay to Materials and Services. Agent Quinn seconded. Motion passed unanimously as follows:

AYES: Clark, Koho, Quinn, Freeman, Smith, Ripp and Herrera (7)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: None (0)

**RESOLUTION –
Initiating the
Termination of
the North River
Road Economic
Development
Area Urban
Renewal Plan**

Agent Koho moved that the Keizer Urban Renewal Agency approve a Resolution Initiating the Termination of the North River Road Economic Development Area Urban Renewal Plan. Agent Quinn seconded.

Discussion took place regarding projects that were completed through the Urban Renewal Plan and the River Road Renaissance program. City Attorney Shannon Johnson explained that a resolution was adopted that states that if money comes forward for River Road Renaissance the City can use those funds with or without the Urban Renewal Agency. Community Development Director Nate Brown explained that the River Road Renaissance Plan is independent of the Urban Renewal District.

Agent Ripp stated for the record that the City committed to replacing this and assisting the businesses on River Road. Agent Smith added that the commitment was to rethink the River Road Renaissance Plan and initiate the Keizer Economic Development Commission to explore opportunities that might be different than the priorities of River Road Renaissance.

Motion passed unanimously as follows:

AYES: Clark, Koho, Quinn, Freeman, Smith, Ripp and Herrera (7)

NAYS: None (0)

ABSTENTIONS: None (0)

ABSENT: None (0)

**PUBLIC HEARING
a. Fiscal Year 2015-
2016 Budget**

Director Gahlsdorf explained that with the passage of the amendment just passed, there are no funds in the Urban Renewal Agency. Therefore there is no budget to approve.

Agent Clark opened the Public Hearing. Hearing no testimony, Agent Clark closed the Public Hearing.

Agent Koho moved that the Keizer Urban Renewal Agency not adopt a fiscal year 2015-2016 budget. Agent Quinn seconded. Motion passed unanimously as follows:

AYES: Clark, Koho, Quinn, Freeman, Smith, Ripp and Herrera (7)

NAYS: None (0)

ABSTENTIONS: None (0)

ABSENT: None (0)

**CONSENT
CALENDAR**

A. Approval of August 18, 2014 Urban Renewal Agency Minutes

Agent Koho moved for approval of the Consent Calendar. Agent Quinn seconded. Motion passed as follows:

AYES: Clark, Koho, Quinn, and Freeman (4)

NAYS: None (0)

ABSTENTIONS: Smith, Herrera and Ripp (3)

ABSENT: None (0)

OTHER BUSINESS None

ADJOURNMENT With no further business, the meeting was adjourned at 6:53 p.m.

APPROVED:

Cathy Clark, Chair

Debbie Lockhart, Deputy City Recorder

AGENCY MEMBERS

Dennis Koho

Roland Herrera

Kim Freeman

Amy Ripp

Marlene Quinn

Brandon Smith

Minutes approved: _____

AGENDA
KEIZER CITY COUNCIL
REGULAR SESSION

Monday, June 15, 2015

7:00 p.m.

Robert L. Simon Council Chambers
Keizer, Oregon

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **FLAG SALUTE**
4. **SPECIAL ORDERS OF BUSINESS**
 - a. Life Saving Award – Keizer Police Officer Andrew Phelps
 - b. Oath of Office for Keizer Reserve Officers – Daniel Rierson and Greg Harrison
 - c. **PROCLAMTION** – Parks and Recreation Month
5. **COMMITTEE REPORTS**
6. **PUBLIC TESTIMONY**

This time is provided for citizens to address the Council on any matters other than those on the agenda scheduled for public hearing.
7. **PUBLIC HEARINGS**
8. **ADMINISTRATIVE ACTION**
 - a. **ORDINANCE** – Amending the Ordinance Adopting Waste Water Collection and Disposal System Rules and Regulations – Declaring an Emergency – Amending Ordinance 90-163 (Second Reading)
RESOLUTION – Amending Fees for Certain Administrative Services; Amending Resolution 2014-2453; Repealing Resolution 2014-2482
 - b. **RESOLUTION** – Certification of Delinquent Sewer Accounts
 - c. **RESOLUTION** – Amending Administrative Services Fund; Amending R2010-2017; Repealing R2014-2461
 - d. **ORDER** – In the Matter of the Amendment of Rates for Franchise Solid Waste Collection Within City of Keizer, Effective as of August 1, 2015
 - e. **ORDINANCE** – Amending Ordinance Adopting the Keizer Medical Marijuana Facility Permit Process; Amending Ordinance No. 2014-702
 - f. **ORDINANCE** – Terminating the North River Road Economic Development Area Urban Renewal Plan
 - g. **ORDINANCE** – Granting Authority to Issue Citations for City of Keizer Infractions to Code Enforcement Officer and Community Services Officer; Declaring an Emergency

- h. RESOLUTION – Authorization for Supplemental Budget and Transfer of Appropriation – Community Center Transfer and Water Facility Transfer
- i. RESOLUTION – Authorizing the City Manager to Terminate the Agricultural Lease for Filbert Orchards Located at 1590 Chemawa Road North, Keizer, Oregon

9. CONSENT CALENDAR

- a. RESOLUTION – Authorizing the City Manager to Enter Into Agreement with Hicks Striping and Curbing Inc. for Repainting of Pavement Legends
- b. RESOLUTION – Relating to the Pay of the City Manager
- c. RESOLUTION – Granting Pay Increase to the City Attorney
- d. RESOLUTION – Authorizing the City Manager to Enter Into Subscription Services Contract with Chaves Consulting , Inc. (Master Software Agreement – Electronic Records)
- e. RESOLUTION – Amending the ICMA Retirement Corporation’s Vantagecare Retirement Health Savings Plan
- f. RESOLUTION – Amending the Keizer Personnel Policy Manual Regarding Cell Phones (Section 8, Pages 41 and 42); Amending R2010-2040
- g. RESOLUTION – Authorizing City Manager to Enter Into Intergovernmental Agreement with Salem-Keizer School District 24J (School Resource Officers)
- h. Approval of May 18, 2015 Regular Session Minutes
- i. Approval of June 1, 2015 Regular Session Minutes
- j. Approval of June 8, 2015 Work Session Minutes

10. COUNCIL LIAISON REPORTS

11. 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.

12. WRITTEN COMMUNICATIONS

To inform the Council of significant written communications.

13. AGENDA INPUT

July 6, 2015

7:00 p.m. – City Council Regular Session

July 13, 2015

5:45 p.m. – City Council Work Session

14. ADJOURNMENT

CITY COUNCIL MEETING: _____

AGENDA ITEM NUMBER: _____

TO: CITY COUNCIL MEMBERS

**THRU: JOHN TEAGUE, CHIEF OF POLICE
CHRIS EPPLEY, CITY MANAGER**

FROM: ANDREW COPELAND, PATROL LIEUTENANT

SUBJECT: LIFESAVING AWARD TO ANDREW PHELPS

TOPIC:

On March 1, 2015, Officer Phelps was the first responder to a call of a 60 year old male, Mr. Glen Clason, who was unconscious, but breathing. Immediately prior, Mr. Clason had complained of chest pains and pain down the arm, common indicators of a heart attack.

Upon arrival, Officer Phelps observed Mr. Clason laying on his back on the floor of the residence. Mr. Clason did not respond to any of Officer Phelps' questioning and his face was bluish-purple in color. Officer Phelps thought he felt a faint pulse and observed that Mr. Clason was not breathing. Officer Phelps considered rescue breaths, but upon re-evaluating, determined Mr. Clason no longer had a pulse, so he started chest compressions and continued them until Keizer Medics arrived a few minutes later.

It's significant that CPR is a last effort to sustain someone without a pulse until further, more-intensive medical attention can be administered. Because of the underlying causes, CPR is not always successful, but due in part to Officer Phelps' timely and purposeful actions, Mr. Clason is alive today, months after the incident. He says Officer Phelps is a hero.

On behalf of the Keizer Police Department and the City of Keizer, we express our sincere appreciation to Officer Phelps and award him the Keizer Police Department lifesaving ribbon.

COUNCIL MEETING: _____

AGENDA ITEM NUMBER: _____

TO: MAYOR CLARK AND CITY COUNCIL MEMBERS

**THROUGH: CHRIS EPPLEY
CITY MANAGER**

**FROM: CHIEF JOHN TEAGUE
KEIZER POLICE DEPARTMENT**

**SUBJECT: SWEAR IN OF RESERVE OFFICERS GREG HARRISON AND DANIEL
RIERSON**

TOPIC:

As the result of a reserve officer recruitment process which began in January 2015, Greg Harrison and Daniel Rierson were selected. Reserve Officers Harrison and Rierson graduated from the seven month Mid-Valley Reserve Training Academy on June 5, 2015, and are ready to begin the Field Training and Evaluation Program at the Keizer Police Department.

Please join us in congratulating and welcoming Reserve Officers Harrison and Rierson to the Keizer Police Department.

wjb

City of Keizer, Oregon

Proclamation

WHEREAS Keizer residents value our parks as an integral part of our community and continue to demonstrate such value through volunteering to care for and improve our parks; and

WHEREAS over 500 volunteers came together in June to build the Keizer Big Toy playground at Keizer Rapids Park; and

WHEREAS community volunteers have built improvements in parks around Keizer through the Keizer Parks Matching Grant Fund; and

WHEREAS our parks are vitally important to establishing and maintaining the quality of life in our community, providing opportunities for healthy activities and places for people to gather and celebrate, and contributing to the economic and environmental well-being of our community and region; and

WHEREAS community volunteers operate recreation programs that help make Keizer a healthy, active community by providing sports opportunities that aid in the prevention of chronic disease, provide outdoor recreation access opportunities for everyone regardless of physical ability, and improve the physical, mental and emotional well-being of all residents; and

WHEREAS parks and volunteer recreation programs increase Keizer's economic prosperity through increased tourism, the attraction and retention of businesses, and community events and concerts; and

WHEREAS parks are fundamental to the environmental well-being of our community, improve water quality, protect groundwater, prevent flooding, improve air quality, provide vegetative buffers, and produce habitat for wildlife; and

WHEREAS our parks ensure the ecological beauty of our community and provide a place for children and adults to connect with nature and recreate outdoors; and

WHEREAS the U.S. House of Representatives has designated July as Parks and Recreation Month;

NOW THEREFORE, BE IT PROCLAIMED by Mayor Cathy Clark of Keizer, Oregon, with the concurrence of the City Council assembled in regular session that the month of July be

PARKS AND RECREATION MONTH

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Keizer, Oregon to be affixed to this document this 15th day of June, 2015.

Signed: _____
Cathy Clark, Mayor

CITY COUNCIL MEETING: June 15, 2015

AGENDA ITEM NUMBER: _____

TO: MAYOR CLARK AND COUNCIL MEMBERS

THROUGH: CHRISTOPHER C. EPPLEY, CITY MANAGER

FROM: E. SHANNON JOHNSON, CITY ATTORNEY

**SUBJECT: AMENDING ADMINISTRATIVE SERVICES FEES TO ADD
ADMINISTRATIVE FEE FOR CERTIFYING DELINQUENT
SEWER ACCOUNTS TO COUNTY ASSESSOR**

At the last Council meeting, the Council voted 6-1 to pass the Ordinance Amending the Ordinance Adopting Waste Water Collection and Disposal System Rules and Regulations. Because the vote was not unanimous, it is before the Council for a Second Reading.

Council adopted administrative services fees in 2014 by Resolution R2014-2453 and an administrative costs for certifying delinquent sewer accounts to the County Assessor in 1990 by Ordinance 90-163. The fee set forth in Ordinance 90-163 is outdated and no longer reimburses the City for its costs relating to the administration of certifying the delinquent sewer accounts to the County. Staff is recommending that the administrative costs for certifying delinquent sewer accounts be added to the administrative services fees Resolution and that the Ordinance be amended to refer to the Council adopted Resolution. In this manner, the administrative fee for certifying the delinquent sewer accounts to the Council will automatically adjust every three years and will not become outdated.

RECOMMENDATION:

If you have no further questions, adopt the attached documents in the following order:

1. Ordinance Amending the Ordinance Adopting Waste Water Collection and Disposal System Rules and Regulations and Declaring an Emergency (Amending Ordinance No. 90-163).
2. Resolution Amending Fees for Certain Administrative Services; Amending Resolution R2014-2453; Repealing Resolution R2014-2482.

Please contact me if you have any questions in this regard. Thank you.

ESJ/tmh

1 BILL NO. _____ A BILL ORDINANCE NO.
2 2015-_____
3 FOR
4
5 AN ORDINANCE
6

7 AMENDING THE ORDINANCE ADOPTING WASTE WATER
8 COLLECTION AND DISPOSAL SYSTEM RULES AND
9 REGULATIONS AND DECLARING AN EMERGENCY
10 **(AMENDING ORDINANCE NO. 90-163)**
11

12 WHEREAS, the City Council of the City of Keizer has adopted Ordinance No. 90-
13 163 which adopted the wastewater collection and disposal system rules and regulations;

14 WHEREAS, Ordinance No. 90-163 allows a ten dollar (\$10) administrative cost
15 for each certification to the Marion County Assessor for assessment and collection;

16 WHEREAS, the City Council finds that the ten dollar (\$10) administrative cost
17 does not reimburse the City for its costs relating to the administration of certifying
18 accounts to the County Assessor for collection;

19 WHEREAS, the City Council wishes to revise the Ordinance to allow for the
20 recovery of reasonably calculated administration costs by adoption of the fee by
21 Resolution;

22 NOW THEREFORE, the City of Keizer ordains as follows:

23 Section 1. AMENDMENT OF ORDINANCE NO. 90-163. Ordinance No. 90-
24 163 (An Ordinance Adopting Waste Water Collection and disposal System Rules and
25 Regulations) is hereby amended at Section 1(E) by deleting the phrase “ten dollar (\$10)
26 administrative cost for each such certification to the Marion County Assessor for

1 assessment and collection” and replacing it with the following phrase: “an administrative
2 cost for each such certification to the Marion County Assessor for assessment and
3 collection as established by Resolution.”

4 Section 2. EFFECTIVE DATE. This Ordinance being necessary for the
5 immediate preservation of the public health, safety and welfare, an emergency is declared
6 to exist and this Ordinance shall take effect immediately upon its passage.

7 PASSED this _____ day of _____, 2015.

8

9 SIGNED this _____ day of _____, 2015.

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Mayor

City Recorder

CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

Resolution R2015-_____

**AMENDING FEES FOR CERTAIN ADMINISTRATIVE SERVICES;
AMENDING RESOLUTION R2014-2453; REPEALING
RESOLUTION R2014-2482**

WHEREAS, the City Council adopted fees for administrative services by
Resolution R2014-2453;

WHEREAS, the City Council amended fees for administrative services by
Resolution R2014-2482;

WHEREAS, the City certifies delinquent sewer accounts to the County Assessor
for collection each year;

WHEREAS, the City may establish fees reasonably calculated to reimburse it for
its administration of the certification;

WHEREAS, the City wishes to revise the fee schedule to add an administration
fee for certifying delinquent sewer accounts to the County Assessor for collection;

NOW, THEREFORE,

BE IT RESOLVED by the City Council of the City of Keizer that Resolution
R2014-2453 is amended by replacement of Exhibit "A" with the attached Exhibit "A"
and the fees shall be charged to accordingly.

BE IT FURTHER RESOLVED by the City Council of the City of Keizer that the

1 administration fee for certifying delinquent sewer accounts to the County Assessor for
2 collection shall automatically be adjusted beginning July 2015 as directed in Resolution
3 R2014-2453.

4 BE IT FURTHER RESOLVED that Resolution R2014-2482 is hereby repealed in
5 its entirety.

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

8 PASSED this _____ day of _____, 2015.

9

10 SIGNED this _____ day of _____, 2015.

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Mayor

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City Recorder

EXHIBIT "A"

Return Check Fee (NSF Check)	\$25.00
Electronic Lien Search Request	\$25.00
Three Return Checks within one year	\$81.00
Records search (requests taking less than 30 minutes)	\$6.00 (after first 15 minutes. First 15 minutes no charge.)
Records search (requests taking 30 minutes or more)	Flat fee for records searches taking less than 30 minutes (see above) plus the hourly rate of staff person conducting the research including benefits for any additional time more than 30 minutes
Photocopies	\$0.25 per page (1-10) \$0.19 per page (11+)
City Recorder Certification	\$6.00
DVD/CD reproduction	\$15.00 per DVD/CD
Bound Documents (10-50 pages)	\$12.00
Bound Documents (50 plus)	\$19.00
Pre-printed maps 8.5" x 11"	\$0.43 sheet
Pre-printed maps 11" x 17"	\$6.00 sheet
Pre-printed maps over 11" x 17"	\$12.00 sheet
Custom Printed Maps 8.5" x 11"	\$2.50 sheet
Custom Query Maps 8.5" x 11"	\$12.00 sheet
Custom Printed Maps over 8.5" x 11"	\$19.00 sheet
Custom Query Maps over 8.5" x 11"	\$43.00 sheet
GIS Mapping Data Files-Existing Layer	\$81.00 megabyte or portion

GIS Mapping Data Files-Custom Query	\$124.00 megabyte or portion
Police Incident Report (one copy at no charge to crime victims, excluding traffic accidents)	\$12.00 (+\$.25 per page over 10 pages)
Photos	\$12.00 plus cost of duplication
Police Photos (DVD Disc)	\$12.00
Police Letters of Clearance	\$6.00
Police Computer Scan Request	\$6.00
Fingerprints	\$25.00
Officer Exam Fee	actual cost
Faxes (based on local rates)	
Long Distance (cover sheet free)	
1 st page	\$2.49
Each additional page	\$1.49
Local (cover sheet free)	
1 st page	\$1.49
Each additional page	\$1.09
Administration Fee (certifying each delinquent sewer account to County Assessor)	\$37.00

COUNCIL MEETING: June 15, 2015

AGENDA ITEM NUMBER: _____

TO: MAYOR CHRISTOPHER AND CITY COUNCILORS

**THROUGH: CHRIS EPPLEY, CITY MANAGER
SUSAN GAHLSDORF, FINANCE DIRECTOR**

FROM: TIM WOOD, ASSISTANT CONTROLLER

SUBJECT: DELINQUENT SEWER ASSESSMENTS

ISSUE:

The City of Keizer collects sewer fees from residents and businesses of Keizer. The attached list marked as exhibit "A" represents an itemized list of delinquent accounts from March 1, 2014 through February 28, 2015. Each resident (and property owner, if different) has been notified by certified letter and given a sufficient amount of time to remit payment for their accounts. ORS 454.225 authorizes the City to certify the delinquent amounts to the County Assessor for the amounts assessed against the premises serviced. The statute also allows the City to collect penalty, interest or costs associated with the delinquencies. A 10% delinquent amount has been added as a penalty and a \$37.00 administration fee has been added to cover the City's costs.

FISCAL IMPACT:

Delinquent assessments total \$6,886.75 for tax year 2015-2016. This compares to \$6,569.29 for tax year 2014-2015.

RECOMMENDATION:

Staff recommends the City Council adopt the attached Resolution, which certifies the delinquent sewer accounts to the County Assessor for collection.

CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

Resolution R2015-_____

CERTIFICATION OF DELINQUENT SEWER ACCOUNTS

WHEREAS, the City of Keizer is responsible for the collection of sewer fees from the residents of Keizer

NOW THEREFORE, BE IT RESOLVED that the attached Exhibit "A" is an itemized list of delinquent sewer charges through and including February 28, 2015 that the City has been unable to collect through the usual collection procedures; and

BE IT FURTHER RESOLVED that ten percent (10%) of the delinquent amount has been added as a penalty and that a \$37.00 administration fee has been added to cover the City's costs; and

BE IT FURTHER RESOLVED that the amounts certified on the attached Exhibit "A" shall be added to the appropriate tax accounts as indicated pursuant to ORS 454.225.

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

PASSED this _____ day of _____, 2015.

SIGNED this _____ day of _____, 2015.

Mayor

City Recorder

City of Keizer
Delinquent Sewer Accounts
Exhibit A

Property ID	Service Address	Owner's Name	Total
R19693	7585 WHEATLAND RD N	GAREN & DIANA JIRACEK	\$ 486.79
R45798	1095 CLEAR LAKE RD N	JERRY & PAT WAIT	276.53
R20087	7225 WHEATLAND RD N	ROBERT & BARBARA HASKINS	503.93
R45803	1090 BARBARA AV N	JAMES ASHTON	145.46
R20165	7029 FIR GROVE LN N	SHANNON & SCOTT WHITE	503.93
R20126	7495 WHEATLAND RD N	PATRICK & TANA BRYANT	495.41
R20342	1060 HARMONY DR NE	STACY BROWN	454.71
R20580	5580 ST CROIX WY NE	E-VILLAGE LLC	316.11
R20579	5565 ST CROIX WY NE	E-VILLAGE LLC	260.41
R20577	5625 MCLEOD LN NE	JUSTINDER BHATIA & ALICIA SINGH	506.36
R20567	2200 CHEMAWA RD NE	E-VILLAGE LLC	506.36
R20570	5530 ST CROIX WY NE	E-VILLAGE LLC	506.36
R20573	5540 ST CROIX WY NE	E-VILLAGE LLC	506.36
R63508	5032 8TH AV NE	ISABEL LINARES	122.64
R45948	1136 OLIN CT NE	JOHN VELDINK RLT & BEAGLE, BURKE & ASSOCIATES LT TRE	177.51
R65528	1551 SIEBURG DR NE	LAURA SCOTCH	857.47
R20579	5565 ST CROIX WY NE	E-VILLAGE LLC	260.41
Total			<u>\$ 6,886.75</u>

COUNCIL MEETING: June 15, 2015

AGENDA ITEM NUMBER: _____

TO: MAYOR CLARK AND CITY COUNCILORS

THROUGH: CHRIS EPPLEY, CITY MANAGER

FROM: TIM WOOD, ASSISTANT CONTROLLER

SUBJECT: Amending Administrative Service Fund (an Internal Services Fund)

ISSUE:

In June 2014 the City of Keizer adopted Resolution 2014-2461 amending Resolution R2010-2017 establishing an Internal Services Fund to account for and charge various City funds for City administrative costs. The FY15-16 Adopted Budget includes a modification in how the Finance – Non-Departmental costs are allocated.

In prior years costs were allocated on the basis of the:

“Most recent audited fiscal year’s revenues and expenditures”

The FY15-16 Adopted Budget provides that costs be allocated on the basis of the:

“Most recent audited fiscal year’s revenues and expenditures (excluding debt service payments)”

Excluding debt service payments, which tend to be large dollar, infrequent transactions requiring minimal staff processing time provides for a better reflection of the actual administrative costs incurred by the applicable funds.

ORS 294.470 provides that a municipality may establish by resolution, an internal services fund. Exhibit A, referenced in the attached resolution, outlines in detail the Administrative Services Fund as required by ORS 294.470.

FISCAL IMPACT:

There is no fiscal impact. This action is a budget compliance issue.

RECOMMENDATION:

Staff recommends the City Council adopt the attached Resolution Amending Administrative Services Fund; Amending Resolution R2010-2017; Repealing Resolution R2014-2461.

1 CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

2
3 Resolution R2015-_____

4
5 AMENDING ADMINISTRATIVE SERVICES FUND;
6 **AMENDING RESOLUTION R2010-2017; REPEALING**
7 **RESOLUTION R2014-2461**
8

9 WHEREAS, the Keizer City Council established an Administrative Services Fund
10 by Resolution R2010-2017;

11 WHEREAS, the Keizer City Council amended the Administrative Services Fund
12 by Resolution R2014-2461;

13 WHEREAS, the 2015-16 Committee Approved Budget provides costs to be
14 allocated on the basis of the most recent audited fiscal year's revenues and expenditures
15 (excluding debt service payments);

16 WHEREAS, the Keizer City Council wishes to amend the Administrative Services
17 Fund to provide for a better reflection of the actual administrative costs incurred by
18 applicable funds;

19 NOW, THEREFORE,

20 BE IT RESOLVED by the City Council of the City of Keizer that the details of
21 the Administrative Services Fund set forth in Exhibit "A" are hereby adopted and the
22 Finance Director is directed to amend the Administrative Services Funds as contemplated
23 therein.

24 BE IT FURTHER RESOLVED that Resolution R2010-2017 shall be amended by

1 replacement of Exhibit "A" with Exhibit "A" attached hereto.

2 BE IT FURTHER RESOLVED that Resolution R2014-2461 is hereby repealed in
3 its entirety.

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

6 PASSED this _____ day of _____, 2015.

7
8 SIGNED this _____ day of _____, 2015.

9

10

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13

14

15

Mayor

City Recorder

ADMINISTRATIVE SERVICES FUND

Exhibit A

The Administrative Services Fund is an Internal Service Fund which is used to account for the financing of goods and/or services provided to various City funds on a cost-reimbursement basis.

Purpose: The Administrative Services Fund provides services to City funds as identified in the City's annual budget. Those services are provided by the following activities: General Administration (City Council and Non-departmental), City Manager's Office, City Attorney's Office, City Records Department, Human Resources Department, Finance – Non-Departmental, Finance – Utility Billing, Finance - Information Systems, Public Works – Non-departmental and Public Works Civic Center Facilities (building maintenance).

The sources from which the fund shall be replenished: The City's (and Urban Renewal Agency's) operating funds are charged for the services provided by the Administrative Services Fund based on various cost allocation plans. These plans are to be revised each year based on anticipated benefits received. The plans are based on a range of factors including number of personnel, percent of effort expended by administrative personnel to the benefiting fund, revenues and expenditures, pieces of information technology equipment, software and maintenance fees.

The appropriation or appropriations to be charged in order to provide the initial money for financing the fund: The Administrative Services Fund will receive one-twelfth of budgeted Charges for Services from each City fund as the initial money for financing the fund. At the end of the first month, the City shall return the initial money to each operating fund and each operating fund shall thereafter reimburse the Administrative Services Fund for monthly costs as provided for in the cost allocation plans.

The methods for controlling of expenditures and encumbering of such funds: Each internal services activity is tracked in a separate cost center. Costs and reserves are allocated as follows:

1. Full-time equivalents (FTE) of each fund
 - a. City-wide Administration
 - b. Human Resources
 - c. Network Administrator
 - d. Civic Center Facility
2. Three year average of time expended for each fund as tracked by the City Attorney's Office
 - a. City Records Department - except 10% of position costs are charge to the Community Center Fund
 - b. City Attorney's Office
3. Average of FTE and three-year average of time expended for each fund as tracked by the City Attorney's Office
 - a. The City Manager's Office
4. Council Adopted budgeted expenditures for each department
 - a. Computer software and hardware costs

ADMINISTRATIVE SERVICES FUND

Exhibit A

Most recent audited fiscal year's revenues and expenditures (excluding debt service payments)

- a. Finance – non-departmental costs
 - b. Except 70% of the Office Assistant position costs are charged to the Community Center Fund
5. Estimated time expended on services provided by operations of the fund
- a. Finance – Utility Billing
 - b. Public Works – Non-Departmental

The method for handling any fiscal year end surplus or deficit: At fiscal yearend any excess revenues over total expenditures will be refunded Citywide using the same allocation proportion as when initially charged. An allowance for the estimated beginning balance of the new fiscal year will be considered when determining the amount of the refund. In a deficit situation significant additional charges would be approved and program expenditures appropriated by City Council action.

CITY COUNCIL MEETING: June 15, 2015

AGENDA ITEM NUMBER:_____

TO: MAYOR CLARK AND COUNCIL MEMBERS

THROUGH: CHRISTOPHER C. EPPLEY, CITY MANAGER

FROM: E. SHANNON JOHNSON, CITY ATTORNEY

**SUBJECT: ORDER IN THE MATTER OF THE AMENDMENT OF RATES
FOR FRANCHISE SOLID WASTE COLLECTION WITHIN
THE CITY OF KEIZER**

This matter is before the City Council following public hearing on the solid waste franchisees proposed rate increases. The City Council preliminarily chose Option B which adds weekly organics (green cart) service. The following shows the details of this increase (monthly rates):

	<u>Current</u>	<u>2015</u>
20 gal. Cart (95 gal Organics & Comingle Cart)	\$ 17.05	\$ 19.30
35 gal. Cart (95 gal Organics & Comingle Cart)	\$ 18.95	\$ 21.45
64 gal. Cart (95 gal Organics & Comingle Cart)	\$ 25.88	\$ 29.30

The haulers' Option B also included a Consumer Price Index (CPI) index to allow rates to rise automatically. The City Council requested staff review this with concern for the details of how a CPI increase would work.

Chris Eppley and I reviewed this matter carefully. Our concern was that a pure, automatic CPI increase could result in a situation where a CPI increase was automatically allowed, but the haulers were already receiving a reasonable Rate of Return (ROR) or profit. When I spoke to the haulers, they indicated that this was not their intent.

Chris developed a very good model of how the ROR and CPI could work together to arrive at an automatic increase, or a presumed increase to the City Council that could be accepted without a public hearing.

Though this would accomplish the goal having reasonable regular increases, rather than larger infrequent increases, it did not require direct City Council and public oversight of determining the ROR or other issues. This is impliedly required in the Ordinance which states that "The City Council shall be responsible for the determination of rates or the establishment of rates,...".

I reviewed this matter with the haulers and presented another option in which the ROR and CPI would work together to arrive at a “presumed rate increase.” This would be placed before the City Council at a public hearing so customers could have their say and the City Council could review the figures. However, we would be starting with a presumed rate based on the CPI. (See the bottom of page 2 of the attached proposed Order.)

The haulers felt this was a good result and I have incorporated this concept into the attached Order.

RECOMMENDATION:

Review the matter, and if appropriate, adopt the attached Order.

Please let me know if you have any questions. Thank you.

ESJ/tmh

1 CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

2
3 ORDER

4
5 IN THE MATTER OF THE AMENDMENT OF RATES
6 FOR FRANCHISE SOLID WASTE COLLECTION
7 WITHIN THE CITY OF KEIZER, EFFECTIVE AS OF
8 AUGUST 1, 2015
9

10 This matter comes before the Keizer City Council upon the request of Loren's

11 Sanitation and Recycling, Inc. and Valley Solid Waste Management Corp., dba Valley
12 Recycling & Disposal, Inc., Keizer's franchised solid waste/recycling haulers; and

13 IT APPEARING that the certain order entitled "In the Matter of the Amendment
14 of Rates for Franchised Solid Waste Collection Within the City of Keizer, Effective as
15 of September 1, 2010" was adopted on June 21, 2010; and

16 IT FURTHER APPEARING that the franchised solid waste collectors in Keizer
17 have requested a revision of the rates, the City Manager's office of the City of Keizer
18 has investigated and reviewed the proposed solid waste collection rates and has
19 recommended approval of the rates set forth in Exhibit AA@ attached hereto; and

20 IT FURTHER APPEARING that the collection rates, charges and services has
21 been considered at a public hearing held at 5:45 p.m., May 11, 2015, by and before the
22 City Council of the City of Keizer; and

23 ///

24 ///

1 IT FURTHER APPEARING that the City Council of the City of Keizer expressly
2 hereby finds that current projected revenues and expenses are reasonable; the collection
3 rates should be established as set forth in Exhibit AA@ attached; and the proposed rates
4 and services will be just, fair, reasonable and sufficient to provide service to the public;

5 NOW, THEREFORE;

6 IT IS HEREBY ORDERED that the solid waste collection franchisees in the
7 municipal city limits of the City of Keizer, to wit:

8 Loren=s Sanitation and Recycling Service, Inc. and

9 Valley Solid Waste Management Corp., dba Valley Recycling & Disposal, Inc. are
10 authorized to charge maximum rates as listed in Exhibit AA@ (red and blue text are the
11 services/rates being amended), a copy of which is attached to this Order and by this
12 reference incorporated herein, for solid waste collection service in the City of Keizer;
13 and

14 IT IS HEREBY FURTHER ORDERED that collection franchisees may request
15 presumed new rates based on the following:

- 16 1. If in a given year, franchisees' blended Rate of Return (Net Income as a %
17 of total revenue) falls below ten percent (10%), the presumed rate increase
18 shall be based on the cumulative Consumer Price Index for Urban Wage
19 Earners and Clerical Workers for the Portland-Salem Area, all items, not
20 seasonally adjusted, or successor indices.

- 1 2. The new presumed rate request will be processed as called for in Ordinance
2 No. 2010-612 (Solid Waste Ordinance) and scheduled for public hearing as
3 set forth in such Ordinance.
- 4 3. Following public hearing, the City Council may adopt the presumed rate,
5 or take different action based on the testimony, the evidence, the
6 requirements of the Ordinance and state law.
- 7 4. Nothing contained herein shall prevent the collection franchisees from
8 requesting rate changes at any time based on the above referenced
9 Ordinance and state law. Franchisees may propose additional adjustments
10 in rates due to significant changes in the value or recyclables, shifts in
11 garbage collection service levels, required environmental or regulatory
12 compliance measures, or other changes affecting collection system costs.

13 IT IS HEREBY FURTHER ORDERED that the collection franchisees notify their
14 affected customers prior to implementing the new rates in the manner set forth in Marion
15 County Ordinance 615, as amended; and

16 IT IS HEREBY FURTHER ORDERED that except as amended herein, all other
17 rates, charges and services shall remain in effect without change; and

18
19
20

1 IT IS HEREBY FURTHER ORDERED that this Order shall be effective August
2 1, 2015, until replaced.

3 PASSED this _____ day of _____, 2015.

4 SIGNED this _____ day of _____, 2015.

5

6

7

8

9

10

Mayor

City Recorder

FRANCHISED SOLID WASTE MAXIMUM COLLECTION RATES
CITY OF KEIZER AUGUST 2015

	2010 Rate	2015 rate
1) RESIDENTIAL - CURB SIDE CART SERVICE PACKAGES	11.73	12.32
<u>(A) 20 gallon solid waste cart service only</u> This service includes recycling		
<u>(B) 20 gallon solid waste cart service</u> Service consists of one 20 gallon solid waste cart collected weekly, one 95 gallon mixed recycle cart collected bi-weekly, and one 95 gallon organic cart collected weekly	17.05	19.30
<u>(C) 35 gallon solid waste cart service</u> Service consists of one 35 gallon solid waste cart collected weekly, one 95 gallon mixed recycle cart collected bi-weekly, and one 95 gallon organic cart collected weekly	18.95	21.45
Each occasional extra pick up (17 gallon equals 30 lbs.)		2.50
Each occasional extra pick up (35 gallon equals 60 lbs.)	2.84	5.00
<u>(D) 65 gallon solid waste cart service</u> Service consists of one 65 gallon solid waste cart collected weekly, one 95 gallon mixed recycle cart collected bi-weekly, and one 95 gallon organic cart collected weekly	25.88	29.30
Each occasional extra pick up (17 gallon equals 30 lbs.)		2.50
Each occasional extra pick up (35 gallon equals 60 lbs.)	2.84	5.00
<u>(E) Residential "On Call" service</u>	6.11	6.42
<u>(F) Extra Yard Debris Cart</u> Residential full service only - per cart	5.97	6.27
<u>(G) Yard Debris Cart Only</u> Residential and non-residential rate	11.37	11.94

FRANCHISED SOLID WASTE MAXIMUM COLLECTION RATES
CITY OF KEIZER AUGUST 2015

<u>(H) Contamination Fee</u>	9.82	10.31
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<u>(I) Commingle Recycle Only Cart</u>	9.82	10.31
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Residential and non-residential rate

2) RESIDENTIAL-MULTI FAMILY & MOBILE HOME PARKS

(1) 4 Units or less		
20 gallon: full service	15.93	16.73
20 gallon: opt-out yard debris.	10.96	11.51
35 gallon: full service	17.71	18.60
(2) 5 Units or more -single billing		
20 gallon: no yard debris	10.86	11.40
35 gallon: no yard debris	12.54	13.17

Residential Full Service Includes:

Haulers will make available color-coded calendar for each customer that specifies bi-weekly collection schedule

Haulers provide automated roll carts - included in service price

Customers will not place larger items or over fill cart . Overfilled carts will be charged accordingly.

Customers will not place hazardous chemicals, paint, corrosive materials or **hot ashes** into the carts

Roll cart service may not be appropriate for customers that do not provide access to the cart (for automated equipment) - or for non-compliance with restrictions outlined above.

Damaged carts will be billed at replacement cost

A vacation credit shall be given for Customers who stop service for a period of three consecutive weeks or longer. Not to exceed 2 times per year

Maximum Cart Weights

20 gallons	-	40 lbs. per week
35 gallons	-	60 lbs. per week
65 gallons	-	120 lbs. per week
95 gallons	-	150 lbs. per week

FRANCHISED SOLID WASTE MAXIMUM COLLECTION RATES
CITY OF KEIZER AUGUST 2015

	2010 Rate	2015 rate
3) COMMERCIAL ROLL CART SERVICE		
Commercial 35 gallon roll cart - curb	14.84	15.58
Commercial 65 gallon roll cart - curb	21.85	22.94
Commercial 65 gallon food waste		12.20
Commercial 95 gallon roll cart - curb	28.86	30.30

Haulers to provide automated roll carts - included in service price

Customers will not place larger items or over fill cart (lid must close completely prior to collection)

Customers will not place hazardous chemicals, paint, corrosive materials or **hot ashes** into the carts

Roll cart service may not be appropriate for customers that do not provide access to the cart

(for automated equipment) - or for non-compliance with restrictions outlined above.

Commercial roll cart service includes one 95 gallon commingle cart - any additional carts will be billed at \$2.00/month per cart

Cardboard service provided with container service

Cardboard service provided with cart services will be billed \$10.00 per month container rental fee.

Maximum Cart Weights

35 gallons - 60 lbs. per week

65 gallons - 120 lbs. per week

95 gallons - 150 lbs. per week

(A) BUNDLES, BOXES, SACKS, OR OVERFILLED CARTS

Rate based on volumes equivalent to 35 gallon cart

(4) CONTAINER SERVICE - Weekly Service, Monthly Rate

(A) CONTAINER - MANUAL FRONT LOAD - LOOSE

One yard	First stop	68.28
	Each added stop	58.09
One & one-half yard	First stop	96.08
	Each added stop	85.88
Two yard	First stop	123.11

FRANCHISED SOLID WASTE MAXIMUM COLLECTION RATES
CITY OF KEIZER AUGUST 2015

	Each added stop	112.91
Three yard	First stop	176.61
	Each added stop	166.41
Four yard	First stop	224.24
	Each added stop	214.05
Five yard	First stop	274.27
	Each added stop	264.08

(B) CONTAINER - AUTOMATED FRONT LOAD - LOOSE

Two yard	First stop	113.06
	Each added stop	103.89
Three yard	First stop	147.03
	Each added stop	136.83
Four yard	First stop	192.32
	Each added stop	182.12
Five yard	First stop	238.62
	Each added stop	228.43
Six yard	First stop	281.82
	Each added stop	271.63

One time container locking fee \$30.00 / per container

Hauler may, at their discretion, include a "no fee/no key" lock on recycling containers

Container delivery fee - \$30.00 for container use on short term rental basis

New
Services

(C) RESIDENTIAL SPECIAL CLEAN-UP CONTAINER

Two yard	First stop		58.55
	Each added stop		33.55

Container must be accessible to truck: weight limit 750 lbs.

Three yard	First stop	86.00	90.30
	Each added stop	61.00	64.05

Container must be accessible to truck: weight limit 1000 lbs.

FRANCHISED SOLID WASTE MAXIMUM COLLECTION RATES
CITY OF KEIZER AUGUST 2015

(D) CONTAINER -COMPACTED

Customer supplies the compactor and container. Rate for first and added stop is triple the rate for same size container for shredded, altered or mechanically compacted waste.

(5) DROP BOX SERVICE / COMPACTOR

All rates are plus disposal fee, rental charges, and mileage, where applicable

Minimum service: 10 cubic yard

Proposed
increase

(A) LOOSE MATERIAL

10 yard	Temp box delivery fee	30.00	125	131.25
20 yard	Temp box delivery fee	30.00	125	131.25
30 yard	Temp box delivery fee	30.00	146	153.30
40 yard	Temp box delivery fee	30.00	187.61	196.99

(B) COMPACTED MATERIAL

Cost per yard for service (25 YD MINIMUM)

Customer supplies compactor or box	6.52	per yd for first 25 yds	6.52
Minimum	130.40		163.00

Disposal fee x 1.11% the cost of disposal ticket

(C) ADDITIONAL CHARGES

Rental per day, after first 48 hours	4.69	7.00
Monthly rental	62.27	72.00
Mileage charge for more than five mile radius from base station, per running mile	1.05	1.13

(6) MEDICAL WASTE COLLECTION RATES

(A) Services provided by Marion Environmental Service

Commercial Medical Waste Collection Rate	Current Rate		Proposed Rate	Proposed Rate
	Heavy Volume	Low Volume	Heavy Volume	Low Volume
	75+ Boxes	1-74 Boxes	12.20%	11.20%

FRANCHISED SOLID WASTE MAXIMUM COLLECTION RATES

CITY OF KEIZER AUGUST 2015

20 Gallon Bx/Bg Keizer	11.95	16.50	13.40	18.35
Ea. Addtl. 20 Gallon Bx/Bg Keizer	9.35	12.95	10.50	14.40
35 Gallon Bx/Bg Keizer	13.40	18.55	15.05	20.65
Ea. Addtl. 35 Gallon Bx/Bg Keizer	10.85	15.00	12.15	16.70
Salem Hospital - Pick-up only - No Box/Bag Supplied				
20 Gallon Bx/Bg Keizer	6.30		7.07	
35 Gallon Bx/Bg Keizer	6.75		7.57	
Items Purchased				
Lids				
20 Gallon ~ 35 Gallon Lids	3.90		4.40	
Sharps				
Sharps Containers	7.05		7.90	
Haulers Sharps Case	160.00		179.50	
Haulers Sharps Containers	4.00		4.50	

Box/Bags		Proposed Rate
		Heavy Volume
20 Gallon Bag only	1.05	1.02
20 Gallon Box only	5.20	5.85
20 Gallon Box~Bag	6.25	7.00
20 Gallon Bags per case/100	105.00	117.80
35 Gallon Bag only	1.55	1.75
35 Gallon Box only	5.95	6.70
35 Gallon Box~Bag	7.50	8.40
35 Gallon Bags per case/100	155.00	173.90
Storage Container Rental		
Monthly Rental	22.00	24.70

Minimum \$30.00/\$100.00 Hourly Rate Trip Charge = \$1.66 per minute

		Proposed rate
(B) RESIDENTIAL BIO-MEDICAL SHARPS CONTAINER (OAR 437-02-360)	11.42	11.99

FRANCHISED SOLID WASTE MAXIMUM COLLECTION RATES

CITY OF KEIZER AUGUST 2015

One gallon specially designed container, delivered to the door. To be used until filled and then collected by hauler separately from municipal solid waste. May not be left at the curb for pick up.

(7) SPECIAL SERVICES AND MISCELLANEOUS SERVICES

If debris exceeds 10 yards, use drop box at hauler's discretion. Unless noted, prices reflect disposal only, trip charges may apply.

CALL BACK SERVICE

10.00

(A) JANITORIAL SERVICES, CALL BACKS, AND OTHER SPECIAL SERVICES

	Current	Proposed	Current	Proposed
All fees in addition to disposal	One Man	One Man	Two Man	Two Man
1/4 hour	21.00	25.00	31.50	35.00
1/2 hour	42.50	50.00	50.00	70.00
3/4 hour	64.00	75.00	94.50	105.00
1 hour	85.00	100.00	125.00	140.00
Additional disposal charged at \$10.12 per yard				
Maximum trip charge	30.00			

(B) TIRES

Proposed
rate change

Passenger tires (up to 16")	3.00	6.00
Passenger tires (up to 16") w/rims	4.00	8.00
Truck tires	8.50	14.00
Truck tires w/rims	16.00	24.00

Tractor tires -special service and disposal rates apply

(B) LARGE MAJOR APPLIANCES AND FURNITURE

Appliances \$10.00 - 15.00 service fee for large appliances - plus cost for freon removal, and hourly labor to remove and dispose.

Special items:

1) large furniture (couch, dresser, etc.)	13.00 - 18.00
---	---------------

FRANCHISED SOLID WASTE MAXIMUM COLLECTION RATES

CITY OF KEIZER AUGUST 2015

2) small furniture (arm chair)		8.00 - 13.00
3)hide-a-bed		18.00 - 23.00
4)table & 3-4 chairs		8.00
5)mattresses		
	twin	7.00
	twin box spring	6.50
	full/queen	9.00
	full/queen box spring	8.00
	king	11.00
	double twin box spring for king	10.00
	(rates increase if items are wet)	
6)Bathtub/sink/toilet		
	fiberglass tub/shower	11.00 15.00
	cast iron tub/shower	will quote
	sink/toilet	5.00 - 9.00
	double sinks	will quote
7)hot water heaters		10.00 - 15.00
8) carpets		will quote
9) computers & peripherals		13.00
10)televisions & monitors	15-20"	13.00
	20-32"	18.00
	32"	23.00
	larger	will quote

(8) RESTART (delinquent customers)

Restart delinquent account fee	10.00
Precise charge for receptacle pick-up and return, all areas:	
per set of carts	25.00
per container	25.00
per drop box	25.00

CITY COUNCIL MEETING: June 15, 2015

AGENDA ITEM NUMBER:_____

TO: MAYOR CLARK AND COUNCIL MEMBERS

THROUGH: CHRISTOPHER C. EPPLEY, CITY MANAGER

FROM: E. SHANNON JOHNSON, CITY ATTORNEY

SUBJECT: MEDICAL MARIJUANA FACILITY PERMITS

Alpha Alternative Solutions, LLC was issued a Medical Marijuana Facility Permit from the City of Keizer on December 16, 2014. Such permit expires June 30, 2015 as set forth in Ordinance No. 2014-702 (Section 5.A.). Pursuant to Resolution R2014-2497, Alpha Alternative Solutions, LLC paid the application and investigation fee of \$2,000.00 when they initially applied for its permit.

Alpha Alternative Solutions, LLC (Ben Robison) sent me a letter dated May 19, 2015 (copy enclosed). Such letter requests that the fee paid be prorated due to the permit not being good for an entire year from issuance. I have responded to the letter indicating that this matter would be before the City Council at tonight's meeting (copy enclosed).

There are two issues for the Council to consider. First, Ordinance No. 2014-702, Section 5.A. currently states that "A Facility permit terminates automatically on June 30 of each year, unless a permit renewal application is approved." This means that no matter when an applicant receives the permit, it would automatically terminate on June 30 and another \$2,000 application/investigation fee is required. For example, an application that is issued a permit on May 1 would need to be renewed by June 30 of the same year and the applicant would be required to pay \$2,000 for each of the applications. In contrast, the state issues facility permits for a period of one year from the date of issuance and the applicant is benefitted for one full year for each fee paid.

Mr. Robison argues that it would be appropriate to have a permit be valid for a period of one year from the date of its issuance instead of it automatically expiring on June 30 each year. I have drafted an amendment to Ordinance No. 2014-702 for Council's consideration if it chooses to amend such permit termination period.

The second issue before Council to consider is whether Alpha Alternative Solutions, LLC should be issued a refund of a portion of its application and investigation fee for the first

permit which was issued on December 16, 2014 and expires on June 30, 2015. Mr. Robison requested that a refund be applied to his next permit application, but since he had to apply for his next permit prior to this matter being before the City Council, he was instructed to pay the entire application/investigation fee.

Mr. Robison is requesting that Alpha Alternative Solutions, LLC be refunded \$926.10. This amounts to a refund of \$5.48 per day for the 169 days remaining between June 30, 2015 and December 16, 2015 of which he believes Alpha Alternative Solutions, LLC is not benefitting from.

RECOMMENDATION:

Staff recommends that Council review the two issues and determine how to proceed. Below are some choices that Council may wish to consider regarding the first issue:

1. Keep the permit termination as is and have all permits automatically terminate on June 30 each year.
2. Amend the Ordinance so that a permit is valid for a period of one year from the date of issuance.
3. Amend the Ordinance so that a different termination date is specified.

Below are some choices that Council may wish to consider regarding the second issue:

1. Grant the request of a refund by Alpha Alternative Solutions, LLC and authorize the Finance Director to issue a refund of \$926.10 to Alpha Alternative Solutions, LLC.
2. Deny the request of Alpha Alternative Solutions, LLC.
3. Authorize a refund in a different amount to Alpha Alternative Solutions, LLC.

If Council wishes to amend the Ordinance so that a permit is valid for period of one year from the date of issuance, Council should adopt the attached Ordinance Amending Ordinance Adopting the Keizer Medical Marijuana Facility Permit Process; Amendment of Ordinance No. 2014-702.

With regard to the refund request, Council should consider the matter and make a minute motion with regard to how Council wants to proceed.

Please contact me if you have any questions in this regard. Thank you.

ESJ/tmh

Alpha Alternative Solutions, LLC
3700 River Road N., Suite 11
Keizer, OR 97303
MMD 22445

To: Shannon Johnson, Keizer City Attorney

From: Alpha Alternative Solutions, LLC

Date: May 19, 2015

Re: Keizer Medical Marijuana Facility Permit

Mr. Johnson,

I would like to bring to your attention the permit my business is required to obtain from the City of Keizer to operate.

Its fee is \$2,000, it is good for a period of one (1) year, and it expires on June 30 of each year.

However, it is different from the state license in that the state license is good for one year from the *date of issue*. For example, my Oregon Medical Marijuana Dispensary Program license, for which I pay an annual fee of \$4,000, was issued on November 7, 2014 and it expires on November 6, 2015.

I paid \$2,000 for the Keizer Medical Marijuana Facility permit on November 19, 2014, it was issued on December 16, 2014, and it will expire on June 30, 2015.

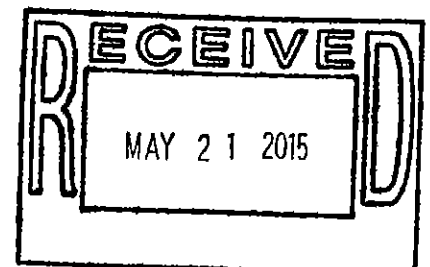
I hereby propose the City of Keizer adopt a prorated fee schedule for dispensaries that apply after June 30 of each year.

Because my business will have only received 196 days of benefit from the Keizer permit before I must renew it by June 30, I respectfully request my next permit fee is prorated to reflect the 169 days of lost validity.

The Keizer fee amounts to \$5.48 a day. As my last permit wasn't issued until December 16, 2014 and yet I paid the full fee of \$2,000 for it, I believe a prorated refund of \$926.10 should be applied to the renewal of my next permit (which means the total amount paid for the permit should be \$1,073.90).

Respectfully,

Benjamin Robison, Owner
Alpha Alternative Solutions, LLC
Keizer, Oregon





City of Keizer

Phone: (503) 390-3700 • Fax: (503) 393-9437
930 Chemawa Rd. N.E. • P.O. Box 21000 • Keizer, OR 97307-1000

May 21, 2015

VIA ELECTRONIC MAIL ONLY
Alpha22447@gmail.com

Benjamin Robison
Alpha Alternative Solutions, LLC
3700 River Road N, Suite 11
Keizer, OR 97303

Re: *Keizer Medical Marijuana Facility Permit*

Dear Mr. Robison:

I am in receipt of your May 19, 2015 letter regarding your request for a prorated annual fee for the Medical Marijuana Facility Permit. Neither myself, nor any City staff person, has the authority to grant your request. Therefore, with the authority of the City Manager, we have placed this matter on the June 15, 2015 Council agenda. You may wish to appear at such meeting, but be advised it is not a formal public hearing. If you wish to testify with regard to this issue, you would need to testify at the beginning of the meeting under Public Testimony.

Pursuant to the Medical Marijuana Facility Permit Ordinance, you still need to apply for your renewal not less than thirty (30) days prior to the expiration of your permit. You need to pay the entire \$2,000 renewal fee when you submit the application. If the City Council amends the Ordinance and makes it retroactive, the City may refund a portion based on Council direction. If you have any questions in this regard, please feel free to contact me. Thank you.

Yours truly,

E. Shannon Johnson
Keizer City Attorney

ESJ/tmh

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A BILL
FOR
AN ORDINANCE

ORDINANCE NO.
2015-_____

AMENDING ORDINANCE ADOPTING THE KEIZER MEDICAL
MARIJUANA FACILITY PERMIT PROCESS; **AMENDMENT OF
ORDINANCE NO. 2014-702**

WHEREAS, the City Council of the City of Keizer has adopted Ordinance No.
2014-702 which adopts a Keizer Medical Marijuana Facility Permit Process;

WHEREAS, such Ordinance sets forth permit conditions;

WHEREAS, the City Council amended the Keizer Medical Marijuana Facility
Permit Process by Ordinance No. 2014-704;

WHEREAS, the Council finds that it is appropriate to amend Ordinance No. 2014-
702 to revise the permit termination date;

NOW, THEREFORE,

The City of Keizer ordains as follows:

Section 1. AMENDMENT OF SECTION 5.A. OF ORDINANCE NO. 2014-702.

Section 5.A. of Ordinance No. 2014-702 is hereby amended as follows:

A. A Facility permit terminates automatically one year from the
date of issuance, unless a permit renewal application is approved.

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2 Section 2. EFFECTIVE DATE. This Ordinance shall take effect thirty (30) days
3 after its passage.

4 PASSED this _____ day of _____, 2015.

5 SIGNED this _____ day of _____, 2015.

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Mayor

City Recorder

CITY COUNCIL MEETING: June 15, 2015

AGENDA ITEM NUMBER:_____

TO: MAYOR CLARK AND COUNCIL MEMBERS

THROUGH: CHRISTOPHER C. EPPLEY, CITY MANAGER

FROM: E. SHANNON JOHNSON, CITY ATTORNEY

**SUBJECT: ORDINANCE TERMINATING THE NORTH RIVER ROAD
ECONOMIC DEVELOPMENT AREA URBAN RENEWAL
PLAN**

At the last Urban Renewal Agency meeting, the Urban Renewal Board passed a Resolution directing the Finance Director to terminate collection of any tax increment, transfer the assets of the Agency to the City of Keizer, and declare the Urban Renewal Plan complete. The matter is therefore before Council for final action.

The attached Ordinance accepts the assignment from the Urban Renewal Agency and terminates the North River Road Economic Development Area Urban Renewal Plan.

RECOMMENDATION:

Adopt the attached Ordinance Terminating the North River Road Economic Development Area Urban Renewal Plan.

Please contact me if you have any questions. Thank you.

ESJ/tmh

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A BILL
ORDINANCE NO.
2015-_____
FOR
AN ORDINANCE
TERMINATING THE NORTH RIVER ROAD ECONOMIC
DEVELOPMENT AREA URBAN RENEWAL PLAN
The City of Keizer ordains as follows:
Section 1. FINDINGS.
a. On September 13, 1990 the Keizer City Council passed Ordinance No. 90-
186, An Ordinance Approving the North River Road Urban Renewal Plan
("the Plan") and Directing that Notice of Approval be Published.
b. The Plan is an Urban Renewal Plan prepared and adopted pursuant to the
provisions of Oregon Revised Statutes (ORS) Chapter 457.
c. The primary objectives of the Plan were to make public improvements to
encourage private investment, eliminate blighting conditions, improve the
appearance of the corridor and improve traffic flow and safety, among
other objectives.
d. The Plan has been amended numerous times ending most recently with the
Ninth Amendment.
e. On June 1, 2015, the Urban Renewal Agency adopted Resolution
UR2015-170. Such Resolution directed the Finance Director to
immediately terminate collection of any tax increment, transfer all assets

1 of the Agency to the City of Keizer, declared the North River Road Urban
2 Renewal Plan complete and the Plan terminated upon approval of such
3 termination by the City Council and referred such Resolution to the
4 Council for consideration.

