



BOARD OF COUNTY COMMISSIONERS FOR COLUMBIA COUNTY, OREGON

Wednesday, July 25, 2018
10:00 a.m. - Room 311

BOARD MEETING AGENDA

CALL TO ORDER/FLAG SALUTE

MINUTES:

Minutes, July 18, 2018 Board meeting.

VISITOR COMMENTS - 5 MINUTE LIMIT

HEARING(S):

- 1) Public Hearing, In the Matter of the Application of Scott Winegar for a Comprehensive Plan and Zoning Map Amendment from Rural Residential (RR-2) to Community Service Institutional (CS-1)".

MATTERS:

- 1) 12:00 noon: Meeting with Judges/Corrections

CONSENT AGENDA:

- (A) Ratify the Select to Pay for the week of 07.23.18.
- (B) Authorize Out-of-State travel for Denise Keppinger at attend Pretrial Services Conference 8.19.18 - 8.22.18.

AGREEMENTS/CONTRACTS/AMENDMENTS:

- (C) C24-2018 - Personal Services Contract with Clark Number, PS for Audit Services.
- (D) C55-2018 - Agreement No. 32852 - 5311 with the Oregon Department of Transportation for the Purchase of Two Vehicles.
- (E) C56-2018 - Agreement No. 32830 - 5339 with the Oregon Department of Transportation for the Purchase of Two Vehicles.
- (F) C77-2018 - Intergovernmental Agreement No. 250-1819 with the Oregon State Marine Board and Authorize the Steve Salle to sign.
- (G) C79-2018 - Intergovernmental Agreement with Scappoose Rural Fire Protection District for Fire, Life, and Safety Plan Review Services and Inspections.

- (H) C80-2018 - Amendment No. 2 to Agreement No. 31454 - 5339 with the Oregon Department of Transportation for the Purchase of a Vehicle.

DISCUSSION ITEMS:

COMMISSIONER HEIMULLER COMMENTS:

COMMISSIONER MAGRUDER COMMENTS:

COMMISSIONER TARDIF COMMENTS:

EXECUTIVE SESSION:

Pursuant to ORS 192.640(1), the Board of County Commissioners reserves the right to consider and discuss, in either open session or Executive Session, additional subjects which may arise after the agenda is published.

PERSONAL SERVICES CONTRACT (ORS Chapter 279B)
FOR AUDIT SERVICES BY AND BETWEEN
COLUMBIA COUNTY AND
CLARK NUBER, PS

This Agreement is made and entered into by and between COLUMBIA COUNTY, a political subdivision of the State of Oregon, hereinafter referred to as "County", and CLARK NUBER PS., hereinafter referred to as "Contractor".

WITNESSETH:

IT IS HEREBY AGREED by and between the parties above-mentioned, in consideration of the mutual promises hereinafter stated, as follows:

1. Effective Date and Contract Term. This Contract shall become effective on the date this Contract has been signed by every party below. Unless extended by written Contract amendment or terminated as provided in Section 16 of this Contract, the completion date for all services, including additional services, if any, to be provided under this Contract is June 30, 2020. The County may amend the term of this Contract for up to five (5) additional yearly audit cycles.
2. Contractor's Services. Contractor agrees to provide the audit services described in the County's Request for Proposals for Audit Services for Columbia County, and its two component units (the RFP), a copy of which is attached hereto, labeled Exhibit "A", and is incorporated herein by this reference; in Contractor's Proposal, which is attached hereto as Exhibit "B" and is incorporated herein by this reference, in the 2018 engagement letters, which are attached hereto as Exhibit "C", and are incorporated herein by this reference, and all applicable annual audit contracts and/or engagement letters issued thereafter. In case of conflict between the terms of this Agreement, the RFP, engagement letters, or Contractor's Proposal, this Agreement shall control, followed by the audit contracts, the engagement letters, the RFP, and Contractor's Proposal, in that order.
3. Consideration.
 - A. Fee for Service. Except as otherwise provided herein, County shall pay Contractor on a fee for service basis for work satisfactorily performed.
 - B. Initial Term. Notwithstanding Contractor's Cost Proposal, Compensation shall be made in an amount not to exceed \$53,000 for FY2018 audit services; not to exceed \$56,000 for FY2019 audit services; and not to exceed \$58,500 for FY2020 audit services. Such fees shall include all expenses, except for travel expenses, as set forth in 3.I, below.
 - C. Extended Term. Upon receipt of written notice of extension of the term of this Contract, Contractor shall provide a quote for the additional cost associated with the extended

period of time. Fees for extended periods shall be agreed upon by the contract representatives in writing.

- D. Standard Changes. If the scope of work identified in the Agreement is significantly changed due to unanticipated audit or accounting standard changes, Contractor may propose a reasonable fee adjustment based on the actual cost to provide the work. Any such request must be accompanied by substantiating documentation. Any such additional fee shall be negotiated and documented as a contract amendment prior to commencement of the work.
- E. Additional Examination. In any audit year, if the circumstances disclosed by the audit require more extensive and detailed examination by Contractor than are stated herein, Contractor shall provide the County with a detailed description of the need to do additional work and an estimate of the cost to perform such work. Any such additional fee shall be negotiated and documented as a contract amendment prior to commencement of the work.
- F. Special Projects. Upon request, Contractor shall provide a proposal to perform work on any special project not otherwise described herein. Any additional fee shall be negotiated and documented as a contract amendment prior to commencement of the work.
- G. Right to Reduce Scope. The County retains the right to reduce the scope of services in the County's sole discretion in the event sufficient funds are not appropriated to pay for the services described herein. A corresponding reduction in consideration shall be negotiated and documented as a contract amendment.
- H. Monthly Payments. Payment shall be made on a monthly basis pursuant to invoices submitted by Contractor and approved by the County. Invoices shall include travel receipts for travel expenses, and time spent by each person by contract rate.
- I. Travel Expenses. Contractor may invoice County for its actual travel expenses to perform the work under this Agreement. Allowable travel expenses include reimbursement for mileage and per diem at the then current IRS rates for Oregon, or actual per diem costs up to the IRS rate; domestic economy rate airfare; rental car, and hotel. Contractor shall make a reasonable attempt to acquire the lowest possible rates for travel costs.

4. Contract Representatives. Contract representatives for this Agreement shall be:

For County

Jennifer Cuellar-Smith, Director
Department of Finance and Taxation
Columbia County
230 Strand
St. Helens, Oregon 97051

For Contractor

Mitch Hansen, Shareholder
Clark Nuber, PS
10900 NE 4th St, Suite 1400
Belevue, WA 98004

All correspondence shall be sent to the above addressees when written notification is necessary. Contract representatives can be changed by providing written notice to the other party at the address listed.

