

*"Making a difference through excellence of service"*



## **CITY OF WARRENTON**

### **AGENDA**

CITY COMMISSION OF THE CITY OF WARRENTON  
REGULAR MEETING  
January 10, 2017 – 6:00 P.M.  
Warrenton City Commission Chambers – 225 South Main Avenue  
Warrenton, OR 97146

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1. **CALL TO ORDER**
2. **PLEDGE OF ALLEGIANCE**
3. **ROLL CALL**
4. **OATHS OF OFFICE & ELECTION OF MAYOR PRO TEM 2017**
5. **A RESOLUTION IN MEMORIUM OF HAROLD SNOW, CITY ATTORNEY**
6. **COMMISSIONER COMMENTS/COMMUNICATIONS/AGENDA ADDITIONS**
7. **CONSENT CALENDAR**
  - A. City Commission Work Session Minutes – 11.22.16
  - B. City Commission Work Session Minutes – 12.13.16
  - C. City Commission Regular Meeting Minutes – 12.13.16
  - D. Library Advisory Board Minutes – 11.16.16
  - E. Fire Dept. Activity Report – November 2016
  - F. Fire Dept. Activity Report – December 2016
  - G. Monthly Finance Report – November 2016
  - H. Police Dept. Monthly Statistics – November 2016

Items on the Consent Calendar have previously been discussed and/or are considered routine. Approval of the Consent Calendar requires a motion, a second, and no discussion, unless requested by a member of the City Commission.

**8. BUSINESS ITEMS**

- A. Public Hearing – Exemption of Personal Services Contract for Independent Audit Services
- B. Consideration of Resolution No. 2473, Authorizing a Loan from the Safe Drinking Water Revolving Loan Fund
- C. Determination of Nuisance at 25 Alt Hwy 101
- D. Determination of Nuisance at 1058 NW Warrenton Drive
- E. Consideration of Library Board Application/Appointment

**9. PUBLIC COMMENT**

At this time, anyone wishing to address the City Commission concerning items of interest not already on the Agenda may do so. The person addressing the Commission will, when recognized, give his or her name and address for the record. All remarks will be addressed to the whole City Commission and limited to 3 minutes per person. The Commission reserves the right to delay any action, if required, until such time as they are fully informed on a matter.

**10. EXECUTIVE SESSION**

*Under the authority of 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.*

**11. ADJOURNMENT**

**CITY HALL IS ACCESSIBLE TO THE DISABLED. AN INTERPRETER FOR THE HEARING IMPAIRED MAY BE REQUESTED UNDER THE TERMS OF ORS 192.630, BY CONTACTING LINDA ENGBRETSON AT LEAST 48 HOURS IN ADVANCE OF THE MEETING**

7A

MINUTES  
Warrenton City Commission  
WORK SESSION – November 22, 2016  
5:30 p.m.  
Warrenton City Hall - Commission Chambers  
225 S. Main  
Warrenton, Or 97146

Mayor Kujala called the work session to order at 5:30

Commissioners Present: Mayor Mark Kujala, Tom Dyer, Henry Balensifer, Pam Ackley and Rick Newton

Staff Present: City Manager Linda Engbretson, Fire Chief Tim Demers, Police Chief Mathew Workman, Public Works Director Jim Dunn, Public Works Foreman Craig Walter, Finance Director April Clark, Wastewater Treatment Plant Superintendent Kyle Sharpsteen; City Engineer Collin Stelzig and Administrative Assistant Dawne Shaw

Mayor Kujala noted the purpose of the work session is to finish the conversation on levee certification and the steps going forward. City Engineer Collin Stelzig gave a brief presentation and noted the schedule and cost estimates. He reminded everyone that the PAL is still in process. The appeal period will start Feb/Mar 2017. He noted the maps he has seen at this point are beneficial to the city so there will be no appeal. Mayor Kujala noted the maps roll back the base flood elevation to the pre 2010 level (1977) national flood insurance plan map. Mr. Stelzig noted the flood elevation for diking district 1 is 8 feet, reduced from 12 feet. Discussion continued on flood elevation and the boundaries of the flood zone. Mr. Stelzig gave an update on FEMA progress, noting he is still waiting for a response from Starr2. He stated FEMA and Starr2 discussed the analysis of Warrenton's issues and he is still waiting for a report back from Starr2.

Mr. Stelzig also discussed a letter that was drafted to Governor Kate Brown, which referenced Oregon Solutions issues. He stated Warrenton has about 10 miles of levees, over 5,300 residents, market value exceeds \$500 million, not including the airport, which is estimated at \$100 million; premiums could raise \$4 million to \$8 million annually; the levees protect approximately 7,000 acres and 2,500 separate properties - this is some of the information that has been sent to Oregon Solutions along with maps, etc. He explained what accreditation is – an engineer must certify the levees meet the requirements of 44 CFR, Section 65.10, which includes design, interior drainage, freeboard closure, embankment protections, embankment foundation stability, settlement and operations, and operations plan and maintenance plan. He noted the City is currently working on getting a loan through IFA to pay for the protection, stability and settlement issue. Mr. Stelzig proceeded to give time and cost estimates on the various phases; \$300,000 and 1.5 years to bring

levees up to height requirements; closures (tide gates) - \$25,000 - \$200,000 and 1 year, however if fish passage gates are needed, the cost could be in the millions; operations and maintenance plan – 1 year and \$50,000; embankments and protection, foundation stability and settlement - \$1,000,000 and 1 year; plus encroachments of \$300,000 – \$2.5 million; Geo-technical issues – \$5 – \$17 million; Grand Total – \$6.6 – \$21.2 million with a time frame/schedule of 3-5 years from the start date and plan for about \$8,000,000. Brief discussion continued on funding options, which are a bond measure, grants, IFA, etc. Mr. Stelzig stated the geo-technical work and encroachments can be done first as well as operations/maintenance, noting these are issues that need to be dealt with anyway. The discussion continued on the need to take action and to lay out the plan to FEMA and to start negotiating on the issues. Further discussion ensued on the PAL and how long it will last, which is unknown at this point, but possibly 5 years. Mr. Stelzig further clarified points in the drafted letter on the levee height (7 ft.). Mayor Kujala stated he feels strongly that the city needs to move forward and get letters out to property owners regarding encroachments. Mr. Stelzig also noted there are utility franchises encroaching on the levees and this would be a good starting point. Other staff direction would be to clarify the (7 ft.) levee height in the drafted letter. City Manager Engbretson informed the Commission that staff looked into re-establishing diking districts and it is not something the city can do, referencing ORS chapter 547 and brief discussion continued on the possibility of a bond measure and the need to explore other financing options.

There being no further business Mayor Kujala adjourned the Work Session at 6:05 p.m.

APPROVED:

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Mark Kujala, Mayor

ATTEST:

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Dawne Shaw, Administrative Assistant

7B

MINUTES  
Warrenton City Commission  
WORK SESSION – December 13, 2016  
5:30 p.m.  
Warrenton City Hall - Commission Chambers  
225 S. Main  
Warrenton, Or 97146

Mayor Kujala called the meeting to order at 5:00.

Commissioners Present: Mayor Mark Kujala, Tom Dyer, Henry Balensifer, Pam Ackley and Rick Newton

Staff Present: City Manager Linda Engbretson, Police Chief Mathew Workman, Public Works Director Jim Dunn, Finance Director April Clark, Wastewater Treatment Plant Superintendent Kyle Sharpsteen and Administrative Assistant Dawne Shaw

Mayor Kujala stated the purpose of the work session is to have a discussion on measure 4-181 with Chad Jacobs from Beery, Elsner and Hammond, via conference call. Mr. Jacobs has reviewed the measure and was asked for his input on how it may impact normal business activities. Mayor Kujala noted the public will have a chance to comment. Mr. Jacobs stated the measure places a requirement in the charter that if the city wants to amend the measure, it would have to go back out to voters; when the Commission wishes to sell certain assets, the measure requires it to go out to the public for a vote and a double majority is needed, (at least 50% of all registers voters in the city must vote and the majority of ballots cast must be “yes”), if it does not get a double majority, it would fail. Mr. Jacobs stated the measure affects assets with a value over \$100,000 in “2014 dollars”; as the cost of living goes up, the value would also change; this includes real property, leased property and tangible physical assets. He noted the Commission may want to adopt an ordinance to help clarify what the terms mean. Another option is to go back to the voters to clarify the language. The discussion continued on leases at the marina which include some over \$100,000 and Mr. Jacobs noted if the city wants to transfer a lease to another party, it would need to go out to the voters and new leases will have to go out to voters for approval; transfers may not need to go to voters. Mayor Kujala noted the need to further define what the contractual interest is to allow lease transfers to occur. Mayor Kujala asked about infrastructure that may be included in this measure, such as water systems, pipes. Mr. Jacobs noted he believes this would be included and that is what needs to be clarified. Discussion continued and Mayor Kujala suggested a Town Hall meeting in January, to clarify what the public’s intent of this measure is. Commissioner Dyer suggested having an attorney assist with word definition and legal terms when writing an ordinance. Mr. Jacobs noted it is a good idea to have a town hall to help clarify whether an ordinance or a charter amendment is best. Commissioner Balensifer noted there are members of the public that were involved in drafting the measure in attendance. Mayor Kujala asked Mr. Ken Yuill, one of the chief petitioners to

speaking. Mr. Yuill stated the voters voted for this measure and asked how much time does the Commission have to get this into the charter? Mr. Jacobs noted the charter provision states it takes effect 30 days after the vote, but the vote is not certified until the county certifies the election. It was noted the city has the county certification, so it will be part of the charter. City Manager Engbretson asked if an ordinance, which is a Commission action, could be challenged by the public. She noted an ordinance would be cheaper than a charter amendment going to the voters. Mr. Jacobs stated it can be challenged when decisions are made on transfers or to sell assets; they can be challenged in court, and noted it is difficult to challenge the adoption of the ordinance itself. Mayor Kujala asked about grants, specifically the statue memorial which exceeds \$100,000. He noted in previous community block grants, once the grant is closed out, ownership is transferred to whoever is going to maintain or operate the facility and asked if that would be something that would need to go to the voters? Mr. Jacobs stated the city would need to look at the value of the asset and that would dictate when the measure would take effect and if so, it would need to go out to the voters. He noted there are instances where state law pre-empts this type of charter provision and gave an example. Mr. Steve Fulton requested to speak about the supply of water, which can be considered an asset, and asked if you can sell water? He referenced the cannery that will be rebuilding in Warrenton and will use large amounts of water, potentially over \$100,000 per year; can the city sign a contract with the cannery to supply water? Mr. Jacobs replied that his initial reaction would be "yes", but would need to clarify through an ordinance or charter amendment. Mayor Kujala mentioned street vacations, and asked if the City would now need to do an appraisal to confirm the dollar amount before proceeding. Mr. Jacobs said state law comes into play due to specific procedures. The discussion continued on street vacations versus outright selling the right of way; there is no market value and no way to sell a right of way. Mr. Jacobs clarified that if the property could stand alone as a marketable piece of property it would need to go out to voters. Mayor Kujala noted the Urban Renewal properties are exempt as it is a separate entity. Discussion continued on the best way to move forward with Commission consensus on a Town Hall meeting in January for a full discussion of the measure. Mr. Jacobs clarified if the Commission wants to put something on the ballot for the May election, be mindful of the deadlines and have the town hall meeting as soon as possible. He also noted the ordinance could have a lot of details, but suggested keeping it simple in regards to an amendment to voters.

There being no further business Mayor Kujala adjourned the work session 5:38 p.m.

APPROVED:

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Mark Kujala, Mayor

ATTEST:

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Dawne Shaw, Administrative Assistant

7C

MINUTES  
Warrenton City Commission  
Regular Meeting – December 13, 2016  
6:00 p.m.  
Warrenton City Hall - Commission Chambers  
225 S. Main  
Warrenton, Or 97146

Mayor Kujala called the meeting to order at 6:00 p.m. and then led the public in the Pledge of Allegiance, and held a moment of silence for Seaside Mayor Don Larson.

Commissioners Present: Mayor Mark Kujala, Tom Dyer, Henry Balensifer, Pam Ackley and Rick Newton

Staff Present: City Manager Linda Engbretson, Legal Counsel Akin Blitz, Police Chief Mathew Workman, Public Works Director Jim Dunn, Finance Director April Clark, Assistant Harbor Master Jane Sweet, Public Works Foreman Craig Walter, Wastewater Treatment Plant Superintendent Kyle Sharpsteen and Administrative Assistant Dawne Shaw

COMMISSIONER COMMENTS

Mayor Kujala spoke briefly on the loss of Seaside Mayor Don Larson and congratulated Commissioner Ackley for her reelection to the City Commission. He also congratulated Ryan Lampi thanked him for his support on the Planning commission.

Commissioner Ackley stated it was a really tight race for her Commission seat and noted the city is lucky to have Mr. Lampi on the Planning Commission. She noted she had the chance to work with Don Larson in the past and he was a “gentleman among gentlemen” and he will be missed. Commissioner Ackley stated there is a wrapping party at the grade school Saturday morning at 9:00 and volunteers are needed to wrap gifts from the giving tree, noting there are 206 kids. Mayor Kujala thanked Commissioner Ackley for all her work with the Warrenton-Hammond Healthy Kids and noted Commissioner Newton has worked for years with the Fire Department to provide toys and gifts that go out with the food baskets.

Commissioner Balensifer echoed the sentiments on Mayor Don Larson.

Commissioner Dyer welcomed everyone and noted Mayor Larson will be missed.

Commissioner Newton Rick stated he was sad to hear of Mayor Larson’s passing. He also noted Crest has meeting Thursday and requested to attend and represent the city. Mayor Kujala agreed noting that Commissioner Newton is the delegate.

City Manager Engbretson stated the county sent information on tsunami evacuation modeling of the Warrenton Clatsop plains, noting people can go online and estimate walking times from locations in the community, and see evacuation routes, etc. This information will be put on our website. Ms. Engbretson noted she also received a request for a letter of support for a FEMA grant for signage for tsunami evacuation routes, etc., and suggested it be put on the agenda.

**Commissioner Balensifer made the motion to add item H to the agenda, a letter in support for a FEMA grant. Motion was seconded and passed unanimously.**

**Kujala – aye; Balensifer – aye; Ackley – aye; Dyer – aye; Newton – aye**

City Manager Engbretson also reminded everyone of the City Hall holiday closures. Mayor Kujala noted the December 27<sup>th</sup> city commission meeting and with no items pending, it may be appropriate to cancel and the Commission agreed.

**Commissioner Ackley made the motion to add item I regarding the December 27<sup>th</sup> City Commission meeting cancellation. Motion was seconded and passed unanimously.**

**Kujala – aye; Balensifer – aye; Ackley – aye; Dyer – aye; Newton – aye**

Commissioner Balensifer asked if the City Manager had received his email from the airport committee regarding a letter of support for Life Flight. City Manager Engbretson confirmed.

**Commissioner Ackley made the motion to add agenda item J, a letter of support for Life Flight to the Port of Astoria. Motion was seconded and passed unanimously.**

**Kujala – aye; Balensifer – aye; Ackley – aye; Dyer – aye; Newton – aye**

Mayor Kujala stated Gary Nevan, of the Columbia Press has been a voice for the community for 28 ½ years, and appreciates his working with the city and reporting on activities. Mr. Nevan has sold the Columbia Press and is moving to Central Oregon. Mayor Kujala note he will be missed and wished him all the best.

#### CONSENT CALENDAR

- A. City Commission Regular Meeting Minutes – 11.22.16
- B. Community Center Advisory Board Minutes – 4.21.16
- C. Community Center Advisory Board Minutes – 11.17.16
- D. Official Canvass of Votes from the November 8, 2016 General Election

**Commissioner Balensifer made the motion to accept the consent calendar presented. Motion was seconded and passed unanimously.**

**Kujala – aye; Balensifer – aye; Ackley – aye; Dyer – aye; Newton – aye**

## BUSINESS

Amy Baker, Clatsop Behavior Healthcare Executive Director thanked the Commission for allowing her to speak this evening and gave a brief presentation on the North Coast Crisis Respite Center. She spoke about mental illness and addictions, noting statistics and gave specifics of the services provided. Mayor Kujala asked what the average length of stay is and Ms. Brown stated the average length of stay is 22 days, but it varies depending on the individual and what their needs are. Ms. Brown clarified there are 12 beds that are voluntary and there are 4 beds that have the potential to be “secure”, however they are not licensed for secure beds yet. Discussion continued on the benefits of having a mental health facility in the area.

Ms. Baker introduced Cindy Daly, President of the National Alliance on Mental Illness, (NAMI). Ms. Daly noted NAMI works very hard to make sure they are stigma free and to remind people to “see the person, not the illness”. She gave statistics on mental illness and also noted many famous people that have suffered with mental health issues. Ms. Daly stated she also volunteers with Judge Matias’ treatment court. The goal is to keep people out of jail and on medication and/or in treatment. The discussion continued on the best ways for the Commission or public officials to support this cause/organization. Ms. Daly stated it is helpful to give out cards and make referrals. Ms. Baker noted the need of a van for the North Coast Crisis Respite Center, for food delivery service, client transportation for services and occasional outings, as it is beneficial for clients to have normalized activities. Discussion continued on the Governor’s budget and how it may affect services.