5 Section 2. ASSIGNMENT. The City of Keizer hereby accepts assignment of all
6 Plan assets. The City Manager is authorized to take all appropriate action to accomplish
7 assignments and transfers.

8 Section 3. TERMINATION OF PLAN/TAX INCREMENT. The North River
9 Road Economic Development Area Urban Renewal Plan is hereby terminated, and such
10 termination to be as of the effective date of this Ordinance. In addition, the City Council
11 hereby confirms and ratifies the termination of any tax increment.

12 Section 4. SEVERABILITY. If any section, subsection, sentence, clause, phrase,
13 or portion of this Ordinance is for any reason held invalid or unconstitutional, or is
14 denied acknowledgment by any court or board of competent jurisdiction, then such
15 portion shall be deemed a separate, distinct, and independent provision and such holding
16 shall not affect the validity of the remaining portions hereof.

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1 Section 5. EFFECTIVE DATE. This Ordinance shall take effect thirty (30) days
2 after its passage.

3 PASSED this _____ day of _____, 2015.

4 SIGNED this _____ day of _____, 2015.

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Mayor

City Recorder

CITY COUNCIL MEETING: June 15, 2015

AGENDA ITEM NUMBER:_____

TO: MAYOR CLARK AND COUNCIL MEMBERS

THROUGH: CHRISTOPHER C. EPPLEY, CITY MANAGER

FROM: E. SHANNON JOHNSON, CITY ATTORNEY

**SUBJECT: AUTHORITY TO ISSUE CITATIONS FOR CITY OF KEIZER
INFRACTIONS TO CODE ENFORCEMENT OFFICER AND
COMMUNITY SERVICES OFFICER**

The job description for the position of code enforcement officer was enhanced to include parking authority in addition to enforcing other violations of City Ordinances. As the position has evolved, it is recommended that Council grant specific authority to issue citations to the Code Enforcement Officer. ORS 153.005(1)(h) states that an enforcement officer includes "Any other person specifically authorized by law to issue citations for the commission of violations." This means that the City Council can specifically authorize the Code Enforcement Officer to issue citations. We recommend the Council make this specific authorization, and also add the Community Services Officer so that there is no question as to the authority of these two positions to issue citations.

I have prepared a proposed Ordinance granting authority to issue citations to the Code Enforcement Officer and Community Services Officer for your consideration.

RECOMMENDATION:

Adopt the attached Ordinance Granting Authority to Issue Citations for City of Keizer Infractions to Code Enforcement Officer and Community Services Officer; Declaring an Emergency.

Please contact me if you have any questions in this regard. Thank you.

ESJ/tmh

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A BILL
ORDINANCE NO.
2015-_____
FOR
AN ORDINANCE

GRANTING AUTHORITY TO ISSUE CITATIONS FOR CITY OF
KEIZER INFRACTIONS TO CODE ENFORCEMENT OFFICER
AND COMMUNITY SERVICES OFFICER; DECLARING AN
EMERGENCY

The City of Keizer ordains as follows:

Section 1. AUTHORITY TO ISSUE CITATIONS. ORS 153.005(1)(h) states
that an enforcement officer includes “Any other person specifically authorized by law to
issue citations for the commission of violations.” The City Council, under its home rule
authority, hereby grants authority for issuing citations for violations of any Keizer City
Ordinances to any Code Enforcement Officer or Community Services Officer.

Section 2. EFFECT ON OTHER ORDINANCES. Section 1 above adds Code
Enforcement Officer or Community Services Officer to the parties authorized to issue
citations for any Ordinances. It does not withdraw, delete, or subtract from any other
party who may be authorized to issue such citations.

Section 3. OFFICER TO BE SWORN. The Code Enforcement Officer,
Community Services Officer, or other person designated by Ordinance to issue citations,
shall take a sworn oath of office prior to issuing any citations.

1 Section 4. EFFECTIVE DATE. This Ordinance being necessary for the
2 immediate preservation of the public health, safety and welfare, an emergency is
3 declared to exist and this Ordinance shall take effect immediately upon its passage.

4 PASSED this _____ day of _____, 2015.

5 SIGNED this _____ day of _____, 2015.

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Mayor

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City Recorder

COUNCIL MEETING: June 15, 2015

AGENDA ITEM NUMBER: _____

TO: MAYOR CLARK AND COUNCIL MEMBERS

THROUGH: CHRIS EPPLEY, CITY MANAGER

FROM: TIM WOOD, ASSISTANT CONTROLLER

SUBJECT: Authorization for Supplemental Budget and Transfer of Appropriation
– Community Center Transfer and Water Facility Transfer

ISSUE: Oregon Budget Law provides that a supplemental budget may be adopted when an occurrence or condition which had not been ascertained at the time of the preparation of a budget for the current year which requires a change in financial plan.

In addition Oregon Budget Law allows for a transfer of appropriation within a fund when authorized by resolution of the governing body of a municipal corporation.

Community Center Transfer

For FY14-15 the Community Center Fund is anticipating an approximately \$70,000 revenue shortfall. The revenue shortfall will cause the Community Center Fund to not have sufficient resources available to meet ongoing expenditures.

The attached resolution provides for a transfer of up to \$50,800 from the General Fund to the Community Center Fund to provide sufficient resources to fund the ongoing expenditures. The General Fund has sufficient appropriations available to provide for the transfer.

Water Facility Transfer

The FY14-15 Water Facility Fund adopted budget provides for a loan of \$360,000 to fund the ongoing water capital improvement plan, however; it has been identified that the Water Fund has sufficient resources and appropriations available to transfer sufficient resources to the Water Facility Fund eliminating the need for a loan.

The attached resolution provides for a transfer of up to \$300,000 from the Water Fund to the Water Facility Fund, the original budget provided for a transfer of \$90,100.

RECOMMENDATION: Staff recommends the council adopt the attached resolution authorizing the supplemental budget and expenditure of funds as described above.

CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

Resolution R2015-

**AUTHORIZATION FOR SUPPLEMENTAL BUDGET AND TRANSFER OF APPROPRIATION -
Community Center Transfer and Water Facility Transfer**

WHEREAS ORS 294 provides that a supplemental budget may be adopted when an occurrence or condition which had not been ascertained at the time of the preparation of a budget for the current year which requires a change in financial planning.

WHEREAS ORS 294 allows for a transfer of appropriation within a fund when authorized by resolution of the governing body of a municipal corporation.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Keizer, that the following appropriations be made for fiscal year ending June 30, 2015:

	Adopted/ Amended Budget	Adjustment		Revised Budget
		Increase	Decrease	
Community Center Transfer				
General Fund				
Materials and Services	3,030,400		50,800	2,979,600
Transfer to Community Center Fund	-	50,800		50,800
Community Center Fund				
Transfer from General Fund	-	50,800		50,800
To transfer appropriations within the General Fund to provide for a transfer to the Community Center Fund as a result of the projected revenue shortfall.				
Water Facility Transfer				
Water Fund				
Revenue	3,226,900	130,000		3,356,900
Contingency	115,400		79,900	35,500
Transfer to Water Facility Fund	90,100	209,900		300,000
Water Facility Fund				
Transfer from Water Fund	90,100	209,900		300,000
To recognize additional resources available and transfer appropriations within the Water Fund to provide for an increased transfer to the Water Facility Fund eliminating the need for a loan.				

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

PASSED this ____ day of _____, 2015

SIGNED this ____ day of _____, 2015

Mayor

City Recorder

CITY COUNCIL MEETING: June 15, 2015

AGENDA ITEM NUMBER:_____

TO: MAYOR CLARK AND COUNCIL MEMBERS

THROUGH: CHRISTOPHER C. EPPLEY, CITY MANAGER

FROM: E. SHANNON JOHNSON, CITY ATTORNEY

SUBJECT: TERMINATION OF AGRICULTURAL LEASE

The City and Willamette Mission Farm, Inc. entered into an agricultural lease dated March 1, 2012. Such lease has a termination date of February 28, 2017. Willamette Mission Farm, Inc. has requested termination of the lease due to concerns regarding the Big Toy play structure. It is my understanding that the Council desires to allow the termination and I have prepared a form Termination of Lease to accomplish that direction.

RECOMMENDATION:

Adopt the attached Resolution Authorizing the City Manager to Terminate the Agricultural Lease for Filbert Orchards Located at 1590 Chemawa Road North, Keizer, Oregon.

Please contact me if you have any questions in this regard. Thank you.

ESJ/tmh

1 CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

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3 Resolution R2015-____

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5 AUTHORIZING THE CITY MANAGER TO TERMINATE THE
6 AGRICULTURAL LEASE FOR FILBERT ORCHARDS LOCATED AT
7 1590 CHEMAWA ROAD NORTH, KEIZER, OREGON

8
9 WHEREAS, the City of Keizer owns real property and improvements located
10 adjacent to Keizer Rapids Park;

11 WHEREAS, such property is located at 1590 Chemawa Road North, Keizer and
12 consists of a residence, outbuildings and filbert orchards;

13 WHEREAS, the City entered into an agricultural lease with Willamette Mission
14 Farm, Inc. dated March 1, 2012;

15 WHEREAS, the termination date of such lease is February 28, 2017;

16 WHEREAS, Willamette Mission Farm, Inc. has requested termination of the lease
17 and the Council desires to grant the request;

18 NOW, THEREFORE,

19 BE IT RESOLVED by the City Council of the City of Keizer that the City Manager
20 is hereby authorized to terminate the agricultural lease with Willamette Mission Farm,
21 Inc. by signing the attached Termination of Lease.

22 BE IT FURTHER RESOLVED that the City Manager is hereby authorized to take
23 all acts necessary to consummate the termination as contemplated therein.

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

3 PASSED this _____ day of _____, 2015.

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5 SIGNED this _____ day of _____, 2015.

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7 _____
8 Mayor

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10 _____
11 City Recorder

TERMINATION OF AGRICULTURAL LEASE

PARTIES: CITY OF KEIZER, an Oregon
Municipal Corporation ("Landlord")

WILLAMETTE MISSION FARM, INC. ("Tenant")

RECITALS:

- A. Landlord and Tenant entered into that certain Agricultural Lease dated March 1, 2012 concerning the real property located at 1590 Chemawa Road NE, Keizer, Oregon.
- B. Landlord and Tenant wish to terminate the Agricultural Lease.

AGREEMENT:

1. The Agricultural Lease referenced above shall be and is hereby terminated and cancelled as of the date of this Agreement, subject to the terms and conditions set forth herein.
2. Landlord and Tenant are released and discharged from their respective obligations to observe the terms and conditions of the Agricultural Lease.
3. Tenant and Landlord do hereby mutually release and forever discharge one another from any and all further liability with regard to the Agricultural Lease except terms that survive the termination of the Agricultural Lease.
4. All the terms and conditions contained herein shall be binding on and inure to the benefit of the parties and their respective heirs, devisees, administrators, successors, and assigns.
5. In the event action is instituted to enforce any term of this Termination, the prevailing party shall recover from the losing party reasonable attorney fees incurred in such action as set by the trial court and, in the event of an appeal, as set by the appellate courts.

CITY OF KEIZER

WILLAMETTE MISSION FARM, INC.

By: _____
Christopher C. Eppley
City Manager

By: _____
Tony Weathers,
President

Dated: _____

Dated: _____

CITY COUNCIL MEETING: June 15, 2015

AGENDA ITEM NUMBER: _____

TO: MAYOR CLARK AND CITY COUNCIL MEMBERS

**THROUGH: CHRIS EPPLEY
CITY MANAGER**

**FROM: BILL LAWYER
PUBLIC WORKS DIRECTOR**

SUBJECT: ANNUAL PAVEMENT MARKINGS

DATE: June 9, 2015

BACKGROUND:

The Streets Division of the Public Works Department solicited quotes for the annual pavement marking project. Requests for quotes were sent to three companies and two quotes were received. This project involves painting the stop bars, turning arrows, crosswalks, school zone markings, bike lane legends, and yellow curbs throughout the City. This work will also include the repair or replacement of all thermo-plastic pavement markings Citywide. The quotes for the first year ranged from \$53,390.36 to \$75,941.00 with the lowest quote received submitted by Hicks Striping & Curbing, Inc.

FISCAL IMPACT:

The funds for this year's project are included in the FY 15/16 Street Fund and will be included in the FY 16/17 Street Fund for the second year.

RECOMMENDATION:

Staff recommends the City Council adopt the attached resolution authorizing the City Manager to enter into a contract with Hicks Striping & Curbing, Inc. for the 2015 and 2016 Pavement Marking projects.

Please contact me with any questions or concerns.

1 CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

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3 Resolution R2015-____

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6 AUTHORIZING THE CITY MANAGER TO ENTER INTO
7 AGREEMENT WITH HICKS STRIPING & CURBING, INC. FOR
8 REPAINTING OF PAVEMENT LEGENDS
9

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11 WHEREAS, the pavement legends in the City requires repainting;

12 WHEREAS, bids were solicited for repainting of the City's pavement marking
13 legends;

14 WHEREAS, funds available to complete this project are in the 2015/16 Street
15 Fund;

16 WHEREAS, two bids for this project were received. Hicks Striping & Curbing,
17 Inc. submitted the low bid for an amount of \$53,390.36 for the first year and \$55,746.0
18 for the second year;

19 NOW, THEREFORE,

20 BE IT RESOLVED by the City Council of the City of Keizer that the City Manager
21 is hereby authorized to enter into the attached agreement with Hicks Striping & Curbing,
22 Inc. to repaint the pavement legends. Funding for this project is from the Street Fund.
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CONTRACT
FOR
REPAINTING OF PAVEMENT MARKING LEGENDS

THIS AGREEMENT, made this 1st day of July, 2015, at Keizer, Oregon, by and between the City of Keizer, an Oregon municipal corporation, hereinafter called "Owner", and Hicks Striping & Curbing, Inc., hereinafter called "Contractor".

WITNESSETH THAT: In consideration of the mutual covenants and conditions hereinafter set forth, the Owner and Contractor hereby agree as follows:

1. **WORK BY CONTRACTOR.** The Contractor shall perform the work of repainting pavement marking legends as described in Attachment "A" (Attachment "A" may include Contractor's Proposal, Request for Proposals, Scope of Work, Plans, Specifications, Drawings, Special Provisions, and any other related Contract documents) which is attached hereto and by this reference incorporated herein.
2. **TIME OF COMPLETION.** The Contractor shall commence the work covered by this Contract on July 1, 2015 and shall coordinate this work with the Public Works Director and/or designee to assure completion of all aspects of the project relating to schools or school zones for the first year no later than September 1, 2015 and September 1, 2016 for the second year. All other aspects of the project shall be completed on or before October 16, 2015 for the first year and October 14, 2016 for the second year. These timelines are subject to adjustments as provided for in the Contract Documents. **Time limits stated above are of the essence of this Contract.**
3. **LIQUIDATED DAMAGES.** Contractor and Owner recognize that time is of the essence of this Contract and that Owner will suffer financial loss if the Work is not completed within the times specified in Section 2 above, plus any extensions allowed herein. The parties recognize the delays, expense, and difficulties involved in proving in a legal or arbitration proceeding the actual loss suffered by Owner if the Work is not completed on time. Therefore, instead of requiring any such proof, Owner and Contractor agree that as liquidated damages for delay (but not as a penalty), Contractor shall pay Owner One Hundred and no/100 Dollars (\$100.00) for each calendar day that expires after each of the timelines specified in Section 2 until the Work is complete.
4. **PROJECT SCHEDULE.** Contractor shall submit to the Public Works Director a weekly project schedule every Friday beginning July 1 each year and ending October 16 each year or if the timeline is extended, through the extended completion date each year. The project schedule shall provide the dates that are included in the list, a detailed list indicating the exact description of work performed, and the exact locations that have been completed from the date of the last project schedule up to the date of the submittal of the current weekly project

schedule. Contractor understands and agrees that the weekly project schedule is MANDATORY and if not provided weekly is a breach of this Contract and Owner may immediately terminate this Contract. If no work is performed during any particular week, a report indicating that no work was performed is required.

5. PRECONSTRUCTION CONFERENCE. Before any Work is started, a Preconstruction Conference attended by the Contractor, Public Works Director, and others as appropriate, will be held to establish a working understanding among the parties as to the Work and to discuss the schedules referred to in Section 4, procedures for handling submittals, processing applications for payment, and maintaining records. Contractor is required to request such Preconstruction Conference as soon as possible to prevent delays in the project.
6. CONTRACT SUM. The Contract Sums are as described on the Contractor's Bids attached hereto as Attachment "B" and by this reference incorporated herein. Unless the Contract states otherwise, the actual sum payable to Contractor for the work shall be based on the Contractor's Bids, as modified by Change Orders and adjustments made as provided herein.
7. PAYMENTS. Contractor may request a partial payment for the work performed each year following completion of the school zones. Such requests shall be prepared by the Contractor and approved by Owner, provided that the Contractor is performing the overall job in a diligent manner. The payment request shall accurately and completely detail all work completed up to the date of the request. Any and all additional forms and documentation required by statute or this Agreement shall be submitted with the pay request. No partial or final payments shall be made unless required certified payroll reports have been provided to Owner.

When final completion of the work has been achieved each year, Contractor shall prepare for Owner's acceptance a final application for payment stating that to the best of Contractor's knowledge, and based on Owner's inspections, the work has reached final completion for the year in accordance with the Contract Documents. Payment of the Contract Sum shall be made to Contractor within twenty (20) days after acceptance of the work by Owner and Contractor's submittal of the final application for payment and the following submissions:

- A. Any and all additional forms and documentation required by statute or this Agreement;
- B. An affidavit declaring any indebtedness connected with the work, e.g. payrolls or invoices for materials or equipment, to have been paid, satisfied or to be paid with the proceeds of final payment, so as not to encumber the project property;

- C. A statement, under oath, that it has complied with all provisions of State law governing contractors on a public contract and it has complied with the provisions governing fair employment practices;
- D. A statement by each of Contractor's subcontractors, under oath, that each of the subcontractors has complied with all provisions of State law governing contractors on a public contract and has complied with the provisions governing fair employment practices;
- E. Release of any liens, conditioned on final payment being received;
- F. A report of any accidents or injuries experienced by Contractor or its Subcontractors at the worksite.
- G. All certified payroll reports.

If the work has been substantially completed and full completion thereof is materially delayed through no fault of the Contractor and the Public Works Director so certifies, the Owner shall, upon the certificate of the Public Works Director, and without terminating the Contract, make payment for the balance due for that portion of the work fully complete and accepted, less a retained amount equal to ten percent (10%) of the amount requested.

8. PAYMENTS WITHHELD. Owner may withhold, or on account of subsequently discovered evidence, nullify the whole or part of any estimate to such extent as may be necessary to protect the Owner from losses on account of:
 - a. Defective work not remedied within a reasonable time after written notice.
 - b. Claims filed or reasonable evidence indicating probable filing of claims.
 - c. Failure of the Contractor to make payments properly to subcontractors or for material or labor.
 - d. A reasonable doubt that the Contract can be completed for the balance then unpaid.
 - e. Damage to the site, adjacent public or private property, or to another contractor.
 - f. Failure of the Contractor to keep his work progressing in accordance with his time schedule.

When the above grounds are removed, payment shall be made for amounts withheld because of them.

9. CHANGES. Contractor may request and/or Owner may order changes in the work or the timing or sequencing of performance of the work that impacts the Contract Unit Price or the Contract Time. All such changes in the work that affect Contract Time or Contract Unit Price shall be formalized in a Change Order. Acceptance of the Change Order and any adjustment in the Contract Unit Price and/or Contract Time must be signed by all parties.

10. NOTICES. Any written notices permitted or required by this Contract shall be deemed given when personally delivered, or three days after deposit in the United States mail, postage fully prepaid, addressed to the parties as set forth below or such other address as either party may provide to the other by notice given in accordance with this provision.

OWNER:

Bill Lawyer
Public Works Director
City of Keizer
930 Chemawa Road NE
PO Box 21000
Keizer, OR 97307

CONTRACTOR:

Hicks Striping & Curbing, Inc.
PO Box 9127
Brooks, OR 97305

11. LICENSES AND PERMITS. The Contractor shall obtain and maintain all licenses required for public works contracts in the State of Oregon and shall secure and pay for all fees and permits required for the project, if any. Contractor shall comply with all laws, ordinances and regulations, (Federal, State, or local) which may be applicable to the project to be conducted hereunder.

12. RESPONSIBILITY OF PUBLIC WORKS DIRECTOR. The term "Public Works Director" herein shall be Bill Lawyer, or his duly authorized representative. The Public Works Director shall have full authority to interpret the plans and specifications and shall determine the amount, quality, and acceptance of the work and supplies to be paid for under this Contract. It shall be the duty of the Public Works Director to enforce the specifications in a fair and unbiased manner, although he has the right to waive any term of the specifications if that term is found to be unreasonable and inconsistent with the general spirit of the specifications.

13. WAIVER. It is expressly understood and agreed that any waiver granted by the Public Works Director or the Owner of any term, provision or covenant of this Contract shall not constitute a precedent nor breach of the same of any other terms, provisions, or covenants of this Contract. Neither the acceptance of the work by Owner nor the payment of all or any part of the sum due the Contractor hereunder shall constitute a waiver, by the Owner, of any claim which the Owner may have against the Contractor.

14. LIABILITY INSURANCE. The Contractor shall procure and maintain at its own expense, during the life of this Contract, liability insurance as hereinafter specified. All such insurance shall be subject to the approval of the Owner for adequacy of protection and shall include a provision preventing cancellation without ten (10) day's prior notice to the Owner in writing. Contractor must provide the Owner with a certificate of insurance evidencing the insurance within five (5) days from Contractor's execution of this Contract. The certificate of insurance must include the following language: "The City of Keizer, its officers, agents, contractors, and

employees are named as additional insured.” The liability insurance required is as follows:

- a. Contractor’s General Public Liability and Property Damage Insurance issued to the Contractor and protecting him from all claims for personal injury including death, and all claims for destruction of or damage to property, arising out of or in connection with any operations under this Contract, whether such operations be by himself or by any subcontractor under him, or anyone directly or indirectly employed by the Contractor or by a subcontractor under him.

All such insurance shall be written with a limit of liability of not less than \$1,000,000 for all damages arising out of bodily injury, including death, at any time resulting therefrom, sustained by any one person in any one accident; a limit of liability of not less than \$2,000,000 for any such damages sustained by two or more persons in any one accident; a limit of liability of not less than \$1,000,000 for all damages arising out of injury or destruction of property, damages arising out of injury or destruction of property, (including property of the City) in any one accident; and a limit of liability of not less than \$2,000,000 for all damage arising out of injury to or destruction of property, including property of City, during the policy period.

- b. Automobile Liability Insurance with a limit of liability of not less than \$1,000,000 issued to Contractor and protecting him from all claims arising out of or in connection with any operations under this Contract, whether such operations be by himself or by any subcontractor under him, or anyone directly or indirectly employed by Contractor or by a subcontractor under him.

15. WORKERS COMPENSATION INSURANCE. The Contractor shall procure and maintain, at his own expense, during the life of this Contract, in accordance with the provision of the laws of the state of Oregon, Workman’s Compensation Insurance for all of his employees at the site of the project and in case any work is sublet, the Contractor shall require such subcontractor similarly to provide Workman’s Compensation Insurance for all of its employees unless such employees are covered by the protection afforded by the Contractor. Certificates evidencing the issuance of such insurance shall be filed with the Owner within five (5) days after execution of this Contract.

16. INDEMNITY. The Contractor shall indemnify and save harmless the Owner, the Owner’s agents and employees from and against all losses and all claims, demands, payments, suit actions, recoveries, and judgment of every nature and description brought or recovered against them by reason of any act or omission of the said Contractor, his agents, or employees, in the execution of the work or in guarding the same.

17. SUBCONTRACTS. The Contractor shall have full responsibility under these conditions, general provisions, plans and specifications for any subcontracts which he may let. Work not performed by Contractor with its own forces shall be performed by subcontractors. Contractor agrees to bind each subcontractor and material supplier (and require every subcontractor to so bind its subcontractors and material suppliers) to all the provisions of this Contract and the Contract Documents as they apply to the subcontractor's and material supplier's portions of the work. Contractor shall submit a certification to Owner that all subcontractors performing work will be registered with the Construction Contractors Board or licensed by the State Landscape Contractors Board in accordance with ORS 701.035 to 701.055 before the subcontractors commence work under the contract.

18. CONTRACTOR PAYMENTS. Contractor shall: (1) make payment promptly, as due, to all persons supplying to Contractor labor or materials for the prosecution of the Work provided for in this Contract; (2) pay all contributions or amounts due the State Industrial Accident Fund and the State Unemployment Compensation Trust Fund from such Contractor or Subcontractor incurred in the performance of the Contract; (3) not permit any lien or claim to be filed or prosecuted against the Owner because of any labor or material furnished; and (4) pay to the Department of Revenue all sums withheld from employees.

If Contractor fails, neglects or refuses to make prompt payment of any claim for labor or services furnished to the Contractor or a Subcontractor by any person in connection with the Project as such claim becomes due, the proper officer(s) representing the Owner may pay the claim and charge the amount of the payment against funds due or to become due Contractor under this Contract.

19. PROTECTION OF WORK AND PROPERTY. The Contractor shall continuously maintain adequate protection of all his work and materials from damage or theft and shall protect the Owner's property and all adjacent property from injury or loss arising in connection with the activities under this Contract. The Contractor shall make good any such damage, injury, or loss, except such as may be due to errors in the Contract documents or such as may be caused by agents or employees of the Owner.

The Contractor shall take, use, provide, and maintain all necessary precautions, safeguards, and protection to prevent accidents, or injury to persons or property on, about, or adjacent to the work site, warning against any hazards created by the work being done under this Contract. He shall designate a responsible member of his organization on the work, whose duty shall be the prevention of accidents, and the name of the person so designated shall be reported to the Owner in writing. In any emergency affecting the safety of life, or of the work or adjoin property, the Contractor, without special instruction or authorization from the Owner, is hereby permitted to act, as his discretion, to prevent such threatened loss or injury, and he must take such action if so instructed or authorized by the Owner. The Contractor shall also protect adjacent property as required by law.

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

20. WORK HOURS. Contractor agrees that all work on River Road must be done after 9:00 a.m. and complete by 3:00 p.m. each day to avoid commuting traffic. Contractor may work at night upon notification to and written permission by Owner.

Contractor must give notice to employees who work on this contract in writing, either at the time of hire or before commencement of work on the contract, or by posting a notice in a location frequented by employees, of the number of hours per day and days per week that the employees may be required to work. Furthermore, Contractor shall not employ any person performing work under this contract for more than ten hours in any one day, or 40 hours in any one week, except in cases of necessity, emergency, or where the public policy absolutely requires it. Contractor shall pay all individuals performing work under this contract at least time-and-a-half pay for:

- a. All overtime in excess of eight hours a day or 40 hours in any one week when the work week is five consecutive days, Monday through Friday; and
 - b. All overtime in excess of 10 hours a day or 40 hours in any one week when the work week is four consecutive days, Monday through Friday; and
 - c. All work performed on Saturday or Sunday and on any legal holiday specified in ORS 279C.540.
21. PREVAILING WAGE. Contractor must ensure that each worker in each trade or occupation employed in the performance of this Contract either by the Contractor, Sub-contractor or other person doing or contracting to do the whole or any part of the work on this Contract, shall be paid not less than the applicable prevailing rate of wage set forth in the attached schedule pursuant to ORS 279C.840(4) & OAR 839-016-0033(1).

Contractor shall maintain all records and file all wage certification forms as required by Oregon Administrative Rules.

A. Prevailing Wage Requirements

a. Applicable Prevailing Wage Rates

- i. If this project is subject to the applicable Oregon Prevailing Wage Rate publication and any amendments, and/or the federal Davis

Bacon Wage Rate Act (40 U.S.C. 3141 et seq.), in effect at the time of solicitation, the Contractor shall pay the wage rate and fringe benefits listed in the Bureau of Labor and Industries publication titled "January 1, 2015 Prevailing Wage Rates for Public Works Contracts in Oregon", which is incorporated herein by reference or can be accessed and downloaded at BOLI's website at: http://www.boli.state.or.us/BOLI/WHDPWR/pwr_state.shtml.

- ii. If the project is subject to the federal Davis Bacon Act, the current wage rate publication for Oregon can be accessed and downloaded at <http://www.gpo.gov/davisbacon/or.html>. ORS.279C.838.
 - iii. If the project is subject to the Davis-Bacon Act and if the state prevailing rate of wage is higher than the federal prevailing rate of wage that is in effect at the time a public agency enters into a contract with a contractor for the project, the contractor and every subcontractor on the project shall pay no less than the state prevailing rate of wage. ORS 279C.838.
 - iv. All prevailing wage rates that apply to the project must be posted at the job site. Every contractor on the site is responsible for this posting. ORS 279C.840(4) & OAR 839-025-0033(1).
 - v. All contracts and subcontracts for this project must include a provision that each worker in each trade or occupation employed in the performance of the contract either by the contractor, subcontractor or other person doing or contracting to do or contracting for the whole or any part of the work on the contract, must be paid not less than the applicable state prevailing rate of wage, or the applicable federal prevailing rate of wage, whichever is higher. ORS 279C.838.
- b. Certified Payroll Filing Requirements
- i. Every employer on a covered project must file certified payroll records with the Owner. Certified statements for each week during which the Contractor or Subcontractor employs a worker upon the public work shall be submitted once a month, by the fifth business day of the following month. Information submitted on certified statements may be used only to ensure compliance with the provisions of ORS 279C.845 to 279C.860.
- c. Certified Payroll Form
- i. To help employers satisfy the filing requirement, Form WH-38 is included in each PWR rate book. BOLI does not require contractors to use this form, but contractors must supply all information the form requests and this information must be certified.

Employers using their own forms or reports can comply with the certification requirement by attaching and completing a copy of the certification from the WH-38 form to their filing.

Employers must submit the hours worked each day by each employee, his or her name, address, the pay rate, work classification, gross pay to the employee and the amount contributed to any third party fringe benefits (and the type of benefit provided).

To meet filing requirements, the employer must sign the certified payroll to confirm that the information is true and complete. Unsigned reports do not satisfy the filing requirement. Submitting false or incomplete information can be the basis for civil penalties or debarment.

The Contractor and subcontractors shall preserve the certified statements for a period of three (3) years from the completion of the contract.

d. Certified Payroll Retainage

- i. As required in ORS 279C.845, the Owner will retain 25% of any amount earned by the Contractor on the project until the Contractor has filed the certified statements required in ORS 279C.845. The Owner will pay to the Contractor the amount retained within 14 days after the Contractor files the required certified statements, regardless of whether a subcontractor has failed to file certified statements.
- ii. As required in ORS 279C.845, the Contractor shall retain 25% of any amount earned by a first tier subcontractor on the project until the first tier subcontractor has filed with the Owner the certified statements required in ORS 279C.845. Before paying any amount retained, the Contractor shall verify that the first tier subcontractor has filed the certified statement. Within 14 days after the first tier subcontractor files the required certified statement the Contractor shall pay the first tier subcontractor any amount retained.

22. QUALIFYING EMPLOYEE DRUG TESTING PROGRAM. Contractor represents and warrants that Contractor has in place at the time of the execution of this Contract, and shall maintain during the term of this Contract, a Qualifying Employee Drug Testing Program for its employees that includes, at a minimum a written employee drug testing policy, required drug testing for all new subject employees or, alternatively, required testing of all subject employees every 12 months on a random selection basis, and required testing of a subject employee when the Contractor has reasonable cause to believe the subject employee is under the influence of drugs.

23. **TRAFFIC CONTROL MEASURES.** Contractor understands and agrees that work sites under this project vary from low traffic to very high traffic flow and that Contractor shall use appropriate traffic control measures. All traffic control measures must comply with the current edition of the Manual on Uniform Traffic Control Devices (MUTCD). Contractor agrees that all personnel must wear safety vests at all times and use safety cones as required.

24. **INSPECTION.** Owner and his representative shall at all times have access to the work during its construction, and shall be furnished with every reasonable facility for ascertaining that the stock and materials used and employed, and the workmanship are in accordance with the requirements and intentions of the specifications. All work done and all materials furnished shall be subject to inspection and approval. If any work should be covered up without approval or consent of Owner, it must, if required by Owner, be uncovered for examination at the Contractor's expense.

Re-examination of questioned work may be ordered by Owner. If such work be found in accordance with the Contract documents, the Owner shall pay the cost of re-examination and replacement. If such work is found to not be in accordance with the Contract documents, the Contractor shall pay such costs unless he shall show that the defect in the work was caused by another contractor, and in that event, the Owner shall pay such costs.

The inspection of the work shall not relieve the Contractor of any of his obligations to fulfill the Contract in full and as prescribed. Defective work shall be made good and unsuitable material shall be rejected, notwithstanding that such defective work and material may have been previously overlooked and accepted on estimates for payment. No work shall be done at night without the prior approval of Owner.

25. **DEFECTIVE WORK OR MATERIAL.** The Contractor shall promptly remove from the premises all work and materials condemned by Owner as failing to conform to the Contract, whether incorporated or not, and the Contractor shall promptly replace and re-execute his own work in accordance with the Contract and without expense to the Owner and shall bear the expense of making good all work of other contractors destroyed or damaged by such removal or replacement.

26. **LIENS.** Contractor shall not permit any lien or claim to be filed or prosecuted against the City of Keizer, Oregon or the private property owner, in connection with this contract and agrees to assume responsibility should such lien or claim be filed. If at any time there shall be evidence of any lien or claim for which the Owner might become liable and which is chargeable to the Contractor, the Owner shall have the right to retain out of any payment then due or thereafter to become due, an amount sufficient to provide complete indemnification against such lien or claim. In the event the Owner has already paid to the Contractor all sums due under this

Contract or the balance remaining unpaid is insufficient to protect the Owner, the Contractor shall be liable to the Owner for any loss so sustained.

27. OWNER'S RIGHT TO TAKE OVER THE WORK. If the Contractor should be adjudged as bankrupt, or if it should make a general assignment for the benefit of its creditors, or if a receiver should be appointed to take over its affairs, or if it should fail to prosecute its work with due diligence and carry the work forward in accordance with its work schedule and the time limits set forth in the Contract documents, or if it should fail to substantially perform one or more of the provisions of the Contract documents to be performed by it, the Owner may serve written notice on the Contractor stating its intention to exercise one of the remedies hereinafter set forth and the grounds upon which the Owner bases its right to exercise such remedy.

In any event, unless the matter complained of is satisfactorily corrected within ten (10) days after service of such notice, the Owner may, without prejudice to any other right or remedy, exercise one of the following such remedies, at once, having first obtained a certificate from the Public Works Director that sufficient cause exists to justify such action.

- a. The Owner may terminate the services of the Contractor, which termination shall take effect immediately upon service of notice thereof on the Contractor, whereupon Owner may itself take over the work, take possession of and use all materials, tools, equipment and appliances on the premises and prosecute the work to completion by such means as it shall deem best. In the event of such termination of its service, the Contractor shall not be entitled to any further payment under this Contract until the work is completed and accepted. If the Owner takes over the work and if the unpaid balance of the Contract price when the Owner takes over the work exceeds the cost of completing the work, including compensation for any damages or expenses incurred by Owner through the default of the Contractor, such excess shall be paid to the Contractor. In such event, if such costs, expenses and damages shall exceed such unpaid balance of the Contract price, the Contractor shall pay the difference to the Owner. Such costs, expenses, and damages shall be certified by the Public Works Director.
- b. The Owner may take control of the work and either make good the deficiencies of the Contractor itself or direct the activities of the Contractor in doing so, employing such additional help as the Owner deems advisable. In such event, the Owner shall be entitled to collect from the Contractor, or to deduct from any payment then or thereafter due the Contractor, the cost incurred by it through the default of the Contractor, provided the Public Works Director approves the amount thus charged to the Contractor.

The above remedies are in addition to any other remedies allowed by law or equity.

28. **CONTRACTOR'S RIGHT TO STOP OR TERMINATE CONTRACT.** If the work shall be stopped under an order of any court or other public authority for a period of no less than three (3) months through no act or fault of the Contractor or of any one employed by it, then the Contractor may on seven (7) days written notice to the Owner stop work or terminate this Contractor and recover from the Owner payment for all work executed to the date of stoppage, any losses sustained from any plant or material, and a reasonable profit. If the Public Works Director shall fail to issue any certificate for payment within ten (10) days after it is due, or if the Owner shall fail to pay the Contractor within fifteen (15) days after its maturity and presentation to the Owner any sum certified by the Public Works Director, then the Contractor may, on seven (7) days written notice to Owner, terminate the Contract and recover from the Owner payment for all work executed to date, any losses sustained upon any plant for material, and a reasonable profit.

29. **DELAYS AND EXTENSION OF TIME.** If the Contractor is delayed at any time in the progress of the work by an act or neglect of the Owner, or any employee of Owner, or by any separate contractor employed by the Owner, or by changes ordered in the work, or by strike, lockouts, fire, unusual delay in transportation, unavoidable casualties, or any cause beyond the Contractor's control, or by delay authorized by the Public Works Director, or by any cause which the Public Works Director shall decide to justify the delay, then the time of completion shall be extended for such reasonable time as the Public Works Director may decide.

No such extensions shall be made for a delay occurring more than seven (7) days before claim therefore is made in writing to the Public Works Director. In the case of a continued cause of delay, only one claim is necessary. This section does not exclude the recovery of damages for delays by either party under other provisions in the Contract documents.

30. **ACCEPTANCE.** Final inspection and acceptance of the work shall be made by the Owner and local appointed authority. Such inspection shall be made as soon as practical after the Contractor has notified the Owner in writing that the work is ready for such inspection.

31. **DISPUTE RESOLUTION.**

(a) Any dispute arising out of or in connection with this Agreement, which is not settled by mutual agreement of the Contractor and the Owner within sixty (60) days of notification in writing by either party, shall be submitted to an arbitrator mutually agreed upon by the parties. In the event the parties cannot agree on the arbitrator, then the arbitrator shall be appointed by the Presiding Judge (Civil) of the Circuit Court of the State of Oregon for the County of Marion. The arbitrator shall be selected within thirty (30) days from the expiration of the sixty (60) day period following notification of the dispute. The arbitration, and any litigation arising out of or in connection with this Agreement, shall be conducted in Salem, Oregon, shall be governed by the laws of the State of Oregon, and

shall be as speedy as reasonably possible. The applicable arbitration rules for the Marion County courts shall apply unless the parties agree in writing to other rules. The arbitrator shall render a decision within forty-five (45) days of the first meeting with the Contractor and the Owner. Insofar as the Contractor and the Owner legally may do so, they agree to be bound by the decision of the arbitrator.

- (b) Notwithstanding any dispute under this Agreement, whether before or during arbitration, the Contractor shall continue to perform its work pending resolution of a dispute, and the Owner shall make payments as required by the Agreement for undisputed portions of work.

32. **ASSIGNMENT.** Neither Owner nor Contractor shall assign its interest in this Contract without the written consent of the other except as to the assignment of proceeds. The terms and conditions of this Contract shall be binding upon both parties, their partners, successors, assigns and legal representatives. Neither party to this Contract shall assign the Contract as a whole without written consent of the other.

33. **INDEPENDENT CONTRACTOR STATUS.** The service or services to be performed under this Contract are those of an independent contractor as defined in ORS 670.600. Contractor represents and warrants that it is not an officer, employee or agent of the Owner. Contractor is not entitled to, and expressly waives all claim to City benefits including, but not limited to health, life, and disability insurance, overtime pay, paid leave, and retirement.

34. **GOVERNING LAW.** This Contract shall be governed by the laws of the State of Oregon.

35. **SEVERABILITY.** Any provision or part of this Contract held to be void or unenforceable under any law or regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon Owner and Contractor. Owner and Contractor agree that this Contract shall be amended to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

36. **COMPLIANCE.** The Contractor shall comply with and require its subcontractors to comply with all applicable provisions of Federal, State and local statutes, ordinance, orders, rules, regulations, and all other specifications and provisions as contained within these Contract documents.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed the day and year first above written.

CITY OF KEIZER

HICKS STRIPING & CURBING, INC.

By: _____
Christopher C. Eppley,
City Manager

By: _____
Ron Hicks,
President

Dated: _____

Dated: _____

APPROVED AS TO FORM:

Keizer City Attorney



City of Keizer - Department of Public Works
930 Chemawa Rd. N.E. * PO Box 21000
Keizer, OR 97307 (503)390-3700 fax (503) 393-9437
www.keizer.org

Exhibit "A"

April 15, 2015

Dear Potential Bidder:

RE: PAVEMENT MARKINGS BID PROPOSALS

The City of Keizer is currently accepting bid proposals for the repainting of our pavement marking legends. The City of Keizer is seeking a company that can perform the duties as described herein. The City is requesting a two (2) year contract. The contract period is anticipated to begin July 1, 2015 and terminate October 14, 2016. We would like to offer you the opportunity to submit a bid proposal to perform this work. **All bids must be physically received no later than 5:00 p.m. Friday May 1, 2015.**

You can submit your bid via United States Postal Service, PO Box 21000, Keizer, OR 97307 or hand deliver them to the City of Keizer City Hall at 930 Chemawa Road NE, Keizer, OR 97303. **Faxes or Electronic submittals will not be accepted.** City staff will recommend the City Council approve a contract for the apparent low bidder at the June 15th, 2015 City Council meeting. Please send bids to the attention of Mike Griffin, Streets/Stormwater Division Manager at the City of Keizer Public Works Department by Friday May 1st, 2015.

If awarded the contract, you must be able to provide Insurance documents upon your execution of the contract. The insurance amounts are set forth herein. The amounts are \$1,000,000 for property damage and \$1,000,000 per person for bodily injury and no less than \$2,000,000 for any number of claims arising out of a single accident or occurrence. You must also carry automobile liability insurance with a limit of liability of not less than \$1,000,000. If the bid is awarded to you, you must make arrangements with your insurance carrier to provide a certificate showing the City of Keizer, it's officers, agents, contractors, and employees as an Additional Insured on an endorsement. You must keep the insurance policies effective throughout the entire term of the contract. If you are awarded the contract, you must provide a copy of your workers compensation insurance coverage in an amount required by state law.

The City of Keizer currently has approximately 587+/- combined painted and thermo stop bars, 260 +/- bike w/arrows symbols (painted and thermo combined), 18 painted right arrows, 17 left arrows, 5 straight arrows, 8 combo, and 3 "ONLY". We have +/- 37 thermoplastic right arrows, 205 left arrows, 6 straight arrows, 8 combo, 5 "ONLY", 17 crosswalks (needing paint refreshed), 75

thermo crosswalks with possible thermoplastic patching, 35 school, 33 crossing, 15 speed bumps, 3 bumper islands and 6,488 +/- feet of yellow curbing. The project will be awarded on a **lump sum basis**. You must complete the attached "Schedule of Contract Prices" in order to have a valid bid. This work may be subject to prevailing wage rules and if so, the City will require that all prevailing wage rules be complied with including, but not limited to, providing certified payroll reports. **When submitting your bid, please attach a schedule for the first year and another schedule for the second year.** The schedules will cover all items listed in the Schedule of Contract Prices. Provide the per unit price for all items listed in the Additional Unit Prices schedule. (These items are not included in the lump sum basis award.)

There is a good chance that some of the totals may vary +/- due to slurry seals, street resurfacing, new projects, and some may have been converted to thermoplastic. The contractor will be compensated for each additional legend per bid item cost. It is **MANDATORY** that the contractor turn in an updated list of current stop bars and legends with each schedule of work completed. It is also **MANDATORY** that a project schedule be turned in at the end of **each week** so we may track which locations are done and do random sampling of VOC's if necessary. It is important to stay in contact with City liaison for clarification on anything that is questionable or unclear so the finished product is accurate and acceptable. We can provide a City map at no charge to create a grid for turning in a schedule if that is helpful. We are also incorporating the thermoplastic for our crosswalks and bike legends to be included in this proposal with a standard **minimum of 3' strips** of replacement so we recommend an on-site inspection prior to bidding, with pricing to be on a per foot basis. All paint and thermoplastic materials shall meet current ODOT specifications for VOC content and reflectivity using glass beads. The City of Keizer will not supply any stencils for the legends. Due to the fact standards have changed over the years there are variations with the legends and they must be matched as best possible.

The work sites will vary from low traffic to very high traffic flow, so the contractor should allow for some traffic control measures in high traffic areas and **MUST** wear safety vests at all times and use safety cones as required. All traffic control measures shall comply with the current edition of the Manual on Uniform Traffic Control Devices (MUTCD). Any River Road work must be done after 9am and complete by 3pm in order to avoid commuting traffic, night work will be permitted with prior City notification.

The contractor can anticipate starting work July 1st with all signed documents and schedules submitted. All work pertaining to the schools or school zones for the first year shall be completed on or before **September 1, 2015** and September 1, 2016 for the second year. The remainder of the work for the first year shall be completed on or before **October, 16, 2015** and October 14, 2016 for the second year. The contractor may request a time extension due to weather and must do so in writing prior to the completion date. If the contractor does not complete the work by the required dates the City reserves the right to impose liquidated damages at \$100 per calendar day thereafter.

Attached you will find information needed to submit your bid. If you have any questions or comments please feel free to contact me at (503) 856-3551.

Thank you for your interest in this project,

*Mike Griffin
Street & Stormwater
Division Manager*

enclosures

1st YEAR (2015) SCHEDULE OF CONTRACT PRICES				UNIT PRICE	AMOUNT
PROJECT: PAVEMENT MARKINGS					
OWNER: CITY OF KEIZER					
ITEM	DESCRIPTION	QUANTITY	UNITS		
1	PAINTED/THERMO STOP BARS	587 +/- 1	EA		
2	PAINTED BIKE w/ARROWS	191	EA		
3	THERMO BIKE w/ARROWS-if refreshing with paint	69	EA		
4	PAINTED RIGHT ARROWS	18	EA		
5	PAINTED LEFT ARROWS	17	EA		
6	PAINTED STRAIGHT ARROWS	5	EA		
7	PAINTED COMBO ARROWS	8	EA		
8	PAINTED "ONLY"	3	EA		
9	THERMO RIGHT ARROWS-if refreshing with paint	37	EA		
10	THERMO LEFT ARROWS-if refreshing with paint	205	EA		
11	THERMO STRAIGHT ARROWS- if refreshing with paint	6	EA		
12	THERMO COMBO ARROWS- if refreshing with paint	8	EA		
13	THERMO "ONLY"- if refreshing with paint	5	EA		
15	PAINTED CROSSWALKS	17	EA		
16	PAINTED "SCHOOL"	20	EA		
17	PAINTED "CROSSING"	20	EA		
18	THERMO "SCHOOL" if refreshing with paint	15	EA		
19	THERMO "CROSSING" if refreshing with paint	13	EA		
20	YELLOW CURBING	6,488' +/-	PER FOOT		
21	SPEED BUMPS	15	EA		
	TOTAL BID				

1ST YEAR (2015) ADDITIONAL UNIT PRICES			
ITEM	DESCRIPTION	UNITS	UNIT PRICE
A	THERMO STOP BARS	EA	
B	THERMO STOP BARS-patch work	PER FOOT	
C	THERMO BIKE w/ARROWS	EA	
D	THERMO RIGHT ARROWS	EA	
E	THERMO LEFT ARROWS	EA	
F	THERMO STRAIGHT ARROWS	EA	
G	THERMO COMBO ARROWS	EA	
H	THERMO ARROWS-patch work	PER FOOT	
I	THERMO CROSSWALKS-3' minimum patching	PER FOOT	
J	THERMO "SCHOOL"	EA	
K	THERMO "CROSSING"	EA	
L	THERMO RAIL ROAD CROSSING-"R" X "R"	EA	

2nd YEAR (2016) SCHEDULE OF CONTRACT PRICES				UNIT PRICE	AMOUNT
PROJECT: PAVEMENT MARKINGS OWNER: CITY OF KEIZER					
ITEM	DESCRIPTION	QUANTITY	UNITS		
1	PAINTED/THERMO STOP BARS	587 +/- 1	EA		
2	PAINTED BIKE w/ARROWS	191	EA		
3	THERMO BIKE w/ARROWS-if refreshing with paint	69	EA		
4	PAINTED RIGHT ARROWS	18	EA		
5	PAINTED LEFT ARROWS	17	EA		
6	PAINTED STRAIGHT ARROWS	5	EA		
7	PAINTED COMBO ARROWS	8	EA		
8	PAINTED "ONLY"	3	EA		
9	THERMO RIGHT ARROWS-if refreshing with paint	37	EA		
10	THERMO LEFT ARROWS-if refreshing with paint	205	EA		
11	THERMO STRAIGHT ARROWS- if refreshing with paint	6	EA		
12	THERMO COMBO ARROWS- if refreshing with paint	8	EA		
13	THERMO "ONLY"- if refreshing with paint	5	EA		
15	PAINTED CROSSWALKS	17	EA		
16	PAINTED "SCHOOL"	20	EA		
17	PAINTED "CROSSING"	20	EA		
18	THERMO "SCHOOL" if refreshing with paint	15	EA		
19	THERMO "CROSSING" if refreshing with paint	13	EA		
20	YELLOW CURBING	6,488' +/-	PER FOOT		
21	SPEED BUMPS	15	EA		
	TOTAL BID				

2nd YEAR (2016) ADDITIONAL UNIT PRICES			
ITEM	DESCRIPTION	UNITS	UNIT PRICE
A	THERMO STOP BARS	EA	
B	THERMO STOP BARS-patch work	PER FOOT	
C	THERMO BIKE w/ARROWS	EA	
D	THERMO RIGHT ARROWS	EA	
E	THERMO LEFT ARROWS	EA	
F	THERMO STRAIGHT ARROWS	EA	
G	THERMO COMBO ARROWS	EA	
H	THERMO ARROWS-patch work	PER FOOT	
I	THERMO CROSSWALKS-3' minimum patching	PER FOOT	
J	THERMO "SCHOOL"	EA	
K	THERMO "CROSSING"	EA	
L	THERMO RAIL ROAD CROSSING-"R" X "R"	EA	

PAINTED STOP BARS

AMT	LOCATED ON	AT/NEAR	DBL BAR
1	1st "CT" GOING	West from Sandra	
2	2nd Ave	Appleblossom	
1	2nd Ave	Garland Way	
1	2nd Ave	Wheatland Rd	
1	2nd "CT" GOING	West from Sandra	
1	3rd St	Hollyhock Place	
1	4th Place N	Cummings Ln	
1	5th Avenue	Fall Creek Drive	
1	5th Avenue	Sunset	
1	6th Avenue	James St	
1	7th St	Chemawa Rd	
2	7th Ave	Claggett St	
1	8th Ave	Claggett St	
1	8th St	Chemawa Rd	
1	8th Ct	Nottingham Dr	
1	9th Ct	Nottingham Dr	
1	10th Ave	Chemawa Rd	
2	10th Pl	Moneda Ave	
1	10th Pl	Rafael Ave	
2	10th Pl	Ventura Ave	
2	11th Ave	Manzanita St	
1	12th Ave	Dearborn Ave NE	
2	13th Ave	Manzanita Rd	
2	13th Ave	Dearborn Rd	
1	13th Ave	Chemawa Rd	
1	13th Ave	Rafael	
2	14th Ave	Mandarin Way	
2	14th Ave	Manzanita St	
1	15th Ave	Chemawa Rd	
1	15th Ave	Willow Lake Rd	
2	18th St	Chelan St	
2	18th St	Wiessner Dr	
2	18th St	Dearborn Rd	
1	18th St	Verda Lane	
1	35th Ave	Volcano Stadium Exit	
1	Alder Dr	Cherry Ave	
2	Alder Dr	Pleasant View Dr	
1	Alder Dr	Verda Lane	
1	Aldine	McLeod Ln	
1	Aldridge	Wheatland Rd	
1	Alexis Lane	Windsor Island RD	
1	Allendale Way	Keizer Rd	
1	Alliance Ct	Northside Dr.	
2	Amy	Rockledge Dr.	
1	Amy	Stone Hedge	
1	Angie	Brooks Ave	
2	Appleblossom	River Rd	
1	Arborwood Ct	Horizon Ridge Ct	
2	Arcade	Kalmia	
1	Arcade	Chemawa Rd	
1	Arleta	Alder Dr	
1	Arrow Point Ct	Country Glen	
68			
AMT	LOCATED ON	AT/NEAR	DBL BAR

PAINTED STOP BARS

1	Arrowwood	Horizon Ridge Ct	
1	Autumn Leaf Ct	Willow Lake Rd	
2	Bailey Rd	Chemawa Rd	
1	Bailey Rd	Dearborn Ave NE	
1	Bair Rd	O'Neil	
1	Barnick	O'Neil	
1	Beebe	Alder	
1	Benevan Ct NE	Harmony Dr	
1	Bent Grass Ct	Prairie St.	
1	Bent Grass	Pineview St	
1	Bever	Cherry Avenue	
1	Bever	River Rd	
1	Bingtree	Northtree	
1	Birch Ave	Manbrin Dr	
1	Birchwood Ct	Russett Dr	
1	Blarney Stone Ct	Amy Ln	
1	Bobbie Ct	Willow Lake Rd	
1	Bolf Terrace	Wheatland Rd	
1	Bolf Terrace	Craftsman Loop	1
1	Bolin Ct	Glynbrook	
1	Bond	Northside Dr.	
1	Brandon Ave	18th St.	
1	Briarwood Circle	Chemawa Rd	
1	Broken Top Ave	Merlot Ave	
2	Brooks Ave	Alder Dr	
1	Brooks Ave	Manbrin/Thorman	
1	Brunner Ct	June Reid Place	
1	Bundy Ave	Cynthia	
1	Caleb	Harbour Ln	
1	Caleb	Maddy Ave	
1	Camden St	Barnick Rd	
1	Candlewood Rd	Cherry Avenue	
1	Caneberry	Parkmeadow	
1	Carilor Ct	Kalmia	
1	Carmen Ave	Dearborn Rd	
1	Cater	Wheatland Rd	
1	Cedar Ct	Cummings Ln	
1	Cedar Ave	Manbrin Dr	
1	Cedar Bluff	Wheatland Rd	
1	Celtic Way	Chemawa Rd	
1	Chardonnay Lp	Zinfandel St	
2	Chemawa Rd	Shoreline/Windsor Island	1
1	Chemawa Rd	Verda Lane	
1	Chemawa Lp	Chemawa Rd	
1	Chehalis Dr	Chemawa Rd	
1	Chehalis	Lockhaven Dr	
1	Chehalis Ct	Chemawa Rd	
1	Cherry Ave	Greenwood Dr	
1	Cherry Ave	Manbrin Dr	
1	Chetco	Chemawa Rd	
1	Churchdale	Bailey Rd	
1	Churchdale	River Rd	
1	Churchdale	Delight St	
2	Clark Ave	Dietz/Lawless	