5. Permits - Licenses. Unless otherwise specified, Contractor shall procure all permits and licenses, pay all charges and fees and give all notices necessary for performance of this Agreement prior to commencement of work.
6. Compliance with Codes and Standards. It shall be the Contractor's responsibility to demonstrate compliance with all applicable building, health and sanitation laws and codes, and with all other applicable Federal, State and local acts, statutes, ordinances, regulations, provisions and rules. Contractor shall engage in no activity which creates an actual conflict of interest or violates the Code of Ethics as provided by ORS Chapter 244, or which would create a conflict or violation if Contractor were a public official as defined in ORS 244.020.
7. Reports. Contractor shall provide County with periodic reports about the progress of the project at the frequency and with the information as prescribed by the County.
8. Independent Contractor. Contractor is engaged hereby as an independent contractor and shall not be considered an employee, agent, partner, joint venturer or representative of County for any purpose whatsoever. County does not have the right of direction or control over the manner in which Contractor delivers services under this Agreement and does not exercise any control over the activities of the Contractor, except the services must be performed in a manner that is consistent with the terms of this Agreement. County shall have no obligation with respect to Contractor's debts or any other liabilities of Contractor. Contractor shall be responsible for furnishing all equipment necessary for the performance of the services required herein. In addition:
 - A. Contractor will be solely responsible for payment of any Federal or State taxes required as a result of this Agreement.
 - B. This Agreement is not intended to entitle Contractor to any benefits generally granted to County employees. Without limitation, but by way of illustration, the benefits which are not intended to be extended by this Agreement to the Contractor are vacation, holiday and sick leave, other leaves with pay, tenure, medical and dental coverage, life and disability insurance, overtime, social security, workers' compensation, unemployment compensation, or retirement benefits (except insofar as benefits are otherwise required by law if the Contractor is presently a member of the Public Employees Retirement System).
 - C. The Contractor is an independent contractor for purposes of the Oregon workers' compensation law (ORS Chapter 656) and is solely liable for any workers' compensation coverage under this Agreement. If the Contractor has the assistance of other persons in the performance of the Agreement, the Contractor shall qualify and remain qualified for the term of this Agreement as a carrier-insured or self-insured employer under ORS 656.407. If the Contractor performs this Agreement without the assistance of any other person, unless otherwise agreed to by the parties, Contractor shall apply for and obtain workers' compensation insurance for himself or herself as a sole proprietor under ORS 656.128.

9. Statutory Provisions. Pursuant to the requirements of ORS 279B.220 through 279B.235 and Article XI, Section 10 of the Oregon Constitution, the following terms and conditions are made a part of this Agreement:

A. Contractor shall:

- (1) Make payment promptly, as due, to all persons supplying to Contractor labor or material for the prosecution of the work provided for in this Agreement.
- (2) Pay all contributions or amounts due the Industrial Accident Fund from the Contractor or any subcontractor incurred in the performance of this Agreement.
- (3) Not permit any lien or claim to be filed or prosecuted against County on account of any labor or material furnished.
- (4) Pay to the Department of Revenue all sums withheld from employees pursuant to ORS 316.167.

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

C. Contractor shall pay all employees under this Agreement at least time and a half for all overtime worked in excess of 40 hours in any one week, except for individuals under personal services contracts who are excluded under ORS 653.010 to 653.261 or under 29 U.S.C. 201 to 209 from receiving overtime.

D. All subject employers working under this Agreement are either employers that will comply with ORS 656.017 or employers that are exempt under ORS 656.126.

E. As required by ORS 279B.045, Contractor represents and warrants that Contractor has complied with the tax laws of this state or a political subdivision of this state, including but not limited to ORS 305.620 and ORS chapters 316, 317, and 318. Contractor shall continue to comply with the tax laws of this state or a political subdivision of this state during the term of the public contract. Contractor's failure to comply with the tax laws of this state or a political subdivision of this state before the Contractor executes this Agreement or during the term of this Agreement is a default for which County may terminate this Agreement and seek damages and other relief available under the terms of this Agreement or under applicable law.

F. This Agreement is expressly subject to the debt limitation of Oregon counties set forth in Article XI, Section 10 of the Oregon Constitution, and is contingent upon funds being appropriated therefor. Any provisions herein which would conflict with law are deemed inoperative to that extent.

10. Non-Discrimination. Contractor agrees that no person shall, on the grounds of race, color, creed, national origin, sex, marital status, handicap or age, suffer discrimination in the performance of this Agreement when employed by Contractor. Contractor certifies that it has not discriminated and will not discriminate, in violation of ORS 279A.110, against any minority, women or emerging small business enterprise certified under ORS 200.055, or a business enterprise that is owned or controlled by or that employs a disabled veteran, as defined in ORS 408.225 in obtaining any required subcontract.
11. Non-Assignment: Subcontracts. Contractor shall not assign, subcontract or delegate the responsibility for providing services hereunder to any other person, firm or corporation without the express written permission of the County, except as provided in Contractor's Proposal.
12. Non-Waiver. The failure of the County to enforce any provision of this Agreement shall not constitute a waiver by the County of that or any other provision of the Agreement.
13. Indemnity. Contractor shall indemnify, defend, save, and hold harmless the County, its officers, agents and employees, from any and all claims, suits or actions of any nature, including claims of injury to any person or persons or of damage to property caused directly or indirectly by reason of any error, omission, negligence, or wrongful act by Contractor, its officers, agents and/or employees arising out of the performance of this Agreement. This indemnity does not apply to claims, suits or actions arising solely out of the negligent acts or omissions of the County, its officers, agents or employees. County shall hold Contractor harmless from claims, liabilities, losses and costs arising out of an intentional misrepresentation made by the County, its officers, agents or employee.
14. Insurance. Contractor shall maintain commercial general liability and property damage insurance in an amount of not less than \$2,000,000 per occurrence to protect County, its officers, agents, and employees. Contractor shall provide County a certificate or certificates of insurance in the amounts described above which names County, its officers, agents and employees as additional insureds. Such certificate or certificates shall be accompanied by an additional insured endorsement. Contractor shall professional liability insurance of not less than \$2,000,000 to protect County, its officers, agents, and employees. Contractor agrees to notify County immediately upon notification to Contractor that any insurance coverage required by this paragraph will be canceled, not renewed or modified in any material way, or changed to make the coverage no longer meet the minimum requirements of this Contract.
15. Tax Compliance. Tax Compliance. As required by ORS 279B.045, Contractor represents and warrants that Contractor has complied with the tax laws of this state and all political subdivisions of this state, including but not limited to ORS 305.620 and ORS Chapters 316, 317, and 318. Contractor shall continue to comply with the tax laws of this state and all political subdivisions of this state during the term of the public contract. Contractor's failure to comply with the tax laws of this state or a political subdivision of this state before the Contractor executes this Agreement or during the term of this Agreement is a default for which County may terminate this Agreement and seek damages and other relief available under the terms of this Agreement or under applicable law. Contractor hereby certifies, under penalty of perjury, as provided in ORS 305.385(6), that to Contractor's knowledge, Contractor is not in violation of any of the tax

laws of this state or political subdivision of this state, including but not limited to ORS 305.380(4).