Legal Counsel Akin Blitz gave a presentation on the 8<sup>th</sup> Street dam action. Mr. Blitz stated there were attempts to bring the parties together to at least have a discussion, or possibly mediation but was not successful. SWCD is consulting with Special Districts Association or Oregon and are not prepared at this time to talk or engage in meetings. Mr. Blitz noted he has consulted briefly with Beery, Elsner and Hammond and with counsel at the US Army Corps of Engineers, (USACE). Mr. Blitz has prepared a resolution for consideration. The purpose of the resolution is to recite facts, declare an emergency, direct City staff and legal counsel to take appropriate action, and requests the assistance of the USACE. Mr. Blitz outlined the details of Res. No. 2472. He also stated the City has obtained 2 of the 3 tide gates and is moving forward with acquiring a 3<sup>rd</sup> tidegate so the City is prepared. Mayor Kujala noted for clarification that the City is asking for assistance from the USACE; outlining the terms that make this an emergency, which is flood risk and levee certification; but we are not seizing the structure, simply asking the Federal government to come in and assist in getting it re-established. The discussion continued on the

## MINUTES

Warrenton City Commission  
Regular Meeting – 12.13.16  
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timeline for the USACE to respond. Mr. Blitz stated there is a process where the USACE can act first and do the permitting later. He stated the resolution was requested by the USACE. He further clarified the resolution will not preclude the City from suing for quiet title. The discussion continued on the mediation efforts and the next steps. Commissioner Balensifer asked for further clarification on item number 2 on the resolution and Mr. Blitz clarified that he will not go forward with legal action without discussing with the Commission first. Mayor Kujala noted Mr. Blitz is working closely with the City Manager who then coordinates with the Commission. The discussion continued over the current ownership/control over the structure and liability. Commissioner Balensifer stated for the record the city is waiting for the Corps to make a ruling or issue some direction to us, before we do any other litigation or suits. Mr. Blitz concurred. Brief discussion continued.

**Commissioner Dyer made the motion to approve Res. No. 2472; A Resolution to Take Necessary Steps to Restore 8<sup>th</sup> Street Structure, Declaring an Emergency, and Directive to Staff and Legal Counsel. Motion was seconded and approved with all in favor.**

**Kujala – aye; Newton – aye; Dyer – aye; Ackley – aye; Balensifer – aye**

Finance Director April Clark presented Resolution No. 2471 to amend Res. No. 640, creating a Community Center Board and providing rules for operation and repealing Res. No. 2372. She stated the Community Center Advisory Board wishes to make a change to its Bylaws and Rules for Operations to allow for additional members. Ms. Clark noted the advisory board was established in October of 1987. The goal of the Community Center is that it should be self-supporting and any operating deficit would be off-set by fund-raising activities. The Board has done an excellent job, but they could use some additional help. The Board currently consists of five members and they would like seven members, therefore the Community Center Board would like to amend the Board Rules and Bylaws to allow for additional members.

**Commissioner Ackley made the motion to approve Res. No. 2471 Amending Res. No. 640; Creating a Community Center Advisory Board and Providing Rules for Operation Thereof and Repealing Res. No. 2372; Adopting the Warrenton Community Center Advisory Board Bylaws and Repealing all Other Resolutions in Conflict. Motion was seconded and passed unanimously.**

**Kujala – aye; Balensifer – aye; Ackley – aye; Dyer – aye; Newton – aye**

Mayor Kujala noted the applications for the various volunteer committees with terms ending as of December 31, 2016. Commissioner Balensifer noted there are still a lot of vacancies. Brief discussion continued on the vacancies and ways to get the word out.

**Commissioner Balensifer made the motion to reappoint Mr. Wegner to Position No. 5 on**

**the Budget Committee. Motion was seconded and passed unanimously.**

**Kujala – aye; Balensifer – aye; Ackley – aye; Dyer – aye; Newton – aye**

**Commissioner Balensifer made the motion to reappoint Mr. Williams to Position No. 1 and Ms. Bridges to Position No. 2 on the Planning Commission. Motion was seconded and passed unanimously.**

**Kujala – aye; Balensifer – aye; Ackley – aye; Dyer – aye; Newton – aye**

**Commissioner Ackley made the motion to reappoint Mr. Becker to Position No. 1 and Ms. Anderson to Position No. 4 on the Community Center Board. Motion was seconded and passed unanimously.**

**Kujala – aye; Balensifer – aye; Ackley – aye; Dyer – aye; Newton – aye**

**Commissioner Balensifer made the motion to appoint Melissa Witt to Position No. 6 on the Community Center board. Motion was seconded and passed unanimously.**

**Kujala – aye; Balensifer – aye; Ackley – aye; Dyer – aye; Newton – aye**

**Commissioner Balensifer made the motion to reappoint Mr. Little to Position No. 4 on the Parks Advisory Board. Motion was seconded and passed unanimously.**

**Kujala – aye; Balensifer – aye; Ackley – aye; Dyer – aye; Newton – aye**

**Commissioner Balensifer made the motion to reappoint Ms. Murphy-Becker to Position No. 5 on the Library Board. Motion was seconded and passed unanimously.**

**Kujala – aye; Balensifer – aye; Ackley – aye; Dyer – aye; Newton – aye**

Brief discussion continued on ways to advertise to recruit more volunteers for the various committees.

Community Library Board Chair, Kelsey Balensifer gave an update on the library relocation, noting the two properties that are under consideration. Ms. Balensifer stated one option, the Serendipity building at 160 S. Main offers advantages, such as more square footage and room to grow, but the Board disagrees with the partnership with the current tenant. The current lease on that property will be expiring June 30, 2017, and the board recommends staying in the current building until it becomes available. The Community Library Board recommends the City Commission authorize City staff to negotiate a lease agreement for the building at 160 S. Main,

when it becomes available. City Manager Engbretson stated she hopes commission can meet with Library Board in January regarding the library levy. Discussion continued.

**Commissioner Ackley made the motion to move forward on the recommendation of the Library Board to negotiate a lease with the school district when the building becomes available. Motion was seconded and passed unanimously.**

**Kujala – aye; Balensifer – aye; Ackley – aye; Dyer – aye; Newton – aye**

**Commissioner Balensifer made the motion to conduct the second reading of Ordinance No. 1210-A, by title only. Motion was seconded and passed unanimously.**

**Kujala – aye; Balensifer – aye; Ackley – aye; Dyer – aye; Newton – aye**

**Mayor Kujala conducted the second reading by title: Ordinance No. 1210-A; *Vacating a Portion of SE Galena Avenue in Warrenton, Oregon.***

**Commissioner Balensifer made the motion to adopt Ordinance No. 1210-A. Motion was seconded and passed unanimously.**

**Kujala – aye; Balensifer – aye; Ackley – aye; Dyer – aye; Newton – aye**

**Commissioner Balensifer made the motion to affix the Mayor's signature on a letter of support for the Clatsop County Evacuation Sign System Assessment grant. Motion was seconded and passed unanimously.**

**Kujala – aye; Balensifer – aye; Ackley – aye; Dyer – aye; Newton – aye**

**Commissioner Ackley made the motion to cancel the December 27, 2016 City Commission meeting. Motion was seconded and passed unanimously.**

**Kujala – aye; Balensifer – aye; Ackley – aye; Dyer – aye; Newton – aye**

**Commissioner Ackley made the motion to authorize the Mayor's signature on the Life Flight letter of support to the Port of Astoria. Motion was seconded and approved. Commissioner Balensifer abstained from the vote as he is the Chair on the Airport Advisory Committee.**

**Kujala – aye; Ackley – aye; Dyer – aye; Newton – aye; Balensifer – abstain**

PUBLIC COMMENT – Dennis Faletti stated he has been a member of the community since 1972, he is proud of the community and proud of the Commission but he is disappointed in the look/design of new businesses and box stores that are being built. He noted these same stores in other areas he visited looked special and beautiful; not like just another box store and he wishes Warrenton would do the same. Discussion continued on site design standards. Mayor Kujala noted that Walmart canceled last week’s ground breaking due to inclement weather and it will be rescheduled. Dick Hellberg spoke about the 8<sup>th</sup> Street dam and asked that the Commission remember a previous suit the City was involved in. He stated any other solution is better than suing. Mr. Hellberg also noted if the City takes over the dam, protection and liability will extend up river, beyond the city. Kathleen Zunkell also spoke about 8<sup>th</sup> Street dam, noting she is not happy with the way the Commission has handled the matter and stated she would appreciate transparency. Mayor Kujala noted there is a 30 page complaint put together by Attorney Akin Blitz that details what the City’s position is and the factual misrepresentations that took place over the past 14 years. He suggested the document be placed on the website so the public can view it. Brief discussion continued and City Manager Engbretson stated she could have a hard copy of the document available for Ms. Zunkell. Jim Ray voiced his concerns over possible liability issues from low hanging trees on Lake Drive in Hammond. Public Works Director Jim Dunn and Assistant Harbor Master Jane Sweet will look into the matter. Kathleen Adams, the community garden manager stated the Community Garden in Hammond grew 379 pounds of vegetables that were donated to the local food pantry. Ms. Adams also noted during the school year, the students delivered the produce and worked at the food pantry.

There being no further business Mayor Kujala adjourned the regular meeting at 7:56 p.m.

APPROVED:

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Mark Kujala, Mayor

ATTEST:

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Dawne Shaw, Administrative Assistant

## MINUTES FOR THE WARRENTON COMMUNITY LIBRARY ADVISORY BOARD FOR 16 NOV 2016

The meeting of the Warrenton Community Library (WCL) Advisory Board, held in the Commission Chambers at City Hall, was called to order by our Board President, Kelsey Balensifer, at 4:00 p.m.

In attendance from the Board were Kelsey Balensifer, Rochelle Coulombe, Natalie Duggan, Baret Becker-Murphy and Doug Rich. Judy Sivley and Jill Benish were unable to attend. The meeting was also attended by our Site Manager, Nettie-Lee Calog, our City Manager, Linda Engbretson, and April Clark, Finance Director. Frank Becker was also in attendance.

This was an emergency meeting called by Kelsey. The purpose of meeting was to discuss relocating the Library to 160 South Main, Warrenton, OR 97146 (the Serendipity Caffé building) and the possibility of updating the Board's recommendation to the City Commission.

Discussion proceeded at a rapid pace and included participation of everyone in attendance. Concerns and questions which were offered focused on:

### Maintaining the operation of two different entities, library and café.

Several people expressed the importance of keeping WCL and its operation physically separated from the operation of the Serendipity. Could the security of both be maintained? How would we modify the physical structure to allow both entities to operate independent of one another while also pursuing the idea of combining them when desirable? How would we keep the noise level of the café suitable to the quiet normally required by library goers reading, working on a computer, researching and writing?

### Costs and legal concerns involved in making the change.

Linda Engbretson explained the funding for the move and operation would last until June of 2017, and some WCL funding would continue for one year after that, through the current bond levy. Nettie explained what operational expenses the lease holder of the restaurant wanted the WCL to share; many Board members felt the proposal included too much of the operational expenses of the restaurant. Nettie explained the situation is complicated further by the news that the restaurant belongs to two parties—both the previous owner and the present owner, who is paying the previous owner in installments. It became evident the Board would need an attorney to help shed light on the situation; Linda assured us that the City Attorney would assist us.

The decision was made not to update the Board's recommendation to the City Commission at this time, due to the complexity of the current scenario. The Board is hoping to acquire additional information that might help clarify the Serendipity lease and ownership situation.

There was no further discussion on the matter. President Kelsey Balensifer declared the meeting closed at 5:02 p.m. and reminded us of our next meeting date and time.

**Our next meeting will be held in the City Hall Chambers at 10:00 a.m. on Friday, Dec. 9, 2016.**

Respectfully submitted,

Doug Rich, Secretary



# Warrenton Fire Department

P.O. Box 250 Warrenton, OR 97146-0250 503/861-2494 Fax 503/861-2351

7E

## STAFF REPORT

**Date:** January 10, 2017  
**To:** The Members of the Warrenton City Commission  
Linda Engbretson, City Manager  
**From:** Tim Demers, Fire Chief  
**Re:** Fire Department Activity Report for **November, 2016**

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### **November, 2016 Emergency Response Activity -**

The Warrenton Fire Department responded to 74 emergency calls during the month of November, 2016. The department responded to 52 EMS (emergency medical service) calls, 13 motor vehicle crashes, and 8 service calls. There was One (1) reportable fire during the month. Service calls include alarm activations with no fire, false alarms, hazardous conditions, good intent calls, public assists, etc. An average of 6 volunteers responded per call throughout the month. During the month of November, 66.2%, or 49 of the calls were during daytime hours between 6:00 a.m. and 6:00 p.m. The other 25 calls, or 33.8%, were during the night, between the hours of 6:00 p.m. and 6:00 a.m.

### **November, 2016 Training –**

The department held 4 regularly scheduled Wednesday evening training sessions during the month of November, with an average attendance of 19 volunteers per drill. The department offered four (4) additional training sessions during the month of November.

### **2<sup>nd</sup> EMS – “SAMPLE” medical history and on-scene charting**

**Instructor: Chris Peck**

***Association business meeting***

### **9<sup>th</sup> Firefighter I skills practice**

**Instructor: Capt. Shepherd**

### **Recruit Firefighter – Hose, appliances, rolls, coupling**

**Instructor: Scott Watson**

### **Driver/Operator training, Engine #2725**

**Instructor: Capt. Penno**

**16<sup>th</sup> Firefighter I - task performance evaluations**

**Instructors: Capt. Shepherd, and fellow evaluators**

**Recruit Firefighter – Hose loads**

**Instructor: Scott Watson**

**23<sup>rd</sup> Fire scene command and Control**

**Instructors: Capt. Shepherd**

**Recruit Firefighter – Hose loads, hydrant evolutions**

**Instructor: Scott Watson**

**30<sup>th</sup> Pre-incident facility tour – Warrenton Grade School**

**Instructors: Chief Demers, Ryan Little**



# Warrenton Fire Department

P.O. Box 250 Warrenton, OR 97146-0250 503/861-2494 Fax 503/861-2351

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## STAFF REPORT

**Date:** January 10, 2017  
**To:** The Members of the Warrenton City Commission  
Linda Engbretson, City Manager  
**From:** Tim Demers, Fire Chief  
**Re:** Fire Department Activity Report for **December, 2016**

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### **December, 2016 Emergency Response Activity -**

The Warrenton Fire Department responded to 88 emergency calls during the month of December, 2016. The department responded to 63 EMS (emergency medical service) calls, 11 motor vehicle crashes, and 10 service calls. There were Four (4) reportable fires during the month. Service calls include alarm activations with no fire, false alarms, hazardous conditions, good intent calls, public assists, etc. An average of 6 volunteers responded per call throughout the month. During the month of December, 56.8%, or 50 of the calls were during daytime hours between 6:00 a.m. and 6:00 p.m. The other 38 calls, or 43.2%, were during the night, between the hours of 6:00 p.m. and 6:00 a.m.

### **December, 2016 Training –**

The department held 3 regularly scheduled Wednesday evening training sessions during the month of December, with an average attendance of 21 volunteers per drill. The department offered two (2) additional training sessions during the month of December.

### **7<sup>th</sup> Physical ability evaluations**

**Instructor: Capt. Penno**

### **Firefighter knowledge exercise**

**Instructor: Capt. Shepherd**

### **Recruit firefighter training – Engine #2726 orientation**

**Instructors: FF Ely, FF Tucker**

### ***Association business meeting***

**14<sup>th</sup> EMS – Street drugs and overdose, case reviews**

**Instructor: Paul Voeller, MD, Chief Demers**

**21<sup>st</sup> Christmas food drive distribution**

**Instructors: Chief Demers, Capt. Penno**

**28<sup>th</sup> *Drill canceled due to holidays***

**Volume 10, Issue 5**

**Monthly Finance Report**  
**November 2016**

**January 10, 2017**

**Economic Indicators**

	Current	1 year ago
◆ Interest Rates:		
LGIP :	1.03%	.54%
Columbia Bank:	.05%	.05%
◆ Prime Rate:	3.50%	3.25%
◆ CPI-U change:	1.7%	0.5%
◆ Unemployment Rates:		
Clatsop County:	4.9%	5.3%
Oregon:	5.0%	5.6%
U.S.:	4.6%	5.0%

**Department Statistics**

◆ Utility Bills mailed	3,284
◆ New Service Connections	2
◆ Reminder Letters	488
◆ Door Hangers	110
◆ Water Service Discontinued	11
◆ Walk-in counter payments	746
◆ Mail payments	1,227
◆ Auto Pay Customers/pymts	545
◆ Online (Web) payments	571
◆ Checks Issued	438

**Current and Pending Projects**

- ◆ SDC Annual Report
- ◆ Landfill Financial Assurance Report
- ◆ Warrenton Urban Renewal Agency Annual Report
- ◆ 2017-2018 Budget Preparation
- ◆ 2018-2023 Capital Improvement Program

**Financial Narrative as of November 30, 2016**

**Note:** Revenues and expenses should track at 5/12 or 41.7% of the budget.

**General Fund:** Year to date revenues amount to \$2,016,577, which is 54.9% of the budget, compared to the prior year amount of \$1,898,715, which was 53.9% of the budget and are up by \$117,862. Increases are shown in property taxes, franchise fees, transient room tax, state revenue sharing, police charges, leases, interest and miscellaneous.