PAINTED STOP BARS

AMT	LOCATED ON	AT/NEAR	DBL BAR
2	Clark Ave	Dietz/Lawless	
1	Clark Ave	Dearborn Rd	
1	Claxter	Verda Lane	
1	Clearlake Rd	Wheatland Rd	
1	Clearview Ave	Brooks St	
1	Clearview Ave	Cherry Avenue	
1	Cloverleaf Ln	Bailey Rd	
1	Country Glen	River Rd	
1	Courtlyn St	Lucinda Ave	
1	Craftsman Loop	Bolf Terrace	
1	Craftsman Loop	Veranda	
1	Crater	Chemawa Rd	
1	Crater	Ventura St	
1	Crestview Ct	Lockhaven Dr	
1	Crestwood	Lockhaven Dr	
2	Crystal Springs	McClure	
1	"CT" @ or near	3583 Jack St	
2	Cummings Ln	Shoreline	
1	Cynthia	Joan Dr	
2	Dearborn Ave	Shoreline Dr	
2	Dearborn Ave	Ventura	
2	Dearborn Ave	Verda Lane	
1	Dearborn Ave	Delight St	
2	Dearborn Ave	18th St.	
2	Delaplane St	Rupp Ave	
2	Delight St	Evans St	
2	Delight St	Dearborn Ave	
1	Delight St	Chemawa Rd	
2	Delight St	Cummings Ln	
1	Delight St	Menlo Dr	
1	Dennis Ray	McLeod Ln	
1	Delta	Wheatland Rd	1
1	Delta	Wheatland Rd	
1	Dennis Ln	Rivercrest Dr	
2	Dennis Ln	5th Ave	
1	Denny Ct	Glynbrook	
1	Dietz	River Rd	
1	Dixon	Noren Avenue	
1	Dixon	Verda Ln	
1	Donnan	Rickman	
1	Dorcas Dr	Jack St	
1	Dorcas Dr	Dorcas Dr East end	
1	Dorcas Dr	Dorcas Dr West end	
1	Drysdale St	Koufax Ln	
2	Drysdale Ct	Jacobe St	
1	Eastward Ct	Four Winds Dr	
1	El Segundo Ave	O'Neil	
1	Elizabeth	Chemawa Rd	
2	Elizabeth	Churchdale	
1	Elizabeth	Dearborn Ave N	
1	Elizabeth	Evans Ave	
1	Elvira	Dearborn Ave N	
1	Erika	O'Neil	
1	Erika	St Charles	

PAINTED STOP BARS

68			
AMT	LOCATED ON	AT/NEAR	DBL BAR
1	Espana Ave	10th Pl	
1	Espana Ave	Shoreline	
1	Eugene Ct	Kalmia	
1	Evans Ave	Delight St	
1	Evans Ave	River Rd	
1	Fall Creek Ct	Fall Creek Drive	
1	Farmland Ln	Wheatland Rd	1
2	Fenwick	Russet Dr	
1	Fieldview	Parkmeadow	
1	Filbert St	Alder DR	
1	Fillmore St	Dearborn Ave N	
1	Fillmore St	Evans Ave	
1	Fir Cone	River Rd	1
1	Firview Pl	Briarwood East	
1	Foothill Ct	Wheatland Rd	1
1	Four Winds Dr	Chemawa Rd	
1	Freeman Ct	Kalmia Dr	
1	Garland	River Rd	
1	Garland Ct	Jack St	
1	Garland Wy	Jack St	
1	Garland Wy	River Rd	
1	Glynbrook	Rivercrest Dr	
2	Gobert	Dixon St	
2	Gobert	May St	
2	Gobert	Keizer Rd	
1	Golden Ln	Willow Leaf St	
1	Golden Ln	Windsor Island Rd	
2	Greenwood	Thorman Ave	
1	Greenwood	River Rd	1
1	Greenwood	Cherry Avenue	
2	Greenwood	Harcourt/Arnold	2
1	Griswold Ave	Pleasant View Dr	
1	Harcourt	Dearborn Ave N	
2	Harcourt	Lawless	
1	Harmony Dr	14th St	
1	Harmony Dr	Trail Ave	
1	Harvest	Fir Cone	
1	Hasbrook Ave	Allendale Wy	
1	Hasbrook Ave	Keizer Rd	
1	Hassel Ct	Jacobe St	
1	Hazelbrook Dr	Wheatland Rd	
1	Hidden Creek Dr	River Rd	
1	Hills Creek Ct	Fall Creek Drive	
1	Hollyhock Pl	5th Ave	
1	Hollyhock Pl	River Rd	
1	Homestead Ct	Clearview	
1	Homewood Ct	River Rd	
1	Honeysuckle St	5th Ave	
1	Honeywood Ct	Tepper Ln	
1	Hopkins	Cherry Avenue	
1	Horizon	Cherry Avenue	
1	Hornet Ct	5th Ave	
1	Hornet Dr	5th Ave	

PAINTED STOP BARS

1	Inland Shores	Lockhaven Dr	
61			
AMT	LOCATED ON	AT/NEAR	DBL BAR
1	Ivy Way	Harcourt	
2	Ivy Way	Thorman Ave	
1	Jack St	Rivercrest Dr	
2	Jack St	Appleblossom	
2	Jack St	Wilshire Dr	
1	Jacobe Dr	Tepper Ln	
1	Jakewood	Horizon Ridge	
1	James St	River Rd	
1	Jani Ct	Erica	
1	Jaspen	Pierce	
1	Jaymar	Tepper Ln	
2	Jaymar	Manzanita	
1	Jays Dr	Wheatland Rd	1
1	Jerdon Ct	New Terrace	
1	Joan Dr	Lockhaven Dr	
1	Jo Delle Ct	15th Ave	
1	Joan Ct	Chemawa Rd	
1	Juedes	Delight St	
1	Juedes	River Rd	
1	Julie	Joan Dr	
1	June Reid Pl	Clearlake	1
1	Juniper Ct	Four Winds Dr	
2	Juniper St	13th Ave	
1	Juniper St	Four Winds Dr	
1	Kalmia	Verda Lane	
1	Kalmia	Lockhaven Dr	
1	Karm	Alder Dr	
1	Katie Ave	O'Neil	
1	Keizer Rd	Allendale	
1	Kelly St	Kalmia	
1	Kephart Ct	18th Ave	
1	Keystone Lp	Bair Rd	
1	Keizer Rd	Verda Lane	
1	Kinglet Way	Chemawa Rd	
1	Kinglet Way	Kalmia	
1	Kirby	Caleb St	
1	Klicitat	Lockhaven Dr	
1	Koala	Joan Dr	
1	Koala	Windsor Island Rd	
1	Lacey Ct.	Willow Lake Rd	
1	Laguna	Wheatland Rd	
1	Lake Fair	Lockhaven Dr	
1	Lakeport	Trent Ave	
1	Larchwood St	Verda Lane	
1	Larchwood St	Kafir Dr	
1	Larry Ave	Rivercrest Dr	
2	Lauderback	Northtree	
2	Laurelridge St	Meadowwood	
2	Lawless	Harcourt	
2	Lawless	Thorman Ave	
1	Leeward Ct	Four Winds Dr	
1	Leewood	Kayla Shae St	

PAINTED STOP BARS

1	Leewood	O'Neil	
1	Lent Ct	June Reid Place	
63			
AMT	LOCATED ON	AT/NEAR	DBL BAR
1	Leo	Brooks Ave	
2	Leo	Arnold	
1	Leprichaun Ct	Amy Ln	
1	Lexie Ct	Jacobe St	
1	Linda Ave	River Rd	
2	Lockhaven Dr	Windsor Island Rd	
1	Long Creek	Fall Creek Drive	
2	Lowell	Lawless	
1	Lowell	Dearborn Ave	
1	Lucinda Ave	Chemawa Rd	
1	Lydia	Windsor Island Rd	
1	Lydia	Willow Leaf St	
1	Mac Arthur Sr	Newberg	
1	Maebelle Ln	Bair Rd	
1	Maine Ave	River Rd	
1	Maddy Ave	Caleb St	
1	Madelyn Ct	McLeod Ln	
2	Manbrin Dr	Cherry Ave	
1	Manbrin Dr	Shoreline Dr	
2	Manbrin Dr	Rivercrest Dr	
2	Mandarin Way	14th Ave	
1	Mandarin Way	Trail Ave	
1	Manzanita	13th Ave	
1	Manzanita	14th Ave	
2	Manzanita	McLeod Ln	
2	Manzanita	River Rd	
1	Manzanita	Trail Ave	
2	Marigold	14th St	
2	Marino Dr	Rivercrest Dr	
1	Marino Dr	Shoreline Dr	
1	Marks Dr	Wheatland Rd	
1	Mason St	Merlot Ave	
1	Max Ct	Newberg	
1	May St	Noren Ave	
1	May St	Verda Ln	
1	McClure	McNary Estates Dr	
1	McClure	Lockhaven Dr	1
1	McGee Ct	River Rd	
1	McLeod Ln	Chemawa Rd	
1	McLeod Ln	Rock Ledge Dr	
2	McLeod Ln	Stone Hedge Dr	
1	McNary Hts	Wheatland Rd	1
1	Meadowbrook	Manbrin	
1	Meadowlark	14th St	
1	Meadowlark	McLeod Ln	
1	Meadowglen St	Parkmeadow Dr	
1	Meadowridge	River Rd	
1	Meadowwood	Meadowridge	
1	Meeks	River Rd	
1	Melrose	Golden	
1	Menlo Dr	Shoreline	

PAINTED STOP BARS

1	Menlo Dr	Cedar Dr	
1	Merlot	Wheatland Rd	
1	Merlot	Zinfandel St	
1	Mirage St	Trent Ave	
1	Mistletoe Lp	Wheatland Rd	
67			
AMT	LOCATED ON	AT/NEAR	DBL BAR
2	Mistwood	14th St	
1	Mistwood	McLeod Ln	
1	Modoc Dr	Chemawa Rd	
1	Moneda Ave	Shoreline	
1	Moneda ct	Shoreline	
1	Mulvehill Ct	Glynbrook	
1	Murphy Ave	O'Neil	
1	Mykala St	Clearlake Rd	
1	Mykala St	Timothy Lane	
1	Nandina Ct	Nottingham Dr	
1	New Terrace Ct	Wheatland Rd	
1	New Terrace Drive	Wheatland Rd	1
1	Newberg	Lockhaven Dr	
1	Newberg	Chemawa Rd	
1	Newton Ct	Golden	
1	Nightengale Ct	Nottingham Dr	
1	Nomore St	Chemawa Rd	
1	Nomore St	Dearborn Ave	
1	Noren	Keizer Rd	
1	Northern Hts	Ridgetop	
1	Northern Hts	Country Glen	
1	Northridge	Pierce	
1	Northside	River Rd	
1	Northside	Claxter	
1	Northshire Ct	River Rd	
1	Northtree	McLeod Ln	
1	Northwind	Juniper St	
1	Nottingham	River Rd	1
1	Nottingham	Wheatland Rd	
1	Oakwood St	River Rd	
1	Offenbach Ct	Nottingham Dr	
1	O'Neil	Clearlake Rd	
1	O'Neil	Parkmeadow	
1	Oppek	O'Neil	
2	Orchard St	Windsor Island Rd	
1	Orchard St	Joan Dr	
1	Orchard St	Newberg	
2	Orchard St	Chehalis	
1	Orchard Ct	Windsor Island Rd	
1	Otter way	Wheatland Rd	
1	Parklawn Ct	Trail Ave	
1	Parkmeadow	River Rd	
2	Parkmeadow	Meadowglen	
2	Parkplace	Parkmeadow	
1	Parkplace	Boardwalk	
2	Parkplace	Cater Ct	
1	Parkplace	Wheatland Rd	
1	Parkside Ct	Jakewood Ct	

PAINTED STOP BARS

1	ParkTerrace Dr	Parkmeadow	
1	Park Tree	Parkmeadow	
1	Paulette St	Dearborn Ave	
1	Peyton St	Chemawa Rd	
1	Pierce Dr	Aldridge Dr	
2	Pierce Dr	Russett	
61			
AMT	LOCATED ON	AT/NEAR	DBL BAR
1	Pinehurst	Wheatland Rd	1
1	Pineview	Parkmeadow	
1	Pleasant View Dr	Alder Dr	
1	Plum Tree	Northtree	
1	Plymouth Dr	Cherry Ave	
1	Plymouth Dr	River Rd	
1	Powder Creek Ct	Fall Creek Drive	
1	Prairie Clover	O'Neil	
1	Prairie Grass	Meadowglen	
1	Prairie St	Bent Grass	
1	Prairie St	Prairie Clover Ave	
1	Prestige Ct	Chemawa Rd	
1	Ridgetop	Country Glen	
1	Rafeal Ave	15th Ave	
2	Rafeal Ave	Shoreline	
1	Rickman	Dearborn Ave	
1	Rickman	Chemawa Rd	
1	Ridgecrest	Pierce	
1	Ridgecrest	Wheatland Rd	1
1	Ridgemont Dr	Ridgeview	
1	Ridgemont Dr	Aldridge Dr	
1	Ridgetop	Horizon Ridge	
1	Ridgetop	Country Glen	
1	Ridgeview Ct	Pierce	
1	Ridgeview Dr	Pierce	
1	Rim Rock	Stone Hedge	
1	Ring St	Cherry Avenue	
1	River Rock	14th St	
1	River Rock	Amy Ln	
1	Rivercrest Dr	Menlo Dr	
1	Rivercrest Dr	Menlo Dr	
2	Rivercrest Dr	Wayne	
1	Rivercrest Dr	Dearborn Ave	
1	Rivercrest Dr	Cummings Ln	
1	Riverwood Dr	15th Ave	
1	Riverwood Dr	Rafael	
1	Robindale	Chemawa Rd	
2	Rock Crystal Ln	Rockledge Dr.	
1	Rock Ledge Ct	Rock Ledge Dr	
1	Rooftop	Horizon Ridge	
1	Rowen	Manbrin Dr	
1	Rupp Ave	Wheatland Rd	
1	Rushmore	15th St	
1	Russett Dr	Wheatland Rd	
2	Sandra	Glynbrook	
1	Sandy Dr	River Rd	
1	Sarah Jean Ct	O'Neil	

PAINTED STOP BARS

2	Sea Gale Wy	Juniper St	
1	Segundo	O'Neil	
2	Shadowwood St	Merlot Ave	
2	Shady Ln	Brooks Ave	
1	Shady Ln	Cherry Avenue	
1	Shannon Ct	Wheatland Rd	1
1	Shepherd Ct	Russet Dr	1
2	Shoreline	Cummings Ln	
63			
AMT	LOCATED ON	AT/NEAR	DBL BAR
1	Shoreline Dr	Shoreline Lp	
2	Shoreline Lp	Shoreline Dr	
1	Shoreline Dr	Chemawa Rd	
1	Shyrina Ct	Wheatland Rd	
1	Sir Lancelot	Harmony Dr	
1	Sonata	McClure	
1	Sophia	Bair Rd	
1	Spring Leaf Ct	Willow Lake Rd	
1	Springridge Dr	Wheatland Rd	
1	Springtime Ct	Chemawa Rd	1
1	Spirit Way	Chemawa Rd	
1	St Charles	Bair Rd	
1	St Charles	Clearlake Rd	
1	St Croix Way	Ridge Drive	
1	Steven	Lockhaven Dr	
1	Stickles	Tepper Ln	
1	Stone Bridge	Taurus Lp	
2	Stone Hedge Dr	McLeod Ln	1
1	Stone Hedge Ct	14th St	1
1	Stone Hedge Dr	14th St	1
1	Stone Mason	Rockledge Dr.	
1	Stone Mason	Stone Hedge	
1	Straw Dr	Manbrin Dr	
1	Summer Leaf Ct	Willow Lake Rd	
1	Sunset Ave	Rivercrest Dr	
1	Swingwood Dr	River Rd	
1	Tecumseh St	Chemawa Rd	
1	Tepper Ln	McLeod Ln	
1	Thorman Ave	Greenwood	
1	Thorman Ave	Dearborn Ave	
2	Thorman Ave	Lawless	
1	Timothy	Clearlake Rd	1
1	Todd Ct	Willow Lake Rd	
2	Toni Ave	Manbrin Dr	
1	Trade Wind	Juniper St	
1	Trade Wind	Chemawa Rd	
1	Trail Ave	Harmony Dr	
1	Trail Ave	Mandarin St	
1	Trail Ave	Lockhaven Dr	1
1	Trail Ave	Manzanita	1
1	Trent	Windsor Island Rd	
1	Troy	Brooks St	
1	Troy	Filbert St	
1	Ventura Ave	Shoreline Dr	
1	Ventura St	Shoreline Dr	

PAINTED STOP BARS

2	Ventura St	Dearborn Ave	
1	Ventura Lp	Dearborn Ave	
2	Verda Ln	Chemawa Rd	
1	Verda Ln	Dearborn Ave	
1	Verda Ln	Lockhaven Dr	
2	Walsh Way	At ped crossing in park	
1	Walsh Way	Chemawa Rd. N.	
1	Waterloo	Clearlake Rd	
2	Windsor Island/Shoreline	Chemawa Rd	1
1	Waste Treatment Plant	Windsor Island Rd	
2	Wayne Dr	Rivercrest Dr	
65			
AMT	LOCATED ON	AT/NEAR	DBL BAR
1	Weeks Dr	Cherry Avenue	
1	Wiessner	Verda Ln	
1	Willow Lake Rd	Windsor Island Rd	
1	Willow Leaf St	Golden	
1	Willow Leaf St	Trent Ave	
1	Winter Leaf Ct	Willow Lake Rd	
1	Wittenburg Ln	Chemawa Rd	
1	Wittenburg Ln	Claggett	
1	Wolf	Churchdale	
1	Woodcrest Ct	Hazelbrook	
1	Woodgrove Ct	Hazelbrook	
1	Woodwind Ct	Willow Lake Rd	
1	Zachris Ct	McLeod Ln	
13			
587	TOTAL		27

BIKE LANE SYMBOLS

AMT LOCATION

PAINTED

- 1 AT THE I-5 SOUTH FWY EXIT - EAST ON CHEM/LOCKHAVEN
- 1 AT THE I-5 NORTH EXIT RAMP - EAST ON CHEM/LOCKHAVEN
- 5 WESTBOUND ON LOCKHAEN - WEST OF RIVER RD
- 11 WESTBOUND ON LOCKHAVEN - EAST OF RIVER RD
- 13 EASTBOUND ON LOCKHAVEN - EAST OF RIVER RD
- 8 EASTBOUND ON LOCKHAVEN - WEST OF RIVER RD
- 2 SOUTHBOUND ON CHEMAWA AT OR NEAR LOCKHAVEN
- 2 ON MCLEOD SOUTH OF LOCKHAVEN INTERSECTION
- 8 NORTHBOUND ON MCLEOD NORTH OF LOCKHAVEN
- 7 SOUTHBOUND ON MCLEOD NORTH OF LOCKHAVEN
- 4 WESTBOUND ON ALDER NEAR SCHOOL
- 4 EASTBOUND ON ALDER NEAR SCHOOL
- 9 WESTBOUND ON CHEMAWA BETWN RIVER & SHORELINE
- 4 EASTBOUND ON CHEMAWA BETWWN RIVER & SHORELINE
- 4 WESTBOUND ON CUMMINGS LANE EAST OF RIVER RD
- 3 EASTBOUND ON CUMMINGS LANE EAST OF RIVER RD
- 10 NORTHBOUND ON CHERRY AVENUE
- 10 SOUTHBOUND ON CHERRY AVENUE
- 5 EASTBOUND ON CLEARVIEW FROM CHERRY TO BROOKS
- 4 WESTBOUND ON CLEARVIEW FROM CHERRY TO BROOKS
- 4 WESTBOUND ON DEARBORN FROM RIVER TO DELIGHT ST
- 4 EASTBOUND ON DEARBORN FROM RIVER TO DELIGHT ST
- 3 WEST OF RxR TRACKS BEFORE KEIZER STA BLVD ON LOCKHAVEN
- 3 ON LOCKHAVEN BETWEEN KEIZER STA BLVD AND McLEOD

BIKE LANE SYMBOLS

PAINTED

19	BOTH SIDES OF KEIZER STA BLVD
17	BOTH SIDES OF ULALI DRIVE
12	BOTH SIDES OF STADIUM DRIVE
4	BOTH SIDES OF JORIE LANE
4	BOTH SIDES OF HARMONY DRIVE
6	BOTH SIDES OF TRAIL AVE

191 TOTAL

THERMO

AMT	LOCATION
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33	CHEMAWA RD NE FROM RIVER RD TO VERDA LN
20	DEARBORN AVENUE NE FROM RIVER RD TO VERDA LN
2	VERDA LANE NORTH OF CHEMAWA
11	VERDA LANE SOUTH OF CHEMAWA
1	NE CORNER OF DEARBORN AND VERDA
1	WEST SIDE OF WIESSNER AND VERDA LANE
1	5273 VERDA LANE

69 TOTAL

RIVER RD N & NE

<u>INTERSECTION</u>	<u>ITEM</u>	<u>QTY</u>	<u>TYPE</u>
PARKMEADOW DR NE	LEFT TURN	1	THERMO
MEADOWRIDGE ST NE	LEFT TURN	1	THERMO
COUNTRY GLEN AVE NE	LEFT TURN	1	THERMO
NORTHRUP CT NE	LEFT TURN	1	THERMO
NORTHSHIRE CT NE	LEFT TURN	1	THERMO
NOTTINGHAM DR NE	LEFT TURN	1	THERMO
FIR CONE DR NE	LEFT TURN	2	THERMO
HIDDEN CREEK DR NE	RIGHT TURN	1	THERMO
	RIGHT TURN	1	PAINT
SWINGWOOD CT NE / WHEATLAND RD NE	LEFT TURN	6	THERMO
	RIGHT TURN	4	THERMO
	CROSSWALK	3	THERMO
MANZANITA ST NE / McNARY EST. DR N	CROSSWALK	3	THERMO
	LEFT TURN	6	THERMO
	LEFT TURN	1	PAINT
	STRAIGHT/RIGHT TURN	1	PAINT
PROMENADE WAY N	LEFT TURN	1	THERMO
LOCKHAVEN DR N & NE	LEFT TURN	8	THERMO
	RIGHT TURN	4	THERMO
	STRAIGHT/LEFT TURN	2	THERMO
	STRAIGHT	2	THERMO
	CROSSWALK	4	THERMO
ALBERTSONS 5450 RIVER RD	LEFT TURN	1	THERMO
CLAGGET ST NE	LEFT TURN	4	THERMO
	CROSSWALK	4	THERMO
SANDY DR N	LEFT TURN	1	THERMO
STARBUCKS 5001 RIVER RD	LEFT TURN	1	THERMO
CHEMAWA RD N & NE	LEFT TURN	8	THERMO
	RIGHT TURN	4	THERMO
	STRAIGHT	2	THERMO
	CROSSWALK	4	THERMO
JAMES ST NE / CHURCHDALE AVE N	LEFT TURN	2	THERMO

DEARBORN AVE N & NE	LEFT TURN	4	THERMO
	RIGHT TURN	2	THERMO
	"ONLY"	1	PAINT
	CROSSWALK	4	THERMO
LINDA AVE NE	LEFT TURN	1	THERMO
EVANS AVE N	LEFT TURN	1	THERMO
MAINE AVE NE	LEFT TURN	1	THERMO
JUEDES AVE N	LEFT TURN	1	THERMO
DIETZ AVE NE	LEFT TURN	1	THERMO
CUMMINGS LN N	LEFT TURN	4	THERMO
	CROSSWALK	3	THERMO
CHERRY AVE NE/GREENWOOD DR NE	LEFT TURN	1	THERMO
	RIGHT TURN	1	PAINT
MENLO DR N	LEFT TURN	1	THERMO
MANBRIN DR N & NE	LEFT TURN	4	THERMO
	RIGHT TURN	7	PAINT
	STRAIGHT/LEFT TURN	4	PAINT
	"ONLY"	2	PAINT
	CROSSWALK	4	THERMO
SWEET HOME THAI 4140 RIVER RD	RIGHT TURN	1	THERMO
	LEFT TURN	1	THERMO
SUNSET AVE N	LEFT TURN	4	THERMO
	CROSSWALK	3	THERMO
SAM ORCUTT WAY NE	LEFT TURN	6	THERMO
	STRAIGHT/RIGHT TURN	2	THERMO
	CROSSWALK	3	THERMO
HOLLYHOCK PL N	LEFT TURN	1	THERMO
BEVER DR NE	LEFT TURN	2	THERMO
GLYNBROOK ST N	LEFT TURN	4	THERMO
	RIGHT TURN	2	THERMO
	CROSSWALK	3	THERMO
WEEKS DR N & NE	LEFT TURN	2	THERMO
GARLAND WAY N	LEFT TURN	1	THERMO
APPLEBLOSSOM AVE NE	LEFT TURN	1	THERMO
APPLEBLOSSOM AVE N	LEFT TURN	1	THERMO

PLYMOUTH DR NE	LEFT TURN	1	THERMO
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LOCKHAVEN DR N & NE

<u>INTERSECTION</u>	<u>ITEM</u>	<u>QTY</u>	<u>TYPE</u>
WINDSOR ISLAND RD n	LEFT TURN	2	THERMO
	"ONLY"	1	THERMO
STEVEN AVE N	LEFT TURN	1	THERMO
JOAN DR N	LEFT TURN	1	THERMO
MCLURE ST N	LEFT TURN	2	THERMO
	RIGHT TURN	1	THERMO
	CROSSWALK	1	THERMO
CHEHALIS DR N	LEFT TURN	1	THERMO
NEWBERG DR N	LEFT TURN	1	THERMO
CELTIC WAY N	LEFT TURN	1	THERMO
RIVER RD N	###SEE RIVER RD###	###	#####
5452 RIVER RD RITE AID	RIGHT TURN	2	THERMO
600 LOCKHAVEN DR NE NORTHWOOD APTS	LEFT TURN	1	THERMO
761 LOCKHAVEN DR NE DAIRY QUEEN	LEFT TURN	1	THERMO
TRAIL AVE NE	LEFT TURN	2	THERMO
VERDA LN NE	LEFT TURN	1	THERMO
CRESTWOOD CT NE	LEFT TURN	1	THERMO
14TH AVE NE / KAFIR DR NE	LEFT TURN	4	THERMO
	RIGHT TURN	1	THERMO
	"ONLY"	4	THERMO
KLICITAT DR NE	LEFT TURN	2	THERMO
MCLEOD LN NE	LEFT TURN	4	THERMO
	STRAIGHT/RIGHT TURN	2	THERMO
	RIGHT TURN	1	THERMO
KEIZER STATION BLVD / CHEMAWA RD NE	#####SEE KSB#####	###	#####

KEIZER STATION

LEFT TURN	68	THERMO
STRAIGHT	2	THERMO

RIGHT TURN	10	THERMO
STRAIGHT/RIGHT TURN	2	THERMO
CROSSWALK	10	THERMO

CHERRY AVE

<u>INTERSECTION</u>	<u>ITEM</u>	<u>QTY</u>	<u>TYPE</u>
MANBRIN DR NE	RIGHT TURN	5	PAINT
	STRAIGHT	5	PAINT
	LEFT TURN	2	PAINT
	LEFT TURN	2	THERMO
	STRAIGHT/RIGHT TURN	3	PAINT
	CROSSWALK	4	3 PT. 1 THRM
ALDER DR NE	LEFT TURN	1	PAINT
SAM ORCUTT	LEFT TURN	3	PAINT
	RIGHT TURN	2	PAINT
CLEARVIEW	LEFT TURN	1	PAINT
HORIZON CT	LEFT TURN	1	PAINT
RING ST	LEFT TURN	1	PAINT
HOPKINS CT	LEFT TURN	1	PAINT
SHADY LN	LEFT TURN	1	PAINT
BEVER DR	LEFT TURN	1	PAINT
CANDLEWOOD DR	LEFT TURN	1	PAINT
PLYMOUTH	RIGHT TURN	2	PAINT
	LEFT TURN	2	PAINT
	RIGHT TURN	2	THERMO
	LEFT TURN	2	THERMO
WEEKS	LEFT TURN	1	PAINT

CHEMAWA RD N & NE

<u>INTERSECTION</u>	<u>ITEM</u>	<u>QTY</u>	<u>TYPE</u>
DELIGHT/CELTIC WAY	LEFT TURN	4	THERMO
	CROSSWALK	4	THERMO
13TH	LEFT TURN	4	THERMO

RICKMAN	LEFT TURN	1	THERMO
	CROSSWALK	1	THERMO
10TH	LEFT TURN	1	THERMO
BAILEY	LEFT TURN	4	THERMO
8TH	LEFT TURN	1	THERMO
7TH	LEFT TURN	1	THERMO

VERDA

<u>INTERSECTION</u>	<u>ITEM</u>	<u>QTY</u>	<u>TYPE</u>
ALDER	LEFT TURN	1	THERMO
	RIGHT TURN	1	THERMO
	CROSSWALK	2	THERMO
SALEM PKYWAY	LEFT TURN	2	THERMO
	RIGHT TURN	1	THERMO

TOTAL

RIGHT TURN	18	PAINT
LEFT TURN	17	PAINT
STRAIGHT	5	PAINT
"ONLY"	3	PAINT
STRAIGHT/RIGHT TURN	4	PAINT
STRAIGHT/LEFT TURN	4	PAINT
CROSSWALKS	1	PAINT
RIGHT TURN	37	THERMO
LEFT TURN	205	THERMO
STRAIGHT	6	THERMO
"ONLY"	5	THERMO
STRAIGHT/RIGHT TURN	6	THERMO
STRAIGHT/LEFT TURN	2	THERMO
CROSSWALKS	59	THERMO

PAINTED CROSSWALKS

AMT	CROSSWALK LOCATION	AT/NEAR	
2	14TH ST	STONEHEDGE	REFRESH PAINT
1	14TH ST	GUBSER SCHOOL	REFRESH PAINT
1	WHEATLAND	PARKMEADOW	REFRESH PAINT
3	CHERRY AVE	SAM ORCUTT	REFRESH PAINT
3	MANBRIN	CHERRY	REFRESH PAINT
1	DELIGHT	JUEDES/SCHOOL	REFRESH PAINT
1	CUMMINGS	DELIGHT/SCHOOL	REFRESH PAINT
1	NOREN	MAY/SCHOOL	REFRESH PAINT
1	KEIZER RD	HASBROOK/SCHOOL	REFRESH PAINT
2	KEIZER RD	NOREN/SCHOOL	REFRESH PAINT
1	VERDA	DEARBORN	REFRESH PAINT
17			

THERMO

AMT	CROSSWALK LOCATION	AT/NEAR	
2	VERDA	ALDER	3' PATCHING AS NEEDED
2	BROOKS	ALDER	3' PATCHING AS NEEDED
2	ALDER	PLEASANT VIEW/ALDER	3' PATCHING AS NEEDED
2	WHEATLAND RD	CLEAR LAKE	3' PATCHING AS NEEDED
1	JUNE REID	CLEAR LAKE	3' PATCHING AS NEEDED
1	JUNE REID	BRUNNER	3' PATCHING AS NEEDED
1	McCLURE	AT SCHOOL	3' PATCHING AS NEEDED
1	SHORELINE	RAFAEL	3' PATCHING AS NEEDED
1	LOCKHAVEN	MCCLURE/SCHOOL	3' PATCHING AS NEEDED
1	PARKMEADOW	MEADOWGLEN	3' PATCHING AS NEEDED
4	LOCKHAVEN	14TH ST	3' PATCHING AS NEEDED
4	LOCKHAVEN DRIVE	McLEOD ST	3' PATCHING AS NEEDED
1	MANBRIN	CHERRY	3' PATCHING AS NEEDED
1	WINDSOR ISLAND	KOALA	3' PATCHING AS NEEDED
1	CHEMAWA RD	RICKMAN	3' PATCHING AS NEEDED
4	CHEMAWA RD	DELIGHT	3' PATCHING AS NEEDED
3	RIVER RD	GLYNBROOK ST	3' PATCHING AS NEEDED
2	RIVER RD	SAM ORCUTT WAY	3' PATCHING AS NEEDED
3	RIVER RD	SUNSET AVENUE	3' PATCHING AS NEEDED
4	RIVER RD	MANBRIN DRIVE	3' PATCHING AS NEEDED
3	RIVER RD	CUMMINGS LANE	3' PATCHING AS NEEDED
4	RIVER RD	DEARBORN AVENUE	3' PATCHING AS NEEDED
4	RIVER RD	CHEMAWA RD	3' PATCHING AS NEEDED
3	RIVER RD	CLAGGETT ST	3' PATCHING AS NEEDED
4	RIVER RD	LOCKHAVEN DRIVE	3' PATCHING AS NEEDED
3	RIVER RD	MANZANITA ST	3' PATCHING AS NEEDED
3	RIVER RD	WHEATLAND RD	3' PATCHING AS NEEDED
3	LOCKHAVEN DRIVE	CHEMAWA RD/KZR STATION BLVD	3' PATCHING AS NEEDED
3	CHEMAWA RD	STADIUM DRIVE	3' PATCHING AS NEEDED
4	ULALI DRIVE	PAN HANDLE/CHEMAWA STATION	3' PATCHING AS NEEDED
75			

* **NOTE:THIS SHEET INCLUDES THE SCHOOL CROSSWALK LOCATIONS**

TOTAL

92 COMBINED PAINTED AND THERMO CROSSWALKS

SCHOOL LOCATIONS

SCHOOL	LOCATION
Claggett Creek Middle School/ Weddle Elementary "SCHOOL"- 4 "CROSSING"- 4 CROSSWALKS- 6 (Thermo)	On Alder Drive between Verda Lane (Painted) and Holly Ct. & Verda Ln. north & south of Alder Drive (Thermo)
Clearlake Elementary "SCHOOL"- 4 "CROSSING"- 4 CROSSWALKS- 2 (1 Thermo, 1 Paint)	On Meadowglen and Parkmeadow Drive (Thermo) On Wheatland Rd. north and south of Parkmeadow (Painted)
Cummings Elementary "SCHOOL"- 7 "CROSSING"- 6 CROSSWALKS- 3 (1 Thermo, 2 Paint)	On Cummings & Delight, Shoreline & Rafael (Painted) and 1 "School" at 4450 Delight (Thermo).
Forest Ridge & Centennial Elementary "SCHOOL"- 6 "CROSSING"- 5 CROSSWALKS-4 (Thermo)	On Clearlake Rd and June Reid Place Wheatland Road and Clearlake Area (All Thermo)
Gubser Elementary "SCHOOL"- 2 "CROSSING"- 2 CROSSWALKS- 3 (Painted)	On 14th Street and also various vicinity locations (All Painted)
Keizer Elementary "SCHOOL"- 6 "CROSSING"- 6 CROSSWALKS- 3 (2 Thermo, 1 Paint)	On McClure and Lockhaven and crossings at Windsor Island Road. (All Thermo)
Kennedy Elementary "SCHOOL"- 4 "CROSSING"- 4 CROSSWALKS- 5 (Painted)	On Noren Avenue and Keizer Rd (All Painted)
McNary High School	N/A
Whitteaker Middle School "SCHOOL"- 2 "CROSSING"- 2 CROSSWALKS-4 (Thermo)	On Lockhaven Drive and crossings near 14th St (All Painted)
TOTAL "SCHOOL"- 35 (20 PAINTED, 15 THERMO) "CROSSING"- 33 (20 PAINTED, 13 THERMO) CROSSWALKS-30 (12 PAINTED, 18 THERMO)	

PAINTED YELLOW CURBING

AMT	LOCATION	AT OR NEAR	FEET
1	CHERRY	SALEM PARKWAY (ISLAND)	1180'
1	PLYMOUTH	CHERRY	16'
2	HOLLYHOCK	RIVER	65'
3	HOLLYHOCK	3RD	166'
1	WHEATLAND	RIVER (ISLAND AREA)	123'
1	RIVERCREST	MANBRIN	20'
1	MANBRIN	CHERRY (ISLAND)	295'
1	CHERRY	MANBRIN (ISLAND)	705'
3	MEADOWBROOK	MANBRIN	65'
1	LOCKHAVEN	RIVER (ISLAND)	108'
2	KEIZER RD	MOBILE PARK	94'
2	RIVER RD	COUNTRY GLEN	114'
2	COUNTRY GLEN	RIVER	106'
2	14TH ST	GUBSER SCHOOL	131'
4	DELTA	WHEATLAND	188'
2	JERDON CT	NEW TERRACE	63'
2	15TH AVE	GARWOOD WAY	33'
1	SHORELINE	WAYNE DR	129'
1	SHORELINE	RAFAEL	143'
2	SWINGWOOD DR	RIVER RD	26'
5	NIGHTENGALE CT	NOTTINGHAM DR	223'
1	GARY	BEEBE	103'
2	GARWOOD WAY	15TH AVE	36'
4	BAILEY RD	CHEMAWA RD NE	106'
1	PEYTON ST	CHEMAWA RD N	30'
1	LOCKHAVEN	EAST OF RIVER RD-ALBERTSONS ENTRANCE	851'
1	RIVER RD	SOUTH OF LOCKHAVEN-ALBERTSONS ENTRANCE	174'
1	CHEMAWA RD NE	ST. CROIX	444'
1	DELIGHT	CHEMAWA RD. N.	50'
2	JUEDES	RIVER RD.	167'
1	14TH ST	LOCKHAVEN	24'
6	NANDINA	NOTTINGHAM DR	168'
4	9TH CT.	NOTTINGHAM DR	163'
4	8TH CT.	NOTTINGHAM DR	179'
69			6,488'

PAINTED WHITE CHECKERED SPEED BUMPS

AMT	LOCATION	AT OR NEAR
11	KEIZER RD	B/T VERDA & LITTLE LEAGUE FIELDS
2	ALDER	CLAGGETT MIDDLE SCHOOL
2	WALSH WAY	CHEMAWA RD. N.

Exhibit "B"

1st YEAR (2015) SCHEDULE OF CONTRACT PRICES				UNIT PRICE	AMOUNT
PROJECT: PAVEMENT MARKINGS OWNER: CITY OF KEIZER					
HICKS STRIPING & CORBIN, Inc. 503-364-4577					
ITEM	DESCRIPTION	QUANTITY	UNITS		
1	PAINTED/THERMO STOP BARS	587 +/- 1	EA	26 ⁰⁰	15,262 ⁰⁰
2	PAINTED BIKE w/ARROWS	191	EA	44 ⁰⁰	8,404 ⁰⁰
3	THERMO BIKE w/ARROWS-if refreshing with paint	69	EA	44 ⁰⁰	3,036 ⁰⁰
4	PAINTED RIGHT ARROWS	18	EA	46 ⁰⁰	828 ⁰⁰
5	PAINTED LEFT ARROWS	17	EA	46 ⁰⁰	782 ⁰⁰
6	PAINTED STRAIGHT ARROWS	5	EA	40 ⁰⁰	200 ⁰⁰
7	PAINTED COMBO ARROWS	8	EA	57 ⁰⁰	456 ⁰⁰
8	PAINTED "ONLY"	3	EA	49 ⁰⁰	147 ⁰⁰
9	THERMO RIGHT ARROWS-if refreshing with paint	37	EA	35 ⁰⁰	1,295 ⁰⁰
10	THERMO LEFT ARROWS-if refreshing with paint	205	EA	35 ⁰⁰	7,175 ⁰⁰
11	THERMO STRAIGHT ARROWS- if refreshing with paint	6	EA	30 ⁰⁰	180 ⁰⁰
12	THERMO COMBO ARROWS- if refreshing with paint	8	EA	57 ⁰⁰	456 ⁰⁰
13	THERMO "ONLY"- if refreshing with paint	5	EA	49 ⁰⁰	245 ⁰⁰
15	PAINTED CROSSWALKS	17	EA	300 ⁰⁰	5,100 ⁰⁰
16	PAINTED "SCHOOL"	20	EA	65 ⁰⁰	1,300 ⁰⁰
17	PAINTED "CROSSING"	20	EA	75 ⁰⁰	1,500 ⁰⁰
18	THERMO "SCHOOL" if refreshing with paint	15	EA	65 ⁰⁰	975 ⁰⁰
19	THERMO "CROSSING" if refreshing with paint	13	EA	75 ⁰⁰	975 ⁰⁰
20	YELLOW CURBING	6,488' +/-	PER FOOT	.47	3,049.36
21	SPEED BUMPS	15	EA	135 ⁰⁰	2,025 ⁰⁰
	TOTAL BID				53,390.36

HICKS STRIPING & CURBING 503-304-4577

1ST YEAR (2015) ADDITIONAL UNIT PRICES			
ITEM	DESCRIPTION	UNITS	UNIT PRICE
A	THERMO STOP BARS	EA	115 ⁰⁰
B	THERMO STOP BARS-patch work	PER FOOT	16 ⁰⁰
C	THERMO BIKE w/ARROWS	EA	240 ⁰⁰
D	THERMO RIGHT ARROWS	EA	240 ⁰⁰
E	THERMO LEFT ARROWS	EA	240 ⁰⁰
F	THERMO STRAIGHT ARROWS	EA	200 ⁰⁰
G	THERMO COMBO ARROWS	EA	300 ⁰⁰
H	THERMO ARROWS-patch work	PER FOOT	16 ⁰⁰
I	THERMO CROSSWALKS-3' minimum patching	PER FOOT	14 ⁰⁰
J	THERMO "SCHOOL"	EA	485 ⁰⁰
K	THERMO "CROSSING"	EA	530 ⁰⁰
L	THERMO RAIL ROAD CROSSING-"R" X "R"	EA	995 ⁰⁰

2nd YEAR (2016) SCHEDULE OF CONTRACT PRICES				UNIT PRICE	AMOUNT
PROJECT: PAVEMENT MARKINGS OWNER: CITY OF KEIZER					
HICKS STRIPING & CURBING 503-364-4977					
ITEM	DESCRIPTION	QUANTITY	UNITS		
1	PAINTED/THERMO STOP BARS	587 +/- 1	EA	27 ⁰⁰	15,606⁰⁰
2	PAINTED BIKE w/ARROWS	191	EA	45 ⁰⁰	8,595 ⁰⁰
3	THERMO BIKE w/ARROWS-if refreshing with paint	69	EA	45 ⁰⁰	3,105 ⁰⁰
4	PAINTED RIGHT ARROWS	18	EA	47 ⁰⁰	846 ⁰⁰
5	PAINTED LEFT ARROWS	17	EA	47 ⁰⁰	799 ⁰⁰
6	PAINTED STRAIGHT ARROWS	5	EA	41 ⁰⁰	205 ⁰⁰
7	PAINTED COMBO ARROWS	8	EA	59 ⁰⁰	472 ⁰⁰
8	PAINTED "ONLY"	3	EA	51 ⁰⁰	153 ⁰⁰
9	THERMO RIGHT ARROWS-if refreshing with paint	37	EA	37 ⁰⁰	1,369 ⁰⁰
10	THERMO LEFT ARROWS-if refreshing with paint	205	EA	37 ⁰⁰	7,585 ⁰⁰
11	THERMO STRAIGHT ARROWS- if refreshing with paint	6	EA	32 ⁰⁰	192 ⁰⁰
12	THERMO COMBO ARROWS- if refreshing with paint	8	EA	59 ⁰⁰	472 ⁰⁰
13	THERMO "ONLY" - if refreshing with paint	5	EA	50 ⁰⁰	250 ⁰⁰
15	PAINTED CROSSWALKS	17	EA	310 ⁰⁰	5,270 ⁰⁰
16	PAINTED "SCHOOL"	20	EA	70 ⁰⁰	1,400 ⁰⁰
17	PAINTED "CROSSING"	20	EA	80 ⁰⁰	1,600 ⁰⁰
18	THERMO "SCHOOL" if refreshing with paint	15	EA	70 ⁰⁰	1,050 ⁰⁰
19	THERMO "CROSSING" if refreshing with paint	13	EA	80 ⁰⁰	1,040 ⁰⁰
20	YELLOW CURBING	6,488' +/-	PER FOOT	.50	3,244 ⁰⁰
21	SPEED BUMPS	15	EA	150 ⁰⁰	2,250 ⁰⁰
	TOTAL BID				55,503⁰⁰

15,849⁰⁰

55,746⁰⁰

HICKS STRIPING & CURBING 503-304-4977

2nd YEAR (2016) ADDITIONAL UNIT PRICES			
ITEM	DESCRIPTION	UNITS	UNIT PRICE
A	THERMO STOP BARS	EA	120 ⁰⁰
B	THERMO STOP BARS-patch work	PER FOOT	14 ⁰⁰
C	THERMO BIKE w/ARROWS	EA	242 ⁰⁰
D	THERMO RIGHT ARROWS	EA	242 ⁰⁰
E	THERMO LEFT ARROWS	EA	242 ⁰⁰
F	THERMO STRAIGHT ARROWS	EA	215 ⁰⁰
G	THERMO COMBO ARROWS	EA	325 ⁰⁰
H	THERMO ARROWS-patch work	PER FOOT	16 ⁰⁰
I	THERMO CROSSWALKS-3' minimum patching	PER FOOT	14 ⁰⁰
J	THERMO "SCHOOL"	EA	500 ⁰⁰
K	THERMO "CROSSING"	EA	550 ⁰⁰
L	THERMO RAIL ROAD CROSSING-"R" X "R"	EA	1015 ⁰⁰

CITY COUNCIL MEETING: June 15, 2015

AGENDA ITEM NUMBER: _____

TO: MAYOR CLARK AND CITY COUNCIL MEMBERS

**FROM: MACHELL DEPINA
HUMAN RESOURCES DIRECTOR**

SUBJECT: CITY MANAGER EVALUATION AND PAY

ISSUE

The City Manager's Employment Contract was previously extended to June 30, 2016 and provides for a yearly performance review. The yearly performance review has been completed for the year ending June 30, 2015 and the Council has determined Chris Eppley's performance is satisfactory.

The City Manager's Employment Contract does not require formal contract amendment for pay increases. Given the City Manager previously reached the top step of the pay range for the City Manager classification (Pay Range 38, Step 10) the one step pay increase which would typically be recommended is not available at this time. The City Manager is eligible for a Cost of Living adjustment of 1.5% as provided to unrepresented employees, effective July 1, 2015. However, the City Manager submitted the City's Recommended Budget without a pay increase for his position for the 2015-16 Fiscal Year and has signed a contract waiver confirming his decision to forego the Cost of Living adjustment of 1.5% for which he is eligible.

RECOMMENDATION

It is recommended that the Council review the attached Resolution and take appropriate action.

If you have any questions regarding this staff report, please contact me by phone at 503-856-3417 or by email at depinam@keizer.org.

Thank you.

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CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

Resolution R2015-____

RELATING TO PAY OF THE CITY MANAGER

WHEREAS, the Keizer City Council has extended the contract of the City Manager to June 30, 2016 pursuant to Resolution R2014-2519;

WHEREAS, the Employment Contract between the City of Keizer and Christopher C. Eppley provides for a performance review at least once each fiscal year;

WHEREAS, the City Council has conducted the performance review for the fiscal year ending June 30, 2015 and the Council has determined that Christopher C. Eppley's performance is satisfactory;

WHEREAS, the Employment Contract does not require formal contract amendment for pay increases;

WHEREAS, the City Manager has previously reached the top step of the pay range for the City Manager Classification and the City Manager has signed a waiver confirming his decision to forego the Cost of Living adjustment of 1.5% for which he is eligible;

NOW, THEREFORE,

BE IT RESOLVED by the City Council of the City of Keizer that the City Manager's pay shall remain at the current level for the fiscal year ending June 30, 2016.

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

PASSED this _____ day of _____, 2015.

SIGNED this _____ day of _____, 2015.

Mayor

City Recorder

CITY COUNCIL MEETING: July 15, 2015

AGENDA ITEM NUMBER: _____

TO: MAYOR CLARK AND CITY COUNCIL MEMBERS

**FROM: MACHELL DEPINA
HUMAN RESOURCES DIRECTOR**

SUBJECT: CITY ATTORNEY EVALUATION AND PAY INCREASE

ISSUE

The City Attorney's Employment Contract was previously extended to June 30, 2016 and provides for a yearly performance review. The yearly performance review has been completed for the year ending June 30, 2015 and the Council has determined E. Shannon Johnson's performance is satisfactory.

The City Attorney's Employment Contract does not require formal contract amendment for pay increases. Given the City Attorney previously reached the top step of the pay range for the City Attorney classification (Pay Range 36, Step 10), the one step pay increase which would typically be recommended is not available at this time. The City Attorney is eligible for a Cost of Living adjustment of 1.5% as provided to unrepresented employees, effective July 1, 2015.

RECOMMENDATION

It is recommended that the Council review the attached Resolution and take appropriate action.

If you have any questions regarding this staff report, please contact me by phone at 503-856-3417 or by email at depinam@keizer.org.

Thank you.

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CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON
Resolution R2015-____
GRANTING PAY INCREASE TO THE CITY ATTORNEY

WHEREAS, the Keizer City Council has extended the contract of the City Attorney to June 30, 2016 pursuant to Resolution R2014-2518;

WHEREAS, the Employment Contract between the City of Keizer and E. Shannon Johnson provides for a performance review at least once each fiscal year;

WHEREAS, the City Council has conducted the performance review for the fiscal year ending June 30, 2015 and the Council has determined that E. Shannon Johnson's performance is satisfactory;

WHEREAS, the Employment Contract does not require formal contract amendment for pay increases;

WHEREAS, the City Attorney has previously reached the top step of the pay range for the City Attorney Classification;

NOW, THEREFORE,

BE IT RESOLVED by the City Council of the City of Keizer that the City Attorney's pay shall be increased to include a Cost of Living Adjustment of 1.5% as provided to unrepresented employees, effective July 1, 2015.

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

PASSED this _____ day of _____, 2015.
SIGNED this _____ day of _____, 2015.

Mayor

City Recorder

CITY COUNCIL MEETING: June 15, 2015

AGENDA ITEM NUMBER: _____

TO: MAYOR CLARK AND COUNCIL MEMBERS

THROUGH: CHRISTOPHER C. EPPLEY, CITY MANAGER

FROM: E. SHANNON JOHNSON, CITY ATTORNEY

**SUBJECT: ELECTRONIC RECORDS MANAGEMENT SERVICES FOR
KEIZER POLICE DEPARTMENT DATA**

A Resolution Authorizing the City Manager to Enter into Subscription Services Contract with Chaves Consulting, Inc. was included in the June 1, 2015 City Council packet, but was inadvertently not placed on the agenda. Therefore, the Resolution was not part of the motion to approve the consent calendar and not adopted. This agreement is a second agreement necessary for storage of the Police Department data as indicated in the June 1, 2015 staff report (attached).

RECOMMENDATION:

Adopt the attached Resolution Authorizing the City Manager to Enter Into Subscription Services Contract with Chaves Consulting, Inc. (Master Software Agreement – Electronic Records).

Please contact me if you have any questions in this regard. Thank you.

ESJ/tmh

CITY COUNCIL MEETING: June 1, 2015

AGENDA ITEM NUMBER: _____

TO: MAYOR CLARK AND COUNCIL MEMBERS

THROUGH: CHRISTOPHER C. EPPLEY, CITY MANAGER

FROM: E. SHANNON JOHNSON, CITY ATTORNEY

**SUBJECT: ELECTRONIC RECORDS MANAGEMENT SERVICES FOR
KEIZER POLICE DEPARTMENT DATA**

The City entered into an agreement with Kentucky Underground Storage, Inc. to maintain storage facilities to be used by the City Recorder's office and Keizer Police Department. The Police Department data had to be removed from Kentucky Underground Storage as a result of an audit performed by Criminal Justice Information Services (CJIS). The State of Oregon Secretary of State Department has electronic records management services that meets the requirements outlined by CJIS. The Police Department has an opportunity to enter into an agreement with the State for electronic records management services.

To participate in the State of Oregon's electronic records management services, the City must enter into the Intergovernmental Agreement with the State of Oregon and the Subscription Services Contract with Chaves Consulting, Inc. Both documents are attached to the Resolutions provided herewith.

The cost to the City is approximately \$370.00 per month and is planned in the 2015/2016 budget. Staff indicates that entering into the agreements will meet with the requirements of CJIS and will protect its electronic data.

RECOMMENDATION:

Adopt the attached Resolutions as follows:

1. Resolution Authorizing the City Manager to Enter Into Intergovernmental Agreement for Electronic Records Management Services with Oregon Secretary of State.
2. Resolution Authorizing the City Manager to Enter Into Subscription Services Contract with Chaves Consulting, Inc. (Master Software Agreement – Electronic Records).

Please contact me if you have any questions in this regard. Thank you.

ESJ/tmh

CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

Resolution R2015-_____

AUTHORIZING THE CITY MANAGER TO ENTER INTO
SUBSCRIPTION SERVICES CONTRACT WITH CHAVES
CONSULTING, INC. (MASTER SOFTWARE AGREEMENT –
ELECTRONIC RECORDS)

WHEREAS, it is necessary for the Police Department to participate in an
electronic records management system that meets CJIS' requirements;

WHEREAS, it has been determined procurement through the Oregon Cooperative
Procurement Program (ORCPP) is in the best interests of the City by eliminating the
expense of the bidding, evaluation, and negotiating process;

WHEREAS, Chaves Consulting, Inc. is one of the participating programs available
through the State of Oregon;

WHEREAS, the City Council has considered this matter and wishes to move
forward with such agreement;

NOW, THEREFORE,

BE IT RESOLVED by the City Council of the City of Keizer that the City Manager
is authorized to enter into the Subscription Services Contract with Chaves Consulting,
Inc. attached hereto and by this reference incorporated herein.

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

3 PASSED this _____ day of _____, 2015.

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5 SIGNED this _____ day of _____, 2015.

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Mayor

City Recorder

EXHIBIT D
SUBSCRIPTION SERVICES CONTRACT

This Subscription Services Contract Number ORMS – 0___ (“Contract”) is effective July JULY, 1ST, 2015 (“Contract Effective Date”) between Chaves Consulting, Inc. (“Contractor”) and City of Keizer (Authorized Purchaser”).

THIS CONTRACT IS ENTERED INTO PURSUANT TO MASTER SOFTWARE AS A SERVICE AGREEMENT #0486 (the “MSA”) AND IS SUBJECT TO THE TERMS AND CONDITIONS SET FORTH THEREIN. THE TERMS AND CONDITIONS OF THE MSA APPLY TO THIS CONTRACT AND TAKE PRECEDENCE OVER ALL OTHER CONFLICTING TERMS AND CONDITIONS, EXPRESS OR IMPLIED. A COPY OF THE MSA IS ATTACHED TO AND INCORPORATED HEREIN AS ATTACHMENT 1.

Authorized Purchaser Contact information:

Authorized Purchaser: CITY OF KEIZER
Contact Name: LT. LANCE INMAN
Address: 930 CHEMAWA RD NE
KEIZER, OR 97303
Phone: 503-856-3475
Email Address: INMANL@KEIZER.ORG

Invoices shall be sent to:

Authorizer Purchaser: CITY OF KEIZER
Contact Name: ACCOUNTS PAYABLE
Address: 930 CHEMAWA RD NE
KEIZER, OR 97303
Phone: 503-856-3422
Email Address: SERGEANTK@KEIZER.ORG

1. Subscription Services

The Contractor will provide to the Authorized Purchaser all required services listed in Exhibit B which includes: access to and use of the HP TRIM application, software and data hosting and storage, and helpdesk support services. The State Archives Division will provide the training for using HP TRIM. The Contractor may provide training to other software integrations.

Services shall be deemed to commence on the date that: (1) the Authorized Purchaser has access either to the ORMS HP TRIM production or quality assurance (QA) environment, to data hosting, storage and helpdesk support; and (2) the Authorized Purchaser’s initial Users have been provided Phase 1 initial implementation training as specified in the ORMS Training Plan.

2. Role of State Archives Division

The State Archives Division will work with Authorized Purchaser in order to set milestones such as the number of initial Users, projected total end users upon full Authorized Purchaser implementation, and due date for full implementation.