16. Termination. The County may terminate this Agreement with or without cause, upon ninety (90) days advance written notice delivered by registered or certified mail, or in person, to the Contractor. The County may terminate this Agreement, effective upon delivery of written notice to Contractor, or at such later date as may be established by the County under the following conditions:
 - A. If Contractor fails to perform the work in a manner satisfactory to County.
 - B. If any license or certificate required by law or regulation to be held by Contractor to provide the services required by this Agreement is for any reason denied, revoked, or not renewed.
 - C. If funding becomes inadequate to allow the work to continue in accordance with the project schedule.

In case of termination, Contractor shall be required to repay to County the amount of any funds advanced to Contractor which Contractor has not earned or expended through the provision of services in accordance with this Agreement. However, Contractor shall be entitled to retain all costs incurred and fees earned by Contractor prior to that termination date, and any amounts remaining due shall be paid by County not to exceed the maximum amount stated above and decreased by any additional costs incurred by County to correct the work performed. The rights and remedies of the County related to any breach of this Agreement by Contractor shall not be exclusive, and are in addition to any other rights and remedies provided by law or under this Agreement. Any termination of this Agreement shall be without prejudice to any obligations or liabilities of either party already accrued before such termination.

17. Time of the Essence. The parties agree that time is of the essence in this Agreement.
18. Ownership of Documents. All documents of any nature including, but not limited to, reports, drawings, works of art and photographs, produced by Contractor pursuant to this Agreement (the "Deliverables") are the property of County, and it is agreed by the parties that such documents are works made for hire. Contractor hereby conveys, transfers, and grants to County all rights of reproduction and the copyright to all such documents.
19. Mediation. In the event of a dispute between the parties arising out of or relating to this Contract, the parties agree to submit such dispute to a mediator agreed to by both parties as soon as practicable after the dispute arises. The parties agree to exercise their best efforts in good faith to resolve all disputes in mediation.
20. Choice of Law. This Agreement shall be governed by the laws of the State of Oregon.
21. Venue. Venue relating to this Agreement shall be in the Circuit Court of the State of Oregon for Columbia County, located in St. Helens, Oregon.

22. Attorney Fees. In the event an action, suit or proceeding, including appeal therefrom, is brought for failure to observe any of the terms of this Agreement, each party shall be responsible for its own attorney's fees, expenses, costs and disbursements for said action, suit, proceeding or appeal.
23. Severability. If any provision of this Agreement is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holdings shall not affect the validity of the remaining portions hereof.
24. No Third-Party Rights. This Agreement is solely for the benefit of the parties to this Agreement. Rights and obligations established under this Agreement are not intended to benefit any person or entity not a signatory hereto.
25. ENTIRE AGREEMENT. THIS AGREEMENT (INCLUDING THE EXHIBITS) CONSTITUTES THE ENTIRE AGREEMENT BETWEEN THE PARTIES. NO WAIVER, CONSENT, MODIFICATION OR CHANGE OF TERMS OF THIS AGREEMENT SHALL BIND EITHER PARTY UNLESS IN WRITING AND SIGNED BY BOTH PARTIES. SUCH WAIVER, CONSENT, MODIFICATION OR CHANGE, IF MADE, SHALL BE EFFECTIVE ONLY IN THE SPECIFIC INSTANCE AND FOR THE SPECIFIC PURPOSE GIVEN. THERE ARE NO UNDERSTANDINGS, AGREEMENTS, OR REPRESENTATIONS, ORAL OR WRITTEN, NOT SPECIFIED HEREIN REGARDING THIS AGREEMENT. CONTRACTOR, BY THE SIGNATURE OF ITS AUTHORIZED REPRESENTATIVE(S) BELOW, HEREBY ACKNOWLEDGES THAT IT HAS READ THIS AGREEMENT, UNDERSTANDS IT AND AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS.

CONTRACTOR

By: _____
Name

Signature: _____

Date: _____

BOARD OF COUNTY COMMISSIONERS
FOR COLUMBIA COUNTY, OREGON

By: _____
Margaret Magruder, Chair

By: _____
Henry Heimuller, Commissioner

By: _____
Alex Tardif, Commissioner

Date: _____

Approved as to form

By: _____
Office of County Counsel

Exhibits:

Exhibit "A"- Request for Proposal for Audit Services

Exhibit "B"- Contractor's Proposal dated (Month/Date/year)

Exhibit "C"- FY2018 Engagement Letters

EXHIBIT "A"

COLUMBIA COUNTY



COVER PAGE

Department of Finance and Taxation

AUDIT SERVICES

Request for Proposal (RFP)

C00055-0214-18

Date of Issue: February 14, 2018

Closing Date and Time: March 29, 2018

Single Point of Contact (SPC): Jewelee Bell

Address:	230 Strand Street
City, State, Zip:	St. Helens, Oregon 97051
Phone:	503-397-7245
E-mail:	jewelee.bell@co.columbia.or.us

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- Attachment A Sample Personal Services Contract
- Attachment B Affidavit of Trade Secret
- Attachment C Proposer Information and Certification Sheet

SECTION 1: GENERAL INFORMATION

1.1 INTRODUCTION

Columbia County, acting by and through the authority of the Columbia County Board of County Commissioners, ("County"), is requesting proposals from qualified independent certified public accounting firms to perform the annual audits of the financial statements for the fiscal years ending June 30, 2018, 2019 and 2020.

Additional details on the Scope of the services are included in the Scope of Work section.

The County anticipates the award of one Contract as a result of this RFP.

The initial term of the Contract is anticipated to be 3 years with options for annual renewal up to a cumulative maximum of 8 years.

1.2 SCHEDULE

The table below represents a tentative schedule of events. All times are listed in Pacific Time. All dates listed are subject to change unless noted with an asterisk.

Event	Date	Time
Questions / Requests for Clarification Due	*February 28, 2018	3:00 PM
Answers to Questions / Requests for Clarification Issued (approx.)	March 6, 2018	
RFP Protest Period Ends	*7 calendar days prior to RFP Closing	
RFP Closing (Proposal Due)	See RFP cover page	
Presentations, Demonstrations, or Interviews	Week of April 9, 2018	
Issuance of Notice of Intent to Award (approx.)	April 16, 2018	
Award Protest Period Ends	*7 calendar days after Notice of Intent to Award	

1.3 SINGLE POINT OF CONTACT (SPC)

The SPC for this RFP is identified on the Cover Page, along with the SPC's contact information. Proposer shall direct all communications related to any provision of the RFP only to the SPC, whether about the technical requirements of the RFP, contractual requirements, the RFP process, or any other provision.

SECTION 2: AUTHORITY, OVERVIEW, AND SCOPE

2.1 AUTHORITY AND METHOD

This RFP is issued under the authority of the Columbia County Board of County Commissioners.