Expenses year to date amount to \$1,636,904, which is 39.3% of the budget, compared to the prior year amount of \$1,656,007, which was 42% of the budget. All departments are tracking at or under budget except the Admin/Comm/Fin department which has large expenditures at the beginning of the year and has had unexpected increased spending in Professional Services.

**WBA:** Business license revenue amounts to \$46,920 compared to \$45,335 last year at this time, a difference of \$1,585.

**Building Department:** Permit revenues this month amount to \$6,714 and \$60,294 year to date, which is 28.3% of the budgeted amount. Last year to date permit revenue was \$75,111.

**State Tax Street:** State gas taxes received this month amount to \$27,484 for fuel sold in October and \$107,522 year to

date. City gas taxes received this month amount to \$29,628 for fuel sold in September and are \$97,894 year to date.

**Warrenton Marina:** Total revenues to date are \$405,356, 82.9% of the budgeted amount, compared to the prior year amount of \$418,083 and was 88.9% of the budgeted amount. There is \$47,201 in moorage receivables outstanding.

**Hammond Marina:** Total revenues to date are \$261,342, 96.2% of the budgeted amount, compared to the prior year amount of \$264,793 and was 100.7% of the budgeted amount. There is \$6,148 in moorage receivables outstanding.

Of the total outstanding receivables \$30,485 is over 90 days old.

**Water Fund:** Utility fees charged this month are \$124,197 and \$65,165 and \$735,663 and \$607,476 year to date, for in-city and out-city respectively and totals \$1,343,139 and is 54.1% of the budget. Last year at this time year to date fees were \$643,229 and \$602,578, for in-city and out-city, respectively, and totaled 1,245,807.

On page 5, water revenue history is shown for each fiscal year beginning July 1, 2006. The green is in-city and the gray is out-city and the grand total is shown in orange. Also shown, segregated from the in-city and out-city category is the top 5

users of the system each year and then the 5 months of the current year.

**Sewer Fund:** Utility fees charged this month are \$163,296 and \$840,302 year to date, which is 44.5% of the budget. Last year at this time year to date fees were \$796,916. Shoreline Sanitary Fees year to date are \$47,372. Septage revenue year to date is \$147,097 and is 52.5% of the budget. Total revenues year to date are \$1,059,103 compared to \$907,176 at this time last year.

On page 5, sewer revenue history is shown for each fiscal year beginning July 1, 2006. The green is in-city and the gray is Shoreline Sanitary District and the grand total is shown in orange. Also shown, segregated from the in-city and Shoreline category is the top 5 users of the system each calendar year and then the 5 months of the current year.

**Storm Sewer:** Utility Fees (20% of sewer fees) this month are \$32,649 and \$168,010 year to date and is 44.5% of the budget. Last year to date revenues were \$152,553 which was 43.8% of the budget.

**Sanitation Fund:** Service fees charged this month for garbage and recycling were \$75,711 and \$14,562, and \$384,298 and \$72,536, year to date, and are 45.5% and 43% of the budget, respectively.

**Library:** Current year property taxes received this month amount to \$43,708 and is 92.3% of the budget.

## Financial data as of November 2016

	General Fund			
	Current Month	Year to Date	Budget	% of Budget
Beginning Fund Balance	1,009,827	1,269,879	950,000	133.67
Plus: Revenues	961,880	2,016,577	3,668,832	54.97
Less: Expenditures				
Municipal Court	8,750	45,357	126,320	35.91
Admin/Comm/Fin (ACF)	76,098	539,356	1,006,408	53.59
Planning	10,990	60,802	197,533	30.78
Police	140,013	647,958	1,702,215	38.07
Fire	41,409	253,194	833,463	30.38
Parks	10,317	55,659	171,673	32.42
Transfers	34,578	34,578	129,578	26.69
Total Expenditures	322,155	1,636,904	4,167,190	39.28
Ending Fund Balance	1,649,552	1,649,552	451,642	365.23

(see details of revenue, page 4)

	WBA			
	Current Month	Year to Date	Budget	% of Budget
Beginning Fund Balance	147,758	137,741	150,850	91.31
Plus: Revenues	3,549	51,887	46,200	112.31
Less: Expenditures	26,606	64,927	155,047	41.88
Ending Fund Balance	124,701	124,701	42,003	296.89

	Building Department			
	Current Month	Year to Date	Budget	% of Budget
Beginning Fund Balance	245,281	261,655	230,000	113.76
Plus: Revenues	6,830	61,031	213,890	28.53
Less: Expenditures	16,360	86,935	231,551	37.54
Ending Fund Balance	235,751	235,751	212,339	111.03

	State Tax Street			
	Current Month	Year to Date	Budget	% of Budget
Beginning Fund Balance	1,270,023	1,421,947	1,180,000	120.50
Plus: Revenues	58,369	210,804	799,407	26.37
Less: Expenditures	22,769	327,128	1,842,462	17.75
Ending Fund Balance	1,305,623	1,305,623	136,945	953.39

	Warrenton Marina			
	Current Month	Year to Date	Budget	% of Budget
Beginning Fund Balance	408,186	195,027	170,000	114.72
Plus: Revenues	16,266	405,356	489,001	82.89
Less: Expenditures	36,133	212,064	614,841	34.49
Ending Fund Balance	388,319	388,319	44,160	879.35

**Financial data as of November 2016, continued**

	Hammond Marina				Water Fund			
	Current Month	Year to Date	Budget	% of Budget	Current Month	Year to Date	Budget	% of Budget
Beginning Fund Balance	291,587	168,011	170,000	98.83	1,749,539	1,140,492	910,000	125.33
Plus: Revenues	6,417	261,342	271,701	96.19	195,145	1,391,941	4,236,400	32.86
Less: Expenditures	24,856	156,205	389,770	40.08	117,626	705,375	4,761,435	14.81
Ending Fund Balance	<u>273,148</u>	<u>273,148</u>	<u>51,931</u>	<u>525.98</u>	<u>1,827,058</u>	<u>1,827,058</u>	<u>384,965</u>	<u>474.60</u>

	Sewer Fund				Storm Sewer			
	Current Month	Year to Date	Budget	% of Budget	Current Month	Year to Date	Budget	% of Budget
Beginning Fund Balance	1,764,329	1,369,458	1,300,000	105.34	289,514	284,330	210,000	135.40
Plus: Revenues	197,311	1,059,103	4,226,699	25.06	32,734	168,225	377,960	44.51
Less: Expenditures	138,567	605,488	4,309,630	14.05	24,524	154,831	532,049	29.10
Ending Fund Balance	<u>1,823,073</u>	<u>1,823,073</u>	<u>1,217,069</u>	<u>149.79</u>	<u>297,724</u>	<u>297,724</u>	<u>55,911</u>	<u>532.50</u>

	Sanitation Fund				Community Center			
	Current Month	Year to Date	Budget	% of Budget	Current Month	Year to Date	Budget	% of Budget
Beginning Fund Balance	384,131	354,473	375,000	94.53	10,213	11,801	11,000	107.28
Plus: Revenues	90,558	459,208	1,016,132	45.19	1,258	6,009	12,515	48.01
Less: Expenditures	81,059	420,051	1,170,371	35.89	1,702	8,041	21,308	37.74
Ending Fund Balance	<u>393,630</u>	<u>393,630</u>	<u>220,761</u>	<u>178.31</u>	<u>9,769</u>	<u>9,769</u>	<u>2,207</u>	<u>-</u>

	Library				Warrenton Urban Renewal Agency Capital Projects Fund			
	Current Month	Year to Date	Budget	% of Budget	Current Month	Year to Date	Budget	% of Budget
Beginning Fund Balance	16,520	31,129	21,000	148.23	2,186,892	42,123	19,154	219.92
Plus: Revenues	42,541	47,646	55,727	85.50	61	2,200,187	4,222,122	52.11
Less: Expenditures	4,583	24,297	60,172	40.38	514,976	570,333	4,241,276	13.45
Ending Fund Balance	<u>54,478</u>	<u>54,478</u>	<u>16,555</u>	<u>329.07</u>	<u>1,671,977</u>	<u>1,671,977</u>	<u>-</u>	<u>-</u>

## Financial data as of November 2016, continued

## (\$) Cash Balances as of November, 2016

General Fund	1,857,973	Warrenton Marina	347,887	Storm Sewer	251,454
WBA	124,641	Hammond Marina	273,867	Sanitation Fund	303,586
Building Department	237,772	Water Fund	1,462,612	Community Center	11,522
State Tax Street	1,317,276	Sewer Fund	1,495,465	Library	55,328

## Warrenton Urban Renewal Agency

Capital Projects	2,065,008
Debt Service	1,262,858

General Fund Revenues	Collection Frequency	2016-2017 Budget	Actual as a	Collections/Accruals		(over) under budget
			% of Current Budget	Year to date		
				November 2016	November 2015	
Property taxes-current	AP	884,586	91.52	809,557	764,901	75,029
Property taxes-prior	AP	35,000	45.78	16,023	17,893	18,977
County land sales	A	-	0.00	-	-	-
Franchise fees	MA	534,000	25.76	137,567	133,532	396,433
COW - franchise fees	M	124,338	47.07	58,532	52,917	65,806
Transient room tax	Q	462,109	57.13	263,998	260,754	198,111
Liquor licenses	A	625	4.00	25	25	600
State revenue sharing	MQ	125,559	26.46	33,218	32,194	92,341
Municipal court	M	127,175	33.59	42,716	49,204	84,459
Planning charges	I	55,000	19.90	10,943	38,397	44,057
Police charges	I	6,000	58.77	3,526	1,374	2,474
Fire charges	SM	92,481	0.00	-	571	92,481
Park charges	I	-	0.00	250	100	-
Housing rehab loans	I	-	0.00	-	689	-
Miscellaneous	I	1,300	720.31	9,364	7,385	(8,064)
Interest	M	5,000	66.58	3,329	2,020	1,671
Lease receipts	M	209,251	42.14	88,173	64,232	121,078
Donations	I		0.00	-	-	-
<b>Sub-total</b>		<b>2,662,424</b>	<b>55.48</b>	<b>1,477,221</b>	<b>1,426,188</b>	<b>1,185,203</b>
Overhead	M	1,006,408	53.59	539,356	472,527	467,052
<b>Total revenues</b>		<b>3,668,832</b>	<b>54.97</b>	<b>2,016,577</b>	<b>1,898,715</b>	<b>1,652,255</b>

M - monthly

S - semi-annual

Q - quarterly

I - intermittently

SM - Semi-annual in November then monthly

MQ - Monthly, cigarette and liquor and Quarterly, revenue sharing

AP - As paid by taxpayer beginning in November

R - renewals due in July and new licenses intermittently

MA - pacificorp-monthly, Century Link-quarterly, others annually in March A - annual

Note: Budget columns do not include contingencies as a separate line item but are included in the ending fund balance. Unless the Commission authorizes the use of contingency, these amounts should roll over to the following year beginning fund balance. For budget details, please refer to the City of Warrenton Adopted Budget for fiscal year ending June 30, 2017. Budget amounts reflect budget adjustments approved by the Commission during the fiscal year. Information and data presented in this report is unaudited.

## Financial data as of November 2016, continued

water fund utility revenues											5 months
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
in city	1,205,143	1,177,723	1,221,783	744,632	753,354	909,751	874,148	957,484	1,014,340	1,201,543	543,094
out city				514,819	523,402	664,558	608,385	635,841	672,179	798,288	392,529
5 pacific coast seafoods	158,911	122,807	164,353	156,602	214,773	230,083	296,702	22,742	25,443	38,549	27,742
1 city of gearhart	597,047	602,761	665,723	564,788	538,496	534,382	264,658	125,075	178,583	211,396	195,515
3 fort stevens	34,409	34,834	44,153	52,824	47,114	40,868	76,354	54,324	60,915	80,824	52,136
* camp rilea	79,662	45,671	49,810	65,629	58,345	16,471	4,425	4,831	5,217	5,940	2,621
2 bio oregon	33,441	38,790	28,399	30,785	33,376	33,293	51,602	68,430	91,106	72,408	53,621
* warrenton lumber	114,162	109,175	92,738	37,631	7,998	30,028	37,267	40,070	39,595	41,336	21,864
* glenwood village									35,960	36,317	16,811
4 point adams packing											37,207
<b>total</b>	<b>2,222,775</b>	<b>2,131,761</b>	<b>2,266,959</b>	<b>2,167,710</b>	<b>2,176,858</b>	<b>2,459,434</b>	<b>2,213,541</b>	<b>1,908,797</b>	<b>2,123,338</b>	<b>2,486,601</b>	<b>1,343,140</b>

\* used to be in the top 5

sewer fund utility revenues											5 months
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
in city	985,325	1,035,461	1,120,661	1,149,385	1,187,121	1,315,666	1,395,820	1,483,459	1,534,362	1,601,310	731,624
shoreline										54,247	47,372
fred meyer		20,294				20,396	36,998	68,023			
hampton lumber mill	135,929	149,191	130,132	50,507		39,203	48,810	52,575	48,144	44,576	23,566
fort stevens state park	37,044	37,291	38,526	38,526	40,292	38,935	44,598	46,828	47,999	49,199	21,730
columbia point apts	27,043	27,223	28,123	28,123	29,410	28,420	32,551	34,178	35,035	35,914	15,861
port warren condos	25,240	25,408	26,248	26,248	27,450	26,525	30,381	31,900	32,700		
alder creek village				18,749	19,607					39,505	17,447
northwest housing					19,607						
shilo inn hotel	31,718										
astoria/seaside koa			19,288						37,581	41,628	30,074
<b>total gross revenue</b>	<b>1,242,299</b>	<b>1,294,868</b>	<b>1,362,978</b>	<b>1,311,538</b>	<b>1,323,487</b>	<b>1,469,145</b>	<b>1,589,158</b>	<b>1,716,963</b>	<b>1,735,821</b>	<b>1,866,379</b>	<b>887,674</b>

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# WARRENTON POLICE DEPARTMENT

## NOVEMBER 2016 STATISTICS

JANUARY 10, 2017



### News & Events:

- The top candidates all completed the PHQ/CPI and the results were returned from the psychologist. We should be moving forward with conditional offers of employment for at least two of the candidates.
- The WPD will have a Clatsop Community College student in the department until March on a Work Experience program. The student will be doing ride-alongs with officers, working with office staff, observing the municipal court, observing dispatch, and gaining experience on how a police department functions. The student will be responsible for completing observations reports and a project by the end of the program in March.
- Chief Workman gave a presentation to the US Coast Guard personnel for their Winter Break Safety Stand-Down. Chief Workman presented on holiday stress, drug use, DUI's, and winter driving to help the personnel have a more enjoyable holiday break.
- Chief Workman participated in the interviews for a Drug Free Communities (DFC) Grant coordinator position. The Prevention Works substance abuse coalition and the Warrenton Hammond Healthy Kids, Inc. partnered together and received a \$125,000 grant for the next five years. The coordinator position will oversee the activities for the group over the length of the grant.
- The Christmas Holiday was mostly quiet with no major incidents.
- The department had firearms training at the APD range on December 27<sup>th</sup> where officers qualified on both handgun and patrol rifle. The training was conducted by Firearms Instructor Al Fontana and newly certified instructor Robert Wirt for his first training.