In the event that Authorized Purchaser is not able to meet a specific milestone date, the Authorized Purchaser shall notify both the State Archives Division and Contractor.

The notification must be given in writing before the proposed milestone date stating the reason the date cannot be met and Authorized Purchaser will not be subject to any penalty charges.

3. Subscription Fee and Payment Schedule

Authorized Purchaser agrees to a minimum of 10 Users per month. Authorized Purchaser agrees to payment option 1 option below:

Payment option #1:

Authorized Purchaser shall pay Contractor a monthly fee based on the number of Users for Authorized Purchaser. The rate per User per month is specified in the following table:

Number of Users	Cost per Month per User	Monthly Rebate Per User
2,000	\$37.02	\$8.76
3,000	\$37.02	\$8.76
4,000	\$29.74	\$4.87
5,000	\$26.66	\$2.92
6,000	\$24.06	
7,000	\$21.61	
8,000	\$19.62	
9,000	\$18.81	
10,000	\$17.53	
11,000	\$16.55	
12,000	\$15.71	
13,000	\$14.68	
14,000	\$14.02	
15,000	\$13.55	
16,000	\$12.54	
17,000	\$11.96	
18,000	\$11.44	
19,000	\$10.99	
20,000	\$10.54	

Or

Payment option #2:

Authorized Purchaser may purchase a minimum of 300 Users at the rate of \$24.06 per User per month.

Payment option #2 pricing is available to Authorized Purchasers with an executed Contract on or before October 1, 2015 with accepted Deliverables on or before December 31, 2015. Authorized Purchasers shall make payment for minimum of 300 Users upon Acceptance of Deliverables as per Section 3.5 and 5.3 in Exhibit A of the Master Services Agreement. Acceptance of Deliverables occurring after December 31, 2015 will be subject to payment option #1 pricing.

For the purpose of establishing the User cost per month for payment option #1, the number of Users is the cumulative number of users of all Authorized Purchasers that have executed a subscription services contract with Contractor pursuant to the MSA.

Rebates: The first 5,000 Users will begin receiving a rebate (in the form of reduced monthly billings) when the total number of combined Users exceeds 20,000. The number of months that the Authorized Purchasers will receive the rebate will be equal to the number of months that the initial Users paid the higher rate. The amount of the rebate is specified in the table in Section 3 of this Contract. Authorized Purchasers that select payment Option #2 are not eligible for rebates as described in this paragraph.

The initial invoice shall be issued on the 1st day of the month immediately following the Acceptance of Initial Deliverables described in Section 5 of this Contract.

Invoices shall be issued on the 1st day of the month of the current calendar month in which the Subscription Services will be provided. All undisputed, timely and valid invoices are due in full 15 days after receipt by Authorized Purchaser.

Default by Non-Payment: Authorized Purchaser shall not delay payment of monthly User fees based on a dispute or claim relating to Non-Subscription Services.

If Authorized Purchaser fails to pay Contractor any amount pursuant to the terms of the Contract and fails to cure such failure within 45 business days after delivery of Contractor's notice or such longer period as Contractor may specify in such notice, Authorized Purchaser shall be in default under Exhibit A, Section 10.2 of the MSA (Attachment 1).

4. Additional Users

During the term of this Contract, Authorized Purchaser may add additional Users at any time. The monthly installment fee for payment option #1 will be set according to the table in Section 3 for each additional User commencing on the day the additional Users are specified by Authorized Purchaser. Additional Users under payment option #2 shall be invoiced according to the rate in Section 3.

5. Authorized Purchaser Acceptance

Contractor shall commence the Services and provide Deliverables as set forth in the Contract. Within ten (10) business days after the commencement of Services, Contractor shall provide Authorized Purchaser with an Acceptance of Initial Deliverables Question and Answer Form that is reasonably constructed to test the ability of the Subscription Services and associated software applications, as implemented by Contractor, to produce the results and other Deliverables specified in this Contract. The Authorized Purchaser shall complete and return this form to Contractor within ten (10) business days as initial acceptance of Deliverables to date; a non-response shall be deemed as an acceptance of initial Deliverables.

Authorized Purchaser may accept the proposed acceptance test as recommended or modify it as Authorized Purchaser deems reasonable. Contractor shall provide Authorized Purchaser with access to the Subscription Services on or before the commencement date described in Section 1 of this Contract and the implementation

schedule agreed to by Authorized Purchaser, the State Archives Division and Contractor. On the transition date, Contractor shall assume responsibility for providing ongoing Subscription Services.

Upon the conclusion of any consecutive forty-five (45) day period of production processing from the transition date as specified in Section 10 of this Contract, when all Service Levels have been met successfully, the Subscription Services shall be deemed accepted in full. Authorized Purchaser will acknowledge completion of this milestone by written notification to Contractor. Nothing contained in this Section 5 or any other provision of this Contract shall be deemed to prevent Authorized Purchaser from using any portion of the Subscription Services in a live environment for productive processing, and any such use shall not alter, amend or modify any of Contractor's obligations pursuant to the Contract.

6. Period of Performance

The period of performance of this Contract shall commence on the Contract Effective Date and shall continue for a period of 12 months plus the interim period between the effective date and the date of acceptance (the "Initial Period"). Thereafter, unless Authorized Purchaser notifies Contractor in writing, this Contract shall automatically be renewed annually for additional 12-month periods (each a "Renewal Period") up to a maximum total term of ten years.

Authorized Purchaser may terminate this Contract by providing Contractor with a notice of termination sixty (60) days prior to the termination date.

7. Consulting, Implementation, Training and/or Support Services

Contractor shall provide the consulting, implementation, training and/or support services related to the Subscription Services as set forth in Section 5 of the MSA.

8. Security Procedures

Contractor shall define certain policies and procedures that it shall have in place in order to provide the level of security associated with the Subscription Services and with the Service Levels set forth in Section 12. These policies and procedures shall be updated by Contractor from time to time to reflect updated Department of Administrative Services Security Standards, emerging technologies, business practices and Internet-related issues. Contractor shall provide written notice to Authorized Purchaser of any changes made to its security policies and procedures within ten (10) days of such changes, and updated policies and procedures shall be distributed through ORMS Support (Helpdesk).

9. Specifications and Minimum Technical Requirements

Contractor warrants that the minimum technical requirements for access to and operation of the Software are updated and available upon Authorized Purchaser request

If future releases of the Software require use of newer versions of any client application or change in any client application configuration, Contractor shall provide 15 - 45 days (depending on the kind of change and its impact) written notice to Authorized Purchaser prior to the general release of that Software Version.

By the conclusion of the Initial Period Contractor and the Secretary of State's Office shall implement the ORMS Advisory Board (Board). The Board shall consist of representatives of the Secretary of State's Office, State Archives Division, Contractor and selected representatives of Authorized Purchasers. The Board shall review recommendations, discuss and agree on the priority, implementation and timing of requested changes to the HP TRIM application.

10. Transition

Contractor and the State Archives Division shall assist in developing a transition plan that is approved by Authorized Purchaser. Subscription Services shall be transitioned and in production, as accepted by Authorized Purchaser, within thirty (30) calendar days from the Schedule Effective Date.

11. Transition Remedy

In the event that Contractor fails to meet the date for the completion of the transition into production of the Subscription Services, Contractor shall credit Authorized Purchaser one percent (1%) of the monthly Service fees for every business day the transition is late. If Contractor misses the target date by more than thirty days (30) days, Contractor shall be deemed to be in material breach of the Agreement.

If Authorized Purchaser does not meet its obligations as identified in the transition plan provided by Contractor and Authorized Purchaser is the sole cause of a delay in the project, the transition milestone target dates shall be extended for the same amount of time as the delay. Contractor shall promptly notify the Authorized Purchaser Program Manager, in writing, of any delay in the project schedule as a result of Authorized Purchaser's failure to meet any of its obligations identified above. If Contractor fails to notify Authorized Purchaser of any such Authorized Purchaser failure to meet its obligations, Authorized Purchaser shall be conclusively presumed under the Contract to have met its obligations, and consequently, Contractor shall not be entitled to rely on such delay to excuse it from meeting the milestone target dates.

12. Service Levels and Remedies

12.1 Security Service Level.

Contractor represents and warrants that Contractor shall provide Record Security as specified in Exhibit B, Section e. of the MSA.

The required security processes may include, but are not limited to, the following:

- (i) Contractor shall have staff on duty and at its site 24x7 and capable of identifying, categorizing, and responding to a security incident.
- (ii) Contractor shall notify Authorized Purchaser of any new potential security vulnerability within four (4) hours of discovery. This notification shall include the probable risks associated with the vulnerability.
- (iii) Contractor shall implement a security fix across the application within four (4) hours of approval from Authorized Purchaser.
- (iv) Contractor shall notify the Authorized Purchaser Program Manager within fifteen (15) minutes if Contractor believes that an attack is in process.
- (v) Contractor shall shut down ALL access to the Software or any component of it associated with the Subscription Services within fifteen (15) minutes upon request of the Authorized Purchaser Program Manager or officer of Authorized Purchaser.
- (vi) Contractor shall assist Authorized Purchaser in preparing written responses to audit requirements or findings without charge.

- (vii) After both the conclusion of the pilot period and the total number of active users remains at a minimum of 2,000 or more users per Section 8a of the MSA, Contractor must conduct and pass a SAS 70 Type II Audit every twelve (12) months during the term of this Contract. The first audit shall be performed by an independent CPA firm within twelve (12) months of the state meeting its commitment to the 2,000 user minimum; subsequent annual audit reviews shall be performed by the Contractor according to the auditor's recommended process and results shall be provide to the State and, upon request, to Authorized Purchasers. Failure by Contractor to pass the audit or to provide the audit results to Authorized Purchaser within fifteen (15) days after receiving the results from the auditor shall constitute a material breach of the MSA.

12.2 Record Retrieval Time Service Level.

Contractor represents and warrants that Contractor shall provide Record Retrieval Delivery Time Levels in the HP TRIM server environment as set forth in Exhibit B, Section f. of the MSA, as amended. Record retrieval delivery time shall be measured at the server end between the ORMS workgroup server and database at Synergy Data Center, as described in Amendment #001 to the Master Agreement #0486 at Section 9.

Contractor represents and warrants that the above performance Service Levels shall be valid with up to 20,000 Users using the application at any given time.

If the Record Retrieval Delivery Time Level of 3 minutes or less falls below 95% in any month, Authorized Purchaser shall be entitled to a credit on that month's bill for Subscription Services according to the table in Exhibit B, Section f. of the MSA, as amended.

12.3 Subscription Services Availability Service Level.

Contractor represents and warrants that the Subscription Services shall be available as specified in Exhibit B, Section f. of the MSA, as amended.

Service Availability shall be measured on a 7 x 24 basis (7 days a week, 24 hours per day).

If the Subscription Services availability percentage falls below 99.7% in any month, Authorized Purchaser shall be entitled to a credit on that month's bill for Subscription Services according to the table below that represents the then-current cumulative number of all Authorized Purchaser Users.

A. Scale based on 20,000 users or more.

Availability Percentage	Percentage of Credit
99.60% to 99.69%	10%
99.50% to 99.59%	20%
99.0% to 99.49%	30%
97.0% to 98.99%	50%
Below 97.00%	75%

B. Scale based on 19,999 users or less.

Availability Percentage	Percentage of Credit
99.00% to 99.69%	10%
98.50% to 98.99%	20%
98.00% to 98.49%	30%
97.00% to 97.99%	50%
Below 97.0%	75%

12.4 Performance and Availability Scalability.

Contractor represents and warrants that the performance and availability Service Levels in Sections 12.2 and 12.3 above shall be valid and applicable with a concurrent User increase of up to 20,000 Users.

12.5 Notifications to Authorized Purchaser.

Contractor shall provide proactive notifications to Authorized Purchaser regarding scheduled system-maintenance downtime and system upgrades and enhancements. Contractor shall provide Authorized Purchaser with at least seven (7) calendar days' prior written notice of any scheduled outages; such notices shall include the date of the outage and the start and stop times of the outage.

Scheduled upgrades and enhancements shall be provided between the hours of 8:00 p.m. and 6:00 a.m. Monday through Friday, or during weekends and/or Federal holidays, with the exception of emergency security patches.

12.6 Additional Environment.

Contractor will provide an additional environment at no additional charge for Authorized Purchaser's testing and/or training purposes, without limitation. Authorized Purchaser agrees not to use the additional environment for production purposes.

12.7 Support and Error Resolution.

Contractor shall establish and maintain the organization and processes necessary to provide support and error-resolution services to Authorized Purchaser. Contractor shall provide support and error-resolution services on a twenty-four (24) hours a day, seven (7) days a week basis. Authorized Purchaser's HP TRIM Users shall contact the ORMS Support Desk, which shall be staffed by on-site, on-duty Support staff during regular business hours from 7:00 a.m. to 5:00 p.m. Monday through Friday, excluding weekends and Federal holidays. Outside of regular business hours, Users may call the ORMS Support Desk and leave a message for on-call staff, who shall respond according to the priority levels specified in this Section.

Upon receipt of telephone or written notice from the Authorized Purchaser specifying a problem, and upon receipt of such additional information as Contractor may request, Contractor shall respond as described below to resolve reported and reproducible errors in the Subscription Services or SaaS Software, so that the application operates as specified in this Contract. Contractor shall determine the priority level in accordance with the following protocols:

- (i) **SEVERITY 1 – CRITICAL BUSINESS IMPACT.** The production use of the Subscription Services is stopped or so severely impacted that the Authorized Purchaser cannot reasonably continue work; requires round-the-clock attention until the problem is resolved (a “Severity 1 Error”).
 - a. Contractor shall begin work on the error within fifteen (15) minutes of notification;
 - b. Contractor shall engage development staff until the problem is circumvented or corrected; and
 - c. Contractor shall provide Authorized Purchaser with ongoing communication on the status of the problem resolution.
- (ii) **SEVERITY 2 – SIGNIFICANT BUSINESS IMPACT.** A high-impact problem is affecting Service Levels and/or materially impacting Authorized Purchaser’s use of the Subscription Services. Problem resolution shall be initiated within sixty (60) minutes, and the resolution of these problems requires serious and sustained attention during normal business hours (8:00 am to 5:00 pm, Pacific time, Monday through Friday, exclusive of State holidays) until the problems are circumvented or corrected (a “Severity 2 Error”).
 - a. Contractor shall begin work on the error within sixty (60) minutes of notification;
 - b. Contractor shall engage development staff until the problem is circumvented or corrected; and
 - c. Contractor shall provide Authorized Purchaser with ongoing communication on the status of the problem resolution.
- (iii) **SEVERITY 3 – SOME BUSINESS IMPACT.** This includes problems of general work-queue type and that do not come within the definitions of Severity 1 Error or Severity 2 Error. These problems shall be addressed after Severity 1 Errors and Severity 2 Errors have been corrected and may be pursued during normal business hours on a resources-available basis (a “Severity 3 Error”).
 - a. Contractor shall begin work on the error within one (1) day of notification; and
 - b. Contractor shall engage development staff to provide a workaround and to resolve the problem as soon as possible after notification by Authorized Purchaser.
- (iv) **SEVERITY 4 – MINIMUM BUSINESS IMPACT.** Authorized Purchaser requests information, an enhancement, or documentation clarification regarding the Subscription Services or SaaS Software but there is no impact on the operation of the Subscription Services or SaaS Software. The implementation or production use of the Subscription Services or SaaS Software is continuing and there is no work being impeded at the time (a

“Severity 4 Error”).

- a. Contractor shall provide a response regarding the requested information or documentation clarification within two (2) days of notification by Authorized Purchaser; and
- b. Contractor shall consider enhancements for inclusion in a subsequent update to the Subscription Services, SaaS Software or Documentation.

13. Termination and Transition Assistance

Authorized Purchaser may terminate this Contract as provided in Exhibit A, Section 12, of the MSA.

Contractor may terminate this Contract as provided in Exhibit A, Section 12.3, of the MSA.

BY EXECUTING THIS CONTRACT, THE PARTIES AGREE TO BE BOUND BY ITS TERMS AND CONDITIONS.

AUTHORIZED PURCHASER

CONTRACTOR

By: _____

By: _____

Name: _____

Name: Richard T. Chaves

Title: _____

Title: President, Chaves Consulting

Date: _____

Date: _____

SECRETARY OF STATE
CONTRACT ADMINISTRATOR

By: _____

Date: _____

ATTACHMENT 1

MASTER SOFTWARE AS A SERVICE AGREEMENT



Adobe Acrobat
Document

Click on Icon to open PDF copy of Agreement

OFFICE OF THE SECRETARY OF STATE

KATE BROWN
SECRETARY OF STATE

BARRY PACK
DEPUTY SECRETARY OF STATE



BUSINESS SERVICES DIVISION
JEFF MORGAN
DIRECTOR

255 Capitol Street NE, Suite 180
Salem, Oregon 97310-1342
Information (503) 986-2204

Facsimile (503) 378-4991

MASTER SOFTWARE AS A SERVICE AGREEMENT

Agreement Number: 0486

This Master Software as a Service Agreement (“Agreement”) is between the State of Oregon (the “State”), by and through the Secretary of State of the State of Oregon (“the Secretary” or “SOS”), acting under a delegation of procurement authority from the Oregon Department of Administrative Services, State Procurement Office (“DAS SPO”), and on behalf of contracting agencies of the State of Oregon, local contracting agencies, and members of the Oregon Cooperative Purchasing Program, and _Chaves Consulting, Inc., an Oregon corporation (“Contractor”). This Agreement is effective on the date that it has been fully executed by the parties and approved as required by law (“Effective Date”).

The parties agree as follows:

1. Purpose. This Agreement:

- (i) Identifies the process through which Contractor and State and local contracting agencies and members of the Oregon Cooperative Purchasing Program will establish subsequent contracts for the provision of hosted electronic records management system services and related services under this Agreement;
- (ii) Sets forth the general terms and conditions that will apply to contracts pursuant to which Contractor will provide services; and
- (iii) Is not, by itself, a binding contract for the provision of services by Contractor and does not guarantee that any contracts will be executed.

2. Agreement Documents. This Agreement consists of this document and the following Exhibits, each of which is attached to and incorporated into this Agreement:

- (i) Exhibit A – Terms and Conditions
- (ii) Exhibit B – Schedule of Services and Compensation
- (iii) Exhibit C – Insurance
- (iv) Exhibit D – Subscription Services Contract
- (iv) Exhibit E – Non-Subscription Services Contract
- (v) Exhibit F – VCAF Report
- (vii) Exhibit G – Contractor Data and Tax Certification
- (vii) Exhibit H – Certification Statement for Independent Contractor

- (vii) Exhibit I – Request for Proposal, RFP #102-1752-10
- (viii) Exhibit J – Contractor’s Proposal

Any conflict among the provisions of the Agreement shall be resolved according to the following descending order of precedence: (a) the terms and conditions of this Agreement, less its Exhibits; (b) Exhibit I; (c) Exhibit A; (c) Exhibit B; (d) the Contract; (e) Exhibits C, F, G, H, and J.

3. Application of Provisions. The provisions of Exhibits A, B, C, G, and H of the Agreement apply to and are incorporated into each Contract for services executed between Contractor and an Authorized Purchaser as provided in Section 4. "Authorized Purchaser" means a contracting agency, including a local contracting agency, as those terms are defined in ORS 279A.010, or any member of ORCPP that enters into a Contract with Contractor under the terms and conditions of the Master Agreement. "Contract" means the executed agreement between Authorized Purchaser and Contractor entered into pursuant to the terms and conditions of the Agreement, including its exhibits, and substantially in either of the forms attached to the Agreement as Exhibit D or Exhibit E. "ORCPP" means the Oregon Cooperative Purchasing Program, which recognizes certain agencies and organizations within the state of Oregon as authorized to purchase the goods and services available under certain price agreements entered into by the State.

4. Contracts.

a. An Authorized Purchaser may enter into a binding and enforceable contract for Contractor’s services by executing a contract substantially in the form attached hereto as Exhibit D or Exhibit E, based upon the type of service required. Each Contract shall create a separate contract between Agency and Contractor. Each Contract so executed shall be substantially in the form attached as Exhibit D or Exhibit E.

b. Each Contract is enforceable in accordance with its terms and shall be independent of all other such Contracts. Each Contract shall specify the services that Contractor will provide and shall make the terms and conditions of Exhibit A applicable to the provision of such services. Contractor shall not accept any Contract that does not comply with these requirements.

5. Services. The services that Contractor agrees to make available under Contracts are listed in Exhibit B and are described as Subscription Services and Non-subscription Services (collectively, the “Services”). Contractor agrees to perform the Services as more specifically described under each Contract.

6. Compensation. Contractor shall be compensated for completing Services based on the rates set forth in Exhibit B. The assessment of VCAF is in addition to, and not a part of, the prices for Services set forth in the Contract.

7. Administrative Fees and Volume Sales Reports.

a. Definitions. The following definitions apply to this section:

(i) “VCAF Report” means the quarterly report substantially in the form attached hereto as Exhibit F.

(ii) “Vendor Collected Administrative Fee” or “VCAF” means a charge that is assessed to ordering entities that purchase from statewide contracts or price agreements. The fee is collected by the Contractor. The charge is set by the State as a percentage of reported sales that are made to authorized purchasers under the resulting contracts and is collected and rebated quarterly to the State by the Contractor. The VCAF fee under this Agreement is 2 % of each sale.

b. Administrative Fees/Payment. Within (30) calendar/business days after the end of each quarter during the term of this Agreement, Contractor shall pay to the State of Oregon, Secretary of State VCAF in an amount equal to two Percent (2 %) of Contractor’s total sales made to Authorized Purchasers. CONTRACTORS MAY NOT REFLECT THE VCAF FEE AS A SEPARATE LINE ITEM CHARGE TO AUTHORIZED PURCHASERS. CONTRACTOR’S RATES SHALL REFLECT ALL CHARGES TO AUTHORIZED PURCHASERS. For the purposes of this Agreement, quarters end March 31, June 30, September 30, and December 31. The State will invoice Contractor for the VCAF on a State generated invoice from the volume sales report generated by the Contractor. Contractor is responsible for timely reporting and payment, regardless of the entity that actually reports or makes VCAF payment to the State. No VCAF will be charged during the pilot period.

c. Volume Sales Reports. Contractor shall submit a Volume Sales Report, due by the 15th day following the end of each calendar quarter during the term of the Agreement, which contains: (i) complete and accurate details of the net receipts for the relevant quarterly period; (ii) Contractor’s corresponding calculation of the VCAF due to the State for that period; and (iii) such other information as the State may reasonably request. Contractor shall send a Volume Sales Report each quarter, whether or not there are reportable sales or VCAF due to the State.

d. Volume Sales Report Information. Contractor shall provide the following information on the Volume Sales Report:

- Agreement item number
- Authorized Purchaser
- Contract number
- Date ordered
- Quantity of each item ordered with Contractor’s item #'s and description
- Unit price and extended total
- Manufacturer or provider of each product or service ordered
- Total dollar amount for ending quarter

e. Volume Sales Report Format. Contractor shall provide Volume Sales Reports in a format approved by the State. Reports CD or by e-mail are preferred; however, hard copy reports are acceptable. Excel or Lotus spreadsheet formats are preferred. All other report formats must be approved by the State's Agreement administrator prior to submission of the first report.

f. Report Receipt/Acceptance. The State's receipt or acceptance of any of the reports furnished pursuant to this Agreement, or any sums paid hereunder, shall not preclude the State from challenging the validity thereof at any time. THE STATE RESERVES THE RIGHT TO TERMINATE THIS AGREEMENT IF VOLUME SALES REPORTS ARE NOT RECEIVED AS SCHEDULED.

g. Payment of VCAF. Upon receipt of the invoice from the State, as directed by the Agreement administrator, Contractor shall remit payment in the form of a check to the State for the amount indicated on the invoice. Contractor shall contact the Contract Administrator if no invoice is received within thirty (30) days after sending the Volume Sales Report to the State. Failure to submit Volume Sales Report does not release Contractor from requirement to timely remit the required VCAF.

h. Interest. Any payments Contractor makes or causes to be made after the due date as indicated on the invoice shall accrue interest at a rate of 18% per annum or the maximum rate permitted by law, whichever is less, until such overdue amount shall have been paid in full. The State's right to interest on late payments shall not preclude the State from exercising any of its other rights or remedies pursuant to this Agreement or otherwise with regards to Contractor's failure to make timely remittances.

i. Audit. The State, as its own expense (except as provided herein), shall have the right during regular business hours, at Contractor's premises, and upon reasonable notice, by itself or by a person authorized by it, to audit Contractor's records and other pertinent data, to determine and verify the figures reported in any Volume Sales Report furnished by Contractor. In the event that any such audit reveals underpayment of the VCAF, Contractor shall forthwith pay the amount of deficiency, together with interest thereon at the rate provided in this Section. At the State's request, Contractor shall pay the reasonable cost of an audit, but only if such audit reveals that an underpayment may exist as determined by the State.

8. Term of Agreement; Amendments.

a. The initial term of this Agreement shall be thru the pilot project or December 31, 2013, whichever occurs first. Following the initial term and upon agreement of the parties, this Agreement may be assigned to DAS SPO and extended for a term of two (2) years, after which the Agreement may be extended annually for additional terms, provided, however, that the maximum duration of this Agreement, including all additional terms, shall be ten (10) years.

It is anticipated that the State will secure a minimum of 2,000 users for the pilot phase of this Agreement. In the event the State fails to achieve a minimum base of 2,000 Users by December 31, 2010 the parties may mutually agree to terminate the Agreement or extend the period of time to achieve 2,000 users. In the event the user base of 2,000 Users drops below 2,000 Users the parties shall immediately review the circumstances and mutually determine a new per User price.

At least thirty (30) calendar days before the expiration of a term, the State shall notify Contractor in writing of its intent to extend this Agreement. If both parties elect to extend this Agreement, the terms and conditions set forth in this Agreement shall remain the same during any additional term.

b. The State reserves the right in its sole discretion to extend this Agreement for not more than one calendar month beyond any term or Extension Term. The State shall notify Contractor in writing of the one-month extension at least 30 calendar days before the current term or the Extension Term expires. Contractor may not increase pricing during any one-month extension obtained pursuant to this section. The State may not obtain more than one such extension.

c. No Contracts shall be executed after the termination or expiration of the Agreement. Upon termination or expiration of the Agreement, at the request of any Authorized Purchaser, Contractor shall continue to provide the Products and Services and meet its obligations under any applicable Contract issued prior to expiration or termination of the Agreement unless such Contract is otherwise terminated pursuant to the terms and conditions of the Contract. If Contractor provides any Authorized Purchaser with Services under an existing Contract during a period following the termination or expiration of the Agreement, the terms and conditions and pricing of such Contract shall remain in effect as well as Contractor's reporting requirements.

d. The parties have determined that during the term of the Agreement or a Contract, the parties may need to modify selected terms, conditions, prices and types of products and services under circumstances related to the following illustrative, although not exhaustive, categories of anticipated amendments:

- (i) Amendments required as a result of necessary changes in the State's business process;
- (ii) Amendments to change the licensing structure;
- (iii) Amendments to change the level of technical support or hosting services offered under the Agreement or purchased by Authorized Purchaser;
- (iv) Amendments required as a result of innovations in technology, hardware, and software that are within the overall scope of Services described in the Agreement and that would benefit the State and Authorized Purchasers;

- (v) Amendments required as a result of changes in user applications that require additional upgrades which are not required by the software initially provided under the Agreement;
- (vi) Amendments to add, delete, or otherwise modify products or Services, or both, within the scope of the RFP and the Agreement;
- (vii) Amendments to extend the term of the Agreement;
- (viii) Amendments to change pricing;
- (ix) Amendments to change the Vendor Collected Administrative Fee (VCAF);
- (x) Amendments required as a result of changes in applicable law; or
- (xi) Amendments to change the contract administration of the Agreement or Contracts.

9. Termination.

- a.** The parties may terminate this Agreement at any time by the mutual written consent of both parties.
- b.** The State may also terminate this Agreement immediately upon notice to Contractor, or at such later date as it may establish in such notice, if federal or state laws, regulations, or guidelines are modified or interpreted in such a way that the purchase of the services offered by Contractor under this Agreement is prohibited or if the State fails to receive funding, appropriations, limitations or other expenditure authority at levels sufficient to administer this Agreement.
- c.** Upon receipt of written notice of termination, Contractor shall stop performance under this Agreement as directed by the State.

10. Provision of Services.

- a.** This is not an exclusive agreement and the State reserves the right to engage other contractors to provide the same or similar services.
- b.** Contractor shall perform, and Authorized Purchaser will pay for, Services only when performed under a Contract. An individual Contract will specify the services for that Contract.
- c.** Contractor is responsible for completing all Services as defined in the Contract to the satisfaction of Authorized Purchaser.

IN WITNESS WHEREOF THE PARTIES HAVE EXECUTED THIS AGREEMENT.

CONTRACTOR

Authorized Signature: 

Title: PRESIDENT Date: 12/6/2010

Telephone number: 541 523-1029 Facsimile number: 541 523-1031

SECRETARY OF STATE

Authorized Signature: 

Title: STATE ARCHIVIST Date: 12/8/10

Telephone Number: 503-986-2241 Facsimile Number: 503-378-4991

APPROVED AS TO LEGAL SUFFICIENCY

BY EMAIL DATED: 11/22/2010

EXHIBIT A

CONTRACT TERMS AND CONDITIONS

1. Application of Provisions. The provisions of this Exhibit A, as well as Exhibits B, C, G, and H of the Agreement apply to the Agreement and also apply to and are incorporated into each Contract executed between Contractor and Authorized Purchaser. When applying the applicable provisions to the Agreement, where appropriate for the context, the references to “Contract” shall mean the Agreement.

2. Definitions. The following definitions apply to the Contract:

“Authorized Purchaser” means a contracting agency, including a local contracting agency, as those terms are defined in ORS 279A.010, or any member of ORCPP that enters into a Contract.

“Authorized Purchaser Data” means all data created by or in any way originating with Authorized Purchaser, and all data that is the output of computer processing of or other electronic manipulation of any data that was created by or in any way originated with Authorized Purchaser, whether such data or output is stored on Authorized Purchaser’s hardware, Contractor’s hardware or exists in any system owned, maintained or otherwise controlled by Authorized Purchaser or by Contractor.

“Authorized Purchaser Intellectual Property” means any intellectual property that is owned by Authorized Purchaser. Authorized Purchaser Intellectual Property includes any derivative works and compilations of any Authorized Purchaser Intellectual Property.

“Authorized Representative” means a person representing a party to the Contract who is authorized to make commitments and decisions on behalf of the party regarding the performance of the Contract. Each party’s Authorized Representative is the person so identified in the Contract.

“Contract” means the executed agreement between Authorized Purchaser and Contractor entered into pursuant to the terms and conditions of the Agreement, incorporating by reference Exhibits A, B, C, G, and H of the Agreement and substantially in either of the forms attached to the Agreement as Exhibit D or Exhibit E.

“Contractor Intellectual Property” means any intellectual property that is owned by Contractor and contained in or necessary for the use, or optimal use, of the Deliverables. Contractor Intellectual Property includes Documentation, Work Product, and derivative works and compilations of any Contractor Intellectual Property. Contractor Intellectual Property does not include COTS Software.

“COTS Software” means commercial off-the-shelf software that Contractor delivers to Agency pursuant to the provision of Services.

“Deliverables” means the Services, including Work Product, and all Software or other products that Contractor is required to deliver to Authorized Purchaser under the Contract.

“Desktop Specification” means Contractor’s recommended minimum technical specifications required to access and utilize the SaaS Software specified in the Contract and in accordance with the Contract’s service levels.

“Documentation” means all documents, including documents that are Deliverables described in the Contract and includes, but is not limited to, any and all operator’s and user’s manuals, training materials, guides, commentary, listings, requirements traceability matrices and other materials for use in conjunction with and for the operation of products and Services that are to be delivered by Contractor under the Contract.

“Non-subscription Services” means the services provided to Authorized Purchaser by Contractor under the Contract that are not included in the definition of Subscription Services. Non-subscription Services shall include, but not be limited to, consulting, implementation, customization and other services provided to Authorized Purchaser by Contractor under this Agreement, together with all documentation provided by or otherwise required of Contractor for any of the consulting, implementation, customization or other services it provides.

“ORCPP” means the Oregon Cooperative Purchasing Program, which recognizes certain agencies and organizations within the state of Oregon as authorized to purchase the goods and services available under certain price agreements entered into by the State.

“SaaS Application” and “SaaS Software” mean the Software as Service computer software listed in a Subscription Services Contract to which Contractor has granted Authorized Purchaser access and use as part of the Subscription Services. This includes any customization, other derivative works, upgrades, releases, fixes or patches related to the software that Contractor develops or deploys during the term of the Agreement, together with all Documentation provided by or otherwise required of Contractor for any of the software, customization, other derivative works, upgrades, releases, fixes or patches.

“Service Levels” means the performance specifications for Services performed by Contractor.

“Services” means Non-subscription Services and Subscription Services.

“Software” means the software, including COTS Software and SaaS Software, identified in Exhibit B, and all related Documentation, that the Contractor will deliver to Authorized Purchaser.

“SOS” means the Secretary of State of the State of Oregon.

“State” means the State of Oregon, acting by and through the Department of Administrative Services, State Procurement Office (“DAS SPO”) or the Secretary of State of the State of Oregon (“Secretary” or “SOS”).

“Subscription Services” means Authorized Purchaser’s access to and use, and Contractor’s provision, of the SaaS Software and other services in accordance with the terms and conditions set forth in the Contract.

“Third Party Intellectual Property” or “Third Party Products” means any intellectual property owned by parties other than Authorized Purchaser or Contractor and contained in or necessary for the use of the Deliverables. Third Party Intellectual Property includes COTS Software owned by Third Parties, and derivative works and compilations of any Third Party Intellectual Property.

“User” means Authorized Purchaser’s employees, agents, consultants, outsourcing companies, contractors and others who are authorized by Authorized Purchaser to access and use the SaaS Software and any part or portion of the Subscription Services or Non-subscription Services in the performance of their duties for Authorized Purchaser.

“User Information” means all information directly or indirectly obtained from Users accessing the SaaS Software where such information is obtained by Contractor or by any of its employees, representatives, agents or any Third Parties having contractual privity with Contractor or who are under Contractor’s supervision or control.

“Work Product” means every invention, modification, discovery, design, development, customization, configuration, improvement, process, software program, work of authorship, documentation, formula, datum, technique, know-how, secret, or intellectual property right whatsoever or any interest therein (whether patentable or not patentable or registrable under copyright or similar statutes or subject to analogous protection) that is specifically made, conceived, discovered, or reduced to practice by Contractor or Contractor’s subcontractors or agents (either alone or with others) pursuant to the Master Agreement. Notwithstanding anything in the immediately preceding sentence to the contrary, Work Product does not include any Authorized Purchaser Intellectual Property, Contractor Intellectual Property or Third Party Intellectual Property.

3. Services.

3.1 Subscription and Non-Subscription Services.

3.1.1 Contractor shall provide and Authorized Purchaser may acquire the Subscription and Non-subscription Services as described in this Agreement. As part of the Services, Contractor shall manage the recordation of User Information. Such User Information shall be treated as Authorized Purchaser’s Confidential Information.

3.1.2 Authorized Purchaser and Contractor shall execute a Contract, in substantially the same form as the sample Contracts attached to this Agreement as Exhibit D or Exhibit E, for Authorized Purchaser’s access to and use of the Software, together with any

applicable Service Levels, maintenance, support and any other services. The terms and conditions of each Contract shall be independent of, and shall have no impact upon, the provisions of any other Contract.

Each Contract is subject to the Agreement and must include the following mandatory language:

THIS CONTRACT IS ENTERED INTO PURSUANT TO AGREEMENT # 0486 AND IS SUBJECT TO THE TERMS AND CONDITIONS SET FORTH THEREIN. THE TERMS AND CONDITIONS OF THE AGREEMENT APPLY TO THIS CONTRACT AND TAKE PRECEDENCE OVER ALL OTHER CONFLICTING TERMS AND CONDITIONS, EXPRESS OR IMPLIED.

3.2 Delivery. All goods and Software to be supplied by Contractor will be new unless expressly authorized by Authorized Purchaser. Contractor shall deliver goods and Software to Authorized Purchaser F.O.B. to the destination specified in the Contract in accordance with the Delivery Schedule. During the period that goods and Software are in transit, and up until the time that the goods and Software are tendered so as to enable Authorized Purchaser to take delivery, Contractor and its insurers, if any, relieve the Authorized Purchaser and the State of Oregon of the responsibility for all risk of loss of, or damage. Thereafter, all risk of loss of, or damage shall be borne by the Authorized Purchaser.

3.3 Warranties. If applicable, Contractor shall have all third party warranties covering the goods and Software transferred to the Authorized Purchaser at time of delivery at no additional charge. Contractor shall also furnish to the Authorized Purchaser the details of the third party publisher warranties.

3.4 Responsibilities of Authorized Purchaser. If the Contract requires Authorized Purchaser to provide any software, goods or services, and Authorized Purchaser fails to provide the requisite quality or quantity of such software, goods or services, or fails to provide such software, goods or services in a timely manner, Contractor's sole remedy shall be an extension of the applicable delivery dates corresponding to the delay caused by Authorized Purchaser's failure.

3.5 Acceptance of Services.

3.5.1 Contractor shall commence the Services and provide Deliverables as set forth in the Contract. Unless otherwise provided in the Contract, within ten business days after commencement of the Services, Authorized Purchaser shall perform any acceptance tests to determine whether the Services meet the acceptance criteria designated by Authorized Purchaser. If the acceptance tests establish that the Services conform to the acceptance criteria, then Authorized Purchaser shall issue written notice of acceptance to Contractor, and "final acceptance" shall be deemed to have occurred.

3.5.2 If the Authorized Purchaser determines that the Services do not meet the acceptance criteria, Authorized Purchaser shall notify Contractor in writing of Authorized

Purchaser's rejection of the Services and describe in reasonable detail the basis for rejection. Upon receipt of notice of non-acceptance, Contractor shall, within a 15 calendar day period, modify or improve the Services at Contractor's sole expense to ensure that the Services meet the acceptance criteria, and notify the Authorized Purchaser in writing that it has completed such modifications or improvements and re-tender the Services to Authorized Purchaser. Authorized Purchaser shall thereafter review the modified or improved Services within 15 calendar days of receipt. Failure of the Services to meet the acceptance criteria after the second set of acceptance tests shall constitute a default by Contractor. Upon such default, Authorized Purchaser may either allow Contractor to continue to correct the Services or declare a material breach of the Contract by Contractor.

3.5.3. If the Services are rejected or acceptance is revoked, Contractor shall refund any payments that have been made with regard to the Services and shall (at Contractor's sole cost and expense) remove the Software within seven calendar days of receiving notice of rejection or revocation of acceptance.

3.5.4. No provision of this Section 3.5 precludes Authorized Purchaser from other remedies to which it may be entitled upon rejection or revocation of acceptance.

3.6 Warranty Period.

3.6.1 For a period of one year after final acceptance, Contractor shall, at no additional charge to Authorized Purchaser, furnish such materials and services as shall be necessary to correct any defects in the Services and maintain the Services in good working order. Notwithstanding the expiration of the warranty period, Contractor shall be obligated to cure defects discovered during the warranty period.

4. **Contractor's Personnel.**

4.1 Authorized Representative; Program Manager. Contractor shall designate an Authorized Representative and Program Manager for the Services. The Authorized Representative and Program Manager shall be familiar with Authorized Purchaser's business operations and objectives as necessary for the provision of the Services and shall be responsible for Contractor's performance of the Services in accordance with the Agreement. The Program Manager shall participate with Authorized Purchaser in periodic review sessions and shall provide Service reports at Authorized Purchaser's request.

4.2 Subcontractors. Contractor shall not use subcontractors to perform the Services unless specifically authorized to do so by Authorized Purchaser. Contractor represents that any assigned employees and authorized subcontractors shall perform the Services in accordance with the Agreement.

5. Compensation.

5.1 Rates. Authorized Purchaser shall pay Contractor according to the rates set forth on Exhibit B for the Services and Software provided under the Contract. The assessment of VCAF, as provided in the Agreement, is in addition to, and not a part of, the prices for Services set forth in the Contract.

5.2 Expenses. Contractor shall not be reimbursed for any expenses incurred by Contractor in the performance of the Services.

5.3 Invoices. Unless otherwise agreed, Authorized Purchaser shall not pay Contractor more than once each month upon Contractor's submission of detailed invoices that set forth the Services accepted by Authorized Purchaser. Such invoices shall comply with the requirements of this Section 5 and shall describe the Deliverables completed and accepted by Authorized Purchaser for which Contractor seeks compensation. Contractor shall request payment only for Deliverables accepted by Authorized Purchaser. The invoices also shall include the total amount invoiced to date by Contractor prior to the current invoice. Contractor shall submit invoices to Authorized Purchaser's Authorized Representative. Authorized Purchaser will have the right to review each such invoice for compliance with the requirements of this Section 5 and any other relevant provisions of the Agreement. All payments to Contractor are subject to ORS 293.462.

5.4 Limit on Payments. No payment will be made for any Services provided before the effective date or after termination of the Agreement or under a specific Contract. Authorized Purchaser's payments are conditioned upon Authorized Purchaser receiving funding, appropriations, limitations, allotments, or other expenditure authority sufficient to allow Authorized Purchaser, in the exercise of its reasonable administrative discretion, to meet its payment obligations. Nothing in the Agreement is to be construed as permitting any violation of Article XI, Section 7 of the Oregon Constitution or any other law regulating liabilities or monetary obligations of the State of Oregon.

5.5 Price Renegotiation. 60 calendar days prior to the expiration of the Initial Term, and then upon each renewal thereafter, either Contractor or the State may request price renegotiation. This price renegotiation will be conducted in good faith between the parties and may result in a price change being offered to the State for continuing Services and Product offerings. If Contractor and the State reach an agreement during the 60 calendar day re-negotiation period, Contractor will adjust its pricing accordingly for the applicable Extension Term and will continue to provide the Services. If the parties are unable to reach an agreement, the Agreement will terminate subject to an Authorized Purchaser's right to transition the Services.

5.6 No Liability for Non-State Authorized Purchasers. The State bears no liability for Services provided by Contractor to parties who are not Authorized Purchasers or in Contracts entered into between Authorized Purchasers that are not State agencies, and the

State expressly disclaims any such liability. With regard to Authorized Purchasers that are not State agencies, Contractor shall look solely to the respective party for any rights and remedies Contractor may have at law or in equity arising out of the sale and purchase of Services and the resulting contractual relationship, if any, with each such contracting party.

6. Right to Use; Ownership and License in Product or Services.

6.1 Use. Contractor grants Authorized Purchaser an unlimited, transferable, non-exclusive right to access and to use the Subscription Services listed on any SaaS Subscription Schedules and the Non-Subscription Services listed on the Contract.

6.2 License. Contractor retains ownership of all Contractor Intellectual Property that Contractor delivers to Authorized Purchaser pursuant to the Services performed. Contractor grants Authorized Purchaser a license to all other Contractor Intellectual Property. Unless otherwise stated in the Contract, Contractor grants Authorized Purchaser a non-exclusive, irrevocable, royalty-free, world-wide license to use, copy, display, distribute, transmit and prepare derivative works of Contractor Intellectual Property, and to authorize others to do the same on Authorized Purchaser's behalf.

6.3 Work Product. Contractor owns all Work Product. Contractor grants Authorized Purchaser a non-exclusive, irrevocable, royalty-free, world-wide license to use, copy, display, distribute, transmit and prepare derivative works of Work Product, and to authorize others to do the same on Authorized Purchaser's behalf.

6.4 Third Party Intellectual Property. Contractor shall secure on Authorized Purchaser's behalf, in the name of Authorized Purchaser and subject to Authorized Purchaser's approval, a license to Third Party Intellectual Property sufficient to provide the Services and fulfill the business objectives identified in the Agreement or a Contract, and to authorize others to do the same on Authorized Purchaser's behalf

6.5 Authorized Purchaser Data and Intellectual Property. Authorized Purchaser owns all Authorized Purchaser Data and Intellectual Property provided to Contractor pursuant to the Contract. Authorized Purchaser grants Contractor a non-exclusive, royalty-free, world-wide license to use, copy, display, distribute, transmit and prepare derivative works of Authorized Purchaser Intellectual Property and Authorized Purchaser data and background information only to fulfill the purposes of the Contract. Authorized Purchaser's license to Contractor is limited to the term and confidentiality obligations of the Contract.

6.6 No Rights. Except as expressly set forth in the Contract or Agreement, nothing shall be construed as granting to or conferring upon Contractor any right, title, or interest in any intellectual property that is now owned or subsequently owned by Authorized Purchaser. Except as expressly set forth in the Contract or Agreement, shall be construed as granting to or conferring upon Authorized Purchaser any right, title, or interest in any Contractor Intellectual Property that is now owned or subsequently owned by Contractor.

6.7 Competing Services. Subject to the provisions of this Section 6 and Contractor's obligations with respect to Confidential Information, nothing in the Contract or Agreement precludes or limits in any way the right of Contractor to: (i) provide services similar to those contemplated in the Agreement, or consulting or other services of any kind or nature whatsoever to any individual or entity as Contractor in its sole discretion deems appropriate, or (ii) develop for Contractor or for others, deliverables or other materials that are competitive with those produced as a result of the Services provided hereunder, irrespective of their similarity to the Deliverables. The parties, including the State, Contractor and Authorized Purchasers, shall be free to utilize any concepts, processes, know-how, techniques, improvements or other methods it may develop during the course of performance under the Contract free of any use restriction or payment obligation to another party.

7. Confidentiality and Non-Disclosure.

7.1 Confidential Information. Contractor acknowledges that it and its employees or subcontractors may, in the course of performing their responsibilities under the Contract, be exposed to or acquire information that is confidential to Authorized Purchaser or Authorized Purchaser's clients. Any and all information of any form obtained by Contractor or its employees or subcontractors in the performance of the Contract is confidential information of Authorized Purchaser ("Confidential Information"). Contractor shall treat any reports or other documents or items (including software) that result from the use of the Confidential Information by Contractor with respect to confidentiality in the same manner as the Confidential Information. Confidential Information does not include information that (a) is or becomes (other than by disclosure by Contractor) publicly known; (b) is furnished by Authorized Purchaser to others without restrictions similar to those imposed by the Contract; (c) is rightfully in Contractor's possession without the obligation of nondisclosure prior to the time of its disclosure under the Contract; (d) is obtained from a source other than Authorized Purchaser without the obligation of confidentiality, (e) is disclosed with the written consent of Authorized Purchaser, or; (f) is independently developed by employees or subcontractors of Contractor who can be shown to have had no access to the Confidential Information.

7.2 Non-Disclosure. Contractor agrees to hold Confidential Information in strict confidence, using at least the same degree of care that Contractor uses in maintaining the confidentiality of its own confidential information, and not to copy, reproduce, sell, assign, license, market, transfer or otherwise dispose of, give, or disclose Confidential Information to third parties, or use Confidential Information for any purposes whatsoever other than the provision of Services to Authorized Purchaser hereunder, and to advise each of its employees and subcontractors of their obligations to keep Confidential Information confidential. Contractor shall use commercially reasonable efforts to assist Authorized Purchaser in identifying and preventing any unauthorized use or disclosure of any Confidential Information. Without limiting the generality of the foregoing, Contractor shall advise the State and Authorized Purchaser immediately in the event

Contractor learns or has reason to believe that any person who has had access to Confidential Information has violated or intends to violate the terms of the Contract and Contractor will at its expense cooperate with the State and Authorized Purchaser in seeking injunctive or other equitable relief in the name of Authorized Purchaser or Contractor against any such person. Except as directed by Authorized Purchaser, Contractor will not at any time during or after the term of the Contract disclose, directly or indirectly, any Confidential Information to any person, except in accordance with the Contract, and that upon termination of the Contract or at Authorized Purchaser's request, Contractor will turn over to Authorized Purchaser all documents, papers, and other matter in Contractor's possession that embody Confidential Information. Contractor shall ensure the compliance of its employees and subcontractors with this Section 7.

7.3 Identity Theft. In the performance of the Contract, Contractor may have possession or access to documents, records or items that contain "Personal Information" as that term is used in ORS 646A.602(11), including Social Security numbers. Personal Information is a type of Confidential Information that is highly sensitive and subject to additional protection. Therefore, prior to the receipt of, and during the period in which Contractor has possession of or access to, any Personal Information, Contractor shall have in place, a formal written information security program that provides safeguards to protect Personal Information from loss, theft, and disclosure to unauthorized persons, as required by the Oregon Consumer Identity Theft Protection Act, ORS 646A.600-646A.628.

7.3.1 Contractor shall not breach or permit breach of the security of any Personal Information that is contained in any document, record, compilation of information or other item to which Contractor receives access, possession, custody or control under the Contract. Contractor shall not disclose, or otherwise permit access of any nature, to any unauthorized person, of any such Personal Information. Contractor shall not use, distribute or dispose of any Personal Information other than expressly permitted by the State, the Authorized Purchaser, required by applicable law, or required by an order of a tribunal having competent jurisdiction.

7.3.2 Contractor shall report to the State and Authorized Purchaser, as promptly as possible, any breach of security, use, disclosure, theft, loss, or other unauthorized access of any document, record, compilation of information or other item that contains Personal Information to which the Contractor receives access, possession, custody or control in the performance of the Contract.

7.4 Security Policies; NDA. Contractor at all times shall comply with Authorized Purchaser's security policies. Contractor shall upon Authorized Purchaser's request provide a written nondisclosure agreement and obtain such from Contractor's employees or subcontractors performing Services under the Contract.

7.5 Injunctive Relief. Contractor acknowledges that breach of this Section 7, including disclosure of any Confidential Information, will give rise to irreparable injury

to Authorized Purchaser that is inadequately compensable in damages. Accordingly, Authorized Purchaser may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies that may be available. Contractor acknowledges and agrees that the covenants contained herein are necessary for the protection of the legitimate business interests of Authorized Purchaser and are reasonable in scope and content.

7.6 Publicity. Contractor agrees that news releases and other publicity relating to the subject of the Contract or Agreement will be made only with the prior written consent of the State and Authorized Purchaser.

7.7 Transition Assistance. Upon expiration or termination of all or part of the Subscription Services or Non-subscription Services being provided under the Contract and upon Authorized Purchaser's request and subject to continued payment for so long as Services are maintained, Contractor shall provide the following termination assistance: Contractor shall continue to provide the Subscription Services and Non-subscription Services that were provided by Contractor prior to the expiration or termination and any new services requested by Authorized Purchaser that may be required to facilitate the transfer of the affected Subscription Services and Non-subscription Services to Authorized Purchaser, a Third-Party service provider or other Authorized Purchaser designee, as applicable, including providing to Authorized Purchaser or Third-Party personnel training in the performance of the affected Subscription Services and Non-subscription Services. At no additional cost, Contractor shall provide to Authorized Purchaser and any designated Third-Party service provider: (i) in writing, applicable requirements, standards, policies, operating procedures and other documentation relating to the affected execution environment of the Subscription Services and Non-subscription Services; and (ii) necessary access to the systems and sites from which the affected Subscription Services and Non-subscription Services were provided, subject to Authorized Purchaser's right to review same. Contractor shall provide the termination assistance outlined in this section for a period of up to twelve (12) months, unless otherwise specified in the Contract. Immediately upon expiration or termination of the Agreement or the Contract, Contractor shall provide Authorized Purchaser with a final export of Authorized Purchaser Data in a format specified by Authorized Purchaser and shall certify the destruction of all Authorized Purchaser Data within the possession of Contractor that is solely related to the expired or terminated Subscription Services or Non-subscription Services.

8. Contractor's Representations and Warranties.

8.1 General Representations and Warranties. In addition to all other Contractor representations and warranties in the Contract Contractor also represents and warrants to Authorized Purchaser that:

- a) Contractor has the power and authority to enter into and perform the Contract;

- b) The Contract, when executed and delivered, will be a valid and binding obligation of Contractor enforceable in accordance with its terms;
- c) Contractor will, at all times during the term of the Contract, be qualified to do business in the State of Oregon, professionally competent and duly licensed to perform the Services;
- d) Contractor is not in violation of, charged with nor, to the best of Contractor's knowledge, under any investigation with respect to violation of, any provision of any federal, state or local law, ordinance or regulation or any other requirement or order of any governmental or regulatory body or court or arbitrator applicable to provision of the Services, and Contractor's provision of the Services shall not violate any such law, ordinance, regulation or order;
- e) Contractor's performance under the Contract creates no potential or actual conflict of interest, as defined by ORS 244, for either Contractor or any Contractor personnel that will perform the Services under the Contract; and
- f) The Contractor Data and Tax Certification in the form attached to the Agreement as Exhibit G and the Certification Statement For Independent Contractor in the form attached to the Agreement as Exhibit H are true and accurate as of the Effective Date, and Contractor will notify Authorized Purchaser in writing if any such data or certifications change during the term of the Agreement such that the attached Exhibits G or H, if applicable, are no longer true and accurate.

8.2 Contractor's Performance Warranties. Contractor represents and warrants to Authorized Purchaser that:

- a) Contractor has the skill and knowledge possessed by well-informed members of its trade or profession and Contractor will apply that skill and knowledge with care and diligence so Contractor and Contractor's employees and any authorized subcontractors perform the Services described in the Contract in accordance with the highest standards prevalent in the industry or business most closely involved in providing the Services that Contractor is providing to Authorized Purchaser pursuant to the Contract;
- b) Through the expiration of the warranty period, all Services delivered by Contractor to Authorized Purchaser shall conform to the acceptance criteria set forth in the Contract and any Documentation provided by Contractor and shall be free from error or defect that materially impairs their use, and shall be free from defects in materials, workmanship and design;
- c) Except as otherwise permitted or provided in the Contract, all Services supplied by Contractor to Authorized Purchaser shall be transferred to Authorized Purchaser free and clear of any and all restrictions on or conditions of transfer,

modification, licensing, sublicensing, direct or indirect distribution, or assignment, and free and clear of any and all liens, claims, mortgages, security interests, liabilities, and encumbrances of any kind;

d) When used as authorized by the Contract, no Service delivered by Contractor to Authorized Purchaser infringes, nor will Authorized Purchaser's use, duplication, or transfer of such Services infringe, any copyright, patent, trade secret, or other proprietary right of any third party;

e) Except as otherwise set forth in the Contract, any subcontractors performing work for Contractor have assigned all of their rights in the Services to Contractor or Authorized Purchaser and no third party has any right, title or interest in any Services supplied to Authorized Purchaser under the Contract;

f) Contractor will maintain, operate and enforce, prior to the receipt of, and during the period in which Contractor has possession of or access to, any Personal Information, an active and effective information security program to preserve the security and confidentiality of all Personal Information that is contained in any document, record, compilation of information or other item to which Contractor receives access, possession, custody or control; and

g) At the time of delivery and installation of the Software provided through the Contract, the Software shall be free of what are commonly defined as viruses, worms, spyware, and other malicious defects that will hamper performance of the software, collect unlawful personally identifiable information on users, or prevent the software from performing as required under the terms and conditions of the Contract.