The County is using the Formal Selection Procedure pursuant to County Order 38-2006. County may use a combination of the methods for Selection, including optional procedures: a) Competitive Range; b) Discussions and Revised Proposals; c) Negotiations; d) Revised Rounds of Negotiations; e) Best and Final Offers; and f) Multistep Sealed Proposals.

2.2 DEFINITION OF TERMS

For the purposes of this RFP, capitalized words are defined in Columbia County Order 38-2006 or as defined below.

2.3 OVERVIEW AND PURPOSE

2.3.1 Project Overview and Background

Columbia County

Columbia County is semi-rural jurisdiction, located directly northwest of Multnomah County. The County seat is St. Helens, approximately 30 miles outside of Portland. The County, according to the most recent census, has a population just over 50,000.

Columbia County is a general law county governed by a Board of Commissioners, three residents of the County elected by the voters. Other elected officials are the Sheriff, District Attorney, Clerk, Treasurer, Assessor, and Justice of the Peace. The County does not have a county manager or administrative officer. The Board of Commissioners appoints the remaining department heads who are responsible for ensuring that County policies are implemented using resources appropriated by the County to achieve desired service results. Currently the County employs approximately one hundred eighty five full-time employees.

Services provided to the community include Sheriff, County Jail, District Attorney, Adult Parole and Probation, Juvenile Justice, road and street maintenance, recording activities, elections, property assessment, tax collection, park facilities and maintenance, emergency management, and various community development activities including building inspection, surveyor's services, land use planning, public transit and public health services. Mental health services are provided by a local non-profit that partners with the County to ensure that public assistance is available to individuals in the County who need them.

Columbia County's Finance Department is committed to achieving the highest possible standards in its activities. The County has earned the Award of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) for the past four years. The County also has received the GFOA's budgeting award for the past four budget cycles.

Jennifer Cuellar-Smith, an elected official, has served as Columbia County's Finance Director and Treasurer for eight years. During her tenure, she has ushered in operations and systems changes to strengthen internal control, add efficiency and establish business practices worthy of Government Finance Officer Association (GFOA) standards wherever possible. Ms. Cuellar has a BA from Stanford University, an MBA from the University of North Carolina-Chapel Hill and holds a Certified Public Finance Officer credential from the GFOA. She is also active in the Oregon-GFOA and Oregon Association of County Treasurers and Finance Officers.

John Dreeszen has been with Columbia County for just over a year in the newly created Accounting Services Manager position. He is transitioning into taking the lead role for accounting and financial reporting activities including the audit process. Mr. Dreeszen has a BA in Finance as well as an MBA from the University of Oregon. He brings a strong public service ethic, having played the CFO role for several Oregon non-profit agencies, and is a member of the Oregon-GFOA.

Columbia County annual reports for prior years are available on the county website:

<http://www.co.columbia.or.us/>

The County's budget for the fiscal year ending June 30, 2017, was \$57,810,000 with the current year budget coming in at \$62,144,000. In FY2016-17, the General Fund budget was \$21,142,000 and the Road Fund was \$7,995,000. In the current year the General Fund budget increased to \$22,337,000 and the Road Fund budget increased to \$8,525,000.

Federal funds reviewed in the Single Audit in FY2016-17 totaled approximately \$1,800,000 and the County anticipates the FY2017-18 federal funds schedule will increase to as much as \$3,500,000.

The County receives federal funding that follows the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). The County also receives annual funding from the federal Department of Health and Human Services. Compliance standards for federal DHS funds are found in 45 CFR part 75. The federal audit should include audit requirements associated with these program requirements as well.

The County is expecting to make significant investments in improving and expanding the functions integrated into its financial software systems during the current fiscal year and into the next, and plans to reorganize its chart of accounts as part of this process.

The County fiscal organization includes sixteen governmental funds, one debt service fund, one proprietary (solid waste) fund, and three component unit funds.

The CPA firm of Pauly Rogers and Co, PC of Tigard, Oregon has been the County's auditor since 2008. The following audit fees have been paid for the past three fiscal years for the County portion of the audit:

Fiscal year 2014-15	\$32,300
Fiscal year 2015-16	\$33,200
Fiscal year 2016-17	\$34,200

Columbia County Component Units

The Columbia County Development Agency (CCDA) is the County's urban renewal agency. The CCDA relies on tax increment revenue (TIF) based on the value of the property in the designated urban renewal area which is primarily industrial property. Values for industrial properties, including utility properties, are set by the Department of Revenue and can fluctuate widely. Tax increment revenue is restricted to the repayment and administration of debt.

The CCDA, particularly with regard to employment, is a pivotal partner in promoting economic development in Columbia County generally and the designated urban renewal area (Clatskanie) specifically.

The CCDA has pledged the TIF it receives for debt payments of a Road loan and a Water intake and distribution system loan, both issued by the State of Oregon Economic and Community Development Department (OECDD), now known as Business Oregon. The CCDA is a legally separate entity governed by the Board of County Commissioners.

The FY2016-17 budget for the CCDA was \$2,906,000 while the current year budget has increased to \$3,838,000.

The Columbia County 4-H and Extension Service District (District) was formed in May of 1988 under provisions of Oregon Revised Statutes Chapter 451, and provides agricultural education and other services to County residents as an extension of Oregon State University. The 4H and Extension Service District is a legally separate entity governed by the Board of County Commissioners.

The FY2016-17 budget for the 4H and Extension Service District was \$807,000 while the current year budget is \$842,000.

The CPA firm of Pauly Rogers and Co, PC of Tigard, Oregon has been the CCDA's auditor for the past ten years (2008 through 2017) and the auditor for the 4H and Extension Service District for the past six years. Audit fees for each of the two component units have ranged between \$4,500 and \$5,300 over the past three years.

The annual budget for the County's third component unit, Meadowview Service District, is small enough that an annual audit is not required.

2.3.2 Purpose

The successful Proposer will be responsible for examining the financial statements of Columbia County, Oregon and two of its three component units for three consecutive years, beginning fiscal year 2017-18 through, and including, fiscal year 2019-20. The County may amend the resulting Contract for up to five annual extensions. The selected audit firm will provide the following services for the County and its two component units:

For Columbia County:

- a. Examination of financial statements of the County as required by Oregon Revised Statutes
- b. Examination covering the County's federal funds for the year as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the Department of Health and Human Services compliance standards found in 45 CFR part 75
- c. Preparation of the basic financial statements of the County (which may or may not be part of a Comprehensive Annual Financial Report)
- d. Assistance to County staff on various accounting and reporting questions

For the Columbia County Development Agency - CCDA (County Component Unit):

- a. Examination of financial statements of the CCDA as required by Oregon Revised Statutes
- b. Preparation of the basic financial statements of the CCDA
- c. Provide assistance with various accounting and reporting questions to County staff and contractors that carry out CCDA work

For Columbia County 4-H and Extension Service District – 4H (County Component Unit):

- a. Examination of financial statements of the 4H and Extension Service District as required by Oregon Revised Statutes
- b. Preparation of the basic financial statements of the 4H and Extension Service District
- c. Provide assistance with various accounting and reporting questions to County and 4H and Extension Service District staff

The successful audit firm shall draft an annual Representation Letter and an Engagement Letter. Such letters may not conflict with or be inconsistent with the terms of the Personal Services Contract. The initial year's Engagement Letter will be included as an exhibit to the executed Personal Services Contract.