November Statistics (% changes are compared to 2016)							
Category	2016	2015	% Chg	2014	% Chg	2013	% Chg
Calls for Service	<b>541</b>	611	<b>-11%</b>	609	<b>-11%</b>	771	<b>-30%</b>
Incident Reports	<b>133</b>	137	<b>-3%</b>	124	<b>7%</b>	103	<b>29%</b>
Arrests/Citations	<b>61</b>	66	<b>-8%</b>	78	<b>-22%</b>	56	<b>9%</b>
Traffic Events	<b>144</b>	183	<b>-21%</b>	141	<b>2%</b>	154	<b>-6%</b>
DUI Calls	<b>2</b>	0	<b>200%</b>	1	<b>100%</b>	5	<b>-60%</b>
Traffic Accidents	<b>21</b>	15	<b>40%</b>	14	<b>50%</b>	27	<b>-22%</b>
Property Crimes	<b>62</b>	60	<b>3%</b>	70	<b>-11%</b>	133	<b>-53%</b>
Disturbances	<b>52</b>	47	<b>11%</b>	62	<b>-16%</b>	108	<b>-52%</b>
Drug/Narcotics Calls	<b>4</b>	5	<b>-20%</b>	4	<b>0%</b>	10	<b>-60%</b>
Animal Complaints	<b>15</b>	20	<b>-25%</b>	21	<b>-29%</b>	26	<b>-42%</b>
Officer O.T.	<b>267.5</b>	80.5	<b>232%</b>	92.25	<b>190%</b>	53	<b>405%</b>
Reserve Hours	<b>7</b>	60	<b>-88%</b>	50.5	<b>-86%</b>	63	<b>-89%</b>

Category	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Calls for Service	637	647	716	685	737	696	763	690	691
Incident Reports	124	125	143	132	160	166	173	146	161
Arrests/Citations	64	69	111	88	113	83	90	63	84
Traffic Events	254	231	260	279	249	179	175	158	199
DUII Calls	2	3	5	2	7	3	2	1	4
Traffic Accidents	16	15	13	24	21	14	18	23	17
Property Crimes	46	68	92	39	58	92	130	78	56
Disturbances	66	58	73	62	76	62	93	76	72
Drug/Narcotics Calls	8	4	6	3	8	4	4	5	9
Animal Complaints	19	18	27	30	29	29	27	40	27
Officer O.T.	148.25	236.75	107.5	45	55.75	57	124.75	137	135
Reserve Hours	30	82	57	125	65	55.5	34	35	32

Oct	Nov	Dec	2016 YTD	2016 Estimate	2015	2016 v 2015	2014	2016 v. 2014	2013	2016 v. 2013
557	541		<b>7360</b>	<b>8029</b>	8239	-3%	8317	-3%	7132	13%
133	133		<b>1596</b>	<b>1741</b>	1749	0%	1515	15%	1364	28%
50	61		<b>876</b>	<b>956</b>	925	3%	994	-4%	841	14%
122	144		<b>2250</b>	<b>2455</b>	2353	4%	2220	11%	2075	18%
1	2		<b>32</b>	<b>35</b>	15	133%	14	149%	33	6%
13	21		<b>195</b>	<b>213</b>	291	-27%	408	-48%	498	-57%
64	62		<b>785</b>	<b>856</b>	805	6%	1374	-38%	1312	-35%
81	52		<b>771</b>	<b>841</b>	781	8%	1359	-38%	1372	-39%
10	4		<b>65</b>	<b>71</b>	42	69%	80	-11%	69	3%
20	15		<b>281</b>	<b>307</b>	311	-1%	318	-4%	329	-7%
160.5	267.5		<b>1475</b>	<b>1609</b>	1249	29%	997.5	61%	999	61%
8	7		<b>530.5</b>	<b>579</b>	901.75	-36%	804.75	-28%	1016	-43%

The following is a graphic representation of statistics for November 2016 using our [CrimeReports.com](http://CrimeReports.com) membership. If you go to the website you can zoom in on each incident for more details.

**Violent**

- Assault
- Assault with Deadly Weapon
- Homicide
- Kidnapping
- Robbery
- Other Sexual Offense
- Sexual Assault
- Sexual Offense

**Property**

- Breaking & Entering
- Property Crime
- Property Crime Commercial
- Property Crime Residential
- Theft
- Theft from Vehicle
- Theft of Vehicle

**Quality Of Life**

- Disorder
- Quality of Life
- Drugs
- Liquor

**911 & Other**

- Alarm
- Arson
- Death
- Family Offense
- Missing Person
- Other
- Pedestrian Stop
- Vehicle Recovery

**Vehicle Stop**

- Weapons Offense
- Community Policing
- Proactive Policing
- Emergency
- Fire
- Traffic



*"Making a difference through excellence of service"*



## CITY OF WARRENTON

### Finance Department Agenda Memorandum

8A

To: The Honorable Mayor and Members of the Warrenton City Commission  
From: April Clark  
Finance Director  
Date: January 10, 2017

#### **Regarding: Public Hearing – Exemption of Personal Services Contract for Independent Audit Services**

##### **SUMMARY:**

In its capacity as the Contract Review Board for the City of Warrenton, the Commission may exempt from competition the award of a specific contract. A Public Hearing has been scheduled for this time to take comments or hear objections to exempting the contract for independent audit services from competitive solicitation.

Under a competitive solicitation process in 2007 Isler, CPA was awarded a contract to conduct Independent Audit Services. Isler, CPA was again awarded a contract for audit services in 2012. That contract, with extensions, expired with our last audit performed for the year ending June 30, 2016. Isler, CPA is familiar with the City's processes and the Commission and Staff have been pleased with their services. They have the background and knowledge to perform the City's audits. The following findings and recommendations are presented for consideration as the basis for exemption:

1. The nature of the contract requested for exemption.  
**This is a personal services contract.**
2. The estimated cost of the project.  
**The attached proposal dated November 17, 2016 shows the estimated costs for the next three years:**

<b>June 30, 2017</b>	<b>\$32,200 and \$35,500 if single audit is needed</b>
<b>June 30, 2018</b>	<b>\$33,100 and \$36,500 if single audit is needed</b>
<b>June 30, 2019</b>	<b>\$34,000 and \$37,400 if single audit is needed</b>
3. Substantial cost savings, enhancement in quality and performance.  
**Isler, CPA have gained knowledge and efficiencies over the past 10 years. They are better able to examine our finances and have already spent the time setting up their records and systems based on our processes and procedures. A new auditor would have to spend additional time to become familiar and set up their records, especially in the first year. Additional staff time is also required to gather documents and educate the new auditor. Staff is very satisfied with the quality of the audits**

**performed in the last 10 years. The Commission benefits from having an auditor that is familiar with the City's history and current operations.**

4. The approval of this request is unlikely to encourage favoritism or diminish competition and will substantially promote the public interest in a manner that could not practicably be realized by complying with the solicitation requirements.

**There are very few auditors that provide this type of audit services. In 2012 the City directly solicited five firms and only received one proposal, from Isler, CPA. There will be substantial cost savings due to the knowledge and experience of the current auditor. They also have a local staff member that is always available for questions and visits, which does not require travel, resulting in additional cost savings.**

5. The alternative contracting method requested.

**Exemption from competitive solicitation.**

6. The estimated date by which to let the contract.

**Upon approval to exempt the contract.**

#### **RECOMMENDATION\SUGGESTED MOTION:**

If the Commission finds it in the public's best interest to exempt the independent auditor services from competitive solicitation, the following motion is recommended:

*"I move to adopt the findings dated January 10, 2017, as the basis for approving the exemption from competition of the personal services contract for annual independent audit services."*

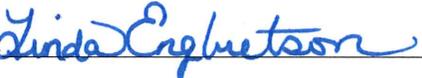
*"I move to award the contract for professional services to Isler CPA for Annual Independent Audit Services beginning with fiscal year July 1, 2016 as per the attached proposal with an option to renew for two more years."*

#### **ALTERNATIVE:**

Seek additional bidders either by direct solicitation or by advertisement.

#### **FISCAL IMPACT:**

This is an ongoing annual cost to the City that is allocated among the various funds. \$35,500 will be budgeted in the 2017-2018 budget.

Approved by City Manager 

All supporting documentation, i.e., maps, exhibits, etc., must be attached to this memorandum.

**CITY OF WARRENTON**  
**CONTRACT FOR PROFESSIONAL SERVICES**

This Contract, made and entered into this 10th day of January, 2017, by and between the CITY of Warrenton, a municipal corporation of the State of Oregon, hereinafter called CITY and ISLER CPA, hereinafter called CONSULTANT, duly authorized to perform such services in Oregon.

**WITNESSETH:**

WHEREAS, the CITY requires services which CONSULTANT is capable of providing, under terms and conditions hereinafter described, now therefore,

IN CONSIDERATION of those mutual promises and the terms and conditions set forth hereafter, the parties agree as follows:

**1. CONSULTANT SERVICES**

- A. CONSULTANT shall perform services for the CITY of Warrenton, as described in the attached Proposal to Perform Audit and Accounting Services For Fiscal Years Ending June 30, 2017, 2018, and 2019 submitted on November 17, 2016, with an option to renew for two more years.
- B. CONSULTANT's services are defined solely by this Contract and not by any other contract or agreement

**2. COMPENSATION**

The CITY agrees to pay CONSULTANT a not-to-exceed fee of \$35,500, \$36,500, and \$37,400 for Fiscal Years ending June 30, 2017, June 30, 2018, and June 30, 2019, respectively for professional auditing services. Invoices should be sent to the CITY of Warrenton, Accounts Payable, PO Box 250, Warrenton, OR 97146, no later than the 7<sup>th</sup> working day after the end of each billing period in which billing activity occurred. The billing period is from the 1<sup>st</sup> to the last working day of each month.

**3. CONSULTANT IDENTIFICATION**

CONSULTANT shall furnish to the CITY the CONSULTANT's employer identification number, as designated by the Internal Revenue Service, or CONSULTANT's Social Security numbers,

as CITY deems applicable.

4. CITY'S REPRESENTATIVE

For purposes hereof, the CITY's authorized representative will be Linda Engbretson, City Manager

5. CONSULTANT'S REPRESENTATIVE

For purposes hereof, the CONSULTANT's authorized representative will be Paul Nielson, CPA.

6. CITY'S OBLIGATIONS

In order to facilitate the work of the CONSULTANT as above outlined, the CITY shall furnish to the CONSULTANT access to all relevant information, documents, and reports which is in the CITY's possession concerning the finances of the CITY.

7. CONSULTANT IS INDEPENDENT CONSULTANT

- A. CONSULTANT's services shall be provided under the general supervision of the CITY's project director or his designee, but CONSULTANT shall be an independent CONSULTANT for all purposes and shall be entitled to no compensation other than the compensation provided for under Section 2 of this Contract.
- B. CONSULTANT acknowledges that for all purposes related to this Contract, CONSULTANT is and shall be deemed to be an independent CONSULTANT and not an employee of the CITY, shall not be entitled to benefits of any kind to which an employee of the CITY is entitled and shall be solely responsible for all payments and taxes required by law; and furthermore in the event that CONSULTANT is found by a court of law or an administrative agency to be an employee of the CITY for any purpose, CITY shall be entitled to offset compensation due, or, to demand repayment of any amount paid to CONSULTANT under the terms of the Contract, to the full extent of any benefits or other remuneration CONSULTANT receives (from CITY or third party) as result of said finding and to the full extent of any payments that CITY is required to make (to CONSULTANT or a third party) as a result of said finding.
- C. The undersigned CONSULTANT hereby represents that no employee of the CITY OF WARRENTON, or any partnership; or corporation in which a CITY OF WARRENTON employee has an interest, has or will receive any remuneration of any description from the

CONSULTANT, either directly or indirectly, in connection with the letting or performance of this Contract, except as specifically declared in writing.

**8. CANCELLATION FOR CAUSE**

CITY may cancel all or any part of this Contract if CONSULTANT breaches any of the terms herein or in the event of any of the following: Insolvency of CONSULTANT; voluntary or involuntary petition in bankruptcy by or against CONSULTANT; appointment of a receiver or trustee for CONSULTANT; or any assignment for benefit of creditor of CONSULTANT.

Damages for breach shall be those allowed by Oregon law, reasonable and necessary attorney's fees and other costs of litigation at trial and upon appeal. CONSULTANT may likewise cancel all or any part of this contract if CITY breaches any of the terms herein and be therefore entitled to equivalent damages as expressed above for CITY.

**9. ACCESS TO RECORDS**

CITY shall have access to such books, documents, papers and records of contract as are directly pertinent to this contract for the purposes of making audit, examination, excerpts and transcripts.

**10. FORCE MAJEURE**

Neither CITY nor CONSULTANT shall be considered in default because of any delays in completion or responsibilities hereunder due to causes beyond the control and without fault or negligence on the part of the party so disabled provided the party so disabled shall within ten (10) days from the beginning such delay notify the other party in writing of the causes of delay and its probable extent. Such notification shall not be the basis for a claim for additional compensation.

**11. NONWAIVER**

The failure of the CITY to insist upon or enforce strict performance by CONSULTANT of any of the terms of this Contract or to exercise any rights hereunder shall not be construed as a waiver or relinquishment to any extent of its right to assert or rely upon such terms or rights on any future occasion.

**12. ATTORNEY'S FEES**

In the event suit or action is instituted to enforce any of the terms of this contract, the prevailing party shall be entitled to recover from the other party such sums the court may

adjudge reasonable as attorney=s fees at trial or on appeal of such suit or action, in addition to all other sums provided by law.

### 13. APPLICABLE LAW

The law of the State of Oregon shall govern the validity of this Agreement, its interpretation and performance, and any other claims related to it.

### 14. CONFLICT BETWEEN TERMS

It is further expressly agreed by and between the parties hereto that should there be any conflict between the terms of this instrument and the proposal of the CONSULTANT, this instrument shall control and nothing herein shall be considered as an acceptance of the said terms of said proposal conflicting herewith.

### 15. INDEMNIFICATION

With regard to Comprehensive General Liability, CONSULTANT agrees to indemnify and hold harmless the CITY of Warrenton, its Officers, and Employees against and from any and all loss, claims, actions, suits, reasonable defense costs, attorney fees and expenses for or on account of injury, bodily or otherwise to, or death of persons, damage to or destruction of property belonging to CITY, CONSULTANT, or others resulting from or arising out of CONSULTANT's negligent acts, errors or omissions in services pursuant to this Agreement. This agreement to indemnify applies whether such claims are meritorious or not; provided, however, that if any such liability, settlements, loss, defense costs or expenses result from the concurrent negligence of CONSULTANT and the CITY, this indemnification and agreement to assume defense costs applies only to the extent of the negligence or alleged negligence of the CONSULTANT.

With regard to Professional Liability, CONSULTANT agrees to indemnify and hold harmless the CITY of Warrenton, its officers and employees from any and all liability, settlements, loss, reasonable defense costs, attorney fees and expenses arising out of CONSULTANT's negligent acts, errors, or omissions in service provided pursuant to this Agreement; provided, however, that if any such liability, settlements, loss, defense costs or expenses result from the concurrent negligence of CONSULTANT and the Client, this indemnification and agreement to assume defense costs applies only to the extent of negligence of CONSULTANT.

With respect to Commercial Liability and Professional Liability, CONSULTANT reserves the

right to approve the choice of counsel.

**16. INSURANCE**

Professional Service Contracts are encompassed within the state public contracting law. Therefore, the parties incorporate by this reference the clauses required by the following statutes:

**ORS.279B.220 - Conditions concerning payment, contributions, liens, withholding.**

**ORS.279B.230 - Conditions concerning payment for medical care and providing worker's compensation.**

**ORS.279B.235 - Condition concerning hours of labor.**

**17. WORKERS' COMPENSATION INSURANCE**

The CONSULTANT, its sub-CONSULTANTS, if any, and all employees working under this agreement are either subject to employers under the Oregon Workers' Compensation Law and shall comply with ORS 656.017, which requires them to provide workers= compensation coverage for all their subject workers, or are employers that are exempt under ORS 656.126.

**18. LABORERS AND MATERIALMEN, CONTRIBUTIONS TO INDUSTRIAL ACCIDENT FUND, LIENS AND WITHHOLDING TAXES**

CONSULTANT shall make payment promptly, as due, to all persons supplying CONSULTANT labor or material for the prosecution of the work provided for this contract.

CONSULTANT shall pay all contributions or amounts due the Industrial Accident Fund from CONSULTANT or any subCONSULTANT incurred in the performance of the contract.

CONSULTANT shall not permit any lien or claim to be filed or prosecuted against the state, county, school district, municipality, municipal corporation or subdivision thereof, on account of any labor or material furnished.

CONSULTANT shall pay to the Department of Revenue all sums withheld from employees pursuant to ORS 316.167.

**19. PAYMENT OF MEDICAL CARE**

CONSULTANT shall promptly, as due, make payment to any person, copartnership, 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 CONSULTANT, of all sums which the CONSULTANT agrees to pay for such services and all moneys and sums

which the CONSULTANT collected or deducted from the wages of employees pursuant to any law, contract or agreement for the purpose of providing or paying for such service.

**20. OVERTIME**

Employees shall be paid for overtime work performed under this contract in accordance with ORS 653.010 to 653.261 and the Fair Labor Standards Act of 1938 (29 U.S.C sections 201 to 209).

**21. USE OF CONSULTANT'S DOCUMENTS**

The CITY retains all drawings and other documents prepared by the CONSULTANT for the project and shall retain all common law, statutory and other reserved rights, including the copyright.

**22. STANDARD OF CARE**

The standard of care applicable to CONSULTANT services will be the degree of skill and diligence normally employed by performing the same or similar services at the time CONSULTANT services are performed CONSULTANT will re-perform any services not meeting this standard without additional compensation.

**23. NO THIRD PARTY BENEFICIARIES**

This Agreement gives no rights or benefits to anyone other than the CITY and CONSULTANT and has no third party beneficiaries.

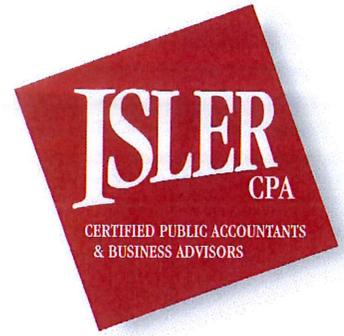
**24. SEVERABILITY AND SURVIVAL**

If any of the provisions contained in this Agreement are held illegal, invalid or unenforceable, the enforceability of the remaining provisions shall not be impaired thereby. Limitations of liability shall survive termination of this Agreement for any cause.