9. Indemnities.

9.1 General Indemnity. Contractor shall defend, save, hold harmless, and indemnify the State of Oregon and Authorized Purchaser and their agencies, subdivisions, officers, directors, employees and agents from and against all third party claims, suits, actions, losses, damages, liabilities, statutory penalties, costs and expenses for personal injury, including death, damage to real property and damage to tangible personal property resulting from, arising out of, or relating to the intentional, reckless or negligent acts or omissions of Contractor or its officers, employees, subcontractors, or agents under the Contract; provided that Contractor shall have no obligation to indemnify the State of Oregon or Authorized Purchaser from and against any claims, suits, actions, losses, damages, liabilities, costs and expenses attributable solely to the acts or omissions of the State of Oregon or Authorized Purchaser, and their officers, employees or agents.

9.2 IP Indemnity. In addition to and without limiting the generality of Section 9.1, Contractor expressly agrees to, indemnify, defend and hold the State of Oregon and Authorized Purchaser and their agencies, subdivisions, officers, directors, employees and agents harmless from any and all third party claims, suits, actions, losses, damages,

liabilities, statutory penalties, costs and expenses of any nature whatsoever resulting from, arising out of or relating to any claims that the Services or use thereof infringe any patent, copyright, trade secret, trademark, trade dress, mask work, utility design, or other proprietary right (collectively, "Intellectual Property Rights") of any third party. If Contractor believes at any time that the Software or Services infringe a third party's Intellectual Property Rights, Contractor may upon receipt of Authorized Purchaser's prior written consent, which Authorized Purchaser shall not unreasonably withhold, (i) replace an infringing item with a non-infringing item that meets or exceeds the performance and functionality of the replaced item; or (ii) obtain for Authorized Purchaser the right to continue to use the infringing item; or (iii) modify the infringing item to be non-infringing, provided that, following any replacement or modification made pursuant to the foregoing, the Software continues to function in conformance with the requirements set forth in the Contract. Contractor's failure or inability to accomplish any of the foregoing shall be deemed a material breach of the Contract, and Authorized Purchaser may pursue any rights and remedies available to it under the Contract, including termination. Contractor shall not be liable under this Article 9.2 for any claim for infringement based solely on the following:

- a) Authorized Purchaser's modification of the Software or Services other than as set forth in the Contract or without the written permission of Contractor;
- b) Use of the Software or Services in a manner other than as contemplated by the Contract or as authorized in writing by Contractor; or
- c) Use of the Software or Services in combination, operation, or use of with other products in a manner that does not comply with their specifications, not specified by Contractor or of which Contractor has not approved in writing.

9.3 Control of Defense and Settlement. Contractor's obligation to indemnify Authorized Purchaser as set forth in Sections 9.1 and 9.2 is conditioned on Authorized Purchaser providing to Contractor prompt notification of any claim or potential claim of which Authorized Purchaser becomes aware that may be the subject of those Sections. Contractor shall have control of the defense and settlement of any claim that is subject to Section 9.1 or Section 9.2; however, neither Contractor nor any attorney engaged by Contractor shall defend the claim in the name of the State of Oregon or any Authorized Purchaser of the State of Oregon, nor purport to act as legal representative of the State of Oregon or any of its agencies, without the approval of the Attorney General, nor shall Contractor settle any claim on behalf of the State of Oregon without the approval of the Attorney General. The State of Oregon may, at its election and expense, assume its own defense and settlement in the event that the State of Oregon determines that Contractor is prohibited from defending the State of Oregon, is not adequately defending the State of Oregon's interests, or that an important governmental principle is at issue and the State of Oregon desires to assume its own defense.

9.4 Insurance. Contractor shall provide insurance as required by Exhibit C.

10. Events of Default.

10.1 Default by Contractor. Contractor shall be in default under the Contract if:

- a) Contractor institutes or has instituted against it insolvency, receivership or bankruptcy proceedings which are not dismissed within 60 days of their commencement, makes an assignment for the benefit of creditors, or ceases doing business on a regular basis; or
- b) Contractor no longer holds a license or certificate that is required for Contractor to perform the Services and Contractor has not obtained such license or certificate within 30 business days after delivery of Authorized Purchaser's notice or such longer period as Authorized Purchaser may specify in such notice; or
- c) Contractor commits any material breach or default of any covenant, warranty, obligation or certification under the Contract, fails to perform the Services in conformance with the specifications and warranties provided herein, or clearly manifests an intent not to perform future obligations under the Contract, and such breach or default is not cured, or such manifestation of an intent not to perform is not corrected by reasonable written assurances of performance within 30 business days after delivery of Authorized Purchaser's notice or such longer period as Authorized Purchaser may specify in such notice.

10.2 Default by Authorized Purchaser. Authorized Purchaser shall be in default under the Contract if:

- a) Authorized Purchaser fails to pay Contractor any amount pursuant to the terms of the Contract and Authorized Purchaser fails to cure such failure within 30 business days after delivery of Contractor's notice or such longer period as Contractor may specify in such notice; or
- b) Authorized Purchaser commits any material breach or default of any covenant, warranty, or obligation under the Contract, fails to perform its commitments hereunder within the time specified or any extension thereof, and Authorized Purchaser fails to cure such failure within 30 business days after delivery of Contractor's notice or such longer period as Contractor may specify in such notice.

11. Remedies for Default.

11.1 Authorized Purchaser's Remedies. In the event Contractor is in default under Section 10.1, Authorized Purchaser may, at its option, pursue any or all of the remedies available to it under the Contract and at law or in equity, which include, without limitation:

- a) termination of the Contract under Section 12.2;
- b) withholding all monies due for Services that Contractor is obligated but has failed to perform within 30 days after Authorized Purchaser has notified Contractor of the nature of Contractor's default;
- c) credits or other remedies for failure to meet Service Levels;
- d) with respect to Services for which Authorized Purchaser has paid before acceptance, a return of all moneys previously paid for such Services;
- e) initiation of an action or proceeding for damages, specific performance, declaratory or injunctive relief; and
- f) exercise of its right of setoff.

11.2 Remedies Cumulative. These remedies are cumulative to the extent the remedies are not inconsistent, and Authorized Purchaser may pursue any remedy or remedies singly, collectively, successively or in any order whatsoever. If it is determined for any reason that Contractor was not in default under Section 10.1, the rights and obligations of the parties shall be the same as if the Contract was terminated pursuant to Section 12.1.

11.3 Contractor's Remedies. In the event the State terminates the Agreement or Authorized Purchaser terminates the Contract, as set forth in Section 12.1, or in the event Authorized Purchaser is in default under Section 10.2 and whether or not Contractor elects to exercise its right to terminate the Contract under Section 12.3., Contractor's sole monetary remedy shall be a claim for the unpaid invoices; the percentage of Services completed on each Deliverable up to the not to exceed amount for the Deliverable set forth in the Contract, authorized expenses incurred, less previous amounts paid and any claims which Authorized Purchaser has against Contractor. If previous amounts paid to Contractor exceed the amount due to Contractor under this Section 11.3, Contractor shall pay any excess to Authorized Purchaser upon written demand.

12. Termination; Suspension.

12.1 Authorized Purchaser's Right to Terminate. Authorized Purchaser may, at its sole discretion, terminate the Contract, as follows:

- a) Authorized Purchaser may terminate the Contract for its convenience upon 30 days' prior written notice to Contractor.
- b) Authorized Purchaser may terminate the Contract if the Authorized Purchaser fails to receive funding, appropriations, limitations or other expenditure authority at levels sufficient to pay for Contractor's services.

c) Authorized Purchaser may terminate the Contract if federal or state laws, regulations, or guidelines are modified or interpreted in such a way that the performance of the Services under the Contract is prohibited or if Authorized Purchaser is prohibited from paying for such Services from the planned funding source.

12.2 Authorized Purchaser's Right to Terminate for Cause. In addition to any other rights and remedies Authorized Purchaser may have under the Contract, Authorized Purchaser may terminate the Contract, in whole or in part, immediately upon Contractor's default under Section 10.1.

12.3 Contractor's Right to Terminate for Cause. Contractor may terminate the Contract upon Authorized Purchaser's default under Section 10.2.

12.4 Return of Property. Upon termination of the Contract for any reason whatsoever, Contractor shall immediately deliver to Authorized Purchaser all of Authorized Purchaser's property (including without imitation Authorized Purchaser's Confidential Information or any Services for which Authorized Purchaser has made payment in whole or in part) that are in the possession or under the control of Contractor in whatever stage of development and form of recordation such Authorized Purchaser property is expressed or embodied at that time.

12.5 Authorized Purchaser's Right to Suspend the Services.

12.5.1 Authorized Purchaser may suspend portions or all of the Services due to the following causes:

- a) Contractor's default under section 10.1;
- b) Any reason considered to be in the public interest; or
- c) For non-appropriation as set forth in section 12.1 and 16.6.

12.5.2 Authorized Purchaser shall notify Contractor in writing of the effective date and time of the suspension and shall notify Contractor in writing to resume Services.

12.5.3 During suspension Contractor is responsible as follows:

- a) If the suspension occurs due to the reason set forth in Section 12.5.1(a), Contractor shall continue to provide any unexpired warranty coverage and maintain prepaid Service Levels. No single instance of suspension of performance for Contractor's default under 12.5.1(a) may exceed 180 days.

b) If the suspension occurs due to the reasons set forth in Sections 12.5.1(b) or (c), Contractor shall provide warranty coverage for a period of 90 days following the effective date of suspension for any Deliverables accepted prior to the effective date of suspension. Notwithstanding the foregoing, Contractor shall not be obligated to provide warranty period maintenance and support except to the extent such warranty period maintenance and support has been paid in advance. No single instance of suspension of performance under 12.5.1(b) or 12.5.1(c) may extend beyond 30 days after the end of the biennium during which the suspension occurred.

c) If the Services are recommenced after the suspension Contractor shall complete the Services in every respect as though its prosecution had been continuous and without suspension. Due dates for Services shall be extended by the amount of the period of suspension and a reasonable period for Contractor's remobilization not to exceed 90 calendar days.

13. Independent Contractor; Taxes and Withholding.

13.1 Independent Contractor. Contractor shall perform all Services as an independent contractor. Although Authorized Purchaser reserves the right to evaluate the quality of the completed performance, Authorized Purchaser will not control the means or manner of Contractor's performance. Contractor is responsible for determining the appropriate means and manner of performing the Services.

13.2 Declaration and Certification. Contractor by execution of the Contract declares and certifies that (i) its performance of the Services creates no potential or actual conflict of interest as defined by ORS Chapter 244, for Contractor or any Contractor personnel who will perform Services under the Contract, and (ii) in the event that Contractor or its personnel are performing services for the federal government, that no rules or regulations of the agency for which Contractor or its personnel provide services prohibit Contractor or its personnel from providing the Services under the Contract. Contractor also declares and certifies by execution of the Contract that it is not an "officer," "employee," or "agent" of Authorized Purchaser, as those terms are used in ORS 30.265.

13.3 Responsible For Taxes. Contractor shall be responsible for all federal and state taxes applicable to compensation and other payments paid to Contractor under the Contract and, unless Contractor is subject to backup withholding, Authorized Purchaser will not withhold from such compensation and payments any amount to cover Contractor's federal or state tax obligations. Contractor is not eligible for any social security, unemployment insurance, or workers' compensation benefits from compensation or payments paid to Contractor under the Contract, except as a self-employed individual.

14. Compliance Applicable Law.

Contractor shall comply with all federal, state and local laws, regulations, executive orders and ordinances applicable to the Contract. Without limiting the generality of the foregoing, Contractor expressly agrees to comply with the following laws, regulations and executive orders to the extent they are applicable to the Contract: (i) Titles VI and VII of the Civil Rights Act of 1964, as amended; (ii) Sections 503 and 504 of the Rehabilitation Act of 1973, as amended; (iii) the Americans with Disabilities Act of 1990, as amended; (iv) Executive Order 11246, as amended; (v) the Health Insurance Portability and Accountability Act of 1996; (vi) the Age Discrimination in Employment Act of 1967, as amended, and the Age Discrimination Act of 1975, as amended; (vii) the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended; (viii) ORS Chapter 659, as amended; (ix) all regulations and administrative rules established pursuant to the foregoing laws; and (x) all other applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations. These laws, regulations and executive orders are incorporated by reference herein to the extent that they are applicable to the Contract and required by law to be so incorporated.

15. Dispute Resolution.

15.1 Litigation – State Agencies. Any claim, action, suit, or proceeding (collectively, "Claim") between a Authorized Purchaser that is a State agency and Contractor that arises from or relates to the Contract shall be brought and conducted solely and exclusively within the Circuit Court of Marion County for the State of Oregon; provided, however, if a Claim must be brought in a federal forum, then it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. CONTRACTOR BY EXECUTION OF THIS MASTER AGREEMENT HEREBY CONSENTS TO THE IN PERSONAM JURISDICTION OF THE COURTS REFERENCED IN THIS SECTION 15.1. In no event shall this Section 15.1 be construed as a waiver by the State of Oregon of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the eleventh amendment to the Constitution of the United States or otherwise, from any claim or from the jurisdiction of any court.

15.2 Litigation – Non-State Authorized Purchasers. Any Claim between a non-State agency Authorized Purchaser and Contractor that arises from or relates to the Contract shall be brought and conducted solely and exclusively within the state court for the county of the residence of the Authorized Purchaser; provided, however, if a Claim must be brought in a federal forum, then it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. CONTRACTOR BY EXECUTION OF THIS MASTER AGREEMENT HEREBY CONSENTS TO THE IN PERSONAM JURISDICTION OF THE COURTS REFERENCED IN THIS SECTION 15.2. In no event shall this Section 15.2 be construed as a waiver by the State of Oregon or any non-State Authorized Purchaser of

any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the eleventh amendment to the Constitution of the United States or otherwise, from any claim or from the jurisdiction of any court.

15.3 Governing Law. The Contract shall be governed by and construed in accordance with the laws of the State of Oregon without regard to principles of conflict of laws.

16. Miscellaneous Provisions.

16.1 Recycling. Contractor shall, to the maximum extent economically feasible in the performance of the Contract, use recycle paper (as defined in ORS 279A.010 (1) (gg)), recycle PETE products (as defined in ORS 279A.010 (1) (hh)), and other recycled plastic resin products and recycled products ("recycled product" is defined in ORS 279A.010(1)(ii)).

16.2 Subcontracts and Assignment. Contractor shall not enter into any subcontracts for any of the Services required by the Contract or assign or transfer any of its interest in the Contract without Authorized Purchaser's prior written consent. Any proposed use of a subcontractor which is located outside the United States or use of subcontract labor or facilities located outside the United States must be called to the specific attention of Authorized Purchaser. Authorized Purchaser's consent to any subcontract shall not relieve Contractor of any of its duties or obligations under the Contract.

16.3 Successors and Assigns. The provisions of the Contract shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns, if any.

16.4 No Third-Party Beneficiaries. The State, Authorized Purchaser and Contractor are the only parties to the Agreement and the Contract and are the only parties entitled to enforce their terms. Nothing in the Contract gives, is intended to give, or shall be construed to give or provide any benefit or right, whether directly, indirectly, or otherwise, to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of the Contract.

16.5 Funds Available and Authorized. Contractor shall not be compensated for Services performed under the Contract by any other Authorized Purchaser or department of the State of Oregon. Authorized Purchaser believes it has sufficient funds currently available and authorized for expenditure to finance the costs of the Contract within Authorized Purchaser's biennial appropriation or limitation. Contractor understands and agrees that Authorized Purchaser's payment of amounts under the Contract is contingent on Authorized Purchaser receiving appropriations, limitations, or other expenditure authority sufficient to allow Authorized Purchaser, in the exercise of its reasonable administrative discretion, to continue to make payments under the Contract.

16.6 Records Maintenance; Access. Contractor shall maintain all financial records and other records relating to its performance under the Contract in accordance with generally

accepted accounting principles and in such a manner as to clearly document Contractor's performance. Contractor acknowledges and agrees that Authorized Purchaser, the State and the federal government and their duly authorized representatives shall have reasonable access, at their own cost and expense and only following reasonable notice to Contractor, to such records, in paper or electronic form, to perform examinations and audits and make excerpts and transcripts. Contractor shall retain and keep accessible all such records for a minimum of six years, or such longer period as may be required by applicable law, following termination of the Contract, or until the conclusion of any audit, controversy, or litigation arising out of or related to the Contract, whichever date is later.

16.7 Foreign Contractor. If Contractor is not domiciled in or registered to do business in the State of Oregon, Contractor shall promptly provide to the Oregon Department of Revenue and the Secretary of State, Corporation Division, all information required by those agencies relative to the Contract. Contractor shall demonstrate its legal capacity to perform the Services under the Contract in the State of Oregon before entering into the Contract.

16.8 Survival. All rights and obligations shall cease upon termination or expiration of the Contract except for the rights and obligations and declarations set forth in Articles V, VI, VII, VIII, IX, XII, XIV and XVI, and Sections 5, 6, 7, 8, 9, 11, 13.3, 15, 16.3, 16.4, 16.6, 16.8, 16.17, 16.18, and 16.20.

16.9 Time is of the Essence. Contractor agrees that time is of the essence in its performance under the Contract.

16.10 Force Majeure. Neither Authorized Purchaser nor Contractor shall be liable to the other for any failure or delay of performance of any obligations hereunder when such failure or delay shall have been wholly or principally caused by acts or events beyond its reasonable control, including without limitation acts of God, acts of civil or military authority, fires, floods, earthquakes or other natural disasters, war, riots or strikes. Contractor shall, however, make all reasonable efforts to remove or eliminate such a cause of delay or default and shall, upon the cessation of the cause, diligently pursue performance of its obligations under the Contract.

16.11 Notices. Except as otherwise expressly provided in the Contract, any communications between the parties hereto or notices to be given hereunder shall be given in writing by personal delivery of, facsimile transmission of, or mailing the same, postage prepaid, to Contractor or Authorized Purchaser at the address or number set forth in the Contract, or to such other addresses or numbers as either party may hereafter indicate pursuant to this Section 16.11. Any communication or notice so addressed and mailed shall be deemed to be given five (5) calendar days after mailing. Any communication or notice delivered by facsimile shall be deemed to be given when the transmitting machine generates receipt of the transmission. To be effective against Authorized Purchaser, such facsimile transmission must be confirmed by telephone notice to the Authorized Purchaser Authorized Representative. Any communication or

notice by personal delivery shall be deemed to be given when actually received by the appropriate Authorized Representative.

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

16.13 Counterparts. The Contract may be executed in several counterparts, all of which when taken together shall constitute one contract binding on all parties, notwithstanding that all parties are not signatories to the same counterpart. Each copy of the Contract so executed shall constitute an original.

16.14 Amendments. The Contract may be amended, modified, or supplemented only by a written amendment signed by Authorized Purchaser and Contractor that has been approved by DOJ, if required by applicable law. Any amendment that provides for additional Services may only provide for Services directly related to the scope of Services and Products described in the Agreement, and no amendment shall be effective until all requisite signatures and approvals are obtained.

16.15 Disclosure of Social Security Number. Contractor must provide Contractor's Social Security number unless Contractor provides a federal tax identification number. This number is requested pursuant to ORS 305.385 and OAR 150-305.100. Social Security numbers provided pursuant to this authority will be used for the administration of state, federal and local tax laws.

16.16 Waiver. The failure of either party to enforce any provision of the Contract or the waiver of any violation or nonperformance of the Contract in one instance shall not constitute a waiver by the party of that or any other provision nor shall it be deemed to be a waiver of any subsequent violation or nonperformance. No waiver, consent, modification, or change of terms of the Contract shall bind either party unless in writing and signed by both parties and all necessary State of Oregon approvals have been obtained. Such waiver, consent, modification, or change, if made, shall be effective only in the specific instance and for the specific purpose given.

16.17 Disaster Recovery; Backup. Notwithstanding the provisions of section 16.10, Contractor shall be responsible for providing disaster recovery services if Contractor experiences or suffers a disaster; Contractor shall take all necessary steps to ensure that Authorized Purchaser shall not be denied access to the Services for more than twenty four (24) hours in the event there is a disaster to Contractor data, Authorized Purchaser Data or Contractor Intellectual Property necessary to provide the Subscription Services and the Non-subscription Services. Contractor shall maintain the capability to resume provision of the Services from an alternative location and via an alternative telecommunications route in the event of a disaster that renders Contractor's data center unusable or unavailable. If Contractor fails to restore the Subscription Services and the

Non-subscription Services within twenty four (24) hours of the initial disruption to service, or Contractor declares more than two (2) disasters in any twelve (12) month period, Authorized Purchaser may declare Contractor to be in default of the Contract and Authorized Purchaser may seek alternate services, which would have otherwise been provided under the Contract, from another source. Contractor shall reimburse Authorized Purchaser for all costs reasonably incurred by Authorized Purchaser in obtaining such alternative services, with payment to be made within thirty (30) days of Authorized Purchaser's written request for such payments.

Contractor shall provide off-site storage on a weekly basis of all backup disks, data or materials of any type whatsoever produced in whole or in part in connection with or related to the performance by Contractor of its obligations under the Contract (including without limitation discs, tapes, other storage media, work papers and partial drafts of documentation code).

16.18 Integration. The Contract including the Agreement and its Exhibits constitute the entire agreement between the parties on the subject matter hereof. There are no understandings, agreements or representations, oral or written, not specified herein regarding the Contract.

16.19 No Partnership. The Contract is not intended, and shall not be construed, to create a partnership or joint venture between Authorized Purchaser and Contractor. Nothing in the Contract shall be construed to make Authorized Purchaser and Contractor partners or joint venture participants.

EXHIBIT B

SCHEDULE OF SERVICES AND COMPENSATION

Description of Service

- a. Provide secure electronic records management application and hosting and secure transport. Service shall include use of the HP TRIM DoD5015.2 continually compliant software. (The compliant software must be hosted on Contractor's maintained redundant, load balanced, and high-availability infrastructure in an appropriately hardened and secured data center environment that meets the standards of a Tier Two Data Center). All data storage shall be managed such that corrupt data can be recovered in less than 2 hours, and backed up and transported securely to a secure offsite location for disaster recovery. Missing data can be recovered in less than 24 hours, and backed up and transported securely to a secure offsite location for disaster recovery.
- b. Services shall meet the general requirements listed below and must address attachment size or any other known limits.

The standard Services listed below shall be included in the per user price. Contractor may provide and list additional options.

Standard Service to include:

- Use of HP TRIM ERMS licensed software
- ERMS Application configuration and administration set up
- Integration with GroupWise, Outlook and SharePoint
- Project Management
- 24X7 Helpdesk support
- User and administrative training
- User documentation
- Hosting with acceptable storage
- Direct billing to Authorized Purchaser
- Acceptable Service Levels
- Work with the Secretary of State's Business Services Division for fee distribution to the Archives Division for their services in retention schedule preparation, classification structure development and initial application use training, which is in addition to the services now provided for paper records.

Suggested Additional Services:

- Additional application integration
- Additional Project Management
- Additional hosting

- Additional user training
- Additional Help Desk Services

Hosting Solution provides:

A Tier II or higher Data Center, including, at a minimum:

- Physical, electronic and biometric security which meets the Oregon Department of Administrative Services Standards
- Acceptable availability and scalability for up to 100,000 users
- Windows application servers
- Redundancy built at all levels
- Adequate HVAC cooling to scale to statewide service
- Redundant ISP's with acceptable connectivity and speed
- Freeway and airport accessibility
- 24X7 infrastructure monitoring and support
- Located in a no flood zone
- The data center must be located in a an area that is projected to experience a less than 20% peak ground acceleration as indicated on the Oregon Department of Geology and Mineral Industries 'Earthquake Hazard Maps for Oregon

<http://www.oregongeology.com/sub/publications/gms/gms100.pdf>

Solution must also include:

- A costing model which provides economy of scale to lower subscription fees with increased number of users.

PROPOSED SaaS AND PROPOSERS ABILITY TO EXECUTE

- The SaaS proposed must be able to manage across multiple repositories.
- The SaaS proposed must be scalable to 100,000 + users.
- The SaaS proposed must be able to be integrated with Novell GroupWise and Microsoft Outlook mail systems as well as Sharepoint.
- The SaaS proposed must support and be compatible with the State's classification and scheduling system and record retention laws.
- The software component of the proposed solution, which will manage electronic records, must be HP TRIM certified against DoD5015.2 and remain certified through the life of the contract.
- The preferred server technology is Windows Application Server, Microsoft or Oracle data base and integration with Microsoft office.

c. Migration Support/Implementation Plan

Contractor shall provide a proven set of migration processes and tools to convert existing documents and email to the ERMS SaaS services. The existing Authorized Purchaser's

email services include but are not limited to GroupWise, Lotus Notes, hosted Exchange server, and POP3-based emails.

Contractor shall implement its transition plan for the first pilot agency with at least 1,000 users and 25 offices located across the State including a high level project schedule and roll-out plan. Contractor shall work with the Secretary's Archivist to bring in future agencies once the pilot is successful.

Contractor shall provide optional additional migration services as requested by Authorized Purchaser.

d. Authorized Purchaser Administrative Capability

Contractor shall include administrative access to Authorized Purchaser with the following minimum features:

- Authorized Purchaser's administrator(s) responsible for account administration (Move/Add/Change)
- Authorized Purchaser's administrator(s) can request assistance in using the ERMS tool and recovering documents if necessary
- Ad hoc per-user volume & storage usage reporting
- Authorized Purchaser's aggregate storage allocation & current consumption reporting
- Administrative abilities shall be able to be segregated by Authorized Purchaser

d. Archival and E-Discovery

Contractor shall meet the State's Archival and Retention rules (http://arcweb.sos.state.or.us/rules/OARS_100/OAR_166/166_tofc.html). Services shall include retention and e-discovery capability.

e. Record Security

In recognition of the sensitive nature of the information handled by Authorized Purchasers, Contractor shall ensure Authorized Purchaser's records are transported, stored, and accessed in a secure manner. Contractor shall abide by the following:

State's Security Plan and Standards:

http://www.oregon.gov/DAS/EISPD/ESO/SW_Plan_Standards.shtml

State Information Security Policies:

<http://www.oregon.gov/DAS/EISPD/ESO/Policies.shtml>

http://www.oregon.gov/DAS/EISPD/ESO/Policies.shtml#Policy_Set

Oregon ID Theft Act:

<http://www.oregon.gov/DAS/EISPD/ESO/IDTheft.shtml>

At Authorized Purchaser's request, segregated data storage will be provided.
[Describe measures taken to ensure records transported by and stored on Contractor's servers remains unaltered from its original form.]

Requirements include the following at a minimum:

- Transport of records between Contractor hosting site must be strongly encrypted
- All Authorized Purchaser's access to records at Contractor's site must be strongly encrypted
- Authorized Purchaser's access to records at Contractor's shall be strongly authenticated (e.g. secure token, certificate, PIN, etc.)
 - Prefer to use Authorized Purchaser's domain authentication.
- Access to records at Contractor's only from strongly authenticated users as defined in Enterprise Information Security Standard for the State of Oregon 1.1 "Authentication Standards". Authorized Purchaser's records are protected from unauthorized access from:
 - Contractor's other hosted customers and clients
 - Contractor's business partners and contractors of customers and clients
 - Contractor's administrative personnel
 - Internet users, general public
 - Unauthorized agency employees, contractors, and business partners
 - Unauthorized State of Oregon employees, contractors and business partners

f. Service Level and Remedies.

Service availability shall be a minimum of 99.99% measured on a monthly basis.
 Record retrieval delivery time shall be three minutes or less, 95%, measured on a monthly basis.

Provide 24 hours per day / 7 days per week / 365 days per year service support.

Remedies:

Measure	Performance (Monthly)	Remedy (Credit) per Month
Availability	99.99%	Monthly Fee x # of affected seats
Record Retrieval Time	95%	Monthly Fee x # of affected seats

Contractor shall provide a Statement of Compliance with the Service Level and Remedies identified above.

g. Other Requirements.

Reporting

Contractor shall at a minimum provide the following reports:

Usage reports, e.g., who (Agency) is using the ERMS system (sizes, frequencies, etc.)

Storage reports, e.g., who is using what kind of storage.

Status reports, e.g., to measure if service meets SLA.

Billing-related reports, e.g., fee per usage by Agency, departments, etc.

The frequency of reports will be determined by the Secretary and each Authorized Purchaser.

Training

Contractor shall provide at a minimum the following training and associated materials:

Issue escalation related training such as using Proposer's defect tracking system, escalation process, etc.

Billing-related training, e.g., ordering of additional services, resolve billing questions, etc

Support

Contractor shall provide a clearly defined support process that includes at a minimum the following:

1. Support triage model
2. Support request status
3. Service upgrade roadmap
4. User panel
5. Escalation process
6. Personal distribution list capability
7. Contact List
8. Disaster/business continuity capability
9. Migration planning and services, tools, training
10. Overview of Proposer's business (Length of time offering requested services, number and churn rate of clients, migration references)
11. Proposer's operational processes (ISOxxxx, ITIL, etc)
 - a. Configuration & change management
 - b. Network security administration

- c. System administration
 - d. External certification/auditing for infrastructure and ERMS DoD 5015.2 compliance
- 12. Virus protection (including process to keep current in perpetuity)
- 13. email clients and other applications supported
- 14. Browsers supported (for remote access & administrative access)
- 15. Description of datacenter(s), type classification, geographic redundancy, certifications, square footage, ownership, number servers, etc
- 16. Service Performance
 - a. SLA & nonperformance penalties
 - b. Operational Key Performance Metrics (Network/server utilization, etc)
- 17. Authorized Purchaser authentication required for access to accounts
- 18. Service termination
 - a. Clearly defined service termination process
 - b. Record protection plan
- 19. Help Desk
- 20. Information security incident response process

Pricing

Number of Users	Cost per Month	Monthly Rebate
	per User	
2,000	\$37.02	\$8.76
3,000	\$37.02	\$8.76
4,000	\$29.74	\$4.87
5,000	\$26.66	\$2.92
6,000	\$24.06	
7,000	\$21.61	
8,000	\$19.62	
9,000	\$18.81	
10,000	\$17.53	
11,000	\$16.55	
12,000	\$15.71	
13,000	\$14.68	
14,000	\$14.02	
15,000	\$13.55	
16,000	\$12.54	
17,000	\$11.96	
18,000	\$11.44	
19,000	\$10.99	
20,000	\$10.54	

EXHIBIT C

INSURANCE

A. **REQUIRED INSURANCE.** Contractor shall obtain at Contractor's expense the insurance specified in this Exhibit C prior to performing under the Agreement or any Contract and shall maintain it in full force and at its own expense throughout the duration of the Agreement and any Contract and all warranty periods. Contractor shall obtain the following insurance from insurance companies or entities that are authorized to transact the business of insurance and issue coverage in State and that are acceptable to the State.

i. **WORKERS COMPENSATION.** All employers, including Contractor, that employ subject workers, as defined in ORS 656.027, shall comply with ORS 656.017 and shall provide workers' compensation insurance coverage for those workers, unless they meet the requirement for an exemption under ORS 656.126(2). Contractor shall require and ensure that each of its subcontractors complies with these requirements.

ii. **PROFESSIONAL LIABILITY**

☒ **Required by State** ☐ **Not required by State**

Professional Liability. Contractor shall obtain and maintain at its own expenses for the duration of the Agreement and any Contract. Professional Liability Insurance with a combined single limit, or the equivalent, as set forth below. This is to cover damages caused by error, omission or negligent acts related to the professional services to be provided under the Agreement and any Contract. Full limits can be obtained by the purchase of one primary policy or a primary and excess policy as needed to provide the full policy limits. Such policy shall include coverage for losses arising from the breach of information security or cyber liability (including Technology Errors & Omissions, Network Security and Privacy Liability and Media Liability), whether combined with the Professional Liability policy or placed as a separate policy, but carrying the same limits of liability. Such coverage shall insure damage caused by error, omission, or negligent acts, including all prior acts without limitation, related to the professional services to be provided under the Agreement and any Contract. The Policy shall be amended to include Independent Contractors providing Professional Services on behalf of or at the direction of Contractor. The definition of Contractual Liability shall be amended to state that liability under a contract of professional services is covered. Further, coverage shall be afforded for fraudulent acts, misappropriation of trade secrets, internet professional services, computer attacks, personal injury, regulatory actions, known wrongful acts, contractual liability, privacy policy, and insured versus insured.

☒ Per occurrence limit for any single claimant:

July 1, 2010 to June 30, 2011:	\$1,700,000.
July 1, 2011 to June 30, 2012:	\$1,800,000.

July 1, 2012 to June 30, 2013:	\$1,900,000.
July 1, 2013 to June 30, 2014:	\$2,000,000.
July 1, 2014 to June 30, 2015:	\$2,100,000.

July 1, 2015 and thereafter, the adjusted limitation as determined by the State Court Administrator pursuant to Oregon Laws 2009, chapter 67, sections 3 and 5 (Senate Bill 311).

Per occurrence limit for any number of claimants

.

July 1, 2010 to June 30, 2011:	\$3,700,000.
July 1, 2011 to June 30, 2012:	\$3,900,000.
July 1, 2012 to June 30, 2013:	\$4,100,000.
July 1, 2013 to June 30, 2014:	\$4,300,000.
July 1, 2014 to June 30, 2015:	\$4,500,000.

July 1, 2015 and thereafter, the adjusted limitation as determined by the State Court Administrator pursuant to Oregon Laws 2009, chapter 67, sections 3 and 5 (Senate Bill 311).

iii. COMMERCIAL GENERAL LIABILITY.

☒ **Required by the State** ☐ **Not required by the State**

Commercial General Liability. Commercial General Liability Insurance covering bodily injury, death and property damage in a form and with coverages that are satisfactory to the State. This insurance shall include personal injury liability, products and completed operations. Coverage shall be written on an occurrence basis. Contractor shall provide proof of insurance of not less than the following amounts as determined by the State:

☒ Per occurrence limit for any single claimant:

July 1, 2010 to June 30, 2011:	\$1,600,000.
July 1, 2011 to June 30, 2012:	\$1,700,000.
July 1, 2012 to June 30, 2013:	\$1,800,000.
July 1, 2013 to June 30, 2014:	\$1,900,000.
July 1, 2014 to June 30, 2015:	\$2,000,000.

July 1, 2015 and thereafter, the adjusted limitation as determined by the State Court Administrator pursuant to Oregon Laws 2009, chapter 67, section 3 (Senate Bill 311).

Per occurrence limit for any number of claimants:

July 1, 2010 to June 30, 2011:	\$3,200,000.
July 1, 2011 to June 30, 2012:	\$3,400,000.
July 1, 2012 to June 30, 2013:	\$3,600,000.
July 1, 2013 to June 30, 2014:	\$3,800,000.
July 1, 2014 to June 30, 2015:	\$4,000,000.

July 1, 2015 and thereafter, the adjusted limitation as determined by the State Court Administrator pursuant to Oregon Laws 2009, chapter 67, section 3 (Senate Bill 311).

AND

Property Damage:

☒ Per occurrence limit for any single claimant:

From January 1, 2010, and every year thereafter the adjusted limitation as determined by the State Court Administrator pursuant to Oregon Laws 2009, chapter 67, section 5 (Senate Bill 311).

Per occurrence limit for any number of claimants:

From January 1, 2010, and every year thereafter, the adjusted limitation as determined by the State Court Administrator pursuant to Oregon Laws 2009, chapter 67, 5 (Senate Bill 311).

iv. AUTOMOBILE LIABILITY INSURANCE: AUTOMOBILE LIABILITY.

☒ **Required by the State** ☐ **Not required by the State**

Automobile Liability. Automobile Liability Insurance covering all owned, non-owned, or hired vehicles. This coverage may be written in combination with the Commercial General Liability Insurance (with separate limits for “Commercial General Liability” and “Automobile Liability”). Contractor shall provide proof of insurance of not less than the following amounts as determined by the State:

☒ Per occurrence limit for any single claimant:

July 1, 2010 to June 30, 2011:	\$1,600,000.
July 1, 2011 to June 30, 2012:	\$1,700,000.
July 1, 2012 to June 30, 2013:	\$1,800,000.
July 1, 2013 to June 30, 2014:	\$1,900,000.
July 1, 2014 to June 30, 2015:	\$2,000,000.

July 1, 2015 and thereafter, the adjusted limitation as determined by the State Court Administrator pursuant to Oregon Laws 2009, chapter 67, section 3 (Senate Bill 311).

Per occurrence limit for any number of claimants:

July 1, 2010 to June 30, 2011:	\$3,200,000.
July 1, 2011 to June 30, 2012:	\$3,400,000.
July 1, 2012 to June 30, 2013:	\$3,600,000.
July 1, 2013 to June 30, 2014:	\$3,800,000.
July 1, 2014 to June 30, 2015:	\$4,000,000.

July 1, 2015 and thereafter, the adjusted limitation as determined by the State Court Administrator pursuant to Oregon Laws 2009, chapter 67, section 3 (Senate Bill 311).

AND

Property Damage:

☒ Per occurrence limit for any single claimant:

From January 1, 2010, and every year thereafter the adjusted limitation as determined by the State Court Administrator pursuant to Oregon Laws 2009, chapter 67, section 5 (Senate Bill 311).

Per occurrence limit for any number of claimants:

From January 1, 2010, and every year thereafter the adjusted limitation as determined by the State Court Administrator pursuant to Oregon Laws 2009, chapter 67, section 5 (Senate Bill 311).

v. EMPLOYERS' LIABILITY.

☐ **Required by the State** ☒ **Not required by the State**

If Contractor is a subject employer, as defined in ORS 656.023, Contractor shall obtain employers' liability insurance coverage. Contractor shall provide proof of insurance of not less than the following amounts as determined by the State:

☐ *\$(the State to enter amount)* Per occurrence limit for any single claimant; and
\$(the State to enter amount) Per occurrence limit for any number of claimants

OR

☐ Per occurrence limit for any single claimant:

July 1, 2010 to June 30, 2011:	\$1,600,000.
July 1, 2011 to June 30, 2012:	\$1,700,000.
July 1, 2012 to June 30, 2013:	\$1,800,000.
July 1, 2013 to June 30, 2014:	\$1,900,000.
July 1, 2014 to June 30, 2015:	\$2,000,000.

July 1, 2015 and thereafter, the adjusted limitation as determined by the State Court Administrator pursuant to Oregon Laws 2009, chapter 67, section 3 (Senate Bill 311).

Per occurrence limit for any number of claimants:

July 1, 2010 to June 30, 2011:	\$3,200,000.
July 1, 2011 to June 30, 2012:	\$3,400,000.

July 1, 2012 to June 30, 2013:	\$3,600,000.
July 1, 2013 to June 30, 2014:	\$3,800,000.
July 1, 2014 to June 30, 2015:	\$4,000,000.

July 1, 2015 and thereafter, the adjusted limitation as determined by the State Court Administrator pursuant to Oregon Laws 2009, chapter 67, section 3 (Senate Bill 311).

vi. POLLUTION LIABILITY.

☐ **Required by the State** ☒ **Not required by the State**

Pollution Liability Insurance covering Contractor's liability for bodily injury, property damage and environmental damage resulting from either sudden or gradual accidental pollution and related cleanup costs incurred by Contractor, all arising out of the Goods delivered or Services (including transportation risk) performed under the Agreement or any Contract. Combined single limit per occurrence shall not be less than _____. Annual aggregate limit shall not be less than _____.

B. ADDITIONAL INSURED.

The Commercial General Liability insurance and Automobile Liability insurance required under the Agreement shall include the State of Oregon, its officers, employees and agents as Additional Insureds but only with respect to Contractor's activities to be performed under the Agreement. Coverage shall be primary and non-contributory with any other insurance and self-insurance.

C. "TAIL" COVERAGE.

If any of the required professional liability insurance is on a "claims made" basis, Contractor shall either maintain either "tail" coverage or continuous "claims made" liability coverage, provided the effective date of the continuous "claims made" coverage is on or before the Effective Date of the Agreement, for a minimum of 24 months following the later of (i) Contractor's completion and the Authorized Purchaser's acceptance of all Services required under any Contract, or, (ii) The expiration of all warranty periods provided under any Contract. Notwithstanding the foregoing 24-month requirement, if Contractor elects to maintain "tail" coverage and if the maximum time period "tail" coverage reasonably available in the marketplace is less than the 24-month period described above, then Contractor shall maintain "tail" coverage for the maximum time period that "tail" coverage is reasonably available in the marketplace for the coverage required under the Agreement. Contractor shall provide to the State, upon request, certification of the coverage required under this section.

D. NOTICE OF CANCELLATION OR CHANGE.

There shall be no cancellation, material change, potential exhaustion of aggregate limits or non-renewal of insurance coverage(s) without sixty (60) days' written notice from this Contractor or its insurer(s) to the State. Any failure to comply with the reporting

provisions of this clause shall constitute a material breach of the Agreement and the Contract and shall be grounds for immediate termination of the Agreement or any Contract by the State or an Authorized Purchaser.

E. CERTIFICATE(S) OF INSURANCE.

Contractor shall provide to the State Certificate(s) of Insurance for all required insurance before performing any Services required under any Contract. The Certificate(s) must specify all entities and individuals who are endorsed on the policy as Additional Insured (or Loss Payees). Contractor shall pay for all deductibles, self-insured retention and self-insurance, if any.

EXHIBIT D

SUBSCRIPTION SERVICES CONTRACT

This Subscription Services Contract Number _____ (“Contract”) is effective _____ (“Contract Effective Date”) between _____ (“Contractor”) and _____ (“Authorized Purchaser”).

THIS CONTRACT IS ENTERED INTO PURSUANT TO AGREEMENT # 0486 AND IS SUBJECT TO THE TERMS AND CONDITIONS SET FORTH THEREIN. THE TERMS AND CONDITIONS OF THE AGREEMENT APPLY TO THIS CONTRACT AND TAKE PRECEDENCE OVER ALL OTHER CONFLICTING TERMS AND CONDITIONS, EXPRESS OR IMPLIED.

1. Subscription Services.

The Contractor will provide to the Authorized Purchaser all required services listed in Exhibit B which includes: access to and use of the HP TRIM application, software and data hosting and storage, and helpdesk support services. The Archives Division will provide the training for using HP TRIM. The Contractor may provide training to other software integrations.

2. Subscription Fee and Payment Schedule.

Based on the total monthly fee and number of Users listed below, Authorized Purchaser shall pay Contractor _____ payable in _____ monthly installments commencing upon Authorized Purchaser’s acceptance of the Subscription Services and as further specified in Section 3, below.

[Insert a chart setting out software applications, whether maintenance, support and upgrade protection are included or separate, number of users (or other basis for charges), periodic fee for each line item, the fee payment schedule, the term for each line item and any other considerations or limitations.]

Monthly Fee (\$) Per User	Number of Users

Invoices shall be issued on the _____ day of the month following the calendar month in which the Subscription Services were provided. All undisputed, timely and valid invoices are due in full _____ days after receipt by Authorized Purchaser. The initial pricing in this Contract is and shall remain valid for the Initial Period, defined in Section 6 below, and through the second

(2nd) Renewal Period, defined in Section 6 below.

Invoices shall be provided to the Authorized Purchaser in electronic or paper format as follows:

Authorized Purchaser Name:

Contact Name:

Address:

Phone:

Email Address:

3. Additional Users.

During the term of this Contract, Authorized Purchaser may add additional Users, above the initial number of Users specified in Section 2, to the Subscription Services by executing an amendment to this Contract. Based on the amendment, the monthly installment fee will increase based on the table below for each additional User for the remaining term of the Initial Period and through the second (2nd) Renewal Period commencing on the day the additional Users are specified by Authorized Purchaser.

Monthly Fee (\$) Per User	Number of Additional Users
	<50
	50 to 100
	101 to 250
	251 to 500
	>501

4. Authorized Purchaser Acceptance.

Contractor shall, during or before the initial implementation phase, develop and recommend to Authorized Purchaser an acceptance test that is reasonably constructed to test the ability of the Subscription Services and associated Software Applications, as implemented by Contractor, to produce the results and other Deliverables specified in this Contract. Authorized Purchaser may accept the proposed acceptance test as recommended or modify it as Authorized Purchaser deems reasonable. Contractor shall provide Authorized Purchaser with access to the Subscription Services on or before _____. On the transition date,

Contractor shall assume responsibility for providing ongoing Subscription Services.

Upon the conclusion of any consecutive forty-five (45) day period of production processing from the transition date, when all Service Levels set out below have been met successfully, the Subscription Services shall be deemed accepted, and Authorized Purchaser will notify Contractor in writing. Nothing contained in this Section 4 or any other provision of this Contract shall be deemed to prevent Authorized Purchaser from using any portion of the Subscription Services in a live environment for productive processing, and any such use shall not alter, amend or modify any of Contractor's obligations pursuant to the Contract.

5. Period of Performance.

The period of performance of this Contract shall commence on the Contract Effective Date and shall continue for a period of _____ months plus the interim period between the effective date and the date of acceptance (the "Initial Period"). Thereafter, Authorized Purchaser may renew this Contract twice for additional periods (each a "Renewal Period"), subject to the terms of the Agreement.

Authorized Purchaser may terminate this Contract by providing Contractor with a notice of termination sixty (60) days prior to the termination date.

6. Consulting, Implementation, Training and/or Support Services.

Contractor shall provide the consulting, implementation, training and/or support services related to the Subscription Services as set forth in Section 2.

7. Security Procedures.

Contractor shall define certain policies and procedures that it shall have in place in order to provide the level of security associated with the Subscription Services and with the Service Levels set forth in Section 11. These policies and procedures shall be updated by Contractor from time to time to reflect emerging technologies, business practices and Internet-related issues. Contractor shall attach a copy of these policies and procedures to this Contract as Attachment 1. Contractor shall provide written notice to Authorized Purchaser of any changes made to its security policies and procedures within ten (10) days of such changes, and Attachment 1 shall be updated accordingly.

8. Desktop Specifications.

Contractor warrants that the minimum technical requirements for access to and operation of the Software are: _____. If future releases of the Software require use of newer versions of these web browsers, Contractor will provide a minimum of one hundred and eighty (180) days' written notice to Authorized Purchaser prior to the general release of that Software version.

Additional technical requirements for complete operation of all functionality of the Software include: _____.

9. Transition.

Contractor shall provide a transition plan that is approved by Authorized Purchaser. Subscription Services shall be transitioned and in production, as accepted by Authorized Purchaser, within _____ calendar days from the Schedule Effective Date.

10. Transition Remedy.

In the event that Contractor fails to meet the date for the completion of the transition into production of the Subscription Services, Contractor shall credit Authorized Purchaser one percent (1%) of the monthly Service fees for every business day the transition is late. If Contractor misses the target date by more than thirty days (30) days, Contractor shall be deemed to be in material breach of the Agreement.

If Authorized Purchaser does not meet its obligations as identified in the transition plan provided by Contractor and Authorized Purchaser is the sole cause of a delay in the project, the transition milestone target dates shall be extended for the same amount of time as the delay. Contractor shall promptly notify the Authorized Purchaser Program Manager, in writing, of any delay in the project schedule as a result of Authorized Purchaser's failure to meet any of its obligations identified above. If Contractor fails to notify Authorized Purchaser of any such Authorized Purchaser failure to meet its obligations, Authorized Purchaser shall be conclusively presumed under the Contract to have met its obligations, and consequently, Contractor shall not be entitled to rely on such delay to excuse it from meeting the milestone target dates.

11. Service Levels and Remedies.

11.1 Security Service Level.

The required security processes may include, but are not limited to, the following:

- (i) Contractor shall have staff on duty and at its site 24x7 and capable of identifying, categorizing, and responding to a security incident.
- (ii) Contractor shall notify Authorized Purchaser of any new potential security vulnerability within four (4) hours of discovery. This notification shall include the probable risks associated with the vulnerability.
- (iii) Contractor shall implement a security fix across the application within four (4) hours of approval from Authorized Purchaser.

- (iv) Contractor shall notify the Authorized Purchaser Program Manager within fifteen (15) minutes if Contractor believes that an attack is in process.
- (v) Contractor shall shut down ALL access to the Software or any component of it associated with the Subscription Services within fifteen (15) minutes upon request of the Authorized Purchaser Program Manager or officer of Authorized Purchaser.
- (vi) Contractor shall assist Authorized Purchaser in preparing written responses to audit requirements or findings without charge.
- (vii) Contractor represents and warrants that it has successfully passed a SAS 70 Type II Audit within the past twelve (12) months and shall provide the documented audit results to Authorized Purchaser no later than fifteen (15) days after execution of this Contract.
- (viii) Contractor must conduct and pass a SAS 70 Type II Audit every twelve (12) months during the term of this Contract. Failure by Contractor to pass the audit or to provide the audit results to Authorized Purchaser within fifteen (15) days after receiving the results from the auditor shall constitute a material breach of the Agreement.

11.2 System Response Time Service Level.

Contractor represents and warrants that ninety-five percent (95%) of all transactions shall process at no more than one (1) second; no single transaction shall take longer than five (5) seconds to process. Authorized Purchaser retains the option of using a third party service to validate the performance of Contractor's response times.

If Contractor's system response times fall below the warranted level for two (2) or more consecutive weeks, Authorized Purchaser shall receive service credits in the amount of twenty five percent (25 %) of the Subscription Services fees for that month. If Contractor's system response times fall below the warranted level for six (6) out of eight (8) consecutive weeks, Contractor shall be considered to be in default, and Authorized Purchaser may terminate the Agreement without penalty.

Contractor represents and warrants that the above performance Service Levels shall be valid with up to 100,000 Users using the application at any given time.

11.3 Subscription Services Availability Service Level.

Contractor agrees that the Subscription Services shall be available to Authorized Purchaser at least 99.7% of the time each calendar month, measured on a 7 x 24 basis (7 days a week, 24 hours per day).

If the Subscription Services availability percentage falls below 99.7% in any month, Authorized Purchaser shall be entitled to a credit on that month's bill for Subscription Services according to the table below.

Availability Percentage	Percentage of Credit
99.60% to 99.69%	10%
99.50% to 99.59%	20%
99.0% to 99.49%	30%
97.0% to 98.99%	50%
Below 97.00%	75%

11.4 Performance and Availability Scalability.

Contractor represents and warrants that the performance and availability Service Levels shall be valid and applicable with a concurrent User increase of up to _____ Users.

11.5 Notifications to Authorized Purchaser.

Contractor shall provide proactive notifications to Authorized Purchaser regarding scheduled system-maintenance downtime and system upgrades and enhancements. Contractor shall provide Authorized Purchaser with at least seven (7) calendar days' prior written notice of any scheduled outages; such notices shall include the date of the outage and the start and stop times of the outage.

11.6 Additional Environment.

Contractor will provide an additional environment at no additional charge for Authorized Purchaser's testing and/or training purposes, without limitation. Authorized Purchaser agrees not to use the additional environment for production purposes.

11.7 Support and Error Resolution.

Contractor shall establish and maintain the organization and processes necessary to provide support and error-resolution services to Authorized Purchaser. Contractor shall provide support and error-resolution services on a twenty-four (24) hours a day, seven (7) days a week basis via telephone from 8:00 a.m. to 6:00 p.m. in all time zones , with ninety-eight percent (98%) of calls picked up within two (2) rings, and pager service in all other hours, with a call back within five (5) minutes.

Upon receipt of telephone or written notice from the Authorized Purchaser specifying a problem, and upon receipt of such additional information as Contractor may request, Contractor shall respond as described below to resolve reported and reproducible errors in the Subscription Services or SaaS Software, so that the application operates as specified in this Contract. Contractor shall determine the priority level in accordance with the following protocols:

- (i) **SEVERITY 1 – CRITICAL BUSINESS IMPACT.** The production use of the Subscription Services is stopped or so severely impacted that the Authorized Purchaser cannot reasonably continue work; requires round-the-clock attention until the problem is resolved (a “Severity 1 Error”).
 - a. Contractor shall begin work on the error within fifteen (15) minutes of notification;
 - b. Contractor shall engage development staff until the problem is circumvented or corrected; and
 - c. Contractor shall provide Authorized Purchaser with ongoing communication on the status of the problem resolution.
- (ii) **SEVERITY 2 – SIGNIFICANT BUSINESS IMPACT.** A high-impact problem is affecting Service Levels and/or materially impacting Authorized Purchaser’s use of the Subscription Services. Problem resolution shall be initiated within sixty (60) minutes, and the resolution of these problems requires serious and sustained attention during normal business hours (8:00 am to 5:00 pm, Pacific time, Monday through Friday, exclusive of State holidays) until the problems are circumvented or corrected (a “Severity 2 Error”).
 - a. Contractor shall begin work on the error within sixty (60) minutes of notification;

- b. Contractor shall engage development staff until the problem is circumvented or corrected; and
 - c. Contractor shall provide Authorized Purchaser with ongoing communication on the status of the problem resolution.
- (iii) SEVERITY 3 – SOME BUSINESS IMPACT. This includes problems of general work-queue type and that do not come within the definitions of Severity 1 Error or Severity 2 Error. These problems shall be addressed after Severity 1 Errors and Severity 2 Errors have been corrected and may be pursued during normal business hours on a resources-available basis (a “Severity 3 Error”).
 - a. Contractor shall begin work on the error within one (1) day of notification; and
 - b. Contractor shall engage development staff to provide a workaround and to resolve the problem as soon as possible after notification by Authorized Purchaser.
- (iv) SEVERITY 4 – MINIMUM BUSINESS IMPACT. Authorized Purchaser requests information, an enhancement, or documentation clarification regarding the Subscription Services or SaaS Software but there is no impact on the operation of the Subscription Services or SaaS Software. The implementation or production use of the Subscription Services or SaaS Software is continuing and there is no work being impeded at the time (a “Severity 4 Error”).
 - a. Contractor shall provide a response regarding the requested information or documentation clarification within two (2) days of notification by Authorized Purchaser; and
 - b. Contractor shall consider enhancements for inclusion in a subsequent update to the Subscription Services, SaaS Software or Documentation.

12. Termination and Transition Assistance.

If this Contract is terminated, the procedure shall be charted as follows:

Date of Termination	Amount(s) due and owing as of this date	Termination Assistance begins/ends on _____

BY EXECUTING THIS CONTRACT, THE PARTIES AGREE TO BE BOUND BY ITS TERMS AND CONDITIONS.

AUTHORIZED PURCHASER

By:_____

Name:_____

Title:_____

Date:_____

CONTRACTOR

By:_____

Name:_____

Title:_____

Date:_____

EXHIBIT E

NON-SUBSCRIPTION SERVICES CONTRACT

This Non-Subscription Services Contract Number ____ (“Contract”) is effective _____ (“Contract Effective Date”) between _____ (“Contractor”) and _____ (“Authorized Purchaser”).

THIS CONTRACT IS ENTERED INTO PURSUANT TO AGREEMENT # 0486 AND IS SUBJECT TO THE TERMS AND CONDITIONS SET FORTH THEREIN. THE TERMS AND CONDITIONS OF THE AGREEMENT APPLY TO THIS CONTRACT AND TAKE PRECEDENCE OVER ALL OTHER CONFLICTING TERMS AND CONDITIONS, EXPRESS OR IMPLIED.

This Contract addresses the specific terms and conditions relating to the Non-subscription Services to be provided by Contractor:

1. Services to be performed:
 - 1.1. Description of Non-subscription Services – *All services in addition to those listed in Exhibit B section b « Standard Services ».*
 - 1.2. Contractor’s Responsibilities and Tasks
 - 1.3. Transition Process, Timeline and Milestones
 - 1.4. Deliverables and Due Dates
 - 1.5. Acceptance Specifications
 - 1.6. Service Levels - Set forth any Service Levels applicable to the Non-subscription Services
 - 1.7. Duration of Project or Ongoing Services
2. Term of the Contract:
3. Sites to be Supported:
4. Pricing: Specify pricing for all Non-subscription Services incorporating all pricing options as appropriate.
5. Reports to be Provided:
6. Invoicing Requirements:
7. Authorized Purchaser Responsibilities:

8. Other Specifications:

9. Project Managers: - All contact persons

Authorized Purchaser Project Manager

Contractor Project Manager

Name:

Name:

Phone Number:

Phone Number:

E-mail:

E-mail:

Address:

Address:

BY EXECUTING THIS CONTRACT, THE PARTIES AGREE TO BE BOUND BY ITS TERMS AND CONDITIONS.