It is the expectation of the County that the selected audit firm will conduct its engagement consistent with generally accepted government auditing standards (GAGAS) and the evolving requirements and standards for audits and the production of financial statements of relevant bodies including, but not limited to, the State of Oregon, the federal government, and the American Institute of CPAs. The County expects that the financial statements will be prepared in conformance with generally accepted accounting principles (GAAP), including the evolving standards as put forth by the Governmental Accounting Standards Board (GASB) and the Financial Accounting Standards Board (FASB).

2.4 SCOPE OF WORK

2.4.1 Comprehensive Annual Financial Report

The County expects to prepare a Comprehensive Annual Financial Report (CAFR), consistent with generally accepted accounting principles (GAAP), in full compliance with the pronouncements of the Governmental Accounting Standards Board (GASB) and the Financial Accounting Standards Board (FASB), and including disclosures required by State regulations and additional Government Finance Officers Association (GFOA) requirements in order to submit the final documents to the GFOA for consideration of the Certificate of Achievement for Excellence in Financial Reporting.

The selected audit firm will produce the basic financial statements, required supplementary information (RSI) other than the Management Discussion and Analysis, and other supplementary information.

County staff will produce the Management Discussion and Analysis, Transmittal letter and additional statistical information. The audit firm will consolidate the information and produce the CAFR document.

The purpose of the auditors' examination is to audit and express an opinion on the fairness of presentation, in accordance with GAAP, of the general purpose financial statements taken as a whole. The additional information section of the CAFR will be examined "in relation to" the general purpose financial statements.

The audit firm, as part of the audit, shall perform an evaluation of the internal accounting controls and communicate any weaknesses and recommendations as required in the CAFR and in a separate letter to management.

The audit firm shall have conducted an examination of, and have issued its opinion on, the financial statements, including auditor's comments and disclosures required by the Minimum Standards for Audits of Oregon Municipal Corporations, no later than five months after the close of each fiscal year ending June 30. Each year the audit firm will propose a testing, document review and production schedule that will be reviewed, mutually agreed upon and approved by County staff to meet this deadline.

2.4.2 Basic Financial Statements

The selected audit firm will produce basic financial statements for both the CCDA and 4H Service and Extension Service District.

County staff will produce the Management Discussion and Analysis for the CCDA. 4H and Extension Service District staff will produce the Management Discussion and Analysis for its document. The audit firm will then consolidate the information for each of the component units and produce the financial documents.

The deadline for the completion of the production of the basic financial statements for both component units is no later than four months after the close of the fiscal year ending June 30. Each year the audit firm will propose a testing, document review and production schedule for CCDA that will be reviewed, mutually agreed upon and approval by County staff in order to meet this deadline. The audit firm will work with the 4H and Extension Service District staff independently to define the calendar, testing needs and document production to meet the deadline.

2.4.3 Report on the Single Audit

A report on the results of a single audit of the County's financial awards will be required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the Department of Health and Human Services compliance standards found in 45 CFR part 75. County staff will prepare the Schedule of Federal Financial Assistance. The County expects to require a single audit every year but believes it will not be necessary for either of the component units under audit.

The audit firm is expected to prepare and deliver its report on the single audit with the CAFR. The report on the single audit shall state that the audit was made in accordance with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), Department of Health and Human Services compliance standards found in 45 CFR part 75, and any updated federal requirements and guidance. The audit firm must advise the County of any discrepancies in the County Financial policies to comply with Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the Department of Health and Human Services compliance standards found in 45 CFR part 75.

2.4.4 Communication to the Governing Body

The audit firm shall prepare, in letter form, a management letter to include recommendations to management. The management letter shall include any findings, observations, opinions, comments or recommendations, relating to internal control, accounting systems, data processing, compliance with laws, rules and regulations, and any other matters that come to the attention of the audit firm during the course of the examination and, in the opinion of the audit firm, warrant the attention of management. Such recommendations shall not be construed as special or additional studies, and shall be limited to those recommendations usually associated with the study of internal control systems and procedures as a part of an examination of financial statements. The management letter and management's written responses shall be discussed with County officials. The audit firm will prepare copies of the final report to the County following the same schedule as for the CAFR.

2.4.5 Modifications to Original Audit Scope and Contract Amount

Should audit or relevant accounting standards change during the Contract term, it is the County's expectation that the audit firm will make the appropriate changes to its testing, examination and areas of its expressed opinions, etc. In the event that the scope of work identified herein is significantly changed due to unanticipated audit or accounting standard changes, the audit firm may propose a reasonable fee adjustment based on the actual cost to provide the additional work. Any such request must be accompanied by substantiating documentation.

In the event that circumstances disclosed by the audit in any year indicate that a more extensive and detailed examination is required, in addition to that which would be sufficient under normal circumstances, the audit firm shall provide all pertinent facts relative to the extraordinary circumstances together with the firm's cost estimate of the additional services to the County. Any fees relating to such extensions of examination procedures are to be

considered additional fees and subject to negotiation. Any change to the scope of work or dollar amount of the Contract must be approved by written amendment to the Contract and signed by all parties.

The County retains the right to reduce the scope of work, and Contract amount accordingly, in the County's sole discretion in the event sufficient funds are not appropriated to pay the total Contract amount.

2.4.6 Other Required Services

The selected audit firm shall provide a variety of technical assistance throughout the term of the Contract. This assistance shall include answers to accounting, reporting or internal control questions; and assistance and guidance in implementing GASB pronouncements and updating reporting standards.

The audit firm shall provide recommendations to the County to better utilize technology to add transparency, improve operational efficiency and strengthen internal controls. Specific examples in this area may include:

- a. Assistance following Government Finance Officers Association (GFOA) preferred practice recommendations
- b. Recommend technological choices to ease GASB reporting or tracking compliance activities
- c. Input regarding reporting or other options during the implementation of new county financial software system, including the chart of account updates

Materials and sets of working papers developed during the Contract term will be maintained for a minimum of three (3) years from the date of the audit reports and will be made available for examination by authorized representatives of any federal audit agency, Oregon Secretary of State, the U.S. General Accounting Office, and the County.

Audit firm management or other representatives may be required to be present at meetings of the Board of County Commissioners when matters regarding the audit or related reports are discussed. Meetings with individual commissioners or managers may also be requested.