**25. COMPLETE CONTRACT**

This Contract and its referenced attachments constitute the complete contract between the CITY and CONSULTANT and supersedes all prior written or oral discussions or agreements. CONSULTANT services are defined solely by this Contract and its attachments and not by any other contract or agreement that may be associated with the contract.





An Independently Owned Member  
**McGLADREY ALLIANCE**



November 17, 2016

April Clark  
Finance Director  
City of Warrenton  
PO Box 250  
Warrenton, OR 97416

Dear April:

We are pleased to submit this proposal to continue to serve as the independent auditor of the City of Warrenton. We are honored to have this opportunity to continue to serve you.

Islser CPA proposes to continue performing the audits or review of the financial statements of the City of Warrenton and Warrenton Urban Renewal Agency. Also, if necessary an audit in accordance with the requirements of the Single Audit Act. Our estimated fees are as follows:

	For the Year Ended June 30,		
	2017	2018	2019
Audit of City of Warrenton	\$ 29,200	\$ 29,900	\$ 30,600
Drafting of the financial statements	3,000	3,200	3,400
Single Audit (amount per major program)	3,300	3,400	3,400
Warrenton Urban Renewal (review)	4,900	4,950	5,000
Warrenton urban Renewal (audit)	8,000	8,200	8,400

Sincerely,

Paul R. Nielson  
Member  
Islser CPA



Agenda Item Memorandum

TO: The Honorable Mayor and Members of the Warrenton City Commission  
Linda Engbretson, City Manager

From: Jim Dunn, Public Works Director

Date: January 10, 2017

Subj: Consideration of Resolution No. 2473 for Project # S17012 Warrenton Drive  
Transmission Main Replacement (Hammond Waterline)

**Summary:**

Currently, many areas in Hammond do not meet minimum fire flow standards. Fire flows can also produce pressures below 20 psi in the Hammond area. In addition, many of these areas also encounter low flows and pressures during peak water use. An application was submitted to the Oregon Infrastructure Finance Authority of the Business Development Department ("the IFA") to obtain financial assistance from the Safe Drinking Water Revolving Loan Fund. On October 7, 2016 City staff presented the project to the IFA Board in Salem. The Board voted unanimously to approve funding. Now IFA is requiring approval of Resolution 2473 which authorizes the City to enter into a financing contract with IFA to fund the project.

**Recommendation**

Staff recommends the following motions;

"I move to adopt Resolution No. 2473 authorizing the Mayor to execute the financing contract and all other documents necessary to obtain financial assistance from IFA for this project"

**Alternative**

- 1) Other action as deemed appropriate by the City Commission
- 2) None recommended

**Fiscal Impact**

This increases revenues in the Water Fund in the amount of \$1,645,000 and increases expenses by the same amount. The total project cost is estimated at \$1,645,000.

Approved by City Manager: Linda Engbretson

*All supporting documentation, i.e., maps, exhibits, etc., must be attached to this memorandum.*

## RESOLUTION NO. 2473

INTRODUCED BY ALL COMMISSIONERS

### AUTHORIZING A LOAN FROM THE SAFE DRINKING WATER REVOLVING LOAN FUND BY ENTERING INTO A FINANCING CONTRACT WITH THE OREGON INFRASTRUCTURE FINANCE AUTHORITY

The Warrenton City Commission (the "Governing Body") of the City of Warrenton (the "Recipient") finds:

- A. The Recipient is a community water system as defined in Oregon Administrative Rule 123-049-0010.
- B. The Safe Drinking Water Act Amendments of 1996, Pub.L. 104-182, as amended (the "Act"), authorize any community or nonprofit non-community water system to file an application with the Oregon Infrastructure Finance Authority of the Business Development Department ("the IFA") to obtain financial assistance from the Safe Drinking Water Revolving Loan Fund.
- C. The Recipient has filed an application with the IFA to obtain financial assistance for a "safe drinking water project" within the meaning of the Act, and the IFA has approved the Recipient's application for financial assistance.
- D. The Recipient is required, as a prerequisite to receipt of financial assistance from the IFA, to enter into a Financing Contract with the IFA, number S17012, substantially in the form attached hereto as Exhibit 1. The project is described in Exhibit C to that Financing Contract (the "Project").
- E. Notice relating to the Recipient's consideration of the adoption of this Resolution was published in full accordance with the Recipient's charter and laws for public notification.

NOW, THEREFORE, BE IT RESOLVED by the Governing Body of the Recipient as follows;

1. Financing Loan Authorized. The Governing Body authorizes the Mayor to execute the Financing Contract and the Promissory Note (the "Financing Documents") and such other documents as may be required to obtain financial assistance including a loan from the IFA on the condition that the principal amount of the loan from the IFA to the Recipient is not more than \$1,645,000 (with \$929,500 eligible for principal forgiveness if contract conditions are met) and the interest rate is not more than 1% if contract conditions are met (and 1.83% if not met). The proceeds of the loan from the IFA must be applied solely to the "Costs of the Project" as such term is defined in the Financing Contract.
2. Sources of Repayment. Amounts payable by the Recipient are payable from the sources described in Section 4 of the Financing Contract and the Oregon Revised Statutes Section 285A.213(5) which include:
  - a) Revenue from Recipient's water system, including special assessment revenue;
  - b) Amounts withheld under subsection 285A.213(6);
  - c) The general fund of the Recipient;
  - d) Any combination of sources listed in paragraphs a) to c) of this subsection; or

e) Any other source:

3. Additional Documents. The Mayor is hereby authorized to enter into any agreements and to execute any documents or certificates which may be required to obtain financial assistance from the IFA for the Project pursuant to the Financing Documents.
4. Tax-Exempt Status. The Recipient covenants not to take any action or omit to take any action if the taking or omission would cause interest paid by the Recipient pursuant to the Financing Documents not to qualify for the exclusion from gross income provided by Section 103(a) of the Internal Revenue Code of 1986, as amended. The Mayor of the Recipient may enter into covenants on behalf of the Recipient to protect the tax-exempt status of the interest paid by the Recipient pursuant to the Financing Documents and may execute any Tax Certificate, Internal Revenue Service forms or other documents as may be required by the IFA or their bond counsel to protect the tax-exempt status of such interest.

Adopted by the City Commission of the City of Warrenton, Oregon this \_\_\_ day of \_\_\_\_\_, 20\_\_.

APPROVED

\_\_\_\_\_  
Mark Kujala, Mayor

ATTEST

\_\_\_\_\_  
Dawne Shaw, Administrative Assistant

SAFE DRINKING WATER REVOLVING LOAN FUND  
FINANCING CONTRACT

Project Name: NW Warrenton Drive Transmission Main Replacement

Project Number: S17012

This financing contract (“Contract”), dated as of the date the Contract is fully executed, is made by the State of Oregon, acting by and through the Oregon Infrastructure Finance Authority (“IFA”), and the City of Warrenton (“Recipient”) for financing of the project referred to above and described in Exhibit C (“Project”). This Contract becomes effective only when fully signed and approved as required by applicable law. Capitalized terms not defined in section 1 and elsewhere in the body of the Contract have the meanings assigned to them by Exhibit A.

This Contract includes the following exhibits, listed in descending order of precedence for purposes of resolving any conflict between two or more of the parts:

Exhibit A	General Definitions
Exhibit B	Security
Exhibit C	Project Description
Exhibit D	Project Budget
Exhibit E	Information Required by 2 CFR § 200.331(a)(1)
Exhibit F	Certification Regarding Lobbying

**SECTION 1 - KEY TERMS**

The following capitalized terms have the meanings assigned below.

“Estimated Project Cost” means \$1,645,000.

“Forgivable Loan Amount” means \$929,500.

“Section 2A. Loan Amount” means \$715,500.

“Interest Rate” means 1.00% per annum, computed on the basis of a 360-day year, consisting of twelve 30-day months.

“Maturity Date” means the 29<sup>th</sup> anniversary of the Repayment Commencement Date.

“Payment Date” means December 1.

“Project Closeout Deadline” means 90 days after the earlier of the Project Completion Date or the Project Completion Deadline.

“Project Completion Deadline” means 36 months after the date of this Contract.

“Repayment Commencement Date” means the first Payment Date to occur after the Project Closeout Deadline.

**SECTION 2 - FINANCIAL ASSISTANCE**

The IFA shall provide Recipient, and Recipient shall accept from IFA, financing for the Project specified below:

- A. A non-revolving loan in an aggregate principal amount not to exceed the Section 2.A. Loan Amount.

B. A non-revolving loan in an aggregate principal amount not to exceed the Forgivable Loan Amount.

“Loan” means, collectively and individually without distinction, as the context requires, the loans described in this section 2.

Notwithstanding the above, the aggregate total of Financing Proceeds disbursed under this Contract shall not exceed the Costs of the Project. If the Project is completed for less than the amount of the Estimated Project Cost, the availability under the Section 2.A. Loan will be reduced accordingly.

### SECTION 3 - DISBURSEMENTS

- A. Reimbursement Basis. The Financing Proceeds shall be disbursed to Recipient on an expense reimbursement or costs-incurred basis. The Recipient must submit each disbursement request for the Financing Proceeds on an IFA-provided or IFA-approved disbursement request form (“Disbursement Request”).
- B. Financing Availability. The IFA’s obligation to make, and Recipient’s right to request, disbursements under this Contract terminates on the Project Closeout Deadline.
- C. Payment to Contractors. The IFA, in its sole discretion, may make direct payment to suppliers, contractors and subcontractors and others for sums due them in connection with construction of the Project, instead of reimbursing Recipient for those sums.
- D. Order of Disbursement. Recipient authorizes IFA to determine whether disbursements will be drawn from the Section 2A. Loan Amount or the Forgivable Loan Amount, and record the date and amount of each such disbursement. Absent manifest error, such notations will be conclusive evidence for determining accrual of interest on the principal balance of the Loan and the remaining Section 2A. Loan Amount and Forgivable Loan Amount available for disbursement.

### SECTION 4 - LOAN PAYMENT; PREPAYMENT; FORGIVENESS

- A. Promise to Pay. The Recipient shall repay the Loan and all amounts due under this Contract in accordance with its terms. Payments required under this Contract are, without limitation, payable from the sources of repayment described in the Act and this Contract, including but not limited to Exhibit B, and the obligation of Recipient to make all payments is absolute and unconditional. Payments will not be abated, rebated, set-off, reduced, abrogated, terminated, waived, postponed or otherwise modified in any manner whatsoever. Payments cannot remain unpaid, regardless of any contingency, act of God, event or cause whatsoever, including (without limitation) any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, the taking by eminent domain or destruction of or damage to the Project, commercial frustration of purpose, any change in the laws, rules or regulations of the United States of America or of the State of Oregon or any political subdivision or governmental authority, nor any failure of IFA to perform any agreement, whether express or implied, or any duty, liability, or obligation arising out of or connected with the Project or this Contract, or any rights of set off, recoupment, abatement or counterclaim that Recipient might otherwise have against IFA or any other party or parties; provided further, that payments hereunder will not constitute a waiver of any such rights.
- B. Interest. Interest accrues at the Interest Rate on each disbursement from the date of disbursement until the Loan is fully paid. All unpaid interest accrued to the Repayment Commencement Date is (in addition to the first regular installment payment due) payable on the Repayment Commencement Date.

- C. Loan Payments. Starting on the Repayment Commencement Date and then on each succeeding Payment Date, Recipient shall make level installment payments of principal and interest, each payment sufficient to pay the interest accrued to the date of payment and so much of the principal as will fully amortize the Loan by the Maturity Date, on which date the entire outstanding balance of the Loan is due and payable in full.
- D. Loan Prepayments.
- (1) Mandatory Prepayment. The Recipient shall prepay all or part of the outstanding balance of the Loan as required by this Contract.
  - (2) Optional Prepayment. The Recipient may prepay all or part of the outstanding balance of the Loan on any day except a Saturday, Sunday, legal holiday or day that banking institutions in Salem, Oregon are closed.
- E. Application of Payments. Regardless of any designation by Recipient, payments and prepayments by Recipient under this Contract or any of the Financing Documents will be applied first to any expenses of IFA, including but not limited to attorneys' fees, then to unpaid accrued interest (in the case of prepayment, on the amount prepaid), then to the principal of the Loan. In the case of a Loan prepayment that does not prepay all the principal of the Loan, IFA will determine, in its sole discretion, the method for how the Loan prepayment will be applied to the outstanding principal payments. A scheduled payment received before the scheduled repayment date will be applied to interest and principal on the scheduled repayment date, rather than on the day such payment is received.
- F. Forgiveness. Subject to satisfaction by Recipient of any special conditions in Exhibit C, if Recipient completes the Project by the Project Completion Deadline in accordance with the terms of this Contract, and provided that no Event of Default has occurred, IFA shall, 90 days after the Project Completion Date, forgive repayment of the Forgivable Loan Amount and any interest accrued thereon and cancel the Forgivable Loan. The Forgivable Loan Amount and any interest forgiven remain subject to the requirements of OAR 123-049-0050, which survive payment of the Loan.

Notwithstanding the preceding paragraph, if, at the Project Completion Date or at any time thereafter and continuing until the Loan is repaid, the average monthly residential water rates for the water supplied by the System are not at or above the affordability rate of \$40.31 per 7,500 gallons, the amount due under the Forgivable Loan will not be forgiven. Further, the Section 2.A. Loan and the Forgivable Loan shall, at IFA's discretion and after notice to Recipient, be modified as follows:

- (1) Interest shall accrue at the rate of One and 83/100 percent (1.83%) per annum.
- (2) The annual payments shall be adjusted to an amount to fully amortize the then outstanding balance of each Loan by the 19<sup>th</sup> anniversary of the Repayment Commencement Date, on which date any amounts outstanding under each Loan shall be due and payable in full; or if the 19<sup>th</sup> anniversary of the Repayment Commencement Date has passed, any amounts outstanding on the Section 2.A. Loan and the Forgivable Loan will be due and payable in full upon demand.

The above-described modification shall be effective without the necessity of executing any further documents. However, at IFA's request, Recipient shall execute and deliver to IFA such additional agreements, instruments and documents as IFA deems necessary to reflect such modification, including but not limited to an amendment to the Contract.

## SECTION 5 - CONDITIONS PRECEDENT

- A. Conditions Precedent to IFA's Obligations. The IFA's obligations are subject to the receipt of the following items, in form and substance satisfactory to IFA and its Counsel:
- (1) This Contract duly signed by an authorized officer of Recipient.
  - (2) A copy of the ordinance, order or resolution of the governing body of Recipient authorizing the borrowing and the contemplated transactions and the execution and delivery of this Contract, the Note and the other Financing Documents.
  - (3) An opinion of Recipient's Counsel.
  - (4) Such other certificates, documents, opinions and information as IFA may reasonably require.
- B. Conditions to Disbursements. As to any disbursement, IFA has no obligation to disburse funds unless all following conditions are met:
- (1) There is no Default or Event of Default.
  - (2) The representations and warranties made in this Contract are true and correct on the date of disbursement as if made on such date.
  - (3) The IFA, in the reasonable exercise of its administrative discretion, has sufficient moneys in the Fund for use in the Project and has sufficient funding, appropriations, limitations, allotments and other expenditure authority to make the disbursement.
  - (4) The IFA (a) has received a completed Disbursement Request, (b) has received any written evidence of materials and labor furnished to or work performed upon the Project, itemized receipts or invoices for payment, and releases, satisfactions or other signed statements or forms as IFA may require, (c) is satisfied that all items listed in the Disbursement Request are reasonable and that the costs for labor and materials were incurred and are properly included in the Costs of the Project, and (d) has determined that the disbursement is only for costs defined as eligible costs under the Act and any implementing administrative rules and policies.
  - (5) The Recipient has delivered documentation satisfactory to IFA that, in addition to the Financing Proceeds, Recipient has available or has obtained binding commitments for all funds necessary to complete the Project.
  - (6) Any conditions to disbursement elsewhere in this Contract or in the other Financing Documents are met.

## SECTION 6 - USE OF FINANCIAL ASSISTANCE

- A. Use of Proceeds. The Recipient shall use the Financing Proceeds only for the activities described in Exhibit C and according to the budget in Exhibit D. The Recipient may not transfer Financing Proceeds among line items in the budget without the prior written consent of IFA.
- B. Costs of the Project. The Recipient shall apply the Financing Proceeds to the Costs of the Project in accordance with the Act and Oregon law, as applicable. Financing Proceeds cannot be used for costs in excess of one hundred percent (100%) of the total Costs of the Project and cannot be used for pre-Award Costs of the Project, unless permitted by Exhibit C.
- C. Costs Paid for by Others. The Recipient may not use any of the Financing Proceeds to cover costs to be paid for by other financing for the Project from another State of Oregon agency or any third party.