CONTRACTOR

AUTHORIZED PURCHASER

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

EXHIBIT F
VCAF REPORT

EXHIBIT G

CONTRACTOR DATA AND TAX CERTIFICATION

Certification: The individual signing on behalf of Contractor hereby certifies and swears under penalty of perjury: (a) the number shown on this form is Contractor's correct taxpayer identification; (b) Contractor is not subject to backup withholding because (i) Contractor is exempt from backup withholding, (ii) Contractor has not been notified by the IRS that Contractor is subject to backup withholding as a result of a failure to report all interest or dividends, or (iii) the IRS has notified Contractor that Contractor is no longer subject to backup withholding; (c) s/he is authorized to act on behalf of Contractor, s/he has authority and knowledge regarding Contractor's payment of taxes, and to the best of her/his knowledge, Contractor is not in violation of any Oregon tax laws, including, without limitation, those tax laws listed in ORS 305.380(4), namely ORS Chapters 118, 314, 316, 317, 318, 320, 321 and 323 and Sections 10 to 20, Chapter 533, Oregon Laws 1981, as amended by Chapter 16, Oregon Laws 1982 (first special session); the elderly rental assistance program under ORS 310.630 to 310.706; and any local taxes administered by the Oregon Department of Revenue under ORS 305.620; (d) Contractor is an independent contractor as defined in ORS 670.600; and (e) the supplied Contractor data is true and accurate.

Federal Tax Number _____

Oregon Tax Number _____

Contractor Signature _____ Date _____

EXHIBIT H

CERTIFICATION STATEMENT FOR INDEPENDENT CONTRACTOR

(Contractor completes if Contractor is not a corporation or is a professional corporation.)

Contractor certifies he/she meets the following standards:

1. I am registered under ORS chapter 701 to provide labor or services for which such registration is required.
2. I have filed federal and state income tax returns in the name of my business or a business Schedule C as part of the personal income tax return, for the previous year, or expect to file federal and state income tax returns, for labor or services performed as an independent contractor in the previous year.
3. I will furnish the tools or equipment necessary for the contracted labor or services.
4. I have the authority to hire and fire employees who perform the labor or services.
5. I represent to the public that the labor or services are to be provided by my independently established business as four (4) or more of the following circumstances exist. (Please check four or more of the following:)
 - A. The labor or services are primarily carried out at a location that is separate from my residence or is primarily carried out in a specific portion of my residence, which is set aside as the location of the business.
 - B. Commercial advertising or business cards are purchased for the business, or I have a trade association membership.
 - C. Telephone listing is used for the business that is separate from the personal residence listing.
 - D. Labor or services are performed only pursuant to written contracts.
 - E. Labor or services are performed for two or more different persons within a period of one year.
 - F. I assume financial responsibility for defective workmanship or for service not provided as evidenced by the ownership of performance bonds, warranties, errors and omission insurance or liability insurance relating to the labor or services to be provided.

Contractor Signature _____ Date _____

EXHIBIT I
REQUEST FOR PROPOSAL
RFP #102-1752-10

EXHIBIT J

CONTRACTOR'S PROPOSAL

[Include price proposal]

OFFICE OF THE SECRETARY OF STATE

KATE BROWN
SECRETARY OF STATE

BARRY PACK
DEPUTY SECRETARY OF STATE



BUSINESS SERVICES DIVISION
JEFF MORGAN
DIRECTOR

255 Capitol Street NE, Suite 180
Salem, Oregon 97310-1342
Information (503) 986-2204

Facsimile (503) 378-4991

AMENDMENT #1 TO MASTER SOFTWARE AS A SERVICE AGREEMENT #0486

This is Amendment No. 1 to Master Software as a Service Agreement #0486 dated December 8, 2010 (the "Agreement") between the STATE OF OREGON, acting by and through the Office of the Secretary of State ("the Secretary" or "SOS") and Chaves Consulting, Inc. (the "Contractor"). This Amendment is effective upon the date it is fully executed and approved in accordance with applicable law.

The Agreement is amended as follows (deleted language has a strike through and new language is in bold print and underlined).

AMENDMENT

1. The last sentence of Section 2 is amended as follows:

Any conflict among the provisions of the Agreement shall be resolved according to the following descending order of precedence: (a) the terms and conditions of this Agreement, less its Exhibits; (b) Exhibit I; (c) Exhibit A; ~~(e) (d)~~ Exhibit B; ~~(d) (e)~~ the contract; ~~(e) (f)~~ Exhibits C, F, G, H, and J.

2. The third sentence of Section 5.4 of Exhibit A is amended as follows:

Nothing in the agreement is to be construed as permitting any violation of Article XI, Section 7 of the Oregon Constitution or any other law regulating liabilities or monetary obligations of the State of Oregon or Authorized Purchasers that are not contracting agencies of the State of Oregon.

3. The second sentence of Section 6.6 of Exhibit A is amended as follows:

Except as expressly set forth in the Contract or Agreement, nothing shall be construed as granting to or conferring upon Authorized Purchaser any right, title, or interest in any Contractor Intellectual Property that is now owned or subsequently owned by Contractor.

4. The first sentence of Section 7.2 of Exhibit A is amended as follows:

Contractor agrees to hold Confidential Information in strict confidence, using at least the same degree of care that the Contractor uses in maintaining the confidentiality of its own confidential information and in no event less than a reasonable degree of care, and not to copy, reproduce, sell, assign, license, market, transfer or otherwise dispose of, give, or disclose Confidential Information to third parties, or use Confidential Information for any purposes whatsoever other than the provision of Services to Authorized Purchaser hereunder, and to advise each of its employees and subcontractors of their obligations to keep Confidential Information confidential.

5. The third sentence of Section 7.3 of Exhibit A is replaced with the following:

~~Therefore prior to the receipt of, and during the period in which Contractor has possession of or access to, any Personal Information, By the end of the Pilot Period, and in no event more than 12 months from the commencement of Services as defined in Exhibit A, Section 2, Contractor shall finalize~~ a formal written information security program that provides safeguards to protect Personal Information from loss, theft, and

disclosure to unauthorized persons, as required by Oregon Consumer Identity Theft Protection Act, ORS 646A.600-646A.628.

6. The last sentence of Section 9.3 of Exhibit A is amended as follows:

The State of Oregon or an Authorized Purchaser that is not a contracting agency of the State of Oregon (collectively "Indemnified Party") may at its election and expense, assume its own defense and settlement in the event that the ~~State of Oregon~~ Indemnified Party determines that Contractor is prohibited from defending the ~~State of Oregon~~ Indemnified Party is not adequately defending the ~~State of Oregon's~~ Indemnified Party's interests, or that an important governmental principle is at issue and the ~~State of Oregon~~ Indemnified Party desires to assume its own defense.

7. Section 16.8 of Exhibit A is amended as follows:

All rights and obligations shall cease upon termination or expiration of the Contract except for the rights and obligations and declarations set forth in Articles V, VI, VII, IX, XII, XIV, and XVI, and Sections 5, 6, 7, 8, 9, 11, 13.3, 15, 16.3, 16.4, 16.6, 16.8, 16.17, 16.18, and ~~46.20~~ 16.19.

8. The first sentence of Section f of Exhibit B is replaced with the following:

Service availability shall be a minimum of ~~99.99%~~ 99.7% measured on a monthly basis. Correspondingly, the "99.99%" performance measure in the box under "Performance (Monthly)" is replaced with "99.7%".

9. The following sentence is added between the second and third sentences of Section f of Exhibit B:

Record retrieval delivery time shall be measured at the server end between the ORMS workgroup server and database at Synergy Data Center.

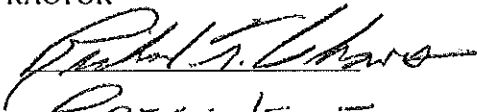
Except as expressly amended above, all other terms and conditions of original contract are still in full force and effect. Contractor certifies that the representations, warranties and certifications contained in the original contract are true and correct as of the effective date of this amendment and with the same effect as though made at the time of this amendment.

The individual signing on behalf of Contractor hereby certifies and swears under penalty of perjury that s/he is authorized to act on behalf of Contractor, s/he has authority and knowledge regarding Contractor's payment of taxes, and to the best of her/his knowledge, Contractor is not in violation of any Oregon tax laws including without limitation a state tax imposed by ORS 320.005 to 320.150 and 403.200 to 403.250, ORS Chapters 118, 314, 316, 317, 318, 321 and 323; and the elderly rental assistance program under ORS 310.630 to 310.706; and any other local taxes administered by the Department of Revenue under ORS 305.620.

SIGNATURES

CONTRACTOR

By:



Title

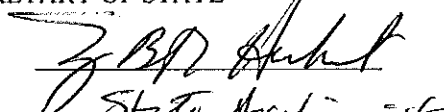
PRESIDENT

Date

03/14/2012

SECRETARY OF STATE

By:



Title

State Archivist

Date

4/2/12

APPROVED AS TO LEGAL SUFFICIENCY:

As per Email dated 3/02/12

Assistant Attorney General

Date

OFFICE OF THE SECRETARY OF STATE

KATE BROWN
SECRETARY OF STATE

BARRY PACK
DEPUTY SECRETARY OF STATE



BUSINESS SERVICES DIVISION
JEFF MORGAN
DIRECTOR

255 Capitol Street NE, Suite 180
Salem, Oregon 97310-1342
Information (503) 686-2204

Facsimile (503) 376-4991

AMENDMENT #2 TO MASTER SOFTWARE AS A SERVICE AGREEMENT #0486

1. This agreement between the STATE OF OREGON, acting by and through the Office of the Secretary of State, ("the Secretary" or "SOS"), and Chaves Consulting, Inc. ("Contractor"), is an amendment to the Service Agreement between the Secretary and the Contractor numbered #0486 and entered into on December 8, 2010 (the "Contract").
2. This is amendment #2 to the above referenced Service Agreement (Deleted language has a strike through and the new language is in bold print and underlined).
3. Section 6. Compensation. Contractor shall be compensated for completing Services based on the rates set forth in Exhibit B for Subscription Services. The assessment of VCAF is in addition to, and not part of, the prices for Services set forth in the Contract.
4. Paragraph 4 on Page 6 of Exhibit J, Contractor's Proposal. The next table in this narrative deals with the Additional Services. It includes the RFP suggested Additional Services as well as other Additional Services that may be requested.

Description of Additional Services	Cost of Explanation
Additional Application Integration	\$150.00 per hour
Additional Project Management	\$150.00 per hour
Additional User Training	\$100.00 per hour
Additional Help Desk Services	\$60.00 per hour
Additional Data Migration Services	\$100.00 per hour

Should an agency request any of the Additional Services listed in the above table, CCI will negotiate an estimated number of hours prior to the provision of services at the ~~hourly rates stated above~~ negotiated hourly rate agreed upon by both the Contractor and the agency. This will help simplify budgeting of Additional Services by agencies.

5. Except as expressly amended above, all other terms and conditions of original contract are still in full force and effect. Contractor certifies that the representations, warranties and certifications contained in the original contract are true and correct as of the effective date of this amendment and with the same effect as though made at the time of this amendment.

The individual signing on behalf of Contractor hereby certifies and swears under penalty of perjury that s/he is authorized to act on behalf of Contractor, s/he has authority and knowledge regarding Contractor's payment of taxes, and to the best of her/his knowledge, Contractor is not in violation of any Oregon tax laws including without limitation a state tax imposed by ORS 320.005 to 320.150 and 403.200 to 403.250, ORS Chapters 118, 314, 316, 317, 318, 321 and 323, and the elderly rental assistance program under ORS 310.630 to 310.706; and any other local taxes administered by the Department of Revenue under ORS 305.620.

SIGNATURES

CONTRACTOR(S)

By:

Richard T. Givens

PRESIDENT

Title

07/17/2012

Date

STATE OF OREGON by and through
the OFFICE OF THE SECRETARY OF STATE

By:

John B. Herbert

Title

State Archivist

Date

7/23/12

Date

ORIGINAL

OFFICE OF THE SECRETARY OF STATE

KATE BROWN
SECRETARY OF STATE

BRIAN SHIPLEY
DEPUTY SECRETARY OF STATE



BUSINESS SERVICES DIVISION
JEFF MORGAN
DIRECTOR

255 Capitol Street NE, Suite 180
Salem, Oregon 97310-1342
Information (503) 986-2204

Facsimile (503) 378-4991

AMENDMENT #3 TO MASTER SOFTWARE AS A SERVICE AGREEMENT #0486

This is Amendment No. 3 to Master Software as a Service Agreement #0486 dated December 8, 2010 (the "Agreement") between the STATE OF OREGON, acting by and through the Office of the Secretary of State ("the Secretary" or "SOS") and Chaves Consulting, Inc. (the "Contractor"). This Amendment is effective upon the date it is fully executed and approved in accordance with applicable law.

The Agreement is amended as follows:

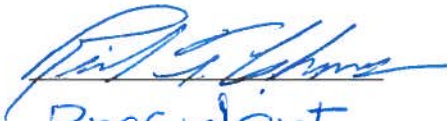
Exhibit D, Subscription Services Contract is replaced in its entirety with the attached Exhibit D.

Except as expressly amended above, all other terms and conditions of original contract are still in full force and effect. Contractor certifies that the representations, warranties and certifications contained in the original contract are true and correct as of the effective date of this amendment and with the same effect as though made at the time of this amendment.

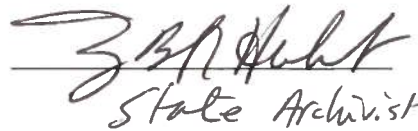
The individual signing on behalf of Contractor hereby certifies and swears under penalty of perjury that s/he is authorized to act on behalf of Contractor, s/he has authority and knowledge regarding Contractor's payment of taxes, and to the best of her/his knowledge, Contractor is not in violation of any Oregon tax laws including without limitation a state tax imposed by ORS 320.005 to 320.150 and 403.200 to 403.250, ORS Chapters 118, 314, 316, 317, 318, 321 and 323, and the elderly rental assistance program under ORS 310.630 to 310.706; and any other local taxes administered by the Department of Revenue under ORS 305.620.

SIGNATURES

CONTRACTOR

By: 
Title President
Date 4/12/13

STATE OF OREGON by and through
the OFFICE OF THE SECRETARY OF
STATE

By: 
Title State Archivist
Date 4/16/13

APPROVED AS TO LEGAL SUFFICIENCY:

By email dated 4/10/13
Assistant Attorney General Date

EXHIBIT D
SUBSCRIPTION SERVICES CONTRACT

This Subscription Services Contract Number ORMS – 0__ (“Contract”) is effective _____, _____, 201_ (“Contract Effective Date”) between Chaves Consulting, Inc. (“Contractor”) and **[Agency]** (“Authorized Purchaser”).

THIS CONTRACT IS ENTERED INTO PURSUANT TO MASTER SOFTWARE AS A SERVICE AGREEMENT #0486 (the “MSA”) AND IS SUBJECT TO THE TERMS AND CONDITIONS SET FORTH THEREIN. THE TERMS AND CONDITIONS OF THE MSA APPLY TO THIS CONTRACT AND TAKE PRECEDENCE OVER ALL OTHER CONFLICTING TERMS AND CONDITIONS, EXPRESS OR IMPLIED. A COPY OF THE MSA IS ATTACHED TO AND INCORPORATED HEREIN AS ATTACHMENT 1.

Authorized Purchaser Contact information:

Agency: _____
Contact Name: _____
Address: _____

Phone: _____
Email Address: _____

1. Subscription Services

The Contractor will provide to the Authorized Purchaser all required services listed in Exhibit B which includes: access to and use of the HP TRIM application, software and data hosting and storage, and helpdesk support services. The State Archives Division will provide the training for using HP TRIM. The Contractor may provide training to other software integrations.

Services shall be deemed to commence on the date that: (1) the Authorized Purchaser has access either to the ORMS HP TRIM production or quality assurance (QA) environment, to data hosting, storage and helpdesk support; and (2) the Authorized Purchaser’s initial Users have been provided Phase 1 initial implementation training as specified in the ORMS Training Plan.

2. Role of State Archives Division

The State Archives Division will work with Authorized Purchaser in order to set milestones such as the number of initial Users, projected total end users upon full Authorized Purchaser implementation, and due date for full implementation. The milestones agreed upon by the Authorized Purchaser with the assistance of the State Archives Division shall be incorporated as Attachment #2 to this Contract.

The projected full implementation date shall be confirmed in writing by Authorized Purchaser and by representatives of the State Archives Division and Contractor within 5 business days of the kickoff meeting and incorporated in Attachment #2.

Contractor shall, during or before the initial implementation phase, develop and provide to Authorized Purchaser an Acceptance Test Implementation Survey that is reasonably constructed to test the ability of the Subscription Services and associated software applications, as implemented by Contractor, to produce the results and other Deliverables specified in this Contract.

In the event that Authorized Purchaser is not able to meet a specific milestone date, the Authorized Purchaser shall notify both the State Archives Division and Contractor.

The notification must be given in writing before the proposed milestone date stating the reason the date cannot be met and Authorized Purchaser will not be subject to any penalty charges.

3. Subscription Fee and Payment Schedule

Authorized Purchaser shall pay Contractor a monthly fee based on the number of Users for Authorized Purchaser. The rate per User per month is specified in the following table:

Number of Users	Cost per Month per User	Monthly Rebate Per User
2,000	\$37.02	\$8.76
3,000	\$37.02	\$8.76
4,000	\$29.74	\$4.87
5,000	\$26.66	\$2.92
6,000	\$24.06	
7,000	\$21.61	
8,000	\$19.62	
9,000	\$18.81	
10,000	\$17.53	
11,000	\$16.55	
12,000	\$15.71	
13,000	\$14.68	
14,000	\$14.02	
15,000	\$13.55	
16,000	\$12.54	
17,000	\$11.96	
18,000	\$11.44	
19,000	\$10.99	
20,000	\$10.54	

The initial pricing in this Contract shall remain valid for the period defined in Section 6 of this Contract.

For the purpose of establishing the User cost per month, the number of Users is the cumulative number of users of all Authorized Purchasers that have executed a subscription services contract with Contractor pursuant to the MSA.

Rebates: The first 5,000 Users will begin receiving a rebate (in the form of reduced monthly billings) when the total number of combined Users exceeds 20,000. The number of months that the Authorized Purchasers will receive the rebate will be equal to the number of months that the initial Users paid the higher rate. The amount of the rebate is specified in the table in Section 4 of this Contract.

The initial invoice shall be issued on the 1st day of the month immediately following the Acceptance of Initial Deliverables described in Section 5 of this Contract.

Invoices shall be issued on the 1st day of the month of the current calendar month in which the Subscription Services will be provided. All undisputed, timely and valid invoices are due in full 15 days after receipt by Authorized Purchaser.

Default by Non-Payment: Authorized Purchaser shall not delay payment of monthly User fees based on a dispute or claim relating to Non-Subscription Services.

If Authorized Purchaser fails to pay Contractor any amount pursuant to the terms of the Contract and fails to cure such failure within 45 business days after delivery of Contractor's notice or such longer period as Contractor may specify in such notice, Authorized Purchaser shall be in default under Exhibit A, Section 10.2 of the MSA (Attachment 1).

4. Additional Users

During the term of this Contract, Authorized Purchaser may add additional Users at any time. The monthly installment fee will be set according to the table in Section 3 for each additional User commencing on the day the additional Users are specified by Authorized Purchaser.

5. Authorized Purchaser Acceptance

Contractor shall commence the Services and provide Deliverables as set forth in the Contract. Within ten (10) business days after the commencement of Services, Contractor shall provide Authorized Purchaser with an Acceptance of Initial Deliverables Question and Answer Form. The Authorized Purchaser shall complete and return this form to Contractor within ten (10) business days as initial acceptance of Deliverables to date; a non-response shall be deemed as an acceptance of initial Deliverables.

Authorized Purchaser may accept the proposed acceptance test as recommended or modify it as Authorized Purchaser deems reasonable. Contractor shall provide Authorized Purchaser with

access to the Subscription Services on or before the commencement date described in Section 1 of this Contract and the implementation schedule agreed to by Authorized Purchaser, the State Archives Division and Contractor. On the transition date, Contractor shall assume responsibility for providing ongoing Subscription Services.

Upon the conclusion of any consecutive forty-five (45) day period of production processing from the transition date as specified in Section 10 of this Contract, when all Service Levels set out the Attachment #2 have been met successfully, the Subscription Services shall be deemed accepted in full. Authorized Purchaser will acknowledge completion of this milestone by written notification to Contractor. Nothing contained in this Section 5 or any other provision of this Contract shall be deemed to prevent Authorized Purchaser from using any portion of the Subscription Services in a live environment for productive processing, and any such use shall not alter, amend or modify any of Contractor's obligations pursuant to the Contract.

6. Period of Performance

The period of performance of this Contract shall commence on the Contract Effective Date and shall continue for a period of 12 months plus the interim period between the effective date and the date of acceptance (the "Initial Period"). Thereafter, unless Authorized Purchaser notifies Contractor in writing, this Contract shall automatically be renewed annually for additional 12-month periods (each a "Renewal Period") up to a maximum total term of ten years.

Authorized Purchaser may terminate this Contract by providing Contractor with a notice of termination sixty (60) days prior to the termination date.

7. Consulting, Implementation, Training and/or Support Services

Contractor shall provide the consulting, implementation, training and/or support services related to the Subscription Services as set forth in Section 5 of the MSA.

8. Security Procedures

Contractor shall define certain policies and procedures that it shall have in place in order to provide the level of security associated with the Subscription Services and with the Service Levels set forth in Section 12. These policies and procedures shall be updated by Contractor from time to time to reflect updated Department of Administrative Services Security Standards, emerging technologies, business practices and Internet-related issues. Contractor shall provide written notice to Authorized Purchaser of any changes made to its security policies and procedures within ten (10) days of such changes, and updated policies and procedures shall be distributed through ORMS Support (Helpdesk).

9. Specifications and Minimum Technical Requirements

Contractor warrants that the minimum technical requirements for access to and operation of the Software are:

HP TRIM 7.1 Recommended minimum requirements:

HP TRIM client and thin client (32-bit):

Operating systems:

- Windows XP Service Pack 3
- Windows Vista SP1 (32-bit) - Windows Vista Home Edition not supported
- Windows 7 (32-bit) - Windows 7 Home Edition not supported

Processor: Business class processor

Memory: 1GB RAM

Disk space: 1GB free space

Display: Graphics device capable of displaying a resolution of 1024x768 or higher

HP TRIM client and thin client (64-bit):

Operating system: Windows 7 (64-bit) - Windows 7 Home Edition not supported

Processor: Business class processor

Memory: 1GB RAM

Disk space: 1GB free space

Display: Graphics device capable of displaying a resolution of 1024x768 or higher

If future releases of the Software require use of newer versions of any client application or change in any client application configuration, Contractor shall provide 15 - 45 days (depending on the kind of change and its impact) written notice to Authorized Purchaser prior to the general release of that Software Version.

By the conclusion of the Initial Period Contractor and the Secretary of State's Office shall implement the ORMS HP TRIM software Change Control Board (CCB). The CCB shall consist of representatives of the Secretary of State's Office, State Archives Division, Contractor and selected representatives of Authorized Purchasers. The CCB shall review recommendations, discuss and agree on the priority, implementation and timing of requested changes to the HP TRIM application.

10. Transition

Contractor and the State Archives Division shall assist in developing a transition plan that is approved by Authorized Purchaser. Subscription Services shall be transitioned and in production, as accepted by Authorized Purchaser, within thirty (30) calendar days from the Schedule Effective Date.

11. Transition Remedy

In the event that Contractor fails to meet the date for the completion of the transition into production of the Subscription Services, Contractor shall credit Authorized Purchaser one percent (1%) of the monthly Service fees for every business day the transition is late. If Contractor misses the target date by more than thirty days (30) days, Contractor shall be deemed to be in material breach of the Agreement.

If Authorized Purchaser does not meet its obligations as identified in the transition plan provided by Contractor and Authorized Purchaser is the sole cause of a delay in the project, the transition milestone target dates shall be extended for the same amount of time as the delay. Contractor shall promptly notify the Authorized Purchaser Program Manager, in writing, of any delay in the project schedule as a result of Authorized Purchaser's failure to meet any of its obligations identified above. If Contractor fails to notify Authorized Purchaser of any such Authorized Purchaser failure to meet its obligations, Authorized Purchaser shall be conclusively presumed under the Contract to have met its obligations, and consequently, Contractor shall not be entitled to rely on such delay to excuse it from meeting the milestone target dates.

12. Service Levels and Remedies

12.1 Security Service Level.

Contractor represents and warrants that Contractor shall provide Record Security as specified in Exhibit B, Section e. of the MSA.

The required security processes may include, but are not limited to, the following:

- (i) Contractor shall have staff on duty and at its site 24x7 and capable of identifying, categorizing, and responding to a security incident.
- (ii) Contractor shall notify Authorized Purchaser of any new potential security vulnerability within four (4) hours of discovery. This notification shall include the probable risks associated with the vulnerability.
- (iii) Contractor shall implement a security fix across the application within four (4) hours of approval from Authorized Purchaser.
- (iv) Contractor shall notify the Authorized Purchaser Program Manager within fifteen (15) minutes if Contractor believes that an attack is in process.
- (v) Contractor shall shut down ALL access to the Software or any component of it associated with the Subscription Services within fifteen (15) minutes upon request of the Authorized Purchaser Program Manager or officer of Authorized Purchaser.
- (vi) Contractor shall assist Authorized Purchaser in preparing written responses to

audit requirements or findings without charge.

- (vii) After the conclusion of the pilot period, Contractor must conduct and pass a SAS 70 Type II Audit every twelve (12) months during the term of this Contract. Failure by Contractor to pass the audit or to provide the audit results to Authorized Purchaser within fifteen (15) days after receiving the results from the auditor shall constitute a material breach of the MSA.

12.2 Record Retrieval Time Service Level.

Contractor represents and warrants that Contractor shall provide Record Retrieval Delivery Time Levels in the HP TRIM server environment as set forth in Exhibit B, Section f. of the MSA, as amended. Record retrieval delivery time shall be measured at the server end between the ORMS workgroup server and database at Synergy Data Center, as described in Amendment #001 to the Master Agreement #0486 at Section 9.

Contractor represents and warrants that the above performance Service Levels shall be valid with up to 20,000 Users using the application at any given time.

If the Record Retrieval Delivery Time Level of 3 minutes or less falls below 95% in any month, Authorized Purchaser shall be entitled to a credit on that month's bill for Subscription Services according to the table in Exhibit B, Section f. of the MSA, as amended.

12.3 Subscription Services Availability Service Level.

Contractor represents and warrants that the Subscription Services shall be available as specified in Exhibit B, Section f. of the MSA, as amended.

Service Availability shall be measured on a 7 x 24 basis (7 days a week, 24 hours per day).

If the Subscription Services availability percentage falls below 99.7% in any month, Authorized Purchaser shall be entitled to a credit on that month's bill for Subscription Services according to the table below that represents the then-current cumulative number of all Authorized Purchaser Users.

A. Scale based on 20,000 users or more.

Availability Percentage	Percentage of Credit
99.60% to 99.69%	10%
99.50% to 99.59%	20%

99.0% to 99.49%	30%
97.0% to 98.99%	50%
Below 97.00%	75%

B. Scale based on 19,999 users or less.

Availability Percentage	Percentage of Credit
99.00% to 99.69%	10%
98.50% to 98.99%	20%
98.00% to 98.49%	30%
97.00% to 97.99%	50%
Below 97.0%	75%

12.4 Performance and Availability Scalability.

Contractor represents and warrants that the performance and availability Service Levels in Sections 12.2 and 12.3 above shall be valid and applicable with a concurrent User increase of up to 20,000 Users.

12.5 Notifications to Authorized Purchaser.

Contractor shall provide proactive notifications to Authorized Purchaser regarding scheduled system-maintenance downtime and system upgrades and enhancements. Contractor shall provide Authorized Purchaser with at least seven (7) calendar days' prior written notice of any scheduled outages; such notices shall include the date of the outage and the start and stop times of the outage.

Scheduled upgrades and enhancements shall be provided between the hours of 8:00 p.m. and 6:00 a.m. Monday through Friday, or during weekends and/or Federal holidays, with the exception of emergency security patches.

12.6 Additional Environment.

Contractor will provide an additional environment at no additional charge for Authorized Purchaser's testing and/or training purposes, without limitation. Authorized Purchaser agrees not to use the additional environment for production purposes.

12.7 Support and Error Resolution.

Contractor shall establish and maintain the organization and processes necessary to provide support and error-resolution services to Authorized Purchaser. Contractor shall provide support and error-resolution services on a twenty-four (24) hours a day, seven (7) days a week basis. Authorized Purchaser's HP TRIM Users shall contact the ORMS Support Desk, which shall be staffed by on-site, on-duty Support staff during regular business hours from 7:00 a.m. to 5:00 p.m. Monday through Friday, excluding weekends and Federal holidays. Outside of regular business hours, Users may call the ORMS Support Desk and leave a message for on-call staff, who shall respond according to the priority levels specified in this Section.

Upon receipt of telephone or written notice from the Authorized Purchaser specifying a problem, and upon receipt of such additional information as Contractor may request, Contractor shall respond as described below to resolve reported and reproducible errors in the Subscription Services or SaaS Software, so that the application operates as specified in this Contract. Contractor shall determine the priority level in accordance with the following protocols:

- (i) SEVERITY 1 – CRITICAL BUSINESS IMPACT. The production use of the Subscription Services is stopped or so severely impacted that the Authorized Purchaser cannot reasonably continue work; requires round-the-clock attention until the problem is resolved (a "Severity 1 Error").
 - a. Contractor shall begin work on the error within fifteen (15) minutes of notification;
 - b. Contractor shall engage development staff until the problem is circumvented or corrected; and
 - c. Contractor shall provide Authorized Purchaser with ongoing communication on the status of the problem resolution.
- (ii) SEVERITY 2 – SIGNIFICANT BUSINESS IMPACT. A high-impact problem is affecting Service Levels and/or materially impacting Authorized Purchaser's use of the Subscription Services. Problem resolution shall be initiated within sixty (60) minutes, and the resolution of these problems requires serious and sustained attention during normal business hours (8:00 am to 5:00 pm, Pacific time, Monday through Friday, exclusive of State holidays) until the problems are circumvented or corrected (a "Severity 2 Error").
 - a. Contractor shall begin work on the error within sixty (60) minutes of

notification;

- b. Contractor shall engage development staff until the problem is circumvented or corrected; and
- c. Contractor shall provide Authorized Purchaser with ongoing communication on the status of the problem resolution.

(iii) SEVERITY 3 – SOME BUSINESS IMPACT. This includes problems of general work-queue type and that do not come within the definitions of Severity 1 Error or Severity 2 Error. These problems shall be addressed after Severity 1 Errors and Severity 2 Errors have been corrected and may be pursued during normal business hours on a resources-available basis (a “Severity 3 Error”).

- a. Contractor shall begin work on the error within one (1) day of notification; and
- b. Contractor shall engage development staff to provide a workaround and to resolve the problem as soon as possible after notification by Authorized Purchaser.

(iv) SEVERITY 4 – MINIMUM BUSINESS IMPACT. Authorized Purchaser requests information, an enhancement, or documentation clarification regarding the Subscription Services or SaaS Software but there is no impact on the operation of the Subscription Services or SaaS Software. The implementation or production use of the Subscription Services or SaaS Software is continuing and there is no work being impeded at the time (a “Severity 4 Error”).

- a. Contractor shall provide a response regarding the requested information or documentation clarification within two (2) days of notification by Authorized Purchaser; and
- b. Contractor shall consider enhancements for inclusion in a subsequent update to the Subscription Services, SaaS Software or Documentation.

13. Termination and Transition Assistance

Authorized Purchaser may terminate this Contract as provided in Exhibit A, Section 12, of the MSA.

Contractor may terminate this Contract as provided in Exhibit A, Section 12.3, of the MSA.

BY EXECUTING THIS CONTRACT, THE PARTIES AGREE TO BE BOUND BY ITS

TERMS AND CONDITIONS.

AUTHORIZED PURCHASER

By: _____

Name: _____

Title: _____

Date: _____

CONTRACTOR

By: _____

Name: Richard T. Chaves

Title: President, Chaves Consulting

Date: _____

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ATTACHMENT 1

MASTER SOFTWARE AS A SERVICE AGREEMENT



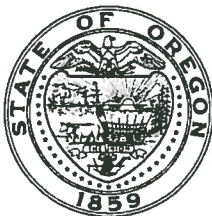
Adobe Acrobat
Document

Click on Icon to open PDF copy of Agreement

OFFICE OF THE SECRETARY OF STATE

KATE BROWN
SECRETARY OF STATE

BRIAN SHIPLEY
DEPUTY SECRETARY OF STATE



BUSINESS SERVICES DIVISION
JEFF MORGAN
DIRECTOR

255 Capitol Street NE, Suite 180
Salem, Oregon 97310-1342
Information (503) 986-2204

Facsimile (503) 378-4991

AMENDMENT #4 TO MASTER SOFTWARE AS A SERVICE AGREEMENT #0486

This is Amendment No. 4 to Master Software as a Service Agreement #0486 dated December 8, 2010 (the "Agreement") between the STATE OF OREGON, acting by and through the Office of the Secretary of State ("the Secretary" or "SOS") and Chaves Consulting, Inc. (the "Contractor"). This Amendment is effective upon the date it is fully executed and approved in accordance with applicable law.

The Agreement is amended as follows:

Exhibit D, Subscription Services Contract Section 3 Subscription Fee and Payment Schedule, paragraph 4,

Rebates: The first 5,000 Users will begin receiving a rebate (in the form of reduced monthly billings) when the total number of combined Users exceeds 20,000. The number of months that the Authorized Purchasers will receive the rebate will be equal to the number of months that the initial Users paid the higher rate. The amount of the rebate is specified in the table in Section 3 of this Contract.

Except as expressly amended above, all other terms and conditions of original contract are still in full force and effect. Contractor certifies that the representations, warranties and certifications contained in the original contract are true and correct as of the effective date of this amendment and with the same effect as though made at the time of this amendment.

The individual signing on behalf of Contractor hereby certifies and swears under penalty of perjury that s/he is authorized to act on behalf of Contractor, s/he has authority and knowledge regarding Contractor's payment of taxes, and to the best of her/his knowledge, Contractor is not in violation of any Oregon tax laws including without limitation a state tax imposed by ORS 320.005 to 320.150 and 403.200 to 403.250, ORS Chapters 118, 314, 316, 317, 318, 321 and 323, and the elderly rental assistance program under ORS 310.630 to 310.706; and any other local taxes administered by the Department of Revenue under ORS 305.620.

SIGNATURES

CONTRACTOR

By:

[Signature]
President

Title

May 14, 2013
Date

STATE OF OREGON by and through
the OFFICE OF THE SECRETARY OF
STATE

By:

[Signature]
STATE ARCHIVIST

Title

6/3/13
Date

EXHIBIT D
SUBSCRIPTION SERVICES CONTRACT

This Subscription Services Contract Number ORMS – 0____ (“Contract”) is effective June ____, 2013 (“Contract Effective Date”) between Chaves Consulting, Inc. (“Contractor”) and [Agency] (“Authorized Purchaser”).

THIS CONTRACT IS ENTERED INTO PURSUANT TO MASTER SOFTWARE AS A SERVICE AGREEMENT #0486 (the “MSA”) AND IS SUBJECT TO THE TERMS AND CONDITIONS SET FORTH THEREIN. THE TERMS AND CONDITIONS OF THE MSA APPLY TO THIS CONTRACT AND TAKE PRECEDENCE OVER ALL OTHER CONFLICTING TERMS AND CONDITIONS, EXPRESS OR IMPLIED. A COPY OF THE MSA IS ATTACHED TO AND INCORPORATED HEREIN AS ATTACHMENT 1.

Authorized Purchaser Contact information:

Agency: _____
Contact Name: _____
Address: _____

Phone: _____
Email Address: _____

Invoices shall be sent to:

Agency: _____
Contact Name: _____
Address: _____

Phone: _____
Email Address: _____

1. Subscription Services

The Contractor will provide to the Authorized Purchaser all required services listed in Exhibit B which includes: access to and use of the HP TRIM application, software and data hosting and storage, and helpdesk support services. The State Archives Division will provide the training for using HP TRIM. The Contractor may provide training to other software integrations.

Services shall be deemed to commence on the date that: (1) the Authorized Purchaser has access

either to the ORMS HP TRIM production or quality assurance (QA) environment, to data hosting, storage and helpdesk support; and (2) the Authorized Purchaser's initial Users have been provided Phase 1 initial implementation training as specified in the ORMS Training Plan.

2. Role of State Archives Division

The State Archives Division will work with Authorized Purchaser in order to set milestones such as the number of initial Users, projected total end users upon full Authorized Purchaser implementation, and due date for full implementation. The milestones agreed upon by the Authorized Purchaser with the assistance of the State Archives Division shall be incorporated as Attachment #2 to this Contract.

The projected full implementation date shall be confirmed in writing by Authorized Purchaser and by representatives of the State Archives Division and Contractor within 5 business days of the kickoff meeting and incorporated in Attachment #2.

Contractor shall, during or before the initial implementation phase, develop and provide to Authorized Purchaser an Acceptance Test Implementation Survey that is reasonably constructed to test the ability of the Subscription Services and associated software applications, as implemented by Contractor, to produce the results and other Deliverables specified in this Contract.

In the event that Authorized Purchaser is not able to meet a specific milestone date, the Authorized Purchaser shall notify both the State Archives Division and Contractor.

The notification must be given in writing before the proposed milestone date stating the reason the date cannot be met and Authorized Purchaser will not be subject to any penalty charges.

3. Subscription Fee and Payment Schedule

Authorized Purchaser shall pay Contractor a monthly fee based on the number of Users for Authorized Purchaser. The rate per User per month is specified in the following table:

Number of Users	Cost per Month per User	Monthly Rebate Per User
2,000	\$37.02	\$8.76
3,000	\$37.02	\$8.76
4,000	\$29.74	\$4.87
5,000	\$26.66	\$2.92
6,000	\$24.06	
7,000	\$21.61	
8,000	\$19.62	
9,000	\$18.81	

10,000	\$17.53	
11,000	\$16.55	
12,000	\$15.71	
13,000	\$14.68	
14,000	\$14.02	
15,000	\$13.55	
16,000	\$12.54	
17,000	\$11.96	
18,000	\$11.44	
19,000	\$10.99	
20,000	\$10.54	

The initial pricing in this Contract shall remain valid for the period defined in Section 6 of this Contract.

For the purpose of establishing the User cost per month, the number of Users is the cumulative number of users of all Authorized Purchasers that have executed a subscription services contract with Contractor pursuant to the MSA.

Rebates: The first 5,000 Users will begin receiving a rebate (in the form of reduced monthly billings) when the total number of combined Users exceeds 20,000. The number of months that the Authorized Purchasers will receive the rebate will be equal to the number of months that the initial Users paid the higher rate. The amount of the rebate is specified in the table in Section 3 of this Contract.

The initial invoice shall be issued on the 1st day of the month immediately following the Acceptance of Initial Deliverables described in Section 5 of this Contract.

Invoices shall be issued on the 1st day of the month of the current calendar month in which the Subscription Services will be provided. All undisputed, timely and valid invoices are due in full 15 days after receipt by Authorized Purchaser.

Default by Non-Payment: Authorized Purchaser shall not delay payment of monthly User fees based on a dispute or claim relating to Non-Subscription Services.

If Authorized Purchaser fails to pay Contractor any amount pursuant to the terms of the Contract and fails to cure such failure within 45 business days after delivery of Contractor's notice or such longer period as Contractor may specify in such notice, Authorized Purchaser shall be in default under Exhibit A, Section 10.2 of the MSA (Attachment 1).

4. Additional Users

During the term of this Contract, Authorized Purchaser may add additional Users at any time. The monthly installment fee will be set according to the table in Section 3 for each additional

User commencing on the day the additional Users are specified by Authorized Purchaser.

5. Authorized Purchaser Acceptance

Contractor shall commence the Services and provide Deliverables as set forth in the Contract. Within ten (10) business days after the commencement of Services, Contractor shall provide Authorized Purchaser with an Acceptance of Initial Deliverables Question and Answer Form. The Authorized Purchaser shall complete and return this form to Contractor within ten (10) business days as initial acceptance of Deliverables to date; a non-response shall be deemed as an acceptance of initial Deliverables.

Authorized Purchaser may accept the proposed acceptance test as recommended or modify it as Authorized Purchaser deems reasonable. Contractor shall provide Authorized Purchaser with access to the Subscription Services on or before the commencement date described in Section 1 of this Contract and the implementation schedule agreed to by Authorized Purchaser, the State Archives Division and Contractor. On the transition date, Contractor shall assume responsibility for providing ongoing Subscription Services.

Upon the conclusion of any consecutive forty-five (45) day period of production processing from the transition date as specified in Section 10 of this Contract, when all Service Levels set out the Attachment #2 have been met successfully, the Subscription Services shall be deemed accepted in full. Authorized Purchaser will acknowledge completion of this milestone by written notification to Contractor. Nothing contained in this Section 5 or any other provision of this Contract shall be deemed to prevent Authorized Purchaser from using any portion of the Subscription Services in a live environment for productive processing, and any such use shall not alter, amend or modify any of Contractor's obligations pursuant to the Contract.

6. Period of Performance

The period of performance of this Contract shall commence on the Contract Effective Date and shall continue for a period of 12 months plus the interim period between the effective date and the date of acceptance (the "Initial Period"). Thereafter, unless Authorized Purchaser notifies Contractor in writing, this Contract shall automatically be renewed annually for additional 12-month periods (each a "Renewal Period") up to a maximum total term of ten years.

Authorized Purchaser may terminate this Contract by providing Contractor with a notice of termination sixty (60) days prior to the termination date.

7. Consulting, Implementation, Training and/or Support Services

Contractor shall provide the consulting, implementation, training and/or support services related to the Subscription Services as set forth in Section 5 of the MSA.

8. Security Procedures

Contractor shall define certain policies and procedures that it shall have in place in order to provide the level of security associated with the Subscription Services and with the Service Levels set forth in Section 12. These policies and procedures shall be updated by Contractor from time to time to reflect updated Department of Administrative Services Security Standards, emerging technologies, business practices and Internet-related issues. Contractor shall provide written notice to Authorized Purchaser of any changes made to its security policies and procedures within ten (10) days of such changes, and updated policies and procedures shall be distributed through ORMS Support (Helpdesk).

9. Specifications and Minimum Technical Requirements

Contractor warrants that the minimum technical requirements for access to and operation of the Software are:

HP TRIM 7.1 Recommended minimum requirements:

HP TRIM client and thin client (32-bit):

Operating systems:

- Windows XP Service Pack 3
- Windows Vista SP1 (32-bit) - Windows Vista Home Edition not supported
- Windows 7 (32-bit) - Windows 7 Home Edition not supported

Processor: Business class processor

Memory: 1GB RAM

Disk space: 1GB free space

Display: Graphics device capable of displaying a resolution of 1024x768 or higher

HP TRIM client and thin client (64-bit):

Operating system: Windows 7 (64-bit) - Windows 7 Home Edition not supported

Processor: Business class processor

Memory: 1GB RAM

Disk space: 1GB free space

Display: Graphics device capable of displaying a resolution of 1024x768 or higher

If future releases of the Software require use of newer versions of any client application or change in any client application configuration, Contractor shall provide 15 - 45 days (depending on the kind of change and its impact) written notice to Authorized Purchaser prior to the general release of that Software Version.

By the conclusion of the Initial Period Contractor and the Secretary of State's Office shall implement the ORMS HP TRIM software Change Control Board (CCB). The CCB shall consist of representatives of the Secretary of State's Office, State Archives Division, Contractor and selected representatives of Authorized Purchasers. The CCB shall review recommendations,

discuss and agree on the priority, implementation and timing of requested changes to the HP TRIM application.

10. Transition

Contractor and the State Archives Division shall assist in developing a transition plan that is approved by Authorized Purchaser. Subscription Services shall be transitioned and in production, as accepted by Authorized Purchaser, within thirty (30) calendar days from the Schedule Effective Date.

11. Transition Remedy

In the event that Contractor fails to meet the date for the completion of the transition into production of the Subscription Services, Contractor shall credit Authorized Purchaser one percent (1%) of the monthly Service fees for every business day the transition is late. If Contractor misses the target date by more than thirty days (30) days, Contractor shall be deemed to be in material breach of the Agreement.

If Authorized Purchaser does not meet its obligations as identified in the transition plan provided by Contractor and Authorized Purchaser is the sole cause of a delay in the project, the transition milestone target dates shall be extended for the same amount of time as the delay. Contractor shall promptly notify the Authorized Purchaser Program Manager, in writing, of any delay in the project schedule as a result of Authorized Purchaser's failure to meet any of its obligations identified above. If Contractor fails to notify Authorized Purchaser of any such Authorized Purchaser failure to meet its obligations, Authorized Purchaser shall be conclusively presumed under the Contract to have met its obligations, and consequently, Contractor shall not be entitled to rely on such delay to excuse it from meeting the milestone target dates.

12. Service Levels and Remedies

12.1 Security Service Level.

Contractor represents and warrants that Contractor shall provide Record Security as specified in Exhibit B, Section e. of the MSA.

The required security processes may include, but are not limited to, the following:

- (i) Contractor shall have staff on duty and at its site 24x7 and capable of identifying, categorizing, and responding to a security incident.
- (ii) Contractor shall notify Authorized Purchaser of any new potential security vulnerability within four (4) hours of discovery. This notification shall include the probable risks associated with the vulnerability.

- (iii) Contractor shall implement a security fix across the application within four (4) hours of approval from Authorized Purchaser.
- (iv) Contractor shall notify the Authorized Purchaser Program Manager within fifteen (15) minutes if Contractor believes that an attack is in process.
- (v) Contractor shall shut down ALL access to the Software or any component of it associated with the Subscription Services within fifteen (15) minutes upon request of the Authorized Purchaser Program Manager or officer of Authorized Purchaser.
- (vi) Contractor shall assist Authorized Purchaser in preparing written responses to audit requirements or findings without charge.
- (vii) After the conclusion of the pilot period, Contractor must conduct and pass a SAS 70 Type II Audit every twelve (12) months during the term of this Contract. Failure by Contractor to pass the audit or to provide the audit results to Authorized Purchaser within fifteen (15) days after receiving the results from the auditor shall constitute a material breach of the MSA.

12.2 Record Retrieval Time Service Level.

Contractor represents and warrants that Contractor shall provide Record Retrieval Delivery Time Levels in the HP TRIM server environment as set forth in Exhibit B, Section f. of the MSA, as amended. Record retrieval delivery time shall be measured at the server end between the ORMS workgroup server and database at Synergy Data Center, as described in Amendment #001 to the Master Agreement #0486 at Section 9.

Contractor represents and warrants that the above performance Service Levels shall be valid with up to 20,000 Users using the application at any given time.

If the Record Retrieval Delivery Time Level of 3 minutes or less falls below 95% in any month, Authorized Purchaser shall be entitled to a credit on that month's bill for Subscription Services according to the table in Exhibit B, Section f. of the MSA, as amended.

12.3 Subscription Services Availability Service Level.

Contractor represents and warrants that the Subscription Services shall be available as specified in Exhibit B, Section f. of the MSA, as amended.

Service Availability shall be measured on a 7 x 24 basis (7 days a week, 24 hours per day).

If the Subscription Services availability percentage falls below 99.7% in any month, Authorized Purchaser shall be entitled to a credit on that month's bill for Subscription Services according to the table below that represents the then-current cumulative number of all Authorized Purchaser Users.

A. Scale based on 20,000 users or more.

Availability Percentage	Percentage of Credit
99.60% to 99.69%	10%
99.50% to 99.59%	20%
99.0% to 99.49%	30%
97.0% to 98.99%	50%
Below 97.00%	75%

B. Scale based on 19,999 users or less.

Availability Percentage	Percentage of Credit
99.00% to 99.69%	10%
98.50% to 98.99%	20%
98.00% to 98.49%	30%
97.00% to 97.99%	50%
Below 97.0%	75%

12.4 Performance and Availability Scalability.

Contractor represents and warrants that the performance and availability Service Levels in Sections 12.2 and 12.3 above shall be valid and applicable with a concurrent User increase of up to 20,000 Users.

12.5 Notifications to Authorized Purchaser.

Contractor shall provide proactive notifications to Authorized Purchaser regarding scheduled system-maintenance downtime and system upgrades and enhancements. Contractor shall provide Authorized Purchaser with at least seven (7) calendar days' prior written notice of any scheduled outages; such notices shall include the date of the outage and the start and stop times of the outage.

Scheduled upgrades and enhancements shall be provided between the hours of 8:00 p.m. and 6:00 a.m. Monday through Friday, or during weekends and/or Federal holidays, with the exception of emergency security patches.

12.6 Additional Environment.

Contractor will provide an additional environment at no additional charge for Authorized Purchaser's testing and/or training purposes, without limitation. Authorized Purchaser agrees not to use the additional environment for production purposes.

12.7 Support and Error Resolution.

Contractor shall establish and maintain the organization and processes necessary to provide support and error-resolution services to Authorized Purchaser. Contractor shall provide support and error-resolution services on a twenty-four (24) hours a day, seven (7) days a week basis. Authorized Purchaser's HP TRIM Users shall contact the ORMS Support Desk, which shall be staffed by on-site, on-duty Support staff during regular business hours from 7:00 a.m. to 5:00 p.m. Monday through Friday, excluding weekends and Federal holidays. Outside of regular business hours, Users may call the ORMS Support Desk and leave a message for on-call staff, who shall respond according to the priority levels specified in this Section.

Upon receipt of telephone or written notice from the Authorized Purchaser specifying a problem, and upon receipt of such additional information as Contractor may request, Contractor shall respond as described below to resolve reported and reproducible errors in the Subscription Services or SaaS Software, so that the application operates as specified in this Contract. Contractor shall determine the priority level in accordance with the following protocols:

- (i) SEVERITY 1 – CRITICAL BUSINESS IMPACT. The production use of the Subscription Services is stopped or so severely impacted that the Authorized Purchaser cannot reasonably continue work; requires round-the-clock attention until the problem is resolved (a "Severity 1 Error").
 - a. Contractor shall begin work on the error within fifteen (15) minutes of notification;
 - b. Contractor shall engage development staff until the problem is circumvented or corrected; and
 - c. Contractor shall provide Authorized Purchaser with ongoing communication

on the status of the problem resolution.

- (ii) SEVERITY 2 – SIGNIFICANT BUSINESS IMPACT. A high-impact problem is affecting Service Levels and/or materially impacting Authorized Purchaser’s use of the Subscription Services. Problem resolution shall be initiated within sixty (60) minutes, and the resolution of these problems requires serious and sustained attention during normal business hours (8:00 am to 5:00 pm, Pacific time, Monday through Friday, exclusive of State holidays) until the problems are circumvented or corrected (a “Severity 2 Error”).
 - a. Contractor shall begin work on the error within sixty (60) minutes of notification;
 - b. Contractor shall engage development staff until the problem is circumvented or corrected; and
 - c. Contractor shall provide Authorized Purchaser with ongoing communication on the status of the problem resolution.
- (iii) SEVERITY 3 – SOME BUSINESS IMPACT. This includes problems of general work-queue type and that do not come within the definitions of Severity 1 Error or Severity 2 Error. These problems shall be addressed after Severity 1 Errors and Severity 2 Errors have been corrected and may be pursued during normal business hours on a resources-available basis (a “Severity 3 Error”).
 - a. Contractor shall begin work on the error within one (1) day of notification; and
 - b. Contractor shall engage development staff to provide a workaround and to resolve the problem as soon as possible after notification by Authorized Purchaser.
- (iv) SEVERITY 4 – MINIMUM BUSINESS IMPACT. Authorized Purchaser requests information, an enhancement, or documentation clarification regarding the Subscription Services or SaaS Software but there is no impact on the operation of the Subscription Services or SaaS Software. The implementation or production use of the Subscription Services or SaaS Software is continuing and there is no work being impeded at the time (a “Severity 4 Error”).
 - a. Contractor shall provide a response regarding the requested information or documentation clarification within two (2) days of notification by Authorized Purchaser; and

- b. Contractor shall consider enhancements for inclusion in a subsequent update to the Subscription Services, SaaS Software or Documentation.

13. Termination and Transition Assistance

Authorized Purchaser may terminate this Contract as provided in Exhibit A, Section 12, of the MSA.

Contractor may terminate this Contract as provided in Exhibit A, Section 12.3, of the MSA.

BY EXECUTING THIS CONTRACT, THE PARTIES AGREE TO BE BOUND BY ITS TERMS AND CONDITIONS.

AUTHORIZED PURCHASER

CONTRACTOR

By:_____

By:_____

Name: _____

Name: Richard T. Chaves

Title:_____

Title: President, Chaves Consulting

Date:_____

Date: _____

[The remainder of this page is intentionally left blank.]

ATTACHMENT 1

MASTER SOFTWARE AS A SERVICE AGREEMENT



Adobe Acrobat
Document

Click on Icon to open PDF copy of Agreement

Attachment # 2
Oregon Records Management Solution

Subscription Services Agreement # (State & CCI numbers)

Please do *not* fill this form out now.

Welcome aboard ORMS! Please complete this form with the State Archives Division at the agency's kickoff meeting. Setting and achieving implementation goals assists the agency to progress forward to full implementation. **Thanks in advance; timely implementation benefits *all* Authorized Purchasers.**

Monthly per user cost drops as the number of statewide users increases.

Agencies' commitment to progress assists State Archives' to allocate records managers' set up and training time among ORMS agencies. It also helps the Contractor's IT team to allocate technical resources, software licenses, data storage and to enhance services.

Authorized Purchaser Name: _____

Number of Initial Authorized Purchaser Users: _____

MILESTONES

1. Kickoff Meeting with State Archives Division occurred on _____ at which time this Attachment #2 was completed and signed.

2. Projected Total Number of Users upon Full Implementation: _____

a. Milestones between Initial Users and Full Implementation, if applicable, as agreed between Authorized Purchaser and State Archives Division:

i. Onboard _____ users by: _____[date]

ii. Onboard _____ users by: _____[date]

iii. Onboard _____ users by: _____ [date]

iv. Other milestone(s), if any (If *not* applicable, please indicate): _____

On behalf of Authorized Purchaser, I understand and agree that Authorized Purchaser shall pay Contractor the monthly fee for the Projected Total Number of Users, or actual number of Users, whichever is greater, beginning on the above Full Implementation date, even if Authorized Purchaser is still completing on-boarding of all projected Users.