SECTION 3: PROCUREMENT REQUIREMENTS

3.1 MINIMUM QUALIFICATIONS

To be considered for evaluation, Proposer must provide written evidence within the Proposal to verify that Proposer meets all requirements of this section:

1. Audit firm (Proposer) must be properly licensed for public practice as an independent auditor and be qualified as a municipal auditor.
2. Audit firm must not have a record of substandard work. The County will verify this requirement by communication with the Oregon State Board of Accountancy.
3. Audit firm must meet the independent standards of the GAO Standards for Audit of Government Organizations, Programs, Activities, and Functions, Latest Revision.

3.2 MINIMUM SUBMISSION REQUIREMENTS

3.2.1 Proposal Format and Quantity

Proposal should follow the format and reference the sections listed in the Proposal Content Requirements section. Responses to each section and subsection should be labeled to indicate the item being addressed.

Proposer shall submit **one original** signed Proposal **plus** one electronic copy of the complete Proposal on electronic media (USB drive) in one of the following formats: Adobe Acrobat (pdf), Microsoft Word (docx), or Microsoft Excel (xlsx). The total combined size of the Proposal should be compressed so it does not exceed 10 megabytes.

The Proposer Information and Certification Sheet (Attachment C) must bear the Proposer's authorized representative's Signature. If Proposer believes any of its Proposal is exempt from disclosure under Oregon Public Records Law (ORS 192.410 through 192.505), Proposer shall complete and submit the Affidavit of Trade Secret (Attachment B) submit one complete fully redacted version of its Proposal, clearly identified as the redacted version.

Proposer shall submit its Proposal in a sealed package addressed to the SPC with the Proposer's name and the RFP title and number clearly visible on the outside of the package.

3.2.2 Authorized Representative

Failure of the authorized representative to sign the Proposal may subject the Proposal to rejection by the County.

3.3 PROPOSAL CONTENT REQUIREMENTS

Proposal must address each of the items listed in this section and all other requirements set forth in this RFP. Proposer shall describe the Services to be performed. A Proposal that merely offers to provide the goods or services as stated in this RFP may be considered non-Responsive to this RFP and will not be considered further.

Proposal should not include extensive art work, unusual printing or other materials not essential to the utility and clarity of the Proposal. Do not include marketing or advertising material in the Proposal. Proposal should be straightforward and address the requirements of the RFP. Proposal containing excess marketing or advertising material may receive a lower evaluation score if specific information is difficult to locate.

3.3.1 Proposer Information and Certification Sheet

Proposer shall complete and submit the Proposer Information and Certification Sheet (Attachment C).

Failure to demonstrate compliance with Oregon Tax Laws and sign the Proposer Information and Certification Sheet may result in a finding of non-Responsibility.

3.3.2 Responsibility Determination

The County will determine if an apparent successful Proposer is Responsible prior to award and execution of the Contract.

At any time prior to award, County may reject a Proposer found to be not Responsible.

3.3.3 References

References must be able to verify the quality of previous, related Work. The County may contact references to determine whether they support Proposer's ability to comply with the requirements of this RFP. County may use references to obtain additional information, or verify any information needed. County may contact any reference (submitted or not) to verify Proposer's qualifications.

3.3.4 Proposed Work Plan and Timeline

Describe how Proposer would carry out the major activities of the audit in context with the Scope of Work. Provide a comprehensive management plan that the Proposer intends to follow. Illustrate how the plan will serve to coordinate and accomplish the Work defined in this RFP.

The work plan should include audit milestones, schedules, time estimates (in hours) for each significant segment of the audit and the staff level to be assigned. Where possible, individual staff members should be named and their titles provided. The planned use of specialists, if any, should be described.

Also include a work plan and description of any additional data collection or work that your firm performs in the first year with a new local government audit client. Attach examples of any tools or forms your firm will use for this process.

Indicate your best estimate of time that County, CCDA and 4H and Extension Service District personnel will need to contribute to the audit work effort and any additional first year activities.

Please differentiate the work required for the three legal entities to be audited – County, CCDA and 4H and Extension Service District.

Please also include the following documents (redacted or generic forms used by your firm are acceptable) as part of your Proposal:

- a. Sample(s) of a recent audit testing preparation list for a similar local government
- b. Sample(s) of a recent audit calendar (testing dates, document production deadlines, anticipated filing dates) for a similar local government
- c. Sample(s) of a recent engagement letter for a similar local government
- d. Sample(s) of a recent representation letter for a similar local government

Proposers may attach any other documents or descriptions of the tools Proposer frequently uses to perform local government audits that might give the County a better feel for Proposer's use of technology and audit methodology as well as insight into the staffing commitment, and proposed timing that the County can expect during the initial and subsequent Contract terms.

Provide any other information - in this or any other section of the Proposal - that you feel may help the Proposal Evaluation Committee evaluate your firm for this engagement.

3.3.5 Qualifications and Experience

Describe why Proposer is qualified to provide the audit services to Columbia County as described in this RFP. Proposer should describe the firm's experience and qualifications in the following specific areas:

- a. Production of CAFR documents
- b. Drafting basic financial statements
- c. Single audit
- d. Assisting clients in obtaining and/or retaining the GFOA Certificate of Achievement in Financial Reporting award
- e. Engagements with primary governments and their component units

Disclose any disciplinary or other corrective action taken by the Oregon State Board of Accountancy (or similar authorities) related to your firm in the last five years. Describe what has changed at your firm as a result.

Provide a list of the municipal audits Proposer has performed in the past three (3) years. Briefly describe the range of activities provided by Proposer such as auditing, drafting of basic financial statements, accounting, tax service, or management services. For three (3) of the municipal audits listed, provide the name, title and the telephone number of the client official responsible for the audit.

Identify the state of Proposer's incorporation and the city(ies) in Oregon where staff are located.

Include a copy of the firm's most recent peer review letter with your Proposal.

3.3.6 Key Persons and Resumes

Identify the audit managers, field supervisors and other key staff who will work on the audit, including staff from other than the local office (organizational chart) and any subcontractors proposed to provide services under the resultant contract. Resumes describing certifications, degrees, professional association memberships, relevant experience and continuing education for the auditor-in-charge up through the individual with final responsibility for the engagement should be included. For other proposed staff, including consultants to be assigned to the audit, please attach either a description of their qualifications and prior governmental auditing experience (ex: years of experience in performing single audits, familiarity with Oregon Local Budget Law, etc.) or their current professional resume.

Provide a description of the Proposer's policies on:

- a. Senior staff rotation once assigned to audit the County
- b. Notification of changes in key personnel assigned to the engagement
- c. Disclosure to clients of disciplinary action or other similar events during the course of the Contract

3.3.7 Cost Proposal

1. Services and associated costs must be provided separately for each legal entity and for each year of the initial 3-year term of the Contract.
 - a. County
 - Annual Audit Services (including CAFR and Single Audit)
 - Production of Basic Financial Statements
 - Communication to the Governing Body
 - Other Required Services
 - Initial Engagement Costs (if required for first year Contract term)
 - b. Columbia County Development Agency
 - Annual Audit Services
 - Production of Basic Financial Statements
 - Communication to the Governing Body
 - Other Required Services
 - Initial Engagement Costs (if required for first year Contract term)
 - c. 4H and Extension Service District
 - Annual Audit Services
 - Production of Basic Financial Statements
 - Communication to the Governing Body
 - Other Required Services
 - Initial Engagement Costs (if required for first year Contract term)
2. For each activity described in the Scope of Work, the Cost Proposal must include identifiable costs, time estimates for completing each activity, and a summary of all proposed costs for each legal entity.
3. The Cost Proposal must include separate line items for personnel, travel, supplies, and any other anticipated reimbursable costs.
4. Describe any subsequent year cost differences within each category as applicable.