**SECTION 7 - REPRESENTATIONS AND WARRANTIES OF RECIPIENT**

The Recipient represents and warrants to IFA:

- A. Estimated Project Cost, Funds for Repayment. A reasonable estimate of the Costs of the Project is shown in section 1, and the Project is fully funded. The Recipient will have adequate funds available to repay the Loan, and the Maturity Date does not exceed the usable life of the Project.
- B. Organization and Authority.
- (1) The Recipient (a) is a Municipality under the Act, and validly organized and existing under the laws of the State of Oregon, and (b) owns a community water system, as defined in the Act and OAR 123-049-0010.
  - (2) The Recipient has all necessary right, power and authority under its organizational documents and under Oregon law to (a) execute and deliver this Contract and the other Financing Documents, (b) incur and perform its obligations under this Contract and the other Financing Documents, and (c) borrow and receive financing for the Project.
  - (3) This Contract and the other Financing Documents executed and delivered by Recipient have been authorized by an ordinance, order or resolution of Recipient's governing body, and voter approval, if necessary, that was adopted in accordance with applicable law and requirements for filing public notices and holding public meetings.
  - (4) This Contract and the other Financing Documents have been duly executed by Recipient, and when executed by IFA, are legal, valid and binding, and enforceable in accordance with their terms.
- C. Full Disclosure. The Recipient has disclosed in writing to IFA all facts that materially adversely affect the Project, or the ability of Recipient to make all payments and perform all obligations required by this Contract and the other Financing Documents. The Recipient has made no false statements of fact, nor has it omitted information necessary to prevent any statements from being misleading. The information contained in this Contract and the other Financing Documents is true and accurate in all respects.
- D. Pending Litigation. The Recipient has disclosed in writing to IFA all proceedings pending (or to the knowledge of Recipient, threatened) against or affecting Recipient, in any court or before any governmental authority or arbitration board or tribunal, that, if adversely determined, would materially adversely affect the Project or the ability of Recipient to make all payments and perform all obligations required by this Contract and the other Financing Documents.
- E. No Defaults.
- (1) No Defaults or Events of Default exist or occur upon authorization, execution or delivery of this Contract or any of the Financing Documents.
  - (2) The Recipient has not violated, and has not received notice of any claimed violation of, any agreement or instrument to which it is a party or by which the Project or its property may be bound, that would materially adversely affect the Project or the ability of Recipient to make all payments and perform all obligations required by this Contract and the other Financing Documents.
- F. Compliance with Existing Agreements and Applicable Law. The authorization and execution of, and the performance of all obligations required by, this Contract and the other Financing Documents will not: (i) cause a breach of any agreement, indenture, mortgage, deed of trust, or other instrument, to which Recipient is a party or by which the Project or any of its property or assets may be bound; (ii)

cause the creation or imposition of any third party lien, charge or encumbrance upon any property or asset of Recipient; (iii) violate any provision of the charter or other document pursuant to which Recipient was organized or established; or (iv) violate any laws, regulations, ordinances, resolutions, or court orders related to Recipient, the Project or its properties or operations.

- G. Governmental Consent. The Recipient has obtained or will obtain all permits and approvals, and has made or will make all notifications, declarations, filings or registrations, required for the making and performance of its obligations under this Contract and the other Financing Documents, for the financing or refinancing and undertaking and completion of the Project.

## SECTION 8 - COVENANTS OF RECIPIENT

The Recipient covenants as follows:

- A. Notice of Adverse Change. The Recipient shall promptly notify IFA of any adverse change in the activities, prospects or condition (financial or otherwise) of Recipient or the Project related to the ability of Recipient to make all payments and perform all obligations required by this Contract or the other Financing Documents.
- B. Compliance with Laws. The Recipient shall comply with all applicable laws, rules, regulations and orders of any court or governmental authority that relate to this Contract or the other Financing Documents, the Project and the operation of the System of which the Project is a component. In particular, but without limitation, Recipient shall comply with the following, as applicable:
- (1) State procurement regulations found in the Oregon Public Contracting Code, ORS chapters 279A, 279B and 279C.
  - (2) State labor standards and wage rates found in ORS chapter 279C, and federal prevailing wage provisions in accordance with the federal Davis-Bacon Act, as amended, 40 U.S.C. §§ 3141 to 3144, 3146 and 3147 (2002).
  - (3) The Recipient is required to place a sign at construction sites supported under this Loan displaying the U.S. Environmental Protection Agency (“EPA”) logo in a manner that informs the public that the Project is funded in part or wholly by the EPA. The sign must be placed in a visible location that can be directly linked to the work taking place and must be maintained in good condition throughout the construction period. Recipient is required to comply with EPA signage requirements at: [http://www2.epa.gov/sites/production/files/2015-01/documents/signage\\_required\\_tc.pdf](http://www2.epa.gov/sites/production/files/2015-01/documents/signage_required_tc.pdf)[http://www2.epa.gov/sites/production/files/2015-01/documents/signage\\_required\\_tc.pdf](http://www2.epa.gov/sites/production/files/2015-01/documents/signage_required_tc.pdf)
  - (4) SAFE DRINKING WATER IN OREGON: Program Guidelines & Applicant’s Handbook for the Federally Funded Safe Drinking Water Revolving Fund & Drinking Water Protection Loan Fund (May 2015) as amended from time to time (“Safe Drinking Water Handbook”), including but not limited to the Federal Crosscutting Requirements described in the Safe Drinking Water Handbook.
  - (5) Lobbying. The Recipient acknowledges and agrees that the Costs of the Project will not include any Lobbying costs or expenses incurred by Recipient or any person on behalf of Recipient, and that Recipient will comply with federal restrictions on lobbying at 40 C.F.R. Part 34 and will not request payment or reimbursement for Lobbying costs and expenses. “Lobbying” means influencing or attempting to influence a member, officer or employee of a governmental agency or legislature in connection with the awarding of a government contract, the making of a government grant or loan or the entering into of a cooperative agreement with such governmental entity or the extension, continuation, renewal, amendment or modification of any of the above.

The Recipient shall submit to IFA a Certification Regarding Lobbying, the form of which is attached as Exhibit F, and any applicable quarterly disclosure statement of covered lobbying activity. The Recipient will cause any entity, firm or person receiving a contract or subcontract utilizing Loan proceeds in excess of \$100,000 to complete the same certification and any applicable disclosure statement, and submit them to Recipient. The Recipient shall retain such certifications and make them available for inspection and audit by IFA, the federal government or their representatives. The Recipient shall forward any disclosure statements to IFA.

- (6) Federal Audit Requirements. The Loan is federal financial assistance, and the Catalog of Federal Domestic Assistance (“CFDA”) number and title is “66.468, Capitalization Grants for Drinking Water State Revolving Funds.” Recipient is a sub-recipient.

(a) If Recipient receives federal funds in excess of \$750,000 in the Recipient’s fiscal year, it is subject to audit conducted in accordance with the provisions of 2 CFR part 200, subpart F. Recipient, if subject to this requirement, shall at its own expense submit to IFA a copy of, or electronic link to, its annual audit subject to this requirement covering the funds expended under this Contract and shall submit or cause to be submitted to IFA the annual audit of any subrecipient(s), contractor(s), or subcontractor(s) of Recipient responsible for the financial management of funds received under this Contract.

(b) Audit costs for audits not required in accordance with 2 CFR part 200, subpart F are unallowable. If Recipient did not expend \$750,000 or more in Federal funds in its fiscal year, but contracted with a certified public accountant to perform an audit, costs for performance of that audit shall not be charged to the funds received under this Contract.

(c) Recipient shall save, protect and hold harmless IFA from the cost of any audits or special investigations performed by the Federal awarding agency or any federal agency with respect to the funds expended under this Contract. Recipient acknowledges and agrees that any audit costs incurred by Recipient as a result of allegations of fraud, waste or abuse are ineligible for reimbursement under this or any other agreement between Recipient and the State of Oregon.

- (7) Disadvantaged Business Enterprises. The Recipient will implement the good faith efforts for solicitation and contracting with Disadvantaged Business Enterprises (“DBE”) described in the Safe Drinking Water Handbook. This applies to all solicitation and contracting for construction, equipment, supplies, engineering or other services that constitute the Project financed by this Contract. The Recipient will maintain documentation in a Project file and submit the required forms, as described in the Safe Drinking Water Handbook. The Recipient will ensure that all prime contractors implement the good faith efforts for solicitation and contracting, and comply with all DBE procurement forms, statements, and reporting requirements. The Recipient agrees to apply the current regional fair share objectives.

The Recipient will ensure that each procurement contract includes the following term and condition:

“The contractor shall not discriminate on the basis of race, color, national origin or sex in the performance of this contract. The contractor shall carry out applicable requirements of 40 CFR part 33 in the award and administration of contracts awarded under EPA financial assistance agreements. Failure by the contractor to carry out these requirements is a material breach of this contract which may result in the termination of this contract or other legally available remedies.”

- (8) Property Standards. Recipient shall comply with 2 CFR 200.313 which generally describes the required maintenance, documentation, and allowed disposition of equipment purchased with federal funds.

- (9) Contract Provisions. The contract provisions listed in 2 CFR Part 200, Appendix II are obligations of Recipient, as applicable, and must be included, as applicable, by Recipient in its contracts related to the Project.
- (10) Iron and Steel Products. Pursuant to the 2014 Congressional appropriations bill and 2015 Continuing Resolution for the Safe Drinking Water programs, none of the Financing Proceeds may be used for any part of the Project unless all of the iron and steel products used in the project are produced in the United States. "Iron and steel products" means the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials.
- (11) Incorporation by Reference. The above state and federal laws, rules, regulations and orders are incorporated by reference in this Contract to the extent required by law.

C. Project Completion Obligations. The Recipient shall:

- (1) When procuring professional consulting services, provide IFA with copies of all solicitations at least 10 days before advertising, and all contracts at least 10 days before signing.
- (2) Provide IFA with copies of all plans and specifications relating to the Project, and a timeline for the construction bidding/award process, at least ten (10) days before advertising for bids.
- (3) Provide a copy of the bid tabulation and notice of award to IFA within ten (10) days after selecting a construction contractor.
- (4) Complete an environmental review in accordance with the state environmental review process and in compliance with state and federal environmental laws prior to any construction work on the Project.
- (5) Permit IFA to conduct field engineering and inspection of the Project at any time.
- (6) Complete the Project using its own fiscal resources or money from other sources to pay for any Costs of the Project in excess of the total amount of financial assistance provided pursuant to this Contract.
- (7) Complete the Project no later than the Project Completion Deadline, unless otherwise permitted by IFA in writing.
- (8) No later than the Project Closeout Deadline, provide IFA with a final project completion report on a form provided by IFA, including Recipient's certification that the Project is complete, all payments are made, and no further disbursements are needed; provided however, for the purposes of this Contract, IFA will be the final judge of the Project's completion.
- (9) Obtain and maintain as-built drawings for all facilities constructed as part of the Project.
- (10) Meters. Prior to final disbursement of the Loan, Recipient shall,
  - (i) In the case of construction projects, install necessary source meters and service meters on all connections throughout the System.
  - (ii) In the case of planning, preliminary engineering and final design and specification projects, adopt a plan for the installation of necessary source meters and service meters on all connections throughout the System.

- D. Ownership of Project. During the term of the Loan, the Project is and will continue to be owned by Recipient. The Project will be operated by Recipient or by a person under a management contract or operating agreement with Recipient. Any such management contract or operating agreement will be structured as a “qualified management contract” as described in IRS Revenue Procedure 97-13, as amended or supplemented.
- E. Operation and Maintenance of the Project. The Recipient shall operate and maintain the Project in good repair and operating condition so as to preserve the long term public benefits of the Project, including making all necessary and proper repairs, replacements, additions, and improvements during term of the Loan. On or before the Project Closeout Deadline, Recipient shall adopt a plan acceptable to IFA for the on-going operation and maintenance of the Project without reliance on IFA financing and furnish IFA, at its request, with evidence of such adoption. The plan must include measures for generating revenues sufficient to assure the operation and maintenance of the Project during the usable life of the Project.
- F. Insurance, Damage. The Recipient shall maintain, or cause to be maintained, insurance policies with responsible insurers or self insurance programs, insuring against liability and risk of direct physical loss, damage or destruction of the Project, at least to the extent that similar insurance is customarily carried by governmental units constructing, operating and maintaining similar facilities. Nothing in this provision precludes Recipient from exerting a defense against any party other than IFA, including a defense of immunity. If the Project or any portion is destroyed, any insurance proceeds will be paid to IFA and applied to prepay the outstanding balance on the Loan in accordance with section 4.D.(1), unless IFA agrees in writing that the insurance proceeds may be used to rebuild the Project.
- G. Sales, Leases and Encumbrances. Except as specifically described in Exhibit C, Recipient shall not sell, lease, exchange, abandon, transfer or otherwise dispose of any substantial portion of or interest in the Project or any system that provides revenues for payment or is security for the Loan, unless worn out, obsolete, or, in the reasonable business judgment of Recipient, no longer useful in the operation of the Project. Nevertheless, IFA may consent to such disposition if it has received 90 days’ prior written notice from Recipient. Such consent may require assumption by transferee of all of Recipient’s obligations under the Financing Documents and payment of IFA’s costs related to such assumption, and receipt by IFA of an opinion of Bond Counsel to the effect that such disposition complies with applicable law and will not adversely affect the exclusion of interest on any Lottery Bonds from gross income for purposes of federal income taxation under Section 103(a) of the Code. The term “Bond Counsel” means a law firm determined by IFA to have knowledge and expertise in the field of municipal law and whose opinions are generally accepted by purchasers of municipal bonds. In the case of sale, exchange, transfer or other similar disposition, Recipient shall, within 30 days of receipt of any proceeds from such disposition, prepay the entire outstanding balance on the Loan in accordance with section 4.D.(1) unless IFA agrees otherwise in writing. If Recipient abandons the Project, Recipient shall prepay the entire outstanding balance of the Loan immediately upon demand by IFA.
- H. Condemnation Proceeds. If the Project or any portion is condemned, any condemnation proceeds will be paid to IFA and applied to prepay the outstanding balance of the Loan in accordance with section 4.D.(1).
- I. Financial Records. The Recipient shall keep accurate books and records for the revenues and funds that are the source of repayment of the Loan, separate and distinct from its other books and records, and maintain them according to generally accepted accounting principles established by the Government Accounting Standards Board in effect at the time. The Recipient shall have these records audited annually by an independent certified public accountant, which may be part of the annual audit of all records of Recipient.

- J. Inspections; Information. The Recipient shall permit IFA, and any party designated by IFA, the Oregon Secretary of State's Office, the federal government and their duly authorized representatives: (i) to inspect, at any reasonable time, the property, if any, constituting the Project; and (ii) at any reasonable time, to inspect and make copies of any accounts, books and records, including, without limitation, its records regarding receipts, disbursements, contracts, investments and any other related matters, and financial statements or other documents related to its financial standing. The Recipient shall supply any related reports and information as IFA may reasonably require. In addition, Recipient shall, upon request, provide IFA with copies of loan documents or other financing documents and any official statements or other forms of offering prospectus relating to any other bonds, notes or other indebtedness of Recipient that are issued after the date of this Contract.
- K. Records Maintenance. The Recipient shall retain and keep accessible all books, documents, papers, and records that are directly related to this Contract, the Project or the Financing Proceeds until the date that is three years following the later of the final maturity of the Lottery Bonds or the final maturity or redemption date of any obligation, or series of obligations, that refinanced the Lottery Bonds, or such longer period as may be required by other provisions of this Contract or applicable law. Such documentation includes, but may not be limited to, all documentation necessary to establish the uses and investment of the Loan proceeds, all construction contracts and invoices detailing the costs paid from Loan proceeds, and all contracts related to the uses of the Project, including leases, management contracts, and service contracts that relate to the use of the Project.
- L. Economic Benefit Data. The IFA may require Recipient to submit specific data on the economic development benefits of the Project and other information to evaluate the success and economic impact of the Project, from the date of this Contract until six years after the Project Completion date. The Recipient shall, at its own expense, prepare and submit the data within the time specified by IFA.
- M. Professional Responsibility. A professional engineer or architect, as applicable, registered and in good standing in Oregon, will be responsible for the design and construction of the Project. All service providers retained for their professional expertise must be certified, licensed, or registered, as appropriate, in the State of Oregon for their specialty. The Recipient shall follow standard construction practices, such as bonding requirements for construction contractors, requiring errors and omissions insurance, and performing testing and inspections during construction.
- N. Notice of Default. The Recipient shall give IFA prompt written notice of any Default as soon as any senior administrative or financial officer of Recipient becomes aware of its existence or reasonably believes a Default is likely.
- O. Indemnity. To the extent authorized by law, Recipient shall defend (subject to ORS chapter 180), indemnify, save and hold harmless IFA and its officers, employees and agents from and against any and all claims, suits, actions, proceedings, losses, damages, liability and court awards including costs, expenses, and attorneys' fees incurred related to any actual or alleged act or omission by Recipient, or its employees, agents or contractors; however, the provisions of this section are not to be construed as a waiver of any defense or limitation on damages provided for under Chapter 30 of the Oregon Revised Statutes or under the laws of the United States or other laws of the State of Oregon.
- P. Further Assurances. The Recipient shall, at the request of IFA, authorize, sign, acknowledge and deliver any further resolutions, conveyances, transfers, assurances, financing statements and other instruments and documents as may be necessary or desirable for better assuring, conveying, granting, assigning and confirming the rights, security interests and agreements granted or intended to be granted by this Contract and the other Financing Documents.