AUTHORIZED PURCHASER

By:_____

Name:_____

Title:_____

Date:_____

Milestones confirmed by:

OR SOS ARCHIVES DIVISION

By:_____

Name:_____

Title:_____

Date:_____

KATE BROWN
SECRETARY OF STATE



BUSINESS SERVICES DIVISION
JEFF MORGAN
DIRECTOR

255 Capitol Street NE, Suite 180
Salem, Oregon 97310-1342
Information (503) 986-2204

Facsimile (503) 378-4991

AMENDMENT #5 TO MASTER SOFTWARE AS A SERVICE AGREEMENT #0486

1. This agreement between the STATE OF OREGON, acting by and through the Office of the Secretary of State, (the "Secretary" or "SOS"), and Chaves Consulting, Inc. (the Contractor), is an amendment to the agreement between the Division and the Contractor numbered 0486 and entered into on December 6, 2010 (the "Contract").
2. This is amendment #5 to the above referenced contract. (Deleted language has a strike through and the new language is in bold print and underlined).
3. **This amendment extends the expiration date to December 31, 2015.**
4. **The following language is added to Exhibit B Schedule of Services and Compensation:**

Pricing:

Small agency Implementation Option: If an Authorized Purchaser with fewer than 10 total users wants to participate in the Oregon Records Management Solution (ORMS), upfront costs may apply. Applicable upfront/set up costs to implement Subscription (Standard) Services may be invoiced to the Authorized Purchaser for work including but not limited to: establishing secure connectivity to the ORMS Data Store hosted at Synergy Data Center, setting up user authentication for software and system configuration, training and other services. Upfront billable services will be agreed to by all parties involved prior to the provision of those services.

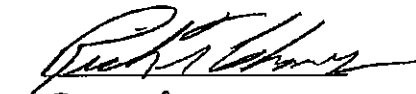
5. Except as expressly amended above, all other terms and conditions of original contract are still in full force and effect. Contractor certifies that the representations, warranties and certifications contained in the original contract are true and correct as of the effective date of this amendment and with the same effect as though made at the time of this amendment.

The individual signing on behalf of Contractor hereby certifies and swears under penalty of perjury that s/he is authorized to act on behalf of Contractor, s/he has authority and knowledge regarding Contractor's payment of taxes, and to the best of her/his knowledge, Contractor is not in violation of any Oregon tax laws including without limitation a state tax imposed by ORS 320.005 to 320.150 and 403.200 to 403.250, ORS Chapters 118, 314, 316, 317, 318, 321 and 323, and the elderly rental assistance program under ORS 310.630 to 310.706; and any other local taxes administered by the Department of Revenue under ORS 305.620.

SIGNATURES

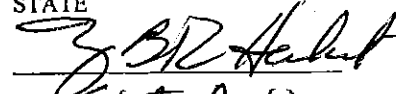
CONTRACTOR(S)

By:


President
Title
11/14/13
Date

By:

STATE OF OREGON by and through
the OFFICE OF THE SECRETARY OF
STATE


State Archivist
Title
11/14/13
Date

OFFICE OF THE SECRETARY OF STATE

KATE BROWN
SECRETARY OF STATE



BUSINESS SERVICES DIVISION
JEFF MORGAN
DIRECTOR

255 Capitol Street NE, Suite 180
Salem, Oregon 97310-1342
Information (503) 986-2204

Facsimile (503) 378-4991

AMENDMENT #6 TO PERSONAL MATER SOFTWARE AS A SERVICE AGREEMENT #0486

1. This agreement between the STATE OF OREGON, acting by and through the Office of the Secretary of State, (the "Secretary" or "SOS") and Chaves Consulting, Inc. (Contractor), is an amendment to the agreement between the Division and the Contractor entered into on December 8, 2010 (Contract).
2. This is amendment #6 to the above referenced contract (deleted language has a strike through and the new language is in bold print and underlined):
3. Section 5 Compensation

5.5 Price Renegotiation. 60 calendar days prior to the expiration of the Initial Term, and then upon each renewal thereafter, either Contractor or the State may request price renegotiation. This price renegotiation will be conducted in good faith between the parties and may result in a price change being offered to the State for continuing Services and Product offerings. If Contractor and the State reach an agreement during the 60 calendar day re-negotiation period, Contractor will adjust its pricing accordingly for the applicable Extension Term and will continue to provide the Services. If the parties are unable to reach an agreement, the Agreement will terminate subject to an Authorized Purchaser's right to transition the Services.

Exception: If an increase in price is requested by the Contractor, due to increases in third party COTS software and annual maintenance costs increase, prior to the price renegotiation period, it is the sole discretion of the Authorized Purchaser as to whether they shall accept and pay this increase.

4. Except as expressly amended above, all other terms and conditions of original contract are still in full force and effect. Contractor certifies that the representations, warranties and certifications contained in the original contract are true and correct as of the effective date of this amendment and with the same effect as though made at the time of this amendment.

The individual signing on behalf of Contractor hereby certifies and swears under penalty of perjury that s/he is authorized to act on behalf of Contractor, s/he has authority and knowledge regarding Contractor's payment of taxes, and to the best of her/his knowledge, Contractor is not in violation of any Oregon tax laws including without limitation a state tax imposed by ORS 320.005 to 320.150 and 403.200 to 403.250, ORS Chapters 118, 314, 316, 317, 318, 321 and 323, and the elderly rental assistance program under ORS 310.630 to 310.706; and any other local taxes administered by the Department of Revenue under ORS 305.620.

SIGNATURES

CONTRACTOR(S)

By:

Paul J. Lohman

PRESIDENT, CCI
Title

03/07/2014
Date

STATE OF OREGON by and through
THE OFFICE OF THE SECRETARY OF
STATE

By:

J. B. Helt

State Archivist
Title

3/10/14
Date

OFFICE OF THE SECRETARY OF STATE

KATE BROWN
SECRETARY OF STATE

ROBERT TAYLOR
DEPUTY SECRETARY OF STATE



BUSINESS SERVICES DIVISION
JEFF MORGAN
DIRECTOR

255 Capitol Street NE, Suite 180
Salem, Oregon 97310-1342
Information (503) 986-2204

Facsimile (503) 378-4991

AMENDMENT #7 TO MASTER SOFTWARE AS A SERVICE AGREEMENT #0486

This is Amendment No. 7 to Master Software as a Service Agreement #0486 dated December 8, 2010 (the "Agreement") between the STATE OF OREGON, acting by and through the Office of the Secretary of State ("the Secretary" or "SOS") and Chaves Consulting, Inc. (the "Contractor"). This Amendment is effective upon the date it is fully executed and approved in accordance with applicable law.

The Agreement is amended as follows:

Exhibit D, Subscription Services Contract is replaced in its entirety with the attached Exhibit D.

Except as expressly amended above, all other terms and conditions of original contract are still in full force and effect. Contractor certifies that the representations, warranties and certifications contained in the original contract are true and correct as of the effective date of this amendment and with the same effect as though made at the time of this amendment.

The individual signing on behalf of Contractor hereby certifies and swears under penalty of perjury that s/he is authorized to act on behalf of Contractor, s/he has authority and knowledge regarding Contractor's payment of taxes, and to the best of her/his knowledge, Contractor is not in violation of any Oregon tax laws including without limitation a state tax imposed by ORS 320.005 to 320.150 and 403.200 to 403.250, ORS Chapters 118, 314, 316, 317, 318, 321 and 323, and the elderly rental assistance program under ORS 310.630 to 310.706; and any other local taxes administered by the Department of Revenue under ORS 305.620.

SIGNATURES

CONTRACTOR

By:

Handwritten signature of Richard T. Chaves.

PRESIDENT
Title

08/20/2014
Date

STATE OF OREGON by and through
the OFFICE OF THE SECRETARY OF
STATE

By:

Handwritten signature of J. R. H. Hent.
STATE ARCHIVIST

Title

Date

8/26/14

EXHIBIT D
SUBSCRIPTION SERVICES CONTRACT

This Subscription Services Contract Number ORMS – 0____ (“Contract”) is effective _____, _____, 201_ (“Contract Effective Date”) between Chaves Consulting, Inc. (“Contractor”) and [Agency] (“Authorized Purchaser”).

THIS CONTRACT IS ENTERED INTO PURSUANT TO MASTER SOFTWARE AS A SERVICE AGREEMENT #0486 (the “MSA”) AND IS SUBJECT TO THE TERMS AND CONDITIONS SET FORTH THEREIN. THE TERMS AND CONDITIONS OF THE MSA APPLY TO THIS CONTRACT AND TAKE PRECEDENCE OVER ALL OTHER CONFLICTING TERMS AND CONDITIONS, EXPRESS OR IMPLIED. A COPY OF THE MSA IS ATTACHED TO AND INCORPORATED HEREIN AS ATTACHMENT 1.

Authorized Purchaser Contact information:

Agency: _____
Contact Name: _____
Address: _____

Phone: _____
Email Address: _____

Invoices shall be sent to:

Agency: _____
Contact Name: _____
Address: _____

Phone: _____
Email Address: _____

1. Subscription Services

The Contractor will provide to the Authorized Purchaser all required services listed in Exhibit B which includes: access to and use of the HP TRIM application, software and data hosting and storage, and helpdesk support services. The State Archives Division will provide the training for using HP TRIM. The Contractor may provide training to other software integrations.

Services shall be deemed to commence on the date that: (1) the Authorized Purchaser has access either to the ORMS HP TRIM production or quality assurance (QA) environment, to data hosting, storage and helpdesk

support; and (2) the Authorized Purchaser's initial Users have been provided Phase 1 initial implementation training as specified in the ORMS Training Plan.

2. Role of State Archives Division

The State Archives Division will work with Authorized Purchaser in order to set milestones such as the number of initial Users, projected total end users upon full Authorized Purchaser implementation, and due date for full implementation. The milestones agreed upon by the Authorized Purchaser with the assistance of the State Archives Division shall be incorporated as Attachment #2 to this Contract.

The projected full implementation date shall be confirmed in writing by Authorized Purchaser and by representatives of the State Archives Division and Contractor within 5 business days of the kickoff meeting and incorporated in Attachment #2.

In the event that Authorized Purchaser is not able to meet a specific milestone date, the Authorized Purchaser shall notify both the State Archives Division and Contractor.

The notification must be given in writing before the proposed milestone date stating the reason the date cannot be met and Authorized Purchaser will not be subject to any penalty charges.

3. Subscription Fee and Payment Schedule

Authorized Purchaser shall pay Contractor a monthly fee based on the number of Users for Authorized Purchaser. The rate per User per month is specified in the following table:

Number of Users	Cost per Month per User	Monthly Rebate Per User
2,000	\$37.02	\$8.76
3,000	\$37.02	\$8.76
4,000	\$29.74	\$4.87
5,000	\$26.66	\$2.92
6,000	\$24.06	
7,000	\$21.61	
8,000	\$19.62	
9,000	\$18.81	
10,000	\$17.53	
11,000	\$16.55	
12,000	\$15.71	
13,000	\$14.68	
14,000	\$14.02	
15,000	\$13.55	
16,000	\$12.54	
17,000	\$11.96	
18,000	\$11.44	
19,000	\$10.99	
20,000	\$10.54	

The initial pricing in this Contract shall remain valid for the period defined in Section 6 of this Contract.

For the purpose of establishing the User cost per month, the number of Users is the cumulative number of users of all Authorized Purchasers that have executed a subscription services contract with Contractor pursuant to the MSA.

Rebates: The first 5,000 Users will begin receiving a rebate (in the form of reduced monthly billings) when the total number of combined Users exceeds 20,000. The number of months that the Authorized Purchasers will receive the rebate will be equal to the number of months that the initial Users paid the higher rate. The amount of the rebate is specified in the table in Section 4 of this Contract.

The initial invoice shall be issued on the 1st day of the month immediately following the Acceptance of Initial Deliverables described in Section 5 of this Contract.

Invoices shall be issued on the 1st day of the month of the current calendar month in which the Subscription Services will be provided. All undisputed, timely and valid invoices are due in full 15 days after receipt by Authorized Purchaser.

Default by Non-Payment: Authorized Purchaser shall not delay payment of monthly User fees based on a dispute or claim relating to Non-Subscription Services.

If Authorized Purchaser fails to pay Contractor any amount pursuant to the terms of the Contract and fails to cure such failure within 45 business days after delivery of Contractor's notice or such longer period as Contractor may specify in such notice, Authorized Purchaser shall be in default under Exhibit A, Section 10.2 of the MSA (Attachment 1).

4. Additional Users

During the term of this Contract, Authorized Purchaser may add additional Users at any time. The monthly installment fee will be set according to the table in Section 2 for each additional User commencing on the day the additional Users are specified by Authorized Purchaser.

5. Authorized Purchaser Acceptance

Contractor shall commence the Services and provide Deliverables as set forth in the Contract. Within ten (10) business days after the commencement of Services, Contractor shall provide Authorized Purchaser with an Acceptance of Initial Deliverables Question and Answer Form that is reasonably constructed to test the ability of the Subscription Services and associated software applications, as implemented by Contractor, to produce the results and other Deliverables specified in this Contract. The Authorized Purchaser shall complete and return this form to Contractor within ten (10) business days as initial acceptance of Deliverables to date; a non-response shall be deemed as an acceptance of initial Deliverables.

Contractor shall, during or before the initial implementation phase, develop and provide to Authorized Purchaser an Acceptance Test Implementation Survey that is reasonably constructed to test the ability of the Subscription Services and associated software applications, as implemented by Contractor, to produce the results and other Deliverables specified in this Contract.

Authorized Purchaser may accept the proposed acceptance test as recommended or modify it as Authorized Purchaser deems reasonable. Contractor shall provide Authorized Purchaser with access to the Subscription Services on or before the commencement date described in Section 1 of this Contract and the implementation

schedule agreed to by Authorized Purchaser, the State Archives Division and Contractor. On the transition date, Contractor shall assume responsibility for providing ongoing Subscription Services.

Upon the conclusion of any consecutive forty-five (45) day period of production processing from the transition date as specified in Section 10 of this Contract, when all Service Levels set out the Attachment #2 have been met successfully, the Subscription Services shall be deemed accepted in full. Authorized Purchaser will acknowledge completion of this milestone by written notification to Contractor. Nothing contained in this Section 5 or any other provision of this Contract shall be deemed to prevent Authorized Purchaser from using any portion of the Subscription Services in a live environment for productive processing, and any such use shall not alter, amend or modify any of Contractor's obligations pursuant to the Contract.

6. Period of Performance

The period of performance of this Contract shall commence on the Contract Effective Date and shall continue for a period of 12 months plus the interim period between the effective date and the date of acceptance (the "Initial Period"). Thereafter, unless Authorized Purchaser notifies Contractor in writing, this Contract shall automatically be renewed annually for additional 12-month periods (each a "Renewal Period") up to a maximum total term of ten years.

Authorized Purchaser may terminate this Contract by providing Contractor with a notice of termination sixty (60) days prior to the termination date.

7. Consulting, Implementation, Training and/or Support Services

Contractor shall provide the consulting, implementation, training and/or support services related to the Subscription Services as set forth in Section 5 of the MSA.

8. Security Procedures

Contractor shall define certain policies and procedures that it shall have in place in order to provide the level of security associated with the Subscription Services and with the Service Levels set forth in Section 12. These policies and procedures shall be updated by Contractor from time to time to reflect updated Department of Administrative Services Security Standards, emerging technologies, business practices and Internet-related issues. Contractor shall provide written notice to Authorized Purchaser of any changes made to its security policies and procedures within ten (10) days of such changes, and updated policies and procedures shall be distributed through ORMS Support (Helpdesk).

9. Specifications and Minimum Technical Requirements

Contractor warrants that the minimum technical requirements for access to and operation of the Software are updated and available upon Authorized Purchaser request

If future releases of the Software require use of newer versions of any client application or change in any client application configuration, Contractor shall provide 15 - 45 days (depending on the kind of change and its impact) written notice to Authorized Purchaser prior to the general release of that Software Version. By the conclusion of the Initial Period Contractor and the Secretary of State's Office shall implement the ORMS Advisory Board (Board). The Board shall consist of representatives of the Secretary of State's Office, State Archives Division, Contractor and selected representatives of Authorized Purchasers. The Board shall review recommendations, discuss and agree on the priority, implementation and timing of requested changes to the HP TRIM application.

10. Transition

Contractor and the State Archives Division shall assist in developing a transition plan that is approved by Authorized Purchaser. Subscription Services shall be transitioned and in production, as accepted by Authorized Purchaser, within thirty (30) calendar days from the Schedule Effective Date.

11. Transition Remedy

In the event that Contractor fails to meet the date for the completion of the transition into production of the Subscription Services, Contractor shall credit Authorized Purchaser one percent (1%) of the monthly Service fees for every business day the transition is late. If Contractor misses the target date by more than thirty days (30) days, Contractor shall be deemed to be in material breach of the Agreement.

If Authorized Purchaser does not meet its obligations as identified in the transition plan provided by Contractor and Authorized Purchaser is the sole cause of a delay in the project, the transition milestone target dates shall be extended for the same amount of time as the delay. Contractor shall promptly notify the Authorized Purchaser Program Manager, in writing, of any delay in the project schedule as a result of Authorized Purchaser's failure to meet any of its obligations identified above. If Contractor fails to notify Authorized Purchaser of any such Authorized Purchaser failure to meet its obligations, Authorized Purchaser shall be conclusively presumed under the Contract to have met its obligations, and consequently, Contractor shall not be entitled to rely on such delay to excuse it from meeting the milestone target dates.

12. Service Levels and Remedies

12.1 Security Service Level.

Contractor represents and warrants that Contractor shall provide Record Security as specified in Exhibit B, Section e. of the MSA.

The required security processes may include, but are not limited to, the following:

- (i) Contractor shall have staff on duty and at its site 24x7 and capable of identifying, categorizing, and responding to a security incident.
- (ii) Contractor shall notify Authorized Purchaser of any new potential security vulnerability within four (4) hours of discovery. This notification shall include the probable risks associated with the vulnerability.
- (iii) Contractor shall implement a security fix across the application within four (4) hours of approval from Authorized Purchaser.
- (iv) Contractor shall notify the Authorized Purchaser Program Manager within fifteen (15) minutes if Contractor believes that an attack is in process.
- (v) Contractor shall shut down ALL access to the Software or any component of it associated with the Subscription Services within fifteen (15) minutes upon request of the Authorized Purchaser Program Manager or officer of Authorized Purchaser.
- (vi) Contractor shall assist Authorized Purchaser in preparing written responses to audit

requirements or findings without charge.

- (vii) After both the conclusion of the pilot period and the total number of active users remains at a minimum of 2,000 or more users per Section 8a of the MSA, Contractor must conduct and pass a SAS 70 Type II Audit every twelve (12) months during the term of this Contract. The first audit shall be performed by an independent CPA firm within twelve (12) months of the state meeting its commitment to the 2,000 user minimum; subsequent annual audit reviews shall be performed by the Contractor according to the auditor's recommended process and results shall be provide to the State and, upon request, to Authorized Purchasers. Failure by Contractor to pass the audit or to provide the audit results to Authorized Purchaser within fifteen (15) days after receiving the results from the auditor shall constitute a material breach of the MSA.

12.2 Record Retrieval Time Service Level.

Contractor represents and warrants that Contractor shall provide Record Retrieval Delivery Time Levels in the HP TRIM server environment as set forth in Exhibit B, Section f. of the MSA, as amended. Record retrieval delivery time shall be measured at the server end between the ORMS workgroup server and database at Synergy Data Center, as described in Amendment #001 to the Master Agreement #0486 at Section 9.

Contractor represents and warrants that the above performance Service Levels shall be valid with up to 20,000 Users using the application at any given time.

If the Record Retrieval Delivery Time Level of 3 minutes or less falls below 95% in any month, Authorized Purchaser shall be entitled to a credit on that month's bill for Subscription Services according to the table in Exhibit B, Section f. of the MSA, as amended.

12.3 Subscription Services Availability Service Level.

Contractor represents and warrants that the Subscription Services shall be available as specified in Exhibit B, Section f. of the MSA, as amended.

Service Availability shall be measured on a 7 x 24 basis (7 days a week, 24 hours per day).

If the Subscription Services availability percentage falls below 99.7% in any month, Authorized Purchaser shall be entitled to a credit on that month's bill for Subscription Services according to the table below that represents the then-current cumulative number of all Authorized Purchaser Users.

A. Scale based on 20,000 users or more.

Availability Percentage	Percentage of Credit
99.60% to 99.69%	10%
99.50% to 99.59%	20%
99.0% to 99.49%	30%
97.0% to 98.99%	50%

Below 97.00%	75%
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B. Scale based on 19,999 users or less.

Availability Percentage	Percentage of Credit
99.00% to 99.69%	10%
98.50% to 98.99%	20%
98.00% to 98.49%	30%
97.00% to 97.99%	50%
Below 97.0%	75%

12.4 Performance and Availability Scalability.

Contractor represents and warrants that the performance and availability Service Levels in Sections 12.2 and 12.3 above shall be valid and applicable with a concurrent User increase of up to 20,000 Users.

12.5 Notifications to Authorized Purchaser.

Contractor shall provide proactive notifications to Authorized Purchaser regarding scheduled system-maintenance downtime and system upgrades and enhancements. Contractor shall provide Authorized Purchaser with at least seven (7) calendar days' prior written notice of any scheduled outages; such notices shall include the date of the outage and the start and stop times of the outage.

Scheduled upgrades and enhancements shall be provided between the hours of 8:00 p.m. and 6:00 a.m. Monday through Friday, or during weekends and/or Federal holidays, with the exception of emergency security patches.

12.6 Additional Environment.

Contractor will provide an additional environment at no additional charge for Authorized Purchaser's testing and/or training purposes, without limitation. Authorized Purchaser agrees not to use the additional environment for production purposes.

12.7 Support and Error Resolution.

Contractor shall establish and maintain the organization and processes necessary to provide support and error-resolution services to Authorized Purchaser. Contractor shall provide support and error-resolution services on a twenty-four (24) hours a day, seven (7) days a week basis. Authorized Purchaser's HP TRIM Users shall contact the ORMS Support Desk, which shall be staffed by on-site, on-duty Support staff during regular business hours from 7:00 a.m. to 5:00 p.m. Monday through Friday, excluding weekends and Federal holidays. Outside of regular

business hours, Users may call the ORMS Support Desk and leave a message for on-call staff, who shall respond according to the priority levels specified in this Section.

Upon receipt of telephone or written notice from the Authorized Purchaser specifying a problem, and upon receipt of such additional information as Contractor may request, Contractor shall respond as described below to resolve reported and reproducible errors in the Subscription Services or SaaS Software, so that the application operates as specified in this Contract. Contractor shall determine the priority level in accordance with the following protocols:

- (i) **SEVERITY 1 – CRITICAL BUSINESS IMPACT.** The production use of the Subscription Services is stopped or so severely impacted that the Authorized Purchaser cannot reasonably continue work; requires round-the-clock attention until the problem is resolved (a "Severity 1 Error").
 - a. Contractor shall begin work on the error within fifteen (15) minutes of notification;
 - b. Contractor shall engage development staff until the problem is circumvented or corrected; and
 - c. Contractor shall provide Authorized Purchaser with ongoing communication on the status of the problem resolution.
- (ii) **SEVERITY 2 – SIGNIFICANT BUSINESS IMPACT.** A high-impact problem is affecting Service Levels and/or materially impacting Authorized Purchaser's use of the Subscription Services. Problem resolution shall be initiated within sixty (60) minutes, and the resolution of these problems requires serious and sustained attention during normal business hours (8:00 am to 5:00 pm, Pacific time, Monday through Friday, exclusive of State holidays) until the problems are circumvented or corrected (a "Severity 2 Error").
 - a. Contractor shall begin work on the error within sixty (60) minutes of notification;
 - b. Contractor shall engage development staff until the problem is circumvented or corrected; and
 - c. Contractor shall provide Authorized Purchaser with ongoing communication on the status of the problem resolution.
- (iii) **SEVERITY 3 – SOME BUSINESS IMPACT.** This includes problems of general work-queue type and that do not come within the definitions of Severity 1 Error or Severity 2 Error. These problems shall be addressed after Severity 1 Errors and Severity 2 Errors have been corrected and may be pursued during normal business hours on a resources-available basis (a "Severity 3 Error").
 - a. Contractor shall begin work on the error within one (1) day of notification; and
 - b. Contractor shall engage development staff to provide a workaround and to resolve the problem as soon as possible after notification by Authorized Purchaser.
- (iv) **SEVERITY 4 – MINIMUM BUSINESS IMPACT.** Authorized Purchaser requests information, an enhancement, or documentation clarification regarding the Subscription

Services or SaaS Software but there is no impact on the operation of the Subscription Services or SaaS Software. The implementation or production use of the Subscription Services or SaaS Software is continuing and there is no work being impeded at the time (a "Severity 4 Error").

- a. Contractor shall provide a response regarding the requested information or documentation clarification within two (2) days of notification by Authorized Purchaser; and
- b. Contractor shall consider enhancements for inclusion in a subsequent update to the Subscription Services, SaaS Software or Documentation.

13. Termination and Transition Assistance

Authorized Purchaser may terminate this Contract as provided in Exhibit A, Section 12, of the MSA.

Contractor may terminate this Contract as provided in Exhibit A, Section 12.3, of the MSA.

BY EXECUTING THIS CONTRACT, THE PARTIES AGREE TO BE BOUND BY ITS TERMS AND CONDITIONS.

AUTHORIZED PURCHASER

CONTRACTOR

By: _____

By: _____

Name: _____

Name: Richard T. Chaves

Title: _____

Title: President, Chaves Consulting

Date: _____

Date: _____

**SECRETARY OF STATE
CONTRACT ADMINISTRATOR**

By: _____

Date: _____

ATTACHMENT I

MASTER SOFTWARE AS A SERVICE AGREEMENT



Adobe Acrobat
Document

Click on Icon to open PDF copy of Agreement

KATE BROWN
SECRETARY OF STATE

ROBERT TAYLOR
DEPUTY SECRETARY OF STATE



BUSINESS SERVICES DIVISION
JEFF MORGAN
DIRECTOR

255 Capitol Street NE, Suite 180
Salem, Oregon 97310-1342
Information (503) 986-2204

Facsimile (503) 378-4991

AMENDMENT #8 TO MASTER SOFTWARE AS A SERVICE AGREEMENT #0486

This is Amendment No. 8 to Master Software as a Service Agreement #0486 dated December 8, 2010 (the "Agreement") between the STATE OF OREGON, acting by and through the Office of the Secretary of State ("the Secretary" or "SOS") and Chaves Consulting, Inc. (the "Contractor"). This Amendment is effective upon the date it is fully executed and approved in accordance with applicable law.

A. The Agreement is amended as follows (deleted language has a strike through and new language is bolded and underlined):

2. **Agreement Documents.** This Agreement consists of this document and the following Exhibits, each of which is attached to and incorporated into this Agreement:

(v) Exhibit F – VCAF Administrative Fee Report

6. **Compensation.** Contractor shall be compensated for completing Services based on the rates set forth in Exhibit B for Subscription Services. The assessment of VCAF an administrative fee is in addition to, and not a part of, the prices for Services set forth in the Contract.

7. **Administrative Fees and Volume Sales Reports.**

~~a. Definitions. The following definitions apply to this section: (i) "VCAF Report" means the quarterly report substantially in the form attached hereto as Exhibit F. (ii) "Vendor Collected Administrative Fee" or "VCAF" means a charge that is assessed to ordering entities that purchase from statewide contracts or price agreements. The fee is collected by the Contractor. The charge is set by the State as a percentage of reported sales that are made to authorized purchasers under the resulting contracts and is collected and rebated quarterly to the State by the Contractor. The VCAF fee under this Agreement is 2 % of each sale.~~

~~ab. Administrative Fees/Payment. Within (30) calendar/business days after the end of each quarter during the term of this Agreement, Contractor shall pay to the State of Oregon, Secretary of State VCAF an administrative fee in an amount equal to two Percent (2 %) of Contractor's total sales made to Authorized Purchasers for Subscription Services Agreements, Exhibit D. CONTRACTORS MAY NOT REFLECT THE VCAF ADMINISTRATIVE FEE AS A SEPARATE LINE ITEM CHARGE TO AUTHORIZED PURCHASERS. CONTRACTOR'S RATES SHALL REFLECT ALL CHARGES TO AUTHORIZED PURCHASERS FOR SUBSCRIPTION SERVICES AGREEMENTS, EXHIBIT D. For the purposes of this Agreement, quarters end March 31, June 30, September 30, and December 31. The State will invoice Contractor for the VCAF administrative fee on a State generated invoice from the volume sales report generated by the Contractor. Contractor is responsible for timely reporting and payment, regardless of the entity that actually reports or makes VCAF administrative fee payment to the State. No VCAF will be charged during the pilot period. The Contractor shall not be required to submit a Volume Sales Report and the State shall not invoice the administrative fee until 5,000 users have been obtained via the Subscription Services Agreements, Exhibit D.~~

~~e.b. Volume Sales Reports. Contractor shall submit a Volume Sales Report, due by the 15th day following the end of each calendar quarter during the term of the Agreement, which contains: (i) complete and accurate details of the net receipts for the relevant quarterly period; (ii) Contractor's corresponding calculation of the VCAF administrative fee due to the State for that period; and (iii) such other information as the State may~~

reasonably request. Contractor shall send a Volume Sales Report each quarter, whether or not there are reportable sales or ~~VCAF~~ administrative fees due to the State.

d-c. Volume Sales Report Information. Contractor shall provide the following information on the Volume Sales Report:

- Agreement item number
- Authorized Purchaser
- Contract number
- Date ordered
- Quantity of each item ordered with Contractor's item #'s and description
- Unit price and extended total
- Manufacturer or provider of each product or service ordered
- Total dollar amount for ending quarter

e-d. Volume Sales Report Format. Contractor shall provide Volume Sales Reports in a format approved by the State. Reports CD or by e-mail are preferred; however, hard copy reports are acceptable. Excel or Lotus spreadsheet formats are preferred. All other report formats must be approved by the State's Agreement administrator prior to submission of the first report.

f e. Report Receipt/Acceptance. The State's receipt or acceptance of any of the reports furnished pursuant to this Agreement, or any sums paid hereunder, shall not preclude the State from challenging the validity thereof at any time. THE STATE RESERVES THE RIGHT TO TERMINATE THIS AGREEMENT IF VOLUME SALES REPORTS ARE NOT RECEIVED AS SCHEDULED.

g f. Payment of ~~VCAF~~ Administrative Fee. Upon receipt of the invoice from the State, as directed by the Agreement administrator, Contractor shall remit payment in the form of a check to the State for the amount indicated on the invoice. Contractor shall contact the Contract Administrator if no invoice is received within thirty (30) days after sending the Volume Sales Report to the State. Failure to submit Volume Sales Report does not release Contractor from requirement to timely remit the required ~~VCAF~~ administrative fee.

h g. Interest. Any payments Contractor makes or causes to be made after the due date as indicated on the invoice shall accrue interest at a rate of 18% per annum or the maximum rate permitted by law, whichever is less, until such overdue amount shall have been paid in full. The State's right to interest on late payments shall not preclude the State from exercising any of its other rights or remedies pursuant to this Agreement or otherwise with regards to Contractor's failure to make timely remittances.

i h. Audit. The State, as its own expense (except as provided herein), shall have the right during regular business hours, at Contractor's premises, and upon reasonable notice, by itself or by a person authorized by it, to audit Contractor's records and other pertinent data, to determine and verify the figures reported in any Volume Sales Report furnished by Contractor. In the event that any such audit reveals underpayment of the ~~VCAF~~ administrative fee, Contractor shall forthwith pay the amount of deficiency, together with interest thereon at the rate provided in this Section. At the State's request, Contractor shall pay the reasonable cost of an audit, but only if such audit reveals that an underpayment may exist as determined by the State.

8. Term of Agreement; Amendments.

d. The parties have determined that during the term of the Agreement or a Contract, the parties may need to modify selected terms, conditions, prices and types of products and services under circumstances related to the following illustrative, although not exhaustive, categories of anticipated amendments:

- (ix) Amendments to change the ~~Vendor Collected~~ administrative fee (~~VCAF~~);

Exhibit A, Contract Terms and Conditions

5. Compensation.

5.1 Rates. Authorized Purchaser shall pay Contractor according to the rates set forth on Exhibit B for the Services and Software provided under the Contract. The assessment of ~~VCAF~~ an administrative fee, as

provided in the Agreement, is in addition to, and not a part of, the prices for Services set forth in the Contract.

Exhibit B, Schedule of Services and Compensation

Pricing

Payment option #1:

Number of Users	Cost per Month per User	Monthly Rebate Per User
2,000	\$37.02	\$8.76
3,000	\$37.02	\$8.76
4,000	\$29.74	\$4.87
5,000	\$26.66	\$2.92
6,000	\$24.06	
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11,000	\$16.55	
12,000	\$15.71	
13,000	\$14.68	
14,000	\$14.02	
15,000	\$13.55	
16,000	\$12.54	
17,000	\$11.96	
18,000	\$11.44	
19,000	\$10.99	
20,000	\$10.54	

Or

Payment option #2:

Authorized Purchaser may purchase a minimum of 300 Users at the rate of \$24.06 per User per month.

Payment option #2 pricing is available to Authorized Purchasers with an executed Contract on or before October 1, 2015 with accepted Deliverables on or before December 31, 2015. Authorized Purchasers shall make payment for a minimum of 300 Users upon Acceptance of Deliverables as per Section 3.5 and 5.3 in Exhibit A of the Master Services Agreement. Acceptance of Deliverables occurring after December 31, 2015 will be subject to payment option #1 pricing.

B. Exhibit D, Subscription Services Contract is replaced in its entirety with the attached Exhibit D.

C. The title to Exhibit F is changed to EXHIBIT F ~~VCAF~~ ADMINISTRATIVE FEE REPORT

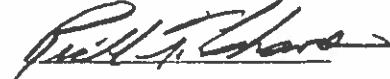
D. Attachment #2 is deleted effective upon execution of this Amendment.

Except as expressly amended above, all other terms and conditions of original contract are still in full force and effect. Contractor certifies that the representations, warranties and certifications contained in the original contract are true and correct as of the effective date of this amendment and with the same effect as though made at the time of this amendment.

The individual signing on behalf of Contractor hereby certifies and swears under penalty of perjury that s/he is authorized to act on behalf of Contractor, s/he has authority and knowledge regarding Contractor's payment of taxes, and to the best of her/his knowledge, Contractor is not in violation of any Oregon tax laws including without limitation a state tax imposed by ORS 320.005 to 320.150 and 403.200 to 403.250, ORS Chapters 118, 314, 316, 317, 318, 321 and 323; and the elderly rental assistance program under ORS 310.630 to 310.706; and any other local taxes administered by the Department of Revenue under ORS 305.620.

SIGNATURES

CONTRACTOR

By: 
Title PRESIDENT
Date 02/05/2015

STATE OF OREGON by and through
the OFFICE OF THE SECRETARY OF
STATE

By: 
Title Deputy Secretary of State
Date 2/6/2015

APPROVED AS TO LEGAL SUFFICIENCY:

Glen Driveness (via email) 2/4/15
Assistant Attorney General Date

EXHIBIT D
SUBSCRIPTION SERVICES CONTRACT

This Subscription Services Contract Number ORMS – 0__ (“Contract”) is effective _____, _____, 201_ (“Contract Effective Date”) between Chaves Consulting, Inc. (“Contractor”) and _____ (“Authorized Purchaser”).

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Authorized Purchaser Contact information:

Authorized Purchaser: _____
Contact Name: _____
Address: _____

Phone: _____
Email Address: _____

Invoices shall be sent to:

Authorizer Purchaser: _____
Contact Name: _____
Address: _____

Phone: _____
Email Address: _____

1. Subscription Services

The Contractor will provide to the Authorized Purchaser all required services listed in Exhibit B which includes: access to and use of the HP TRIM application, software and data hosting and storage, and helpdesk support services. The State Archives Division will provide the training for using HP TRIM. The Contractor may provide training to other software integrations.

Services shall be deemed to commence on the date that: (1) the Authorized Purchaser has access either to the ORMS HP TRIM production or quality assurance (QA) environment, to data hosting, storage and helpdesk support; and (2) the Authorized Purchaser’s initial Users have been provided Phase 1 initial implementation training as specified in the ORMS Training Plan.

2. Role of State Archives Division

The State Archives Division will work with Authorized Purchaser in order to set milestones such as the number of initial Users, projected total end users upon full Authorized Purchaser implementation, and due date for full implementation.

In the event that Authorized Purchaser is not able to meet a specific milestone date, the Authorized Purchaser shall notify both the State Archives Division and Contractor.

The notification must be given in writing before the proposed milestone date stating the reason the date cannot be met and Authorized Purchaser will not be subject to any penalty charges.

3. Subscription Fee and Payment Schedule

Authorized Purchaser agrees to a minimum of _____ Users per month. Authorized Purchaser agrees to payment option _____ option below:

Payment option #1:

Authorized Purchaser shall pay Contractor a monthly fee based on the number of Users for Authorized Purchaser. The rate per User per month is specified in the following table:

Number of Users	Cost per Month per User	Monthly Rebate Per User
2,000	\$37.02	\$8.76
3,000	\$37.02	\$8.76
4,000	\$29.74	\$4.87
5,000	\$26.66	\$2.92
6,000	\$24.06	
7,000	\$21.61	
8,000	\$19.62	
9,000	\$18.81	
10,000	\$17.53	
11,000	\$16.55	
12,000	\$15.71	
13,000	\$14.68	
14,000	\$14.02	
15,000	\$13.55	
16,000	\$12.54	
17,000	\$11.96	
18,000	\$11.44	
19,000	\$10.99	
20,000	\$10.54	

Or

Payment option #2:

Authorized Purchaser may purchase a minimum of 300 Users at the rate of \$24.06 per User per month.

Payment option #2 pricing is available to Authorized Purchasers with an executed Contract on or before October 1, 2015 with accepted Deliverables on or before December 31, 2015. Authorized Purchasers shall make payment for minimum of 300 Users upon Acceptance of Deliverables as per Section 3.5 and 5.3 in Exhibit A of the Master Services Agreement. Acceptance of Deliverables occurring after December 31, 2015 will be subject to payment option #1 pricing.

For the purpose of establishing the User cost per month for payment option #1, the number of Users is the cumulative number of users of all Authorized Purchasers that have executed a subscription services contract with Contractor pursuant to the MSA.

Rebates: The first 5,000 Users will begin receiving a rebate (in the form of reduced monthly billings) when the total number of combined Users exceeds 20,000. The number of months that the Authorized Purchasers will receive the rebate will be equal to the number of months that the initial Users paid the higher rate. The amount of the rebate is specified in the table in Section 4 3 of this Contract. Authorized Purchasers that select payment Option #2 are not eligible for rebates as described in this paragraph.

The initial invoice shall be issued on the 1st day of the month immediately following the Acceptance of Initial Deliverables described in Section 5 of this Contract.

Invoices shall be issued on the 1st day of the month of the current calendar month in which the Subscription Services will be provided. All undisputed, timely and valid invoices are due in full 15 days after receipt by Authorized Purchaser.

Default by Non-Payment: Authorized Purchaser shall not delay payment of monthly User fees based on a dispute or claim relating to Non-Subscription Services.

If Authorized Purchaser fails to pay Contractor any amount pursuant to the terms of the Contract and fails to cure such failure within 45 business days after delivery of Contractor's notice or such longer period as Contractor may specify in such notice, Authorized Purchaser shall be in default under Exhibit A, Section 10.2 of the MSA (Attachment 1).

4. Additional Users

During the term of this Contract, Authorized Purchaser may add additional Users at any time. The monthly installment fee for payment option #1 will be set according to the table in Section 3 for each additional User commencing on the day the additional Users are specified by Authorized Purchaser. Additional Users under payment option #2 shall be invoiced according to the rate in Section 3.

5. Authorized Purchaser Acceptance

Contractor shall commence the Services and provide Deliverables as set forth in the Contract. Within ten (10) business days after the commencement of Services, Contractor shall provide Authorized Purchaser with an Acceptance of Initial Deliverables Question and Answer Form that is reasonably constructed to test the ability of the Subscription Services and associated software applications, as implemented by Contractor, to produce the results and other Deliverables specified in this Contract. The Authorized Purchaser shall complete and return this form to Contractor within ten (10) business days as initial acceptance of Deliverables to date; a non-response shall be deemed as an acceptance of initial Deliverables.

Authorized Purchaser may accept the proposed acceptance test as recommended or modify it as Authorized Purchaser deems reasonable. Contractor shall provide Authorized Purchaser with access to the Subscription Services on or before the commencement date described in Section 1 of this Contract and the implementation schedule agreed to by Authorized Purchaser, the State Archives Division and Contractor. On the transition date, Contractor shall assume responsibility for providing ongoing Subscription Services.

Upon the conclusion of any consecutive forty-five (45) day period of production processing from the transition date as specified in Section 10 of this Contract, when all Service Levels have been met successfully, the Subscription Services shall be deemed accepted in full. Authorized Purchaser will acknowledge completion of this milestone by written notification to Contractor. Nothing contained in this Section 5 or any other provision of this Contract shall be deemed to prevent Authorized Purchaser from using any portion of the Subscription Services in a live environment for productive processing, and any such use shall not alter, amend or modify any of Contractor's obligations pursuant to the Contract.

6. Period of Performance

The period of performance of this Contract shall commence on the Contract Effective Date and shall continue for a period of 12 months plus the interim period between the effective date and the date of acceptance (the "Initial Period"). Thereafter, unless Authorized Purchaser notifies Contractor in writing, this Contract shall automatically be renewed annually for additional 12-month periods (each a "Renewal Period") up to a maximum total term of ten years.

Authorized Purchaser may terminate this Contract by providing Contractor with a notice of termination sixty (60) days prior to the termination date.

7. Consulting, Implementation, Training and/or Support Services

Contractor shall provide the consulting, implementation, training and/or support services related to the Subscription Services as set forth in Section 5 of the MSA.

8. Security Procedures

Contractor shall define certain policies and procedures that it shall have in place in order to provide the level of security associated with the Subscription Services and with the Service Levels set forth in Section 12. These policies and procedures shall be updated by Contractor from time to time to reflect updated Department of Administrative Services Security Standards, emerging technologies, business practices and Internet-related issues. Contractor shall provide written notice to Authorized Purchaser of any changes made to its security policies and procedures within ten (10) days of such changes, and updated policies and procedures shall be distributed through ORMS Support (Helpdesk).

9. Specifications and Minimum Technical Requirements

Contractor warrants that the minimum technical requirements for access to and operation of the Software are updated and available upon Authorized Purchaser request

If future releases of the Software require use of newer versions of any client application or change in any client application configuration, Contractor shall provide 15 - 45 days (depending on the kind of change and its impact) written notice to Authorized Purchaser prior to the general release of that Software Version.

By the conclusion of the Initial Period Contractor and the Secretary of State's Office shall implement the ORMS Advisory Board (Board). The Board shall consist of representatives of the Secretary of State's Office, State Archives Division, Contractor and selected representatives of Authorized Purchasers. The Board shall review recommendations, discuss and agree on the priority, implementation and timing of requested changes to the HP TRIM application.

10. Transition

Contractor and the State Archives Division shall assist in developing a transition plan that is approved by Authorized Purchaser. Subscription Services shall be transitioned and in production, as accepted by Authorized Purchaser, within thirty (30) calendar days from the Schedule Effective Date.

11. Transition Remedy

In the event that Contractor fails to meet the date for the completion of the transition into production of the Subscription Services, Contractor shall credit Authorized Purchaser one percent (1%) of the monthly Service fees for every business day the transition is late. If Contractor misses the target date by more than thirty days (30) days, Contractor shall be deemed to be in material breach of the Agreement.

If Authorized Purchaser does not meet its obligations as identified in the transition plan provided by Contractor and Authorized Purchaser is the sole cause of a delay in the project, the transition milestone target dates shall be extended for the same amount of time as the delay. Contractor shall promptly notify the Authorized Purchaser Program Manager, in writing, of any delay in the project schedule as a result of Authorized Purchaser's failure to meet any of its obligations identified above. If Contractor fails to notify Authorized Purchaser of any such Authorized Purchaser failure to meet its obligations, Authorized Purchaser shall be conclusively presumed under the Contract to have met its obligations, and consequently, Contractor shall not be entitled to rely on such delay to excuse it from meeting the milestone target dates.

12. Service Levels and Remedies

12.1 Security Service Level.

Contractor represents and warrants that Contractor shall provide Record Security as specified in Exhibit B, Section e. of the MSA.

The required security processes may include, but are not limited to, the following:

- (i) Contractor shall have staff on duty and at its site 24x7 and capable of identifying, categorizing, and responding to a security incident.
- (ii) Contractor shall notify Authorized Purchaser of any new potential security vulnerability within four (4) hours of discovery. This notification shall include the probable risks associated with the vulnerability.
- (iii) Contractor shall implement a security fix across the application within four (4) hours of approval from Authorized Purchaser.
- (iv) Contractor shall notify the Authorized Purchaser Program Manager within fifteen (15) minutes if Contractor believes that an attack is in process.
- (v) Contractor shall shut down ALL access to the Software or any component of it

associated with the Subscription Services within fifteen (15) minutes upon request of the Authorized Purchaser Program Manager or officer of Authorized Purchaser.

- (vi) Contractor shall assist Authorized Purchaser in preparing written responses to audit requirements or findings without charge.
- (vii) After both the conclusion of the pilot period and the total number of active users remains at a minimum of 2,000 or more users per Section 8a of the MSA, Contractor must conduct and pass a SAS 70 Type II Audit every twelve (12) months during the term of this Contract. The first audit shall be performed by an independent CPA firm within twelve (12) months of the state meeting its commitment to the 2,000 user minimum; subsequent annual audit reviews shall be performed by the Contractor according to the auditor's recommended process and results shall be provide to the State and, upon request, to Authorized Purchasers. Failure by Contractor to pass the audit or to provide the audit results to Authorized Purchaser within fifteen (15) days after receiving the results from the auditor shall constitute a material breach of the MSA.

12.2 Record Retrieval Time Service Level.

Contractor represents and warrants that Contractor shall provide Record Retrieval Delivery Time Levels in the HP TRIM server environment as set forth in Exhibit B, Section f. of the MSA, as amended. Record retrieval delivery time shall be measured at the server end between the ORMS workgroup server and database at Synergy Data Center, as described in Amendment #001 to the Master Agreement #0486 at Section 9.

Contractor represents and warrants that the above performance Service Levels shall be valid with up to 20,000 Users using the application at any given time.

If the Record Retrieval Delivery Time Level of 3 minutes or less falls below 95% in any month, Authorized Purchaser shall be entitled to a credit on that month's bill for Subscription Services according to the table in Exhibit B, Section f. of the MSA, as amended.

12.3 Subscription Services Availability Service Level.

Contractor represents and warrants that the Subscription Services shall be available as specified in Exhibit B, Section f. of the MSA, as amended.

Service Availability shall be measured on a 7 x 24 basis (7 days a week, 24 hours per day).

If the Subscription Services availability percentage falls below 99.7% in any month, Authorized Purchaser shall be entitled to a credit on that month's bill for Subscription Services according to the table below that represents the then-current cumulative number of all Authorized Purchaser Users.

A. Scale based on 20,000 users or more.

Availability Percentage	Percentage of Credit
99.60% to 99.69%	10%
99.50% to 99.59%	20%

99.0% to 99.49%	30%
97.0% to 98.99%	50%
Below 97.00%	75%

B. Scale based on 19,999 users or less.

Availability Percentage	Percentage of Credit
99.00% to 99.69%	10%
98.50% to 98.99%	20%
98.00% to 98.49%	30%
97.00% to 97.99%	50%
Below 97.0%	75%

12.4 Performance and Availability Scalability.

Contractor represents and warrants that the performance and availability Service Levels in Sections 12.2 and 12.3 above shall be valid and applicable with a concurrent User increase of up to 20,000 Users.

12.5 Notifications to Authorized Purchaser.

Contractor shall provide proactive notifications to Authorized Purchaser regarding scheduled system-maintenance downtime and system upgrades and enhancements. Contractor shall provide Authorized Purchaser with at least seven (7) calendar days' prior written notice of any scheduled outages; such notices shall include the date of the outage and the start and stop times of the outage.

Scheduled upgrades and enhancements shall be provided between the hours of 8:00 p.m. and 6:00 a.m. Monday through Friday, or during weekends and/or Federal holidays, with the exception of emergency security patches.

12.6 Additional Environment.

Contractor will provide an additional environment at no additional charge for Authorized Purchaser's testing and/or training purposes, without limitation. Authorized Purchaser agrees not to use the additional environment for production purposes.

12.7 Support and Error Resolution.

Contractor shall establish and maintain the organization and processes necessary to provide support and error-resolution services to Authorized Purchaser. Contractor shall provide support and error-resolution services on a twenty-four (24) hours a day, seven (7) days a week basis.

Authorized Purchaser's HP TRIM Users shall contact the ORMS Support Desk, which shall be staffed by on-site, on-duty Support staff during regular business hours from 7:00 a.m. to 5:00 p.m. Monday through Friday, excluding weekends and Federal holidays. Outside of regular business hours, Users may call the ORMS Support Desk and leave a message for on-call staff, who shall respond according to the priority levels specified in this Section.

Upon receipt of telephone or written notice from the Authorized Purchaser specifying a problem, and upon receipt of such additional information as Contractor may request, Contractor shall respond as described below to resolve reported and reproducible errors in the Subscription Services or SaaS Software, so that the application operates as specified in this Contract. Contractor shall determine the priority level in accordance with the following protocols:

- (i) **SEVERITY 1 – CRITICAL BUSINESS IMPACT.** The production use of the Subscription Services is stopped or so severely impacted that the Authorized Purchaser cannot reasonably continue work; requires round-the-clock attention until the problem is resolved (a "Severity 1 Error").
 - a. Contractor shall begin work on the error within fifteen (15) minutes of notification;
 - b. Contractor shall engage development staff until the problem is circumvented or corrected; and
 - c. Contractor shall provide Authorized Purchaser with ongoing communication on the status of the problem resolution.
- (ii) **SEVERITY 2 – SIGNIFICANT BUSINESS IMPACT.** A high-impact problem is affecting Service Levels and/or materially impacting Authorized Purchaser's use of the Subscription Services. Problem resolution shall be initiated within sixty (60) minutes, and the resolution of these problems requires serious and sustained attention during normal business hours (8:00 am to 5:00 pm, Pacific time, Monday through Friday, exclusive of State holidays) until the problems are circumvented or corrected (a "Severity 2 Error").
 - a. Contractor shall begin work on the error within sixty (60) minutes of notification;
 - b. Contractor shall engage development staff until the problem is circumvented or corrected; and
 - c. Contractor shall provide Authorized Purchaser with ongoing communication on the status of the problem resolution.
- (iii) **SEVERITY 3 – SOME BUSINESS IMPACT.** This includes problems of general work-queue type and that do not come within the definitions of Severity 1 Error or Severity 2 Error. These problems shall be addressed after Severity 1 Errors and Severity 2 Errors have been corrected and may be pursued during normal business hours on a resources-available basis (a "Severity 3 Error").
 - a. Contractor shall begin work on the error within one (1) day of notification; and
 - b. Contractor shall engage development staff to provide a workaround and to resolve the problem as soon as possible after notification by Authorized Purchaser.

(iv) SEVERITY 4 – MINIMUM BUSINESS IMPACT. Authorized Purchaser requests information, an enhancement, or documentation clarification regarding the Subscription Services or SaaS Software but there is no impact on the operation of the Subscription Services or SaaS Software. The implementation or production use of the Subscription Services or SaaS Software is continuing and there is no work being impeded at the time (a “Severity 4 Error”).

- a. Contractor shall provide a response regarding the requested information or documentation clarification within two (2) days of notification by Authorized Purchaser; and
- b. Contractor shall consider enhancements for inclusion in a subsequent update to the Subscription Services, SaaS Software or Documentation.

13. Termination and Transition Assistance

Authorized Purchaser may terminate this Contract as provided in Exhibit A, Section 12, of the MSA.

Contractor may terminate this Contract as provided in Exhibit A, Section 12.3, of the MSA.

BY EXECUTING THIS CONTRACT, THE PARTIES AGREE TO BE BOUND BY ITS TERMS AND CONDITIONS.

AUTHORIZED PURCHASER

CONTRACTOR

By: _____

By: _____

Name: _____

Name: Richard T. Chaves

Title: _____

Title: President, Chaves Consulting

Date: _____

Date: _____

**SECRETARY OF STATE
CONTRACT ADMINISTRATOR**

By: _____

Date: _____

ATTACHMENT I

MASTER SOFTWARE AS A SERVICE AGREEMENT



Click on Icon to open PDF copy of Agreement

CITY COUNCIL MEETING: June 15, 2015

AGENDA ITEM NUMBER:_____

TO: MAYOR CLARK AND COUNCIL MEMBERS

THROUGH: CHRISTOPHER C. EPPLEY, CITY MANAGER

FROM: E. SHANNON JOHNSON, CITY ATTORNEY

**SUBJECT: AMENDING THE ICMA RETIREMENT CORPORATION'S
VANTAGECARE RETIREMENT HEALTH SAVINGS PLAN**

ICMA has recently requested that the City formally adopt an amendment to the ICMA Retirement Plan relating to the definition of Spouse so that the City's Plan will comply with current law. To accomplish that purpose, I have enclosed a Resolution for your review.

RECOMMENDATION:

Adopt the attached Resolution Amending the ICMA Retirement Corporation's VantageCare Retirement Health Savings Plan.

Please contact me if you have any questions in this regard. Thank you.

ESJ/tmh

1 CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

2
3 Resolution R2015-_____

4
5 AMENDING THE ICMA RETIREMENT CORPORATION'S
6 VANTAGECARE RETIREMENT HEALTH SAVINGS PLAN

7
8 WHEREAS, the City of Keizer has established and maintains a retiree health
9 savings plan in the form of the ICMA Retirement Corporation's VantageCare Retirement
10 Health Savings program, as amended (the "Plan");

11 WHEREAS, the assets of the Plan are held in trust for the exclusive benefit of
12 Plan participants and their spouses and dependents, and shall not be diverted to any other
13 purpose prior to the satisfaction of all liabilities of the Plan;

14 WHEREAS, the Plan has operated in accordance with federal recognition of
15 same-sex spouses;

16 WHEREAS, an amendment to the Employer's Plan in accordance with the federal
17 recognition of same-sex spouses is adopted to comply with Internal Revenue Service
18 guidance issued in response to the Supreme Court's decision in *United States v. Windsor*;

19 NOW, THEREFORE,

20 BE IT RESOLVED by the City Council of the City of Keizer that the Plan is
21 amended to define the term "Spouse" as the Participant's lawful spouse as determined
22 under the laws of the jurisdiction in which the Participant was married.

23 BE IT FURTHER RESOLVED by the City Council of the City of Keizer that the
24 Declaration of Trust of the Integral Part Trust and Retiree Welfare Benefits documents,

1 as applicable, include the federal recognition of same-sex spouses and that the Plan
2 allows same-sex spouses to receive tax-free reimbursements for all same-sex marriages
3 that are valid as of September 16, 2013.

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

6 PASSED this _____ day of _____, 2015.

7

8 SIGNED this _____ day of _____, 2015.

9

10

11

Mayor

12

13

14

City Recorder

CITY COUNCIL MEETING: June 15, 2015

AGENDA ITEM NUMBER: _____

TO: MAYOR CLARK AND CITY COUNCIL MEMBERS

**THROUGH: CHRIS EPPLEY
CITY MANAGER**

**FROM: MACHELL DEPINA
HUMAN RESOURCES DIRECTOR**

SUBJECT: CELL PHONE POLICY AMENDMENT

ISSUE:

As was recommended in and approved by the adoption of the City Manager's Recommended Budget, the process by which the City provides allowance to support the cost of personal wireless phone use by designated City employees has been updated and simplified. Therefore, the related Cell Phone Policy must also be updated. The following changes have been made to the prior policy language:

- Transition to a single rate rather than the prior tiered rate structure.
- Clarification of option to provide a one-time allowance to offset acquisition and activation fees.
- Language to address level of potential replacement costs should the phone be lost, stolen or damaged while in performance of City duties.
- Change of policy title to Wireless Phone Policy.