SECTION 4: SOLICITATION PROCESS

4.1 PUBLIC NOTICE

The RFP, including all Addenda and attachments, is published on the Oregon Procurement Information Network (ORPIN) at <http://orpin.oregon.gov> RFP documents will not be mailed to prospective Proposers.

County shall advertise all Addenda on ORPIN. Prospective Proposer is solely responsible for checking ORPIN to determine whether or not any Addenda have been issued. Addenda are incorporated into the RFP by this reference.

This RFP and any subsequent RFP information may also be reviewed at the following Columbia County web site: <http://www.co.columbia.or.us/requests-for-proposals>

4.2 PRE-PROPOSAL CONFERENCE

A pre-Proposal conference will not be held for this RFP.

4.3 QUESTIONS / REQUESTS FOR CLARIFICATIONS

All inquiries, whether relating to the RFP process, administration, deadline or method of award, or to the intent or technical aspects of the RFP must:

- Be delivered to the SPC via email, facsimile, or hard copy
- Reference the RFP number
- Identify Proposer's name and contact information
- Refer to the specific part of the RFP being questioned (i.e. page, section and paragraph number); and
- Be received by the due date and time for Questions/Requests for Clarification identified in the Schedule

4.4 SOLICITATION PROTESTS

4.4.1 Protests to RFP

Prospective Proposer may submit a written protest of anything contained in this RFP, including but not limited to, the RFP process, Scope of Work, and the proposed Sample Personal Services Contract. The protest must be received by the SPC no later than 7 days before Closing. This is prospective Proposer's only opportunity to protest the provisions of the RFP, except that Proposer may protest Addenda as provided below and Proposer may take exception to the terms and conditions of the Sample Personal Services Contract as set forth in the Negotiations Section.

4.4.2 Protests to Addenda

Prospective Proposer may submit a written protest of anything contained in the respective Addendum. Protests to Addenda, if issued, must be submitted by the date and time specified in the respective Addendum, or they will not be considered. Protests of matters not added or modified by the respective Addendum will not be considered.

4.4.3 Protest Process

Protest of the RFP or subsequent Addenda must:

- Be delivered to the SPC via email, facsimile, or by hard copy
- Reference the RFP number
- Identify prospective Proposer's name and contact information
- Be sent by an authorized representative
- State the reason for the protest, including:
 - the grounds that demonstrate how the Procurement Process is contrary to law, unnecessarily restrictive, legally flawed, or improperly specifies a brand name; and
 - evidence or documentation that supports the grounds on which the protest is based

- State the proposed changes to the RFP provisions or other relief sought
- Protests to the RFP must be received 7 days before the RFP Close date identified in the Schedule
- Protests to Addenda must be received by the due date identified in the respective Addendum

4.5 PROPOSAL DELIVERY OPTIONS

Proposer is solely responsible for ensuring its Proposal is received by the SPC in accordance with the RFP requirements before Closing. The County is not responsible for any delays in mail or by common carriers or by transmission errors or delays, or for any mis-delivery for any reason. A Proposal submitted by any means not authorized below will be rejected.

Delivery through Mail or Parcel Carrier

A Proposal may be submitted through the mail or via parcel carrier, and must be clearly labeled and submitted in a sealed envelope, package or box. The outside of the sealed submission must clearly identify the Proposer's name and the RFP number and title. It must be addressed to the attention of the SPC at the address listed on the Cover Page.

Delivery in Person

A Proposal may be hand delivered, and must be clearly labeled and submitted in a sealed envelope, package or box. A Proposal will be accepted, prior to Closing, during the County's normal Monday – Friday business hours of 8:30 a.m. to 5 p.m. Pacific Time, except during holidays and other times when the County offices are closed. The outside of the sealed submission must clearly identify the Proposer's name and the RFP number and title. It must be delivered to the attention of the SPC at the address listed on the Cover Page.

4.6 PROPOSAL MODIFICATION OR WITHDRAWAL

If a Proposer wishes to make modifications to a submitted Proposal it must submit its modification in one of the authorized methods listed in the Proposal Delivery Options section. To be effective, the notice must include the RFP number and title and be submitted to the SPC prior to Closing.

If a Proposer wishes to withdraw a submitted Proposal, it must submit a written notice signed by an authorized representative of its intent to withdraw to the SPC via email, facsimile, or hard copy prior to closing. To be effective the notice must include the RFP number.

4.7 PROPOSAL DUE

A Proposal (including all required submittal items) must be received by the SPC on or before Closing. All Proposal modifications or withdrawals must be received prior to Closing.

A Proposal received after Closing is considered LATE and will NOT be accepted for evaluation. A late Proposal will be returned to the Proposer or destroyed.

4.8 PUBLIC OPENING

There will be no public Opening of Proposals. Proposals received will not be available for inspection until after the evaluation process has been completed and the Notice of Intent to Award is issued. However, the County will record and make available the identity of all Proposers after Opening.

4.9 PROPOSAL REJECTION

The County may reject a Proposal for any of the following reasons:

- Proposer fails to substantially comply with all prescribed RFP procedures and requirements, including but not limited to the requirement that Proposer's authorized representative sign the Proposal.
- Proposer fails to meet responsibility requirements.
- Proposer makes any contact regarding this RFP with any County representatives such as County employees or officials other than the SPC or those the SPC authorizes, or inappropriate contact with the SPC.
- Proposer attempts to influence a member of the Evaluation Committee.
- Proposal is conditioned on the County's acceptance of any other terms and conditions or rights to negotiate any alternative terms and conditions that are not reasonably related to those expressly authorized for negotiation in the RFP or Addenda.

4.10 EVALUATION PROCESS

4.10.1 Responsiveness determination

A Proposal received prior to Closing will be reviewed to determine if it is Responsive to all RFP requirements including compliance with Minimum Qualifications section and Minimum Submission Requirements section. If the Proposal is unclear, the SPC may request clarification from Proposer. However, clarifications may not be used to rehabilitate a non-Responsive proposal. If the SPC finds the Proposal non-Responsive, the Proposal may be rejected.

4.10.2 Evaluation Criteria

Each Proposal meeting all Responsiveness requirements will be independently evaluated by members of an Evaluation Committee. Evaluation Committee members may change and the County may have additional or fewer evaluators for optional rounds of competition. Evaluators will assign a score for each evaluation criterion up to the maximum available points as indicated below.