Q. Exclusion of Interest from Federal Gross Income and Compliance with Code.

- (1) The Recipient shall not take any action or omit to take any action that would result in the loss of the exclusion of the interest on any Lottery Bonds from gross income for purposes of federal income taxation, as governed by Section 103(a) of the Code. IFA may decline to disburse the Financing Proceeds if it finds that the federal tax exemption of the Lottery Bonds cannot be assured.
- (2) The Recipient shall not take any action (including but not limited to the execution of a management agreement for the operation of the Project) or omit to take any action that would cause any Lottery Bonds to be “private activity bonds” within the meaning of Section 141(a) of the Code. Accordingly, unless Recipient receives the prior written approval of IFA, Recipient shall not permit in excess of ten percent (10%) of either (a) the Financing Proceeds or (b) the Project financed or refinanced with the Financing Proceeds to be directly or indirectly used in any manner that would constitute “private business use” within the meaning of Section 141(b)(6) of the Code, including not permitting more than one half of any permitted private business use to be “disproportionate related business use” or private business use unrelated to the government use of the Financing Proceeds. Unless Recipient receives the prior written approval of IFA, Recipient shall not directly or indirectly use any of the Financing Proceeds to make or finance loans to persons other than governmental units, as that term is used in Section 141(c) of the Code.
- (3) The Recipient shall not directly or indirectly use or permit the use of any of the Financing Proceeds or any other funds, or take any action or omit to take any action, which would cause any Lottery Bonds to be “arbitrage bonds” within the meaning of Section 148(a) of the Code.
- (4) The Recipient shall not cause any Lottery Bonds to be treated as “federally guaranteed” for purposes of Section 149(b) of the Code, as may be modified in any applicable rules, rulings, policies, procedures, regulations or other official statements promulgated or proposed by the Department of the Treasury or the Internal Revenue Service with respect to “federally guaranteed” obligations described in Section 149(b) of the Code. For purposes of this paragraph, any Lottery Bonds will be treated as “federally guaranteed” if: (a) all or any portion of the principal or interest is or will be guaranteed directly or indirectly by the United States of America or any agency or instrumentality thereof, or (b) five percent (5%) or more of the proceeds of the Lottery Bonds will be (i) used in making loans if the payment of principal or interest is guaranteed in whole or in part by the United States of America or any agency or instrumentality thereof, or (ii) invested directly or indirectly in federally insured deposits or accounts, and (c) none of the exceptions described in Section 149(b)(3) of the Code apply.
- (5) The Recipient shall assist IFA to ensure that all required amounts are rebated to the United States of America pursuant to Section 148(f) of the Code. The Recipient shall pay to IFA such amounts as may be directed by IFA to satisfy the requirements of Section 148(f) applicable to the portion of the proceeds of any tax-exempt bonds, including any Financing Proceeds or other amounts held in a reserve fund. The Recipient further shall reimburse IFA for the portion of any expenses it incurs related to the Project that is necessary to satisfy the requirements of Section 148(f) of the Code.
- (6) Upon IFA’s request, Recipient shall furnish written information regarding its investments and use of the Financing Proceeds, and of any facilities financed or refinanced therewith, including providing IFA with any information and documentation that IFA reasonably determines is necessary to comply with the arbitrage and private use restrictions that apply to the Lottery Bonds.

- (7) Notwithstanding anything to the contrary, so long as is necessary to maintain the exclusion from gross income for purposes of federal income taxation of interest on any Lottery Bonds, the covenants contained in this subsection will survive the payment of the Loan and the Lottery Bonds, and the interest thereon, including the application of any unexpended Financing Proceeds. The Recipient acknowledges that the Project may be funded with proceeds of the Lottery Bonds and that failure to comply with the requirements of this subsection could adversely affect any exclusion of the interest on the Lottery Bonds from gross income for federal income tax purposes.
- (8) Neither Recipient nor any related party to Recipient, within the meaning of 26 C.F.R. §1.150-1(b), shall purchase any Lottery Bonds, from which proceeds were used to finance the Project, in an amount related to the amount of the Loan.

### SECTION 9 - DEFAULTS

Any of the following constitutes an “Event of Default”:

- A. The Recipient fails to make any Loan payment when due.
- B. The Recipient fails to make, or cause to be made, any required payments of principal, redemption premium, or interest on any bonds, notes or other material obligations, for any other loan made by the State of Oregon.
- C. Any false or misleading representation is made by or on behalf of Recipient, in this Contract, in any other Financing Document or in any document provided by Recipient related to this Loan or the Project or in regard to compliance with the requirements of section 103 and sections 141 through 150 of the Code.
- D.
  - (1) A petition, proceeding or case is filed by or against Recipient under any federal or state bankruptcy or insolvency law, and in the case of a petition filed against Recipient, Recipient acquiesces to such petition or such petition is not dismissed within 20 calendar days after such filing, or such dismissal is not final or is subject to appeal;
  - (2) The Recipient files a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, liquidation, dissolution, winding-up or composition or adjustment of debts;
  - (3) The Recipient becomes insolvent or bankrupt or admits its inability to pay its debts as they become due, or makes an assignment for the benefit of its creditors;
  - (4) The Recipient applies for or consents to the appointment of, or taking of possession by, a custodian (including, without limitation, a receiver, liquidator or trustee) of Recipient or any substantial portion of its property; or
  - (5) The Recipient takes any action for the purpose of effecting any of the above.
- E. The Recipient defaults under any other Financing Document and fails to cure such default within the applicable grace period.
- F. The Recipient fails to perform any obligation required under this Contract, other than those referred to in subsections A through E of this section 9, and that failure continues for a period of 30 calendar days after written notice specifying such failure is given to Recipient by IFA. The IFA may agree in writing to an extension of time if it determines Recipient instituted and has diligently pursued corrective action.

## SECTION 10 - REMEDIES

- A. Remedies. Upon any Event of Default, IFA may pursue any or all remedies in this Contract or any other Financing Document, and any other remedies available at law or in equity to collect amounts due or to become due or to enforce the performance of any obligation of Recipient. Remedies may include, but are not limited to:
- (1) Terminating IFA's commitment and obligation to make any further disbursements of Financing Proceeds under the Contract.
  - (2) Declaring all payments under the Contract and all other amounts due under any of the Financing Documents immediately due and payable, and upon notice to Recipient the same become due and payable without further notice or demand.
  - (3) Barring Recipient from applying for future awards.
  - (4) Withholding amounts otherwise due to Recipient for application to the payment of amounts due under this Contract, pursuant to ORS 285A.213(6) and OAR 123-049-0040.
  - (5) Foreclosing liens or security interests pursuant to this Contract or any other Financing Document.
  - (6) Exercising any remedy listed in OAR 123-049-0040.
- B. Application of Moneys. Any moneys collected by IFA pursuant to section 10.A will be applied first, to pay any attorneys' fees and other fees and expenses incurred by IFA; next, to pay interest due on the Loan; next, to pay principal due on the Loan, and last, to pay any other amounts due and payable under this Contract or any of the Financing Documents.
- C. No Remedy Exclusive; Waiver; Notice. No remedy available to IFA is intended to be exclusive, and every remedy will be in addition to every other remedy. No delay or omission to exercise any right or remedy will impair or is to be construed as a waiver of such right or remedy. No single or partial exercise of any right power or privilege under this Contract or any of the Financing Documents shall preclude any other or further exercise thereof or the exercise of any other such right, power or privilege. The IFA is not required to provide any notice in order to exercise any right or remedy, other than notice required in section 9 of this Contract.
- D. Default by IFA. In the event IFA defaults on any obligation in this Contract, Recipient's remedy will be limited to injunction, special action, action for specific performance, or other available equitable remedy for performance of IFA's obligations.

## SECTION 11 - MISCELLANEOUS

- A. Time is of the Essence. The Recipient agrees that time is of the essence under this Contract and the other Financing Documents.
- B. Relationship of Parties; Successors and Assigns; No Third Party Beneficiaries.
- (1) The parties agree that their relationship is that of independent contracting parties and that Recipient is not an officer, employee, or agent of the State of Oregon as those terms are used in ORS 30.265.
  - (2) Nothing in this Contract gives, or is to be construed to give, directly or indirectly, to any third persons any rights and benefits greater than those enjoyed by the general public.
  - (3) This Contract will be binding upon and inure to the benefit of IFA, Recipient, and their respective successors and permitted assigns.



cannot exceed the rate charged to IFA by its attorneys. The Recipient shall, on demand, pay to IFA reasonable expenses incurred by IFA in the collection of Loan payments.

- I. Choice of Law; Designation of Forum; Federal Forum. The laws of the State of Oregon (without giving effect to its conflicts of law principles) govern all matters arising out of or relating to this Contract, including, without limitation, its validity, interpretation, construction, performance, and enforcement.

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

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

- J. Integration. This Contract (including all exhibits, schedules or attachments) and the other Financing Documents constitute the entire agreement between the parties on the subject matter. There are no unspecified understandings, agreements or representations, oral or written, regarding this Contract.

- K. Execution in Counterparts. This Contract may be signed in several counterparts, each of which is an original and all of which constitute one and the same instrument.

The Recipient, by its signature below, acknowledges that it has read this Contract, understands it, and agrees to be bound by its terms and conditions.



STATE OF OREGON  
acting by and through the  
Oregon Infrastructure Finance Authority



CITY OF WARRENTON

By: \_\_\_\_\_  
Robert Ault, Manager  
Program Services Division

By: \_\_\_\_\_  
The Honorable Mark Kujala  
Mayor of Warrenton

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**APPROVED AS TO LEGAL SUFFICIENCY IN ACCORDANCE WITH ORS 291.047:**

\_\_\_\_\_  
/s/ David Elott as per email dated 25 October 2016  
David Elott, Assistant Attorney General

## EXHIBIT A - GENERAL DEFINITIONS

As used in this Contract, the following terms have the meanings below.

“Act” means the Safe Drinking Water Act Amendments of 1996, Public Law 104-182, as amended.

“Award” means the award of financial assistance to Recipient by IFA dated 7 October 2016.

“C.F.R.” means the Code of Federal Regulations.

“Code” means the Internal Revenue Code of 1986, as amended, including any implementing regulations and any administrative or judicial interpretations.

“Costs of the Project” means Recipient’s actual costs (including any financing costs properly allocable to the Project) that are (a) reasonable, necessary and directly related to the Project, (b) permitted by generally accepted accounting principles to be Costs of the Project, and (c) are eligible or permitted uses of the Financing Proceeds under applicable state or federal statute and rule.

“Counsel” means an attorney at law or firm of attorneys at law duly admitted to practice law before the highest court of any state, who may be of counsel to, or an employee of, IFA or Recipient.

“Default” means an event which, with notice or lapse of time or both, would become an Event of Default.

“Financing Documents” means this Contract and all agreements, instruments, documents and certificates executed pursuant to or in connection with IFA’s financing of the Project.

“Financing Proceeds” means the proceeds of the Section 2.A. Loan and the Forgivable Loan.

“Forgivable Loan” means the forgivable Loan described in section 2.B.

“Section 2.A. Loan” means the Loan described in section 2.A. of this Contract.

“Lottery Bonds” means any bonds issued by the State of Oregon that are special obligations of the State of Oregon, payable from unobligated net lottery proceeds, the interest on which is exempt from federal income taxation, together with any refunding bonds, used to finance or refinance the Project through the initial funding or refinancing of all or a portion of the Loan.

“Municipality” means any entity described in ORS 285B.410(9).

“ORS” means the Oregon Revised Statutes.

“Project Completion Date” means the date on which Recipient completes the Project.

“System” means Recipient’s drinking water system, which includes the Project or components of the Project, as it may be modified or expanded from time to time.

## EXHIBIT B - SECURITY

A. General Fund Pledge. The Recipient pledges its full faith and credit and taxing power within the limitations of Article XI, sections 11 and 11 b, of the Oregon Constitution to pay the amounts due under this Contract. This Contract is payable from all legally available funds of Recipient.

B. Pledge of Net Revenues of the System

Capitalized terms used in this Section B shall have the following meaning:

“Adjusted Net Revenues” means the Net Revenues, adjusted for purposes of Section B.3.C.(ii) as provided in Section B.3.E.

“Base Period” means the alternative selected by Recipient from the following two options: (a) any twelve consecutive months selected by Recipient out of the most recent eighteen months preceding the

delivery of a series of Parity Obligations; or (b) the most recently completed fiscal year for which audited financial statements are available.

“Net Revenues” means System revenues after deduction for payment of the System’s operating and maintenance costs.

1. The principal of and interest on the Loan shall be payable from the Net Revenues of Recipient’s System. The Recipient hereby grants to IFA a security interest in and irrevocably pledges its Net Revenues to pay all of the obligations owed by Recipient to IFA under the Contract.

2. The Recipient shall not incur any obligation payable from or secured by a lien on and pledge of the Net Revenues that is superior to the Loan without the prior written consent of IFA.

3. The Recipient may issue obligations payable from and secured by a lien on and pledge of the Net Revenues on a parity with the Loan (“Parity Obligations”), but only if:

A. No Event of Default under the Contract has occurred and is continuing; and,

B. The Recipient obtains the prior written consent of IFA, which consent shall not be unreasonably withheld; and,

C. There shall have been filed with IFA either:

(i) A certificate of an official of Recipient stating that the Net Revenues (adjusted as provided in Section B.3.D. below) for the Base Period were not less than one hundred twenty percent (120%) of the maximum annual debt service on the Loan, outstanding senior lien obligations, and all outstanding Parity Obligations, with the proposed Parity Obligations treated as outstanding, or

(ii) A certificate of an official of Recipient:

(a) Stating the amount of the Adjusted Net Revenues for each of the five fiscal years after the last fiscal year for which interest on the proposed Parity Obligations is, or is expected to be, capitalized, or, if interest will not be capitalized, for each of the five fiscal years after the proposed Parity Obligations are issued; and

(b) Concluding that the amount of Adjusted Net Revenues in each of the first four fiscal years described in Section B.3.C.(ii)(a) above are at least equal to one hundred twenty percent (120%) of the annual debt service for each of those respective fiscal years on the Loan, all outstanding senior lien obligations and all outstanding Parity Obligations, with the proposed Parity Obligations treated as outstanding; and

(c) Concluding that the amount of Adjusted Net Revenues in the fifth fiscal year described in Section B.3.C.(ii)(a) is at least equal to one hundred twenty percent (120%) of the maximum annual debt service on the Loan, all outstanding senior lien obligations, and all outstanding Parity Obligations, with the proposed Parity Obligations treated as outstanding.

D. The Recipient may adjust Net Revenues for purposes of Section B.3.C.(i) by adding any Net Revenues that Recipient calculated it would have had during the Base Period because of increases in the System rates, fees and charges which have been adopted by Recipient and are in effect on or before the date the Parity Obligations are issued.

E. The Recipient may adjust the Net Revenues for purposes of Section B.3.C.(ii):

(i) to reflect any changes in the rates and charges which have been adopted by Recipient and which are scheduled to take effect during the period described in Section B.3.C.(ii)(a), or which increase rates and charges for inflation at a level which Recipient determines is reasonable;

(ii) to reflect any changes in customers of the System that occurred after the beginning of the Base Period and prior to the date of Recipient’s certificate; and

(iii) to reflect any changes to Net Revenues not included in the preceding subparagraphs that are projected to result from the completion and operation of additions and extensions to the System that were under construction at the beginning of the Base Period, or commenced construction after the beginning of the Base Period.

4. The Recipient may issue Parity Obligations to refund Parity Obligations without complying with Section 3 if the refunded Parity Obligations are defeased on the date of delivery of the refunding Parity Obligations and if the annual debt service on the refunding Parity Obligations does not exceed the annual debt service on the refunded Parity Obligations in any fiscal year by more than \$5,000. The Recipient shall notify IFA of its intent to issue such refunding Parity Obligations pursuant to this Section B.4. not later than 5 Business Days prior to the proposed closing date of the refunding Parity Obligations.

5. Notwithstanding the requirements of Section 3 above, loans previously made by IFA from the Special Public Works Fund, Water Fund, or Safe Drinking Water Fund to Recipient that are secured by the Net Revenues may have a lien on such Net Revenues on parity with the Loan; provided that nothing in this paragraph will adversely affect the priority of any of IFA's liens on such Net Revenues in relation to the lien(s) of any third party(ies).

6. The Recipient shall charge rates and fees in connection with the operation of the System which, when combined with other gross revenues, are adequate to generate Net Revenues each fiscal year at least equal to one hundred twenty percent (120%) of the annual debt service due in the fiscal year on the Loan, any outstanding senior lien obligations, and any outstanding Parity Obligations including but not limited to IFA's loans OBDD B97004A, OBDD G99001A, OBDD S99005, OBDD G99001B, OBDD S02011, and OBDD SZ9012 to Recipient.

7. The Recipient may establish a debt service reserve fund to secure repayment of Parity Obligations, provided that such debt service reserve fund is not required to be pledged to the payment of the debt service on such obligations unless the Net Revenues of the System are deposited into such debt service reserve fund only after provision is made for the payment of debt service on the Loan during the current fiscal year. IFA reserves the right to require that such debt service reserve fund be pledged to the payment of the Loan.