The Personnel Policy Committee supports the proposed language and recommends amendment of the current policy as referenced above.

RECOMMENDATION:

It is recommended the City Council accept the recommendation of the Personnel Policy Committee to amend the City of Keizer Personnel Policy regarding Cellular Phones as set forth in the attached Resolution.

If you have any questions regarding the staff report, please contact me at 503-856-3417 or email me at depinam@keizer.org.

Thank you.

1 CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

2
3 Resolution R2015-_____

4
5 AMENDING THE KEIZER PERSONNEL POLICY MANUAL
6 REGARDING CELL PHONES (SECTION 8, PAGES 41 AND 42);
7 **AMENDING RESOLUTION R2010-2040**

8
9 WHEREAS, it is the policy of the City of Keizer to provide personnel policies
10 that are consistent and fair for represented and non-represented employees (within the
11 constraints of ratified union contracts) and is a wise use of public funds;

12 WHEREAS, the City Council wishes to amend a certain personnel policy;

13 WHEREAS, Resolution R2010-2040 regarding personnel policies provides for
14 cell phone policies (Section 8, Pages 41 and 42);

15 WHEREAS, the City Council of the City of Keizer has determined that the cell
16 phone policy should be amended to provide an appropriate policy consistent with federal
17 and state law, ratified union contracts, and to be consistent and fair for represented and
18 non-represented employees;

19 NOW, THEREFORE,

20 BE IT RESOLVED by the City Council of the City of Keizer that personnel
21 policies regarding cell phones (Section 8, Pages 41 and 42) is hereby amended by the
22 replacement language as set forth in Exhibit "A" attached and by this reference
23 incorporated herein.

1 BE IT FURTHER RESOLVED that Resolution R2010-2040 is hereby amended
2 in Exhibit "A" as set forth herein.

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

5 PASSED this _____ day of _____, 2015.

6
7 SIGNED this _____ day of _____, 2015.

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9

10

Mayor

11

12

13

City Recorder

WIRELESS PHONES

This policy applies to all City employees who use cell phones for City business. Departments may have procedures that are more limiting than stated in this policy, but department procedures must, at minimum, comply with this policy. References to cellular phones may include cell phones, smart phones or wireless Personal Digital Assistants (PDAs) that have a wireless phone feature.

City Issued/Supplied Wireless Phones: Business Use/Personal Use

Employees with a business need for a wireless phone may be assigned a City issued phone upon approval by their Department Director. Wireless phone use on phones supplied by the City is restricted to City business. Personal wireless calls (outgoing or incoming) will only be allowed in limited and infrequent (maximum 2-3 times per month) for instances of family emergencies and only if these calls cannot be made from a landline phone in a reasonable period of time. These calls should be of short duration. NO OTHER PERSONAL USE IS ALLOWED, EVEN IF REIMBURSED.

The above emergency calls do not need to be reimbursed if no direct additional cost is charged to the City. Employees are responsible for taking reasonable precautions to prevent unauthorized use and theft of wireless equipment.

Monthly Pre-tax Allowance

The City may choose to provide an allowance to support the cost of personal wireless phone use as a part of official city business. The Department Director or City Manager may designate employees who will receive a specified amount of additional taxable income per month for the specific purpose of obtaining a personal wireless phone plan. The amount provided will be reviewed and adjusted as needed on a biannual basis and approved by the City Manager.

One-time Pre-tax Acquisition/Activation Allowance

The City may also choose to provide a one-time allowance up to \$200 to offset the acquisition cost of a wireless phone and activation fees. The amount of the allowance will be based on actual receipts. The value of the allowance for the phone will also be processed as additional taxable income to the employee.

In the event the phone is lost, stolen or damaged while in the performance of one's duties, the City, at the discretion of the Department Director and City Manager, may provide an additional allowance for an equivalent replacement phone up to a maximum of \$300, based upon actual receipts.

CITY COUNCIL MEETING: June 15, 2015

AGENDA ITEM NUMBER: _____

TO: MAYOR CLARK AND COUNCIL MEMBERS

THROUGH: CHRISTOPHER C. EPPLEY, CITY MANAGER

FROM: E. SHANNON JOHNSON, CITY ATTORNEY

SUBJECT: INTERGOVERNMENTAL AGREEMENT WITH SCHOOL DISTRICT FOR SCHOOL RESOURCE OFFICERS

The City has had an Intergovernmental Agreement with the Salem-Keizer School District 24J for the purpose of providing police services to the schools. The goal of the services is to establish a positive working relationship in an effort to prevent juvenile delinquency and assist in student development, and to promote positive attitudes regarding law enforcement's role in society.

The School District recently presented us with a new agreement for the 2015-16 school year and it is before the Council for review and approval. The payment from the School District to the City in the amount of \$162,763.26 roughly covers one-half the salary, benefits and a portion of the overhead for the school resource officers for the school year, and one-quarter the cost of the supervisory sergeant. This is in line with the long-standing arrangement with the District.

RECOMMENDATION:

Adopt the attached Resolution authorizing the City Manager to enter into the Intergovernmental Agreement for the purpose of providing police services to the schools.

Please contact me if you have any questions in this regard. Thank you.

ESJ/tmh

1 CITY COUNCIL, CITY OF KEIZER, STATE OF OREGON

2
3 Resolution R2015-____

4
5
6 AUTHORIZING CITY MANAGER TO ENTER INTO
7 INTERGOVERNMENTAL AGREEMENT WITH SALEM-KEIZER
8 SCHOOL DISTRICT 24J (SCHOOL RESOURCE OFFICERS)
9

10
11 WHEREAS, ORS Chapter 190 provides for intergovernmental agreements;

12 WHEREAS, the City of Keizer and the Salem-Keizer School District 24J wish to
13 establish a positive working relationship in an effort to prevent juvenile delinquency and
14 assist in student development;

15 WHEREAS, the City and the School District wish to promote positive attitudes
16 regarding law enforcement's role in society and to inform students of their rights and
17 responsibilities as lawful citizens;

18 WHEREAS, the City Council of the City of Keizer has considered this matter and
19 wishes to move forward with an agreement;

20 NOW, THEREFORE,

21 BE IT RESOLVED by the City Council of the City of Keizer that the City Manager
22 is authorized to enter into the Intergovernmental Agreement attached as Exhibit "A" and
23 by this reference incorporated herein.
24
25

1

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

4 PASSED this _____ day of _____, 2015.

5

6 SIGNED this _____ day of _____, 2015.

7

8

9

10

Mayor

11

12

13

City Recorder

INTERGOVERNMENTAL AGREEMENT

A2012-100-4

This Agreement is made between

THE CITY OF KEIZER,
an Oregon municipal corporation
("Agency"),

and

SALEM-KEIZER SCHOOL DISTRICT 24J,
an Oregon school district
("District"),

for the purpose of providing police services for the Salem-Keizer public schools during the
2015-16 school year

RECITALS

- A. The District is a public body engaged in providing educational services; and
- B. The Agency is a public body engaged in providing municipal services, including law enforcement, to its citizens; and
- C. The parties wish to establish a positive working relationship between themselves in a cooperative effort to prevent juvenile delinquency and assist in student development; and
- D. The parties have a public interest in maintaining a safe and secure environment on school campuses which is conducive to teaching and learning; and
- E. The parties wish to promote positive attitudes regarding law enforcement's role in society and to inform students of their rights and responsibilities as lawful citizens; and
- F. The parties find that the performance of this Agreement will benefit the public; and
- G. This Agreement is entered into pursuant to ORS 190.010, *et seq.*

AGREEMENT

NOW THEREFORE, in consideration of the mutual benefits and obligations set forth herein, the parties hereby agree as follows:

1. AGENCY OBLIGATIONS:

- 1.1 Provide law enforcement services of the Agency's School Resource Officer Unit, as described in Exhibit "A," Memorandum of Understanding, which is attached hereto and incorporated herein by this reference, in District schools, including School Resource Officers officed at schools as agreed upon in writing between the Agency and District.

2. DISTRICT OBLIGATIONS:

- 2.1 The District shall compensate the Agency for all services provided under this Agreement by payment of the total sum of \$162,763.26. Payment will be divided into three installments of \$54,254.42. The first payment is due the first day of September 2015. The second installment shall be due and payable on the first day of December 2015, and the third and final installment shall be due and payable on the first day of March 2016.
- 2.2 Compensation shall be for all personnel and services as described in Exhibit "B" which is attached hereto and incorporated herein by this reference. Coverage of extracurricular events or activities sponsored by the District or any specific school within the District is **not** a part of this Agreement.
- 2.3 The City shall bill the District for the equivalent of fifty percent (50%) of all overtime incurred by the City's School Resource Officers for overtime that is a direct result of the School Resource Officers' assignments to the District's Schools. This billing will only apply to overtime that is not covered by other means such as special events and sporting events and will not exceed \$1,000 (one thousand dollars), without the mutual written agreement of the City and the District.

3. TERM AND TERMINATION:

- 3.1 Unless terminated as provided in Sections 3.2 and 3.3 below, this Agreement shall be effective on July 1, 2015, and shall remain in effect up to and including June 30, 2016.
- 3.2 The Agency and District may terminate this Agreement by mutual agreement at any time.
- 3.3 This Agreement may be terminated for any or no cause by either party upon not less than thirty (30) days prior written notice to the other party.

4. GENERAL PROVISIONS:

- 4.1 Neither party, nor the officers, employees or agents of either party, are employees or agents of the other for any reason. Each party shall be separately and exclusively responsible for all acts, errors and/or omissions of its own officers, employees and agents, except to the extent provided in Section 4.2 of this Agreement.
- 4.2 Each party agrees to indemnify the other from and against each and every claim that the indemnitor would be legally obligated to pay if: (a) a claim asserting the same loss or injury were made directly against the indemnitor, whether or not such a direct claim is actually made; and (b) the loss or injury sustained by the claimant resulted from the acts, errors or omissions of the indemnitor or those for whose actions the indemnitor is legally responsible. The mutual right to indemnity is in addition to and not in lieu of any other right of contribution or indemnity that may exist in favor of either party under Oregon law; the right to indemnify extends to all officers, employees and agents of the indemnitee party for claims made against them because of their actions or capacity as such. "Indemnify" as used herein, means to indemnify, defend, save and hold harmless. Claims arising during the term of this Agreement shall survive expiration or termination of this Agreement.
- 4.3 Each party hereto agrees to obtain and maintain in force at all times during the term of this Agreement, a policy or policies of general liability insurance with liability limits of at

least \$2,000,000.00 (two million dollars), which names the other party, its employees, officers, and agents as additional insureds. The Agency and/or the District, as government bodies, may fulfill the insurance obligations listed above through a program of self-insurance, provided that the self-insurance program complies with all applicable laws and provides insurance coverage equivalent to both type and level of coverage to that listed above.

- 4.4 Each party working under this Agreement is either an employer that will comply with ORS 656.017 or an employer that is exempt under ORS 656.126. Each party agrees that it is solely responsible for obtaining and maintaining insured or self-insured coverage for its own employees as required by that law.
- 4.5 This Agreement, including any attachments incorporated herein, represents the entire integrated agreement between the parties concerning the subject matter hereof. This Agreement supersedes all prior agreements, negotiations and representations relating to the same subject matter between the parties.
- 4.6 This Agreement may be amended only by written instrument executed with the same formalities as this Agreement.
- 4.7 The parties hereto agree that they shall comply with all federal, state, and local laws, regulations, executive orders and ordinances that may be applicable to this Agreement. The parties agree that no person shall, on the grounds of race, color, religion, age, mental or physical disability, sexual orientation, creed, national origin, sex, marital status, familial status or domestic partnership, gender identity, or source of income, suffer discrimination in the performance of this Agreement when employed by either party. The parties further agree to comply with all applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations, and they agree not to discriminate against minority-owned, women-owned or emerging small business enterprises certified under ORS 200.055 or a business enterprise that is owned or controlled by or that employs a disabled veteran as defined in ORS 408.225, in awarding subcontracts as required by ORS 279A.110.
- 4.8 The following laws of the State of Oregon are hereby incorporated by reference into this Agreement: ORS 279B.220, 279B.230, and 279B.235.
- 4.9 Whenever notice is required or permitted to be given under this Agreement, such notice shall be given in writing to the other party by personal delivery, by sending via a reputable commercial overnight courier, by mailing using registered or certified United States mail, return receipt requested, postage prepaid, or by electronically confirmed facsimile at the address or facsimile number set forth below:

If to the Agency: John Teague, Chief of Police
 930 Chemawa Rd NE
 Keizer, OR 97303
 Fax: 503-390-8295

If to the District: Michael D. Wolfe
 Chief Operations Officer
 PO Box 12024
 Salem, OR 97309-0024
 Fax # (503) 399-5579

Any notice delivered by personal delivery shall be deemed to be given upon actual receipt. Any notice sent by overnight courier shall be deemed to be given five (5) days after dispatch. Any notice sent by United States mail shall be deemed to be given five (5) days after mailing. Any notice sent by facsimile shall be deemed to be given when receipt of the transmission is generated by the transmitting machine. To be effective against either party, such facsimile transmission shall be confirmed by telephone notice to the other party.

- 4.10 If any provision of this Agreement is found by a court of competent jurisdiction to be unenforceable, such provision shall not affect the other provisions, but such unenforceable provision shall be deemed modified to the extent necessary to render it enforceable, preserving to the fullest extent permitted the intent of the District and Agency as set forth in this Agreement.
- 4.11 This Agreement shall be governed by the laws of the State of Oregon without regard to conflict of laws principles. Exclusive venue for litigation of any action arising under this Agreement shall be in the Circuit Court of the State of Oregon for Marion County unless exclusive jurisdiction is in federal court, in which case exclusive venue shall be in the federal district court for the district of Oregon. Each party expressly waives any and all rights to maintain an action under this Agreement in any other venue, and expressly consents that, upon motion of the other party, any case may be dismissed or its venue transferred, as appropriate, so as to effectuate this choice of venue.
- 4.12 Neither party to this Agreement shall hold the other responsible for damages or delay in performance caused by acts of God, strikes, lockouts, accidents, or other events beyond the control of the other or the other's officers, employees or agents.
- 4.13 One or more waivers or failures to object by either party to any breach, violation, or default of any provision, term, condition or covenant contained in this Agreement shall not be construed or operate as a waiver of any subsequent breach, violation, or default of that or of any other provision, term, condition or covenant.

IN WITNESS WHEREOF the Parties have caused this Agreement to be signed in their respective names by their duly authorized representatives as of the dates set forth below.

CITY OF KEIZER:

SALEM-KEIZER SCHOOL DISTRICT 24J:

By: _____
Chris Eppley

By: _____
Michael D. Wolfe

Title: City Manager

Title: Chief Operations Officer

Date: _____

Date: _____

Exhibit “A”
Memorandum of Understanding
Between
THE CITY OF KEIZER POLICE DEPARTMENT (AGENCY)
and
SALEM-KEIZER SCHOOL DISTRICT 24J

EMPLOYMENT AND ASSIGNMENT OF SCHOOL RESOURCE OFFICERS (hereinafter “SRO”)

- Before September of each year, the Agency's SRO supervisor and the District's Security Manager will develop a prioritization of the District's middle and high schools for SRO assignment.
- In the event the SRO is absent from work, the SRO or SRO's supervisor will notify the school principal or designee of his / her primary school to which he / she is assigned. The Agency will identify an alternate contact when a SRO is not available.
- In the event of any SRO absence, the District and the Agency may collaboratively determine if the temporary placement of another SRO to a school is warranted.
- In the event of a long-term absence of a SRO (ten consecutive school days or more), the Agency will work with the District, through its Security Manager, to assure that schools maintain appropriate and necessary coverage by an SRO.
- SROs will remain employees of the Agency and will not be employees of the District. However, for purposes of information sharing, the SRO will be considered part of the school district administration team. The District and the Agency acknowledge that the SROs remain responsive to the command of the Agency.

SCHEDULE AND SPECIAL EVENTS

- Each SRO shall be assigned to one or more schools as needed. A mutually agreed upon Operational Plan outlining SRO assignments will be established between the Agency and the District. The SROs shall report in by phone or other means to their assigned school principal or designee. During regular school hours, SROs may be off campus performing such tasks as may be required by their assignment (e.g., court, truancy, arrest, traffic enforcement)
- The requesting school shall pay for overtime for special school district events (e.g., dances and sporting events) as agreed upon in advance with the Agency.
- All SROs shall wear their duty uniform and carry their duty weapon while working at their school pursuant to this Agreement, unless the District and the Agency agree upon another uniform.

DUTIES OF THE SRO ARE AS FOLLOWS:

- Assist the school principal or the principal's designee as well as the District security manager in developing plans and strategies to prevent and / or minimize dangerous situations that may occur on campus.
- Interact with students on an individual basis and in small groups.
- Make himself / herself available for conferences involving teachers, parents, and faculty.

- Become familiar with agencies and resources that offer assistance to youth and their families and make referrals as necessary.
- Contact the school principal or the principal's designee about the SRO's actions to make them aware when a student is taken into custody or arrested.
- Notify the school principal or principal's designee before removing a student from school or as soon as practical thereafter.
- Take law enforcement action against intruders and trespassers who appear on school property as needed.
- Conduct investigations of crimes that occur at his / her assigned school and using other resources if needed for follow up investigations.
- Serve as the liaison officer for the Youth Services Team in his / her assigned school.
- Be present at the request of the school principal, the principal's designee or the District security manager when a school principal, the principal's designee or the District security manager conducts a search.
- Report any violation of school rules or policies to school administration, but the SRO shall not be the individual responsible for the disciplinary consequences of school rules and policies.
- Make home visits to investigate students with truancy problems or to check the welfare of a student and his / her family as operational conditions permit.
- Present programs on various topics to students. Subjects may include, but are not limited to, a basic understanding of law, the role of law enforcement in the school or community, drug awareness, and other law enforcement topics.
- Attend certain school meetings, such as IEP meetings or expulsions, for security purposes only, if requested by the District.

SEARCH, ARREST and INVESTIGATION PROCEDURES

- **Search Procedures**
 - ❖ When conducting searches on school property, all SRO's shall follow procedures in accordance with the United States Constitution, the Oregon Constitution, statutes of the State of Oregon, and Agency policy.
- **Arrest Procedures For Crimes Committed Off Campus In Transit To And From School.**
 - ❖ School officials generally have the legal authority or jurisdiction to discipline students for criminal misconduct or juvenile offenses that occur at school bus stops, on school buses, or on public streets as students commute to and from school.
 - ❖ Law enforcement officials are responsible for enforcing the laws on public streets, including at school bus stops. Therefore, the SRO shall assist school officials and coordinate with the appropriate local law enforcement agency the investigations of crimes that occur at bus stops, on school buses, and while students are walking to and from school.
- **Investigations Procedures**
 - ❖ SROs and other law enforcement officials may interview students at school during school hours in the course of official duty.

- ❖ The SRO or investigating officer should contact the school principal or the principal's designee to inform him/her of the reason(s) to conduct an investigation within the school, *unless* such information would jeopardize the investigation.
- ❖ The SRO or investigating officer may, at his / her discretion, attempt to notify the student's parents or guardians regarding the on-going investigation.
- ❖ Parental consent is not required for the SRO or investigating officer to interview a student regarding a criminal matter.
- ❖ With the consent of the SRO or investigating officer, a school official may be present during the questioning of a student.
- ❖ **When a school staff or faculty member is a suspect in an investigation, the SRO may call in a SRO from another school or an outside investigator from the local law enforcement agency to conduct the investigation interview.**

COMMUNICATION:

- Any District staff or personnel, who become aware of any criminal incident involving students, shall be responsible for sharing that information with their school's SRO and any appropriate law enforcement agency having jurisdiction in accordance with District policies and state law.
- The Agency shall develop its own interdepartmental procedures on how its other law enforcement officers will communicate any criminal event to the SROs and to the District that could have a significant impact on the schools.
- The District is to communicate with all SROs and/or the Agency when there is a school lock down or critical incident occurring.

SRO PERFORMANCE

- In the event the District determines that a particular SRO is not effectively performing his or her duties and responsibilities and / or has conducted himself / herself in a manner that is inconsistent with continued work in the school environment, the District, through its Security Manager, reserves the right to request that the Agency remove that particular SRO from all school assignments. Any subsequent discipline shall be at the Agency's discretion.

EVALUATION

It is mutually agreed that the Salem-Keizer School District shall evaluate the SRO Program annually using a process agreed upon in writing by the both the District and the Agency. It is further agreed the Agency retains final evaluation authority.

EXHIBIT "B"

PERSONNEL AND SERVICES

In consideration of the annual amount of \$162,763.26, the Agency agrees to provide SRO's at the following Salem-Keizer School District 24J schools:

High Schools: McNary High School

Middle Schools: Claggett Creek Middle School, Whiteaker Middle School

The School Resource Officers shall provide services to the District as outlined in the Agreement. The District shall pay fifty percent (50%) of the direct costs of each assigned School Resource Officer and associated expenses and 25% of the direct costs of a School Resource Officer supervisor and associated expenses for the school year (9.5 months.) Cost includes the officer's salary and benefits, supplies, training, vehicle and other incidental expenses.

The names of School Resource Officers assigned to individual schools will be provided to the District in September of each year and will be updated as needed.

The District will provide the SRO an assigned parking space and private office at each assigned school.



MINUTES
KEIZER CITY COUNCIL
Monday, May 18, 2015
Keizer Civic Center, Council Chambers
Keizer, Oregon

CALL TO ORDER

Mayor Clark called the meeting to order at 7:00 pm. Roll Call was taken as follows:

Present:

Cathy Clark, Mayor
Dennis Koho, Council President
Marlene Quinn, Councilor
Kim Freeman, Councilor
Roland Herrera, Councilor
Ryan Edsall, Youth Councilor

Absent:

Brandon Smith, Councilor
Amy Ripp, Councilor

Staff:

Chris Eppley, City Manager
Shannon Johnson, City Attorney
Nate Brown, Community
Development Director
Bill Lawyer, Public Works Director
John Teague, Police Chief
Debbie Lockhart, Deputy City
Recorder

FLAG SALUTE

Mayor Clark led the pledge of allegiance.

**SPECIAL ORDERS
OF BUSINESS**

None

**COMMITTEE
REPORTS**

Kyle Juran, Keizer, reported that the Planning Commission had discussed a portion of the Development Code dealing with infill, but the Homebuilders Association had requested more time to review the changes and asked the Commission to continue the hearing so they did. He added that in an effort to facilitate a real estate transaction, the Commission made a decision on the Shared Housing portion of the Code removing the size requirement of a percentage of the floor area of the primary residence from Section 2.403.02C so that the area of the accessory residence would be no larger than 750 square feet. Community Development Director Nate Brown provided clarification and additional information.

David Loudon, Keizer, reported that the Keizer Little League had come to the last Parks Board meeting requesting assistance, the Board approved a grant request from Jerry Nuttbrock for installation of a patio at the amphitheater support building, and Hans Schneider requested funding for three volleyball courts but will make his formal request at the June meeting. Mr. Loudon added that Home Grown Theater did not use their

grant but he hoped they would reapply. He urged that Council direct staff to get an appraisal or 'market value' on Palma Ciega Park as requested by the Board, and provided details of the Boy Scout Camporee that took place at Keizer Rapids Park.

Hersch Sangster and *Pat Fisher*, Keizer, Chair and Vice Chair of the Traffic Safety/Bikeways/Pedestrian Committee, reported that the City of Salem is requesting a grant for a Bike Boulevard that would tie into the south end of Cherry. The committee supports this but asks that the Mayor include in her letter of support a recommendation that the route go to the edge of the city limits so that it ties into Keizer's route.

Councilor Koho moved to suspend the rules to consider sending a letter of support for the Transportation Growth Management Grant. Councilor Quinn seconded. Motion passed as follows:

AYES: Clark, Koho, Quinn, Freeman and Herrera (5)

NAYS: None (0)

ABSTENTIONS: None (0)

ABSENT: Smith and Ripp (2)

Councilor Koho moved to authorize the Mayor to send a letter in support of the Bicycle Boulevard grant. Councilor Quinn seconded. Motion passed as follows:

AYES: Clark, Koho, Quinn, Freeman and Herrera (5)

NAYS: None (0)

ABSTENTIONS: None (0)

ABSENT: Smith and Ripp (2)

PUBLIC TESTIMONY

Shane Hollingsworth, Keizer, on behalf of the Keizer Parks Foundation explained that the Foundation has held a fundraising event, Pinot for the Parks, for three years now with the proceeds benefiting Keizer City parks. He noted that so far \$10,000 has been donated for the Keizer Big Toy and then presented a check for an additional \$6,000.

Anthony Ernest, Keizer, stated the he needed help, that he wanted to speak to someone about how to be an American and a US citizen, and that government is evil, but Keizer is doing something right. He concluded his testimony asking that the police come and talk to him.

PUBLIC HEARINGS None

ADMINISTRATIVE ACTION

a. Proposed Remand of Herber Farm

City Attorney Shannon Johnson, explained that because this matter would come before Council again regardless of the outcome of the LUBA appeal, and because costs for the appeal are substantial, staff had raised the issue informally with the Herbers' attorney. The Herbers have since committed to reducing the multi-family development to two stories instead of three, reducing the density, and providing an attractive design. Council

**LLC LUBA
Appeal**

then discussed quasi-judicial hearing restrictions and public engagement. Mayor Clark urged Councilors to fully utilize staff for communicating and for their expertise.

Councilor Koho moved to direct staff to submit a stipulated motion for voluntary remand at LUBA and move forward with scheduling a date for a new public hearing. Motion passed as follows:

AYES: Clark, Koho, Quinn, Freeman and Herrera (5)

NAYS: None (0)

ABSTENTIONS: None (0)

ABSENT: Smith and Ripp (2)

**b. ORDINANCE –
Amending
Keizer
Development
Code
Regarding
Section 2.107
and Section
2.414;
Amending
Ordinance 98-
389**

Mr. Johnson reminded Council that at the May 4, 2015 Council meeting they had directed him to come back with this ordinance. He pointed out one change he had made to include a phrase that he believed had inadvertently been left out of the Planning Commission recommendation.

Councilor Koho moved that the Keizer City Council adopt a Bill for an Ordinance Amending Keizer Development Code Regarding Section 2.107 (Mixed Use) and Section 2.414 (Veterinary Services); Amending Ordinance 98-389. Councilor Quinn seconded. Motion passed as follows:

AYES: Clark, Koho, Quinn, Freeman and Herrera (5)

NAYS: None (0)

ABSTENTIONS: None (0)

ABSENT: Smith and Ripp (2)

**c. ORDINANCE –
Correcting
Scrivener's
Error with
Regard to
Ordinance No.
2015-718**

Mr. Johnson explained that this was simply to correct a reference to an ordinance number that was incorrect.

Councilor Koho moved that the Keizer City Council adopt a Bill for an Ordinance Correcting Scrivener's Error with Regard to Ordinance No. 2015-718; Declaring an Emergency. Councilor Quinn seconded. Motion passed as follows:

AYES: Clark, Koho, Quinn, Freeman and Herrera (5)

NAYS: None (0)

ABSTENTIONS: None (0)

ABSENT: Smith and Ripp (2)

**d. RESOLUTION
– Adopting
Website
Disclaimer and
Policies**

Mr. Johnson explained that the new website is close to going on line but prior to it going public, disclaimers and policies should be established. They are included in this resolution.

Councilor Koho moved that the Keizer City Council approve a Resolution Adopting Website Disclaimer and Policies. Councilor Quinn seconded. Motion passed as follows:

CONSENT CALENDAR

AYES: Clark, Koho, Quinn, Freeman and Herrera (5)

NAYS: None (0)

ABSTENTIONS: None (0)

ABSENT: Smith and Ripp (2)

- A. RESOLUTION – In the Matter of Adoption of the Municipal Judge Evaluation Process; Repealing R2010-2027
- B. RESOLUTION – Authorizing the City Manager to Enter Into Second Amendment to Contract Agreement with Leathers and Associates
- C. RESOLUTION – Approving City Engineer's Report; Declaring the City's Intent to Form Misty Meadows Street Lighting Local Improvement District; Providing Notice and Setting Hearing
- D. RESOLUTION – Approving City Engineer's Report; Declaring the City's Intent to Form Northfield Estates Street Lighting Local Improvement District; Providing Notice and Setting Hearing
- E. RESOLUTION – Amending R2015-2556 (Supporting 2015 Public Arts Commission Holiday Card Contest)

Councilor Quinn pulled item B.

Councilor Koho moved for approval of Items A, C, D, and E of the Consent Calendar. Councilor Quinn seconded. Motion passed as follows:

AYES: Clark, Koho, Quinn, Freeman and Herrera (5)

NAYS: None (0)

ABSTENTIONS: None (0)

ABSENT: Smith and Ripp (2)

Item B: Mr. Lawyer explained that the amendment was to bring an additional person from Leathers to assist with the build.

Councilor Koho moved for approval of Item B of the Consent Calendar. Councilor Quinn seconded. Motion passed as follows:

AYES: Clark, Koho, Quinn, Freeman and Herrera (5)

NAYS: None (0)

ABSTENTIONS: None (0)

ABSENT: Smith and Ripp (2)

COUNCIL LIAISON REPORTS

Councilor Freeman thanked everyone who had attended and helped with the Iris Festival and the Big Toy booth and thanked the Budget Committee for their hard work. She announced that May 14 was the last West Keizer Neighborhood Association meeting until fall and provided information about the meeting. She encouraged everyone to volunteer at the Big Toy Build and announced the upcoming Volunteer Coordinating Committee meeting.

Councilor Koho reported that he had attended the Planning Commission meeting for Councilor Smith and voiced appreciation for their in-depth

review; he met with County Commissioners for breakfast last week and participated in the Iris Festival Parade.

Councilor Quinn reported that she had worked on the Big Toy float for the parade and urged everyone to volunteer for the build. She noted that she had missed the Commissioner Breakfast because she 'ran off and got married'.

Councilor Herrera reported that he had attended the Mayor's Prayer Breakfast, the Firemen's breakfast, the Salem-Keizer Coalition for Equality lunch and the kickoff Iris Festival dinner. He expressed appreciation to Joe Egli, Christine and Tom Dieker, Audrey Butler, and Dave Wallery for their work at the Iris Festival and announced that he would be attending mock interviews for area high school students put on by the Inspire Foundation.

Mayor Clark thanked Joe Egli, Debbie Ego, Audrey Butler, Chamber staff, Christine Dieker, Bob Bush and Copper Creek Mercantile, praised the talented Whiteaker Jazz Band and thanked Keizer Public Works and Police Department for making sure the Iris Festival ran smoothly. She thanked Dan Collingham for installing the letters naming the council chambers 'Robert L. Simon Council Chambers', city staff for supporting United Way, Councilor Herrera for attending 'Raising the Bar' ceremonies for her and Councilor Koho for attending the 'Turnaround Awards' for her. She concluded her report noting that she had attended the Love Love Teriyaki ribbon cutting and listing events she planned on attending.

Youth Councilor Edsall announced that on May 28 the 2016 National Honor Society students would be inducted, finals week is coming up and graduation is June 5 at the pavilion. City Manager Chris Eppley added that Mr. Edsall had been selected to continue his education at the prestigious Virginia Military Institute.

Police Chief Teague explained that he was late to Council meeting because he had been meeting with CERT (Community Emergency Response Teams). He commended Sgt. Trevor Wenning for his excellent traffic control at the Iris Festival.

Public Works Director Bill Lawyer reported that city staff is relocating the power lines at Verda and Chemawa in preparation for the roundabout. He also asked Council direction regarding having an appraisal done at the Palma Ciega Park property. Council directed that this issue be placed on the agenda for the June 1 meeting.

Community Development Director Nate Brown announced that he had met with the developers of Area C at Keizer Station to work through issues regarding right of way acquisition and making things fit.

Mayor Clark read a letter from Comcast thanking participants in 'Comcast Cares' Day at the Boys & Girls Club.

OTHER BUSINESS

WRITTEN COMMUNICATIONS

AGENDA INPUT

June 1, 2015

7:00 p.m. – City Council Regular Session

June 8, 2015

5:45 p.m. – City Council Work Session

- Oregon Government Ethics Commission Training

June 15, 2015

7:00 p.m. – City Council Regular Session

ADJOURNMENT

Mayor Clark adjourned the meeting at 8:07 p.m.

MAYOR:

APPROVED:

Cathy Clark

Debbie Lockhart, Deputy City Recorder
COUNCIL MEMBERS

Councilor #1 – Dennis Koho

Councilor #4 – Roland Herrera

Councilor #2 – Kim Freeman

~ Absent ~
Councilor #5 – Amy Ripp

Councilor #3 – Marlene Quinn

~ Absent ~
Councilor #6 – Brandon Smith

Minutes approved: _____



MINUTES KEIZER CITY COUNCIL

Monday, June 1, 2015

**Keizer Civic Center, Council Chambers
Keizer, Oregon**

CALL TO ORDER

Mayor Clark called the meeting to order at 7:00 pm. Roll Call was taken as follows:

Present:

Cathy Clark, Mayor
Dennis Koho, Council President
Marlene Quinn, Councilor
Kim Freeman, Councilor
Roland Herrera, Councilor
Brandon Smith, Councilor
Amy Ripp, Councilor
Ryan Edsall, Youth Councilor

Staff:

Chris Eppley, City Manager
Shannon Johnson, City Attorney
Nate Brown, Community
Development Director
Bill Lawyer, Public Works Director
John Teague, Police Chief
Tracy Davis, City Recorder

FLAG SALUTE

Mayor Clark led the pledge of allegiance.

SPECIAL ORDERS OF BUSINESS

a. Commendation for Danielle Howitt – Keizer Utility Billing Division

Finance Director Susan Gahlsdorf explained that after new employee Danielle Howitt received a call from an ailing customer, she contacted the Keizer Police Department who transferred her to dispatch and an ambulance was sent to his house and took him to the hospital. His wife later called the City to thank Danielle for her assistance. The City commends Danielle for her good deed. Director Gahlsdorf also thanked Heidi, Stephanie, Arcelia, Paula and Sara for their good deeds and the excellent work they do every day.

b. Introduction of Keizer Police Officer Esteban Perez

Chief Teague introduced Esteban Perez who was been hired as a full time police officer. He reviewed his qualifications and welcomed him to the police department. City Attorney Shannon Johnson then issued the Oath of Office to Officer Perez. Officer Perez then introduced his wife Miriam.

c. Volunteer of the Quarter Award – Mark Caillier

Mayor Clark explained the award and noted that nominations were received for Mark Caillier from Parks Board members Richard Walsh, Clint Holland and Dylan Juran. She added that any time there was a job to be done, Mark Caillier is there.

Mr. Caillier accepted the tribute clock and provided information about his latest project, the Big Toy playground build at Keizer Rapids Park.

Mayor Clark then recognized Youth Councilor Ryan Edsall noting that the City has been impressed with his abilities and will be attending college at the Virginia Military Institute. She presented him with a certificate of appreciation and a gift card.

COMMITTEE REPORTS

a. Volunteer Committee Recommendation – Appointments – Parks Advisory Board, Keizer Arts Commission, and Festival Advisory Board

City Manager Chris Eppley announced that the Volunteer Coordinating Committee reviewed applications and interviewed candidates for openings on several City committees and recommends the following appointments:

- Keizer Arts Commission, **Kim Steen**, Position #3, term expiring June 2018
- Festival Advisory Board, **Sherrie Gottfried**, Position #2, term expiring May 2018
- Keizer Parks and Recreation Advisory Board, **J. T. Hager**, Position #1, remainder of term expiring December 2016

Councilors Smith and Herrera commended Mr. Hager with Councilor Smith explaining that Mr. Hager is the reason there is a Parks Grant Program.

Councilor Koho moved to accept the recommendations of the Volunteer Coordinating Committee and appoint Kim Steen, Sherrie Gottfried and J.T. Hager as recommended. Councilor Quinn seconded. Motion passed unanimously as follows:

AYES: Clark, Koho, Quinn, Freeman, Smith, Ripp and Herrera (7)

NAYS: None (0)

ABSTENTIONS: None (0)

ABSENT: None (0)

PUBLIC TESTIMONY

Darrell Richardson, Keizer, urged that the City not sell Palma Ciega Park and suggested that features of Palma Ciega Park that make it difficult to use could be fixed. Public Works Director Bill Lawyer explained that the Parks Board wants only to look at options for the park and has therefore requested a market analysis or appraisal to begin those discussions. There has been no decision to sell the park.

Gary Blake, Keizer, representing a number of citizens in the area of Palma Ciega Park, voiced opposition to selling the park. He suggested improving the park, adding that one citizen in the area has expressed a willingness to donate money to build walkways in the park.

Rhonda Rich, Keizer, President of West Keizer Neighborhood Association, expressed opposition to selling Palma Ciega Park noting that Sunset Park did not start out pretty but it is now and that could be the case with Palma Ciega.

Mark Caillier, Keizer, reminded everyone about the Big Toy playground build at Keizer Rapids Park and urged everyone to assist in the build.

PUBLIC HEARINGS

a. ORDINANCE – Amending Keizer Development Code Regarding Section 2.403 (Shared Housing Facilities) and Section 3.101 (Summary of Application Types); Declaring an Emergency; Amending Ordinance 98- 389

Mr. Brown explained that the proposed text amendments will allow an accessory residential housing unit to be placed in the front yard of an existing single family home. The Planning Commission voted unanimously to support the proposed text amendment.

Mayor Clark opened the Public Hearing. Hearing no testimony, Mayor Clark closed the Public Hearing.

Councilor Koho moved that the Keizer City Council adopt a Bill for an Ordinance Amending Keizer Development Code Regarding Section 2.403 (Shared Housing Facilities) and Section 3.101 (Summary of Application Types); Declaring an Emergency; Amending Ordinance 98-389. Councilor Quinn seconded.

Councilor Freeman noted that she would abstain due to possible conflict.

Motion passed as follows:

AYES: Clark, Koho, Quinn, Smith, Ripp and Herrera (6)

NAYS: None (0)

ABSTENTIONS: Freeman (1)

ABSENT: None (0)

b. ORDINANCE – Amending the Utility License Fees for Sewer Utilities in the City of Keizer and Declaring an Emergency – Amending Ordinance 2002-468; Repealing Ordinance 2010-626

Assistant Controller Tim Wood explained that City Ordinances allow the City to charge a 5% license fee on the gross amount billed for water and stormwater services but there is no ordinance allowing the City to charge the license fee on Sewer Utilities. In order to be consistent across all utilities, staff recommends updating the Sewer Utility Ordinance to provide for the 5% license fee. City Manager Chris Eppley and City Attorney Shannon Johnson provided additional clarification. Mr. Johnson added that this ordinance clarifies the 5% the City already charges.

Mayor Clark opened the Public Hearing. Hearing no testimony, Mayor Clark closed the Public Hearing.

Councilor Koho moved that the Keizer City Council adopt a Bill for an Ordinance Amending the Utility License Fees for Sewer Utilities in the City of Keizer and Declaring an Emergency – Amending Ordinance 2002-468; Repealing Ordinance 2010-626. Councilor Quinn seconded. Motion passed unanimously as follows:

AYES: Clark, Koho, Quinn, Freeman, Smith, Ripp and Herrera (7)

NAYS: None (0)

ABSTENTIONS: None (0)

ABSENT: None (0)

c. RESOLUTION – Establishing Application Fee

Public Works Director Bill Lawyer explained that the current ordinance establishing the process for the formation of Public Improvement Reimbursement Districts does not adequately cover the expected City Engineering costs associated with these reviews. He added that each

for Public Improvement Reimbursement Districts; Repeal of Resolution 2003-1443 and Resolution 2006-1701

application for a Public Improvement Reimbursement District will vary in complexity and scope depending on the type and size of the development. Staff believes setting the application fee to capture the costs of an average development is appropriate and recommends the fee be set at \$3,750.00 plus actual publication costs, recording fees, and mailing costs.

Mayor Clark opened the Public Hearing. Hearing no testimony, Mayor Clark closed the Public Hearing.

Councilor Koho moved that the Keizer City Council adopt a Resolution Establishing Application Fee for Public Improvement Reimbursement Districts; Repeal of Resolution 2003-1443 and Resolution 2006-1701. Councilor Quinn seconded. Motion passed unanimously as follows:

AYES: Clark, Koho, Quinn, Freeman, Smith, Ripp and Herrera (7)

NAYS: None (0)

ABSTENTIONS: None (0)

ABSENT: None (0)

d. RESOLUTION – Amending the Stormwater Utility Fee and Declaring an Emergency – Amending Resolution 2014-2504

Mr. Wood reported that consistent with the Budget Committee process, staff recommends the adoption of a \$.40 per ESU per month rate increase for the Stormwater Fund to support ongoing capital projects. Mr. Johnson interjected that the ‘declaring an emergency’ in the title should be deleted.

Mayor Clark opened the Public Hearing. Hearing no testimony, Mayor Clark closed the Public Hearing.

Councilor Koho moved that Keizer City Council adopt a Resolution Amending the Stormwater Utility Fee – Amending Resolution 2014-2504. Councilor Quinn seconded. Motion passed unanimously as follows:

AYES: Clark, Koho, Quinn, Freeman, Smith, Ripp and Herrera (7)

NAYS: None (0)

ABSTENTIONS: None (0)

ABSENT: None (0)

e. ORDINANCE – Setting Water Rates (2016) Repealing Ordinance 2014-688

Mr. Wood reported that consistent with the Water Rate Model, which is based on a Cost of Service Analysis, and the Capital Improvement Plan, staff recommends a 4% rate increase consistent with the Budget Committee process.

Mayor Clark opened the Public Hearing. Hearing no testimony, Mayor Clark closed the Public Hearing.

Councilor Koho moved that the Keizer City Council adopt a Bill for an Ordinance Setting Water Rates (2016), Repealing Ordinance 2014-688. Councilor Quinn seconded. Motion passed unanimously as follows:

AYES: Clark, Koho, Quinn, Freeman, Smith, Ripp and Herrera (7)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: None (0)

**f. ORDINANCE –
Amending the
Ordinance
Adopting Waste
Water Collection
and Disposal
System Rules
and Regulations**

Mr. Johnson explained that this primarily refers to accounts that are strictly sewer because most accounts are sewer and water and when they become delinquent, water service is terminated. He explained the process wherein the delinquencies are sent to the County and the amount is added to the tax bill. There is currently a 10% penalty and a \$37 administrative charge. The old ordinance says \$10 – not \$37. The recommendation is to adopt the Ordinance and take out the Administrative Charge and put it in the resolution like it is with other fees.

Mayor Clark opened the Public Hearing. Hearing no testimony, Mayor Clark closed the Public Hearing.

**RESOLUTION –
Amending Fees
for Certain
Administrative
Services;
Amending
Resolution
2014-2453;
Repealing
Resolution
2014-2482**

Councilor Koho moved to adopt a Bill for an Ordinance Amending the Ordinance Adopting Waste Water Collection and Disposal System Rules and Regulations – Declaring an Emergency – Amending Ordinance 90-163. Councilor Quinn seconded. Motion passed as follows:

AYES: Clark, Koho, Quinn, Freeman, Smith, and Herrera (6)
NAYS: Ripp (1)
ABSTENTIONS: None (0)
ABSENT: None (0)

Because the ordinance did not pass unanimously, it will be revisited at the next Council meeting and the Resolution will be considered at that time.

**g. RESOLUTION –
Declaring City's
Election to
Receive State
Revenues**

Mr. Wood explained that Oregon law requires cities to annually pass a resolution requesting State revenue sharing money. Currently the City receives \$340,000 per year in shared revenue.

Mayor Clark opened the Public Hearing. Hearing no testimony, Mayor Clark closed the Public Hearing.

Councilor Koho moved that the Keizer City Council adopt a Resolution Declaring the City's Election to Receive State Revenues. Councilor Quinn seconded. Motion passed unanimously as follows:

AYES: Clark, Koho, Quinn, Freeman, Smith, Ripp and Herrera (7)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: None (0)

**RESOLUTION –
Certifying the
City of Keizer**

Mr. Wood explained that in addition to requesting the money, the City has to certify that it provides at least four municipal types of services. Keizer provides five at this point.

**Provides Four
or More
Municipal
Services**

Mayor Clark opened the Public Hearing. Hearing no testimony, Mayor Clark closed the Public Hearing.

Councilor Koho moved that the Keizer City Council adopt a Resolution Certifying the City of Keizer Provides Four or More Municipal Services. Councilor Quinn seconded. Motion passed unanimously as follows:

AYES: Clark, Koho, Quinn, Freeman, Smith, Ripp and Herrera (7)

NAYS: None (0)

ABSTENTIONS: None (0)

ABSENT: None (0)

**h. RESOLUTION –
Certification of
Street Lighting
District
Assessments**

Mr. Wood explained that this resolution certifies the street lighting district assessments. This year the City had just over 200 street lighting districts and most of the districts will experience about a 30% decrease due to application of credits to those specific accounts as they apply.

Mayor Clark opened the Public Hearing. Hearing no testimony, Mayor Clark closed the Public Hearing.

Councilor Koho moved that the Keizer City Council adopt a Resolution Certification of Street Lighting District Assessments. Councilor Quinn seconded. Motion passed unanimously as follows:

AYES: Clark, Koho, Quinn, Freeman, Smith, Ripp and Herrera (7)

NAYS: None (0)

ABSTENTIONS: None (0)

ABSENT: None (0)

**i. RESOLUTION –
Adopting the
Fiscal Year
2015-2016
Budget, Making
Appropriations,
and Imposing
and
Categorizing
Taxes**

Mr. Wood explained that the Budget Committee provided a document that they approved. However, staff is recommending (1) that, based on the closure of the Urban Renewal District, the City has some Capital Improvement obligations that should be transferred to and made explicit in the General Fund (\$51,700 adjustment); (2) the following clarification within the Keizer Rapids Amphitheater fund: adding a footnote that says once the summer concert series is completed a stipend of \$2,000 be given to KRA. The amount is already included in the Amphitheater line item; and (3) addition of one of the staff employees that was overlooked.

Regarding item (2) Councilor Smith suggested replacing 'KRA' with 'the operator of the concert series'.

Mayor Clark opened the Public Hearing. Hearing no testimony, Mayor Clark closed the Public Hearing.

Councilor Koho moved that the Keizer City Council adopt a Resolution Adopting the Fiscal Year 2015-2016 Budget, Making Appropriations, and Imposing and Categorizing Taxes as amended. Councilor Quinn seconded. Motion passed unanimously as follows:

AYES: Clark, Koho, Quinn, Freeman, Smith, Ripp and Herrera (7)
NAYS: None (0)
ABSTENTIONS: None (0)
ABSENT: None (0)

ADMINISTRATIVE

ACTION

a. RESOLUTION – Certification of Delinquent Sewer Accounts

Mr. Wood noted that because the Ordinance relating to this item did not pass unanimously, consideration should be postponed until the June 15 Council meeting.

b. Palma Ciega Park

Mr. Johnson explained that the Parks Board is recommending getting an appraisal or evidence of value for Palma Ciega Park. He suggested getting a full appraisal. He provided details about the property and explained that staff would first determine the highest and best use of the property through the Planning Department to maximize revenues adding that another option would be investigate the value with a free program

Discussion followed regarding the cost and benefit of a full appraisal, the location and layout of the park, funding, the definition of a restricted appraisal, the advisability of more discussion at the Parks Board level, and the underutilization and inappropriate use of the park.

Councilor Smith moved that the Keizer City Council move to authorize staff to enter into an agreement for an appraisal of Palma Ciega Park property using contingency funds. Councilor Quinn seconded. Motion passed as follows:

AYES: Clark, Quinn, Smith, Ripp and Herrera (5)
NAYS: Koho and Freeman (2)
ABSTENTIONS: None (0)
ABSENT: None (0)

c. Municipal Judge – Councilor Check In

Mr. Johnson reminded Council that the new process for Judge Evaluation was an informal process with two Councilors appointed by the Mayor every year. Staff recommends that this be done at a Council meeting.

Mayor Clark appointed Councilors Ripp and Herrera.

CONSENT CALENDAR

- a. RESOLUTION – Authorizing the City Manager to Sign Contract for Custodial Services
- b. RESOLUTION – Authorizing the City Manager to Enter Into Intergovernmental Agreement for Electronic Records Management Services with Oregon Secretary of State
- c. RESOLUTION – Authorizing Signs Subject to Conditions for Big Toy Community Build Project
- d. RESOLUTION – Authorizing the Keizer Police Department Chief of

Police to Enter into Salem-Keizer Youth Services Team
Memorandum of Agreement

- e. RESOLUTION – Authorizing the Community Development Director to Apply for Transportation and Growth Management Grant
- f. RESOLUTION – Authorizing the City Manager to Enter Into First Amendment to Web Development and Maintenance Agreement with Kentucky Underground Storage Inc.
- g. Approval of May 4, 2015 Regular Session Minutes
- h. Approval of May 11, 2015 Special Session Minutes

Councilor Smith pulled items g and h.

Councilor Koho moved for approval of items a through f of the Consent Calendar. Councilor Quinn seconded. Motion passed unanimously as follows:

AYES: Clark, Koho, Quinn, Freeman, Smith, Ripp and Herrera (7)

NAYS: None (0)

ABSTENTIONS: None (0)

ABSENT: None (0)

Councilor Koho moved for approval of items g and h of the Consent Calendar. Councilor Quinn seconded. Motion passed as follows:

AYES: Clark, Koho, Quinn, Freeman, Ripp and Herrera (6)

NAYS: None (0)

ABSTENTIONS: Smith (1)

ABSENT: None (0)

COUNCIL LIAISON REPORTS

Councilor Herrera reviewed meetings and events he had attended including the Welcome to Kate Brown, the Dreamers program at McNary, the National Honor Society event, and the McNary Booster banquet.

Councilor Quinn reported that she attended the Salem City Council and Salem Neighborhood Association meetings to promote the Big Toy. She urged volunteers to sign up at www.keizerbigtoy.org

Councilor Koho announced that he had attended the recent Planning Commission meeting and would be attending the Stormwater Advisory Committee meeting and the Marion County Commissioners Breakfast.

Councilor Ripp announced that the Chamber of Commerce, the Art Commission and the Traffic Safety/Bikeways Committee all have issues moving forward but nothing to report at this time.

Councilor Smith announced upcoming Big Toy meetings and build dates.

Councilor Freeman thanked Bill Lawyer for the sidewalk on Shoreline up to Windsor. She commended the Volunteer Coordinating Committee and urged volunteers to sign up for the Big Toy project.

Mayor Clark expressed appreciation for the Community Development Department responsiveness to area realtors and Finance Director Susan Gahlsdorf and Assistant Controller Tim Wood for their outstanding work on the Budget. She announced that she had attended the National Honor Society Induction and Salem Keizer Area Transportation Study Public Hearing and would be attending the Strategic Economic Development Core lunch and Mid-Willamette Area Commission on Transportation meeting.

Youth Councilor Ryan Edsall thanked Mayor Clark and Councilor Herrera for attending the Nation Honor Society Induction, announced that graduation is June 5, and thanked everyone for allowing him to serve as Youth Councilor.

OTHER BUSINESS

Chief Teague announced that he would be working at the Big Toy on the 11th from dawn to dusk.

Public Works Director Bill Lawyer reported that he would be at the Big Toy Build for the full 5 days and a few days before. Crews are working on the roundabout project and pouring the sidewalk at Elizabeth and Chemawa.

Community Development Director Nate Brown announced that he would be working at the Big Toy on the 11th with a group of young single adults. He showed an example of the plaques for the sculptures on River Road.

City Manager Chris Eppley announced that he would be at the Big Toy a number of days during the build.

WRITTEN COMMUNICATIONS

None

AGENDA INPUT

June 8, 2015

5:45 p.m. – City Council Work Session

- Oregon Government Ethics Commission Training

June 15, 2015

7:00 p.m. – City Council Regular Session

ADJOURNMENT

Mayor Clark adjourned the meeting at 8:07 p.m.

MAYOR:

APPROVED:

Cathy Clark

Debbie Lockhart, Deputy City Recorder

COUNCIL MEMBERS

Councilor #1 – Dennis Koho

Councilor #4 – Roland Herrera

Councilor #2 – Kim Freeman

Councilor #5 – Amy Ripp

Councilor #3 – Marlene Quinn

Councilor #6 – Brandon Smith

Minutes approved:_____



MINUTES
KEIZER CITY COUNCIL WORK SESSION
Monday, June 8, 2015
Keizer Civic Center
Keizer, Oregon

CALL TO ORDER Mayor Clark called the meeting to order at 5:52 p.m. The following were present:

Councilors Present:

Cathy Clark, Mayor
Dennis Koho, Council President
Marlene Quinn, Councilor
Roland Herrera, Councilor
Amy Ripp, Councilor
Brandon Smith, Councilor
Kim Freeman, Councilor
Ryan Edsall, Youth Councilor

Planning Commissioners Present:

Kyle Juran, Commissioner
Hersch Sangster, Commissioner
Michael DeBlasi, Commissioner

Staff:

Tracy Davis, City Recorder

DISCUSSION

**a. Oregon
Government
Ethics
Commission –
Public
Officials
Training**

Hayley Weydn, Oregon Government Ethics Commission gave an overview of Oregon Ethics Law – ORS Chapter 244 and fielded questions from Councilors and Commissioners.

**OTHER
BUSINESS**

None

ADJOURN Mayor Clark adjourned the meeting at 7:12 p.m.

APPROVED:

Mayor – Cathy Clark

Debbie Lockhart, Deputy City Recorder

COUNCIL MEMBERS

Councilor #1 – Dennis Koho

Councilor #4 – Roland Herrera

Councilor #2 – Kim Freeman

Councilor #5 – Amy Ripp

Councilor #3 – Marlene Quinn

Councilor #6 – Brandon Smith

Minutes approved: _____

CITY OF KEIZER MISSION STATEMENT

KEEP CITY GOVERNMENT COSTS AND SERVICES TO A MINIMUM BY PROVIDING CITY SERVICES TO THE COMMUNITY IN A COORDINATED, EFFICIENT AND LEAST COST FASHION

A G E N D A
KEIZER CITY COUNCIL
EXECUTIVE SESSION

Monday, June 15, 2015

Immediately following the Adjournment of the City Council Meeting

Keizer Civic Center

Keizer, Oregon 97303

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. DISCUSSION**
 - a. Pursuant to ORS 192.660(2)(e) – *To conduct deliberations with persons designated by the governing body to negotiate real property transactions;*
AND**
 - b. Pursuant to ORS 192.660(2)(f) - *To consider information or records that are exempt by law from public inspection;***
- 4. ADJOURN**

Upon request, auxiliary aids and/or special services for those with disabilities will be provided. To request services, please contact us at (503) 390-3700 or through Oregon Relay 1-800-735-2900 at least two working days(48 hours) in advance.

The Oregon Public Meeting Law authorizes governing bodies to meet in executive session in certain limited situations. An executive session is defined as any meeting or part of a meeting of a governing body which is closed to certain persons for deliberations on certain matters as defined by ORS 192.660. These sessions are closed to the public. The media may attend the session, unless the Oregon State Statutes specifically prohibits media attendance. The governing body is not allowed to take any final action or make any final decisions during the executive sessions. Any final action or decision must be made after returning or at the next regularly scheduled meeting.