8. The Net Revenues pledged pursuant to paragraph 1 above and hereafter received by Recipient shall immediately be subject to the lien of such pledge without physical delivery or further act, and the lien of the pledge shall be superior to all other claims and liens whatsoever, except as provided in Sections B.2., B.3. and B.4., to the fullest extent permitted by ORS 287A.310. The Recipient hereby represents and warrants that the pledge of Net Revenues hereby made by Recipient complies with, and shall be valid and binding from the date hereof as described in, ORS 287A.310.

**EXHIBIT C - PROJECT DESCRIPTION**

The Recipient shall, with the assistance of a professional engineer licensed in Oregon, design and install an 18-inch drinking water transmission line from the intersection of NW 13th Street to the intersection of Lake Drive and Pacific Drive in Warrenton. The Recipient may also hire a consultant to complete the required labor standards compliance.

No later than the Project Completion Date, Recipient shall:

1. Complete a new water loss study.
2. Repair the leaking raw water transmission main for the Lewis and Clark source.
3. Update its records retention policy.
4. Update protocols for operators certified at less than the required level for the water system.
5. Install meters on unmetered lines (all unmetered lines are city-owned properties, i.e. parks).

**Exhibit D: Project Budget**

	<b>IFA Funds</b>	<b>Other / Matching Funds</b>
<b>Activity</b>	<b>Approved Budget</b>	<b>Approved Budget</b>
Engineering	\$255,595	
Construction	1,161,796	
Contingency	212,609	
Labor Standards Compliance	15,000	
<b>Total</b>	<b>\$1,645,000</b>	

**EXHIBIT E - INFORMATION REQUIRED BY 2 CFR § 200.331(A)(1)**

Federal Award Identification:

- (i) Subrecipient\* name (which must match registered name in DUNS): WARRENTON, CITY OF
- (ii) Subrecipient's DUNS number: 87-700-4937
- (iii) Federal Award Identification Number (FAIN): 98009015
- (iv) Federal Award Date: 9 Sep 2015
- (v) Sub-award Period of Performance Start and End Date: 36 months from Contract execution
- (vi) Total Amount of Federal Funds Obligated by this Contract: \$1,645,000
- (vii) Total Amount of Federal Funds Obligated by this initial Contract and any amendments: \$1,645,000
- (viii) Total Amount of Federal Award to the pass-through entity: \$16,232,300
- (ix) Federal award project description: Oregon's Drinking Water State Revolving Fund: This grant increases the capacity of Oregon to ensure that its public water systems continue to provide safe drinking water. This is done by (1) continuing loan financing to public water systems and support for newly proposed priority projects, (2) providing grant support for covering administrative expenses, small public water system technical assistance, State program management and local assistance, and (3) continuation of the loan fund to finance source water protection project initiatives, including acquiring conservation easements.
- (x) Name of Federal awarding agency, pass-through entity, and contact information for awarding official of the Pass-through entity:
  - (a) Name of Federal awarding agency: U.S. Environmental Protection Agency
  - (b) Name of pass-through entity: Oregon Infrastructure Finance Authority
  - (c) Contact information for awarding official of the pass-through entity: Robert Ault, Program Services Division Manager, 503-551-0917
- (xi) CFDA Number and Name: 66.468 Safe Drinking Water State Revolving Fund  
Amount: \$1,645,000
- (xii) Is Award R&D? No
- (xiii) Indirect cost rate for the Federal award: N/A

\*For the purposes of this Exhibit E, "Subrecipient" refers to Recipient and "pass-through entity" refers to IFA.

**EXHIBIT F - CERTIFICATION REGARDING LOBBYING**

(Awards in excess of \$100,000)

The undersigned certifies, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Signed \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

8C

*"Making a difference through excellence of service"*



## CITY OF WARRENTON

# AGENDA MEMORANDUM

**TO:** The Warrenton City Commission  
**FROM:** Mathew Workman, Police Chief  
 Skip Urling, Community Development Director   
**DATE:** For the Agenda of January 10, 2017  
**SUBJ:** Determination of nuisance—Tax Lot 81028AC01102—25 Alt Hwy 101

### SUMMARY

**Warrenton Municipal Code 8.16.020** states that “No person shall cause or permit a nuisance affecting public health on property owned or controlled by the person.” Nuisances listed in this section include accumulations of debris, rubbish, manure and other refuse that are not removed within a reasonable time and that affect the health of the City.

**WMC 8.16.040 Attractive Nuisances** states that no owner, or person in charge of property shall permit “unguarded machinery, equipment or other devices that are attractive, dangerous and accessible to children.

**WMC 8.16.050 Noxious vegetation** prohibits noxious vegetation and requires property owners or persons in charge to abate such noxious vegetation. Noxious vegetation includes among other things, vegetation that presents a fire hazard.

**WMC 8.16.060 Scattering rubbish** prohibits persons from depositing on public or private property, rubbish, trash, debris, refuse or any substance that would mar the appearance, create a stench or fire hazard, detract from the

Warrenton City Commission

Nuisance Determination— 25 Alt Hwy 101—Tax Lot 81028AC01102

For Agenda of January 10, 2017

Page 2

cleanliness or safety of the property or would be likely to injure a person, animal or vehicle traveling on a public way.

**WMC 8.16.120 Junk** prohibits keeping junk outdoors on a street, lot, or premises. “Junk” means and includes all old motor[s], old motor vehicle parts, abandoned automobiles, old machinery, old machinery parts, old appliances, parts, old iron or other metal, glass paper, lumber, wood or other waste or discarded material.

**WMC 8.16.140 Unenumerated nuisances** declares that the conditions described above are public nuisances and may be abated as established in WMC 8.16.150 through 8.16.210. In addition to the nuisances specifically enumerated in this chapter, every other thing, substance or act that is determined by the City Commission to be injurious or detrimental to the public health, safety or welfare of the City can be declared a nuisance and may be abated.

The attached photographs show piled up solid waste, appliances, bed parts, vegetation trimmings, etc. Neighbors are complaining about odors and vermin. The subject property fits the descriptions of WMC 8.16.050, 060, 120 and 140.

The City Commission is charged with the responsibility and authority to determine whether a nuisance exists. This must be done in a public meeting and after five days’ notice by letter to the owner or person in charge of the property. We sent notice to the resident, Mr. Bailey, January 5th

Warrenton City Commission

Nuisance Determination— 25 Alt Hwy 101—Tax Lot 81028AC01102

For Agenda of January 10, 2017

Page 3

## RECOMMENDATION/SUGGESTED MOTION

*I move to declare that enumerated and unenumerated nuisances exist at 25 Alt Hwy 101, Tax Lot 81028AC01102, and direct staff to commence actions to notify the resident and owner of record to abate the nuisances within 10 days as prescribed in WMC 8.16.160.*

## ALTERNATIVE

None recommended

## FISCAL IMPACT

A potential fiscal impact exists, but cannot be quantified at this time. Should the owner or person responsible not abate the nuisance within the time allowed by code, the Commission may cause the nuisance to be abated by city personnel. The cost of performing that action would be based on the amount of time for collecting the material and the cost of disposal. This expense may be recovered by providing an invoice for the expense to the owner and persons responsible. WMC 8.16.200 authorizes the city place a lien on the property for the amount of the invoice if it is not paid.

Approved by City Manager



All supporting documentation, i.e., maps, exhibits, etc., must be attached to this memorandum.

Attachments





8D

*"Making a difference through excellence of service"*



**CITY OF WARRENTON**

## AGENDA MEMORANDUM

**TO:** The Warrenton City Commission  
**FROM:** Skip Urling, Community Development Director   
**DATE:** For the Agenda of January 10, 2017  
**SUBJ:** Determination of nuisance—Tax Lot 81016A000600—1058  
NW Warrenton Drive

### SUMMARY

**Warrenton Municipal Code 8.16.020** states that “No person shall cause or permit a nuisance affecting public health on property owned or controlled by the person.” Nuisances listed in this section include accumulations of debris, rubbish, manure and other refuse that are not removed within a reasonable time and that affect the health of the City.

**WMC 8.16.040 Attractive Nuisances** states that no owner, or person in charge of property shall permit “unguarded machinery, equipment or other devices that are attractive, dangerous and accessible to children.

**WMC 8.16.050 Noxious vegetation** prohibits noxious vegetation and requires property owners or persons in charge to abate such noxious vegetation. Noxious vegetation includes among other things, vegetation that presents a fire hazard.

**WMC 8.16.060 Scattering rubbish** prohibits persons from depositing on public or private property, rubbish, trash, debris, refuse or any substance that would mar the appearance, create a stench or fire hazard, detract from the cleanliness or safety of the property or would be likely to injure a person,

Warrenton City Commission

Nuisance Determination—1058 NW Warrenton Drive—Tax Lot 81016A000600

For Agenda of January 10, 2017

Page 2

animal or vehicle traveling on a public way.

**WMC 8.16.120 Junk** prohibits keeping junk outdoors on a street, lot, or premises. “Junk” means and includes all old motor[s], old motor vehicle parts, abandoned automobiles, old machinery, old machinery parts, old appliances, parts, old iron or other metal, glass paper, lumber, wood or other waste or discarded material.

**WMC 8.16.140 Unenumerated nuisances** declares that the conditions described above are public nuisances and may be abated as established in WMC 8.16.150 through 8.16.210. In addition to the nuisances specifically enumerated in this chapter, every other thing, substance or act that is determined by the City Commission to be injurious or detrimental to the public health, safety or welfare of the City can be declared a nuisance and may be abated.

The attached photograph was sent to the city anonymously. It shows a variety of vehicles and trailers, most notably the white trailer in the center of the photograph filled with junk. To provide perspective, the attached air photo shows a circular drive providing access to the house where the parked vehicles now exist.

Staff has observed the accumulation of junk and scrap metal at this address, and then the trailers are emptied. A physical inspection of the site also found what appear to be junk automobiles covered up behind the vehicles on the perimeter. Because the property is zoned RM, Medium Density Residential, a scrap metal operation as an industrial land use at this address also is a violation of the development code.

We conclude that conditions at the subject address are consistent with and meet the intent of the descriptions of various nuisances, both enumerated and unenumerated.

The City Commission is charged with the responsibility and authority to determine whether a nuisance exists. This must be done in a public meeting, and after five days notice by letter to the owner or person in charge of the

Warrenton City Commission

Nuisance Determination—1058 NW Warrenton Drive—Tax Lot 81016A000600

For Agenda of January 10, 2017

Page 3

property. Staff gave a verbal notice on December 28, 2016 and sent a formal letter of notification on January 4, 2017 to the resident Mr. Robert Bork that this issue would be an agenda item at the January 10 City Commission meeting. We also talked by telephone January 2<sup>nd</sup> and sent the attached photograph to Mr. Andrew Sendgeorge, the property owner, who responded by the attached email, and copied him on the notice sent to Mr. Bork.

### **RECOMMENDATION/SUGGESTED MOTION**

*I move to declare that enumerated and unenumerated nuisances exist at 1048 NW Warrenton Drive, Tax Lot 81016A000600, and direct staff to commence actions to notify the owner of record to abate the nuisances within 10 days as prescribed in WMC 8.16.160.*

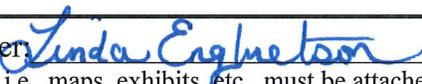
### **ALTERNATIVE**

None recommended

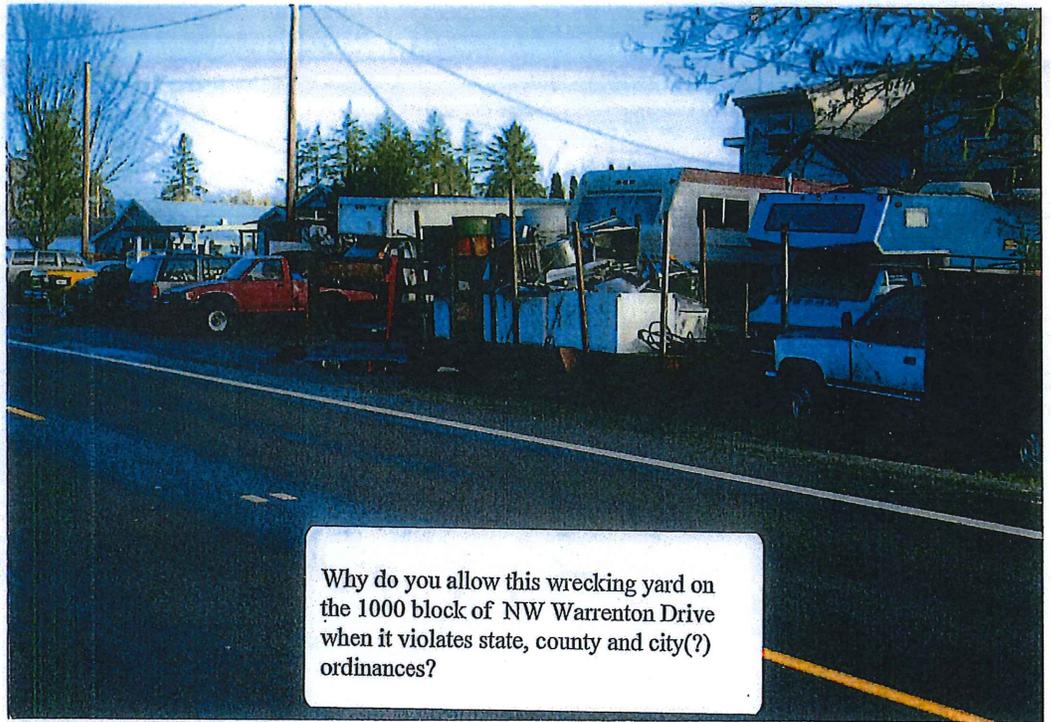
### **FISCAL IMPACT**

A potential fiscal impact exists, but cannot be quantified at this time. Should the owner or person responsible not abate the nuisance within the time allowed by code, the Commission may cause the nuisance to be abated by city personnel. The cost of performing that action would be based on the amount of time for collecting the material and the cost of disposal. This expense may be recovered by providing an invoice for the expense to the owner and persons responsible. WMC 8.16.200 authorizes the city place a lien on the property for the amount of the invoice if the invoice is not paid.

Approved by City Manager

  
All supporting documentation, i.e., maps, exhibits, etc., must be attached to this memorandum.

Attachments



2/22/16

Mark - This came addressed to you - no return address. I've forwarded to Skip to address.

Linda

## Skip Urling

---

**From:** Andrew & Kathy Sentgeorge <aesmarty@yahoo.com>  
**Sent:** Wednesday, January 04, 2017 6:30 AM  
**To:** Skip Urling  
**Subject:** Re: 1058 nw warrenton dr

Thanks for the call - and the picture! That used to be a beautiful front yard. I talked to him last night so we'll see what he does and how soon he does it. What will the deadline be when the nuisance charge is filed? Please keep me informed as this thing progresses and I'll do what I can to make it happen.

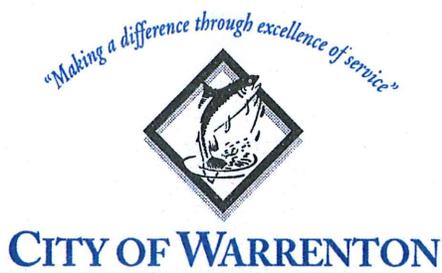
Thanks, again.

Andy Sentgeorge

---

**From:** Skip Urling <[cityplanner@ci.warrenton.or.us](mailto:cityplanner@ci.warrenton.or.us)>  
**To:** "[aesmarty@yahoo.com](mailto:aesmarty@yahoo.com)" <[aesmarty@yahoo.com](mailto:aesmarty@yahoo.com)>  
**Sent:** Tuesday, January 3, 2017 1:27 PM  
**Subject:** 1058 nw warrenton dr

8E



# AGENDA MEMORANDUM

TO: The Warrenton City Commission

FROM: Dawne Shaw, Administrative Assistant

DATE: January 10, 2017

SUBJ: Library Board Application/Appointment

## SUMMARY

We have received an application from Ms. Eileen Purcell for the Community Library Board. If approved, Ms. Purcell would be appointed to Position No. 4. There are still 2 vacancies on this board, Position No. 6 & 7.

## RECOMMENDATION/SUGGESTED MOTION

*I move to appoint Ms. Eileen Purcell to Position No. 4 on the Community Library Board.*

## ALTERNATIVE

Other action as deemed appropriate by the City Commission

## FISCAL IMPACT

N/A

Approved by City Manager: Linda Engbretson

Rec'd  
12/19/16

"Making a difference through excellence of service"



CITY OF WARRENTON

Application for Committee Appointment

To: Warrenton City Commission and Warrenton City Manager

I, Eileen Purcell, hereby apply for appointment to serve on the following:

- Budget Committee
- Community Center Board
- Parks Advisory Committee
- Planning Commission
- Warrenton Business Association
- Warrenton Community Library Board
- Warrenton Urban Renewal Advisory Board

What is your interest in applying for this position?

I am interested in library and family literacy. I am interested in second language learners

What experience or qualifications do you have for this position?

I have been the literacy coordinator at CCC for 14 years. I have an MEd

How much time could you give to serving on this committee?

Weekly \_\_\_ Monthly \_\_\_ Quarterly 3 hrs

Eileen Purcell 12/14/16  
Full Name (please print) Date