SPC may request further clarification to assist the Evaluation Committee in gaining additional understanding of Proposal. A response to a clarification request must be to clarify or explain portions of the already submitted Proposal and may not contain new information not included in the original Proposal.

4.11 INITIAL EVALUATION CRITERIA

Scores are the points assigned by each Evaluation Committee member. The maximum points

possible for each evaluation criteria are listed in the table below. The SPC will average all scores for each evaluation criterion.

Points and Scoring	
Evaluation Criteria	Points per Section
Proposed Work Plan and Timeline	30
Qualifications and Experience	20
Key Persons and Resumes	15
Cost Proposal	35
Total points available	100

4.12 RANKING OF PROPOSERS

The SPC will average the scores for each Proposal, calculated by totaling the points awarded by each Evaluation Committee member and dividing by the number of members.

The County will determine the rank order of all Proposers at the conclusion of the evaluation and scoring and may, in the County's sole discretion, determine an apparent successful Proposer with no additional rounds of competition. If additional competition is conducted, the County will rank advancing Proposers at the conclusion of each subsequent round and may determine an apparent successful Proposer at any time during the solicitation process.

4.13 NEXT STEP DETERMINATION

At the conclusion of a round of competition, the County may choose to conduct additional round(s) of competition if in the best interest of the County. Additional rounds of competition may consist of, but will not be limited to:

- Interviews
- Presentations/Demonstrations/Additional Submittal Items
- Discussions and submittal of revised Proposals
- Serial or simultaneous negotiations
- Best and Final Offers

4.13.1 Competitive Range Determination

If the County, in its sole discretion, determines that one or more additional rounds of competition is necessary, it will select a Competitive Range to indicate the Proposers that will be invited to participate in a subsequent round. The Competitive Range may include all, or at the County's sole discretion, some (based primarily on a natural break in the distribution of scores), of the Proposers from a previous round. The County will post a notice in ORPIN of its Competitive Range Determination and provide details about the process and schedule for the subsequent round.

SECTION 5: AWARD AND NEGOTIATION

5.1 AWARD NOTIFICATION PROCESS

5.1.1 Award Consideration

County, if it awards a Contract, shall award a Contract to the highest ranking Responsible Proposer(s) based upon the scoring methodology and process described in Section 4. The County may award less than the full Scope defined in this RFP. If agreement with the highest ranked Proposer is not reached, the County may offer award to the next ranked Proposer and so on until agreement is reached or until the County terminates the process. The County may require reconfirmation of the qualifications and staffing of any Proposer.

5.1.2 Intent to Award Notice

The County will notify all Proposers in Writing that the County intends to award a Contract to the selected Proposer(s) subject to successful negotiation of any negotiable provisions.

5.2 INTENT TO AWARD PROTEST

5.2.1 Protest Submission

An Affected Offeror shall have 7 calendar days from the date of the intent to award notice to file a written protest.

A Proposer is an Affected Offeror only if the Proposer would be eligible for Contract award in the event the protest was successful and is protesting for one or more of the following reasons:

- All higher ranked Proposals are non-Responsive.
- The County has failed to conduct an evaluation of Proposals in accordance with the criteria or process described in the RFP.
- The County abused its discretion in rejecting the protestor's Proposal as non-Responsive.
- The County's evaluation of Proposal or determination of award otherwise violates County Order 38-2006.

If the County receives only one Proposal, the County may dispense with the evaluation process and intent to award protest period and proceed with Contract Negotiations and award.

5.2.1.1 Protests must:

- Be delivered to the SPC via email, facsimile or hard copy
- Reference the RFP number
- Identify prospective Proposer's name and contact information
- Be signed by an authorized representative
- Specify the grounds for the protest
- Be received within 7 calendar days of issuance of the Notice of Intent to Award

5.2.2 Response to Protest

The County will address all timely submitted protests within a reasonable time and will issue a written decision to the respective Proposer. Protests that do not include the required information may not be considered by the County.

5.3 APPARENT SUCCESSFUL PROPOSER SUBMISSION REQUIREMENTS

Proposers who are selected for a Contract award under this RFP will be required to submit additional information and comply with the following:

5.3.1 Insurance

Prior to award, Proposers shall secure and demonstrate to the County proof of insurance in the amount of \$2,000,000 Commercial General Liability and \$2,000,000 Professional Liability. Insurance requirements must be maintained throughout the term of the Contract.

5.3.2 Taxpayer Identification Number

The apparent successful Proposer shall provide its Taxpayer Identification Number (TIN) and backup withholding status on a completed W-9 form when requested by the County or when the backup withholding status or any other relevant information of Proposer has changed since the last submitted W-9 form, if any.

5.3.3 Business Registry

If selected for award, Proposer shall be duly authorized by the State of Oregon to transact business in the State of Oregon before executing the Contract. Information about these requirements may be found at <http://sos.oregon.gov/business/pages/register.aspx>.

5.4 CONTRACT NEGOTIATION

5.4.1 Negotiation

After selection of a successful Proposer, the County may enter into Contract negotiations with the successful Proposer. By submitting a Proposal, Proposer agrees to comply with the requirements of the RFP, including the terms and conditions of the Sample Personal Services Contract (Attachment A).

Proposer shall review the attached Sample Personal Services Contract and note exceptions. Unless Proposer notes exceptions in its Proposal, the County intends to enter into a Contract with the successful Proposer substantially in the form set forth in Sample Personal Services Contract. It may be possible to negotiate some provisions of the final Contract; however, many provisions cannot be changed. Proposer is cautioned that the County believes modifications to the standard provisions constitute increased risk and increased cost to the County. Therefore, the County will consider the Scope of requested exceptions in the evaluation of Proposal.

Any subsequent negotiated changes are subject to prior approval of the Office of County Counsel.

In the event that the parties have not reached mutually agreeable terms within a reasonable

amount of time as determined by the County, the County may terminate Negotiations and commence Negotiations with the next highest ranking Proposer.

SECTION 6: ADDITIONAL INFORMATION

6.1 GOVERNING LAWS AND REGULATIONS

This RFP is governed by the laws of the State of Oregon. Venue for any administrative or judicial action relating to this RFP, evaluation and award is the Circuit Court of the State of Oregon for Columbia County located in St. Helens, Oregon; provided, however, if a proceeding must be brought in a federal forum, then it must be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. In no event shall this Section be construed as a waiver by the County of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the eleventh amendment to the Constitution of the United States or otherwise, to or from any Claim or from the jurisdiction of any court.

6.2 OWNERSHIP/PERMISSION TO USE MATERIALS

All Proposals are public record and are subject to public inspection after the County issues the Notice of the Intent to Award. Application of the Oregon Public Records Law will determine whether any information is actually exempt from disclosure.

All Proposals submitted in response to this RFP become the Property of the County. By submitting a Proposal in response to this RFP, Proposer grants the County a non-exclusive, perpetual, irrevocable, royalty-free license for the rights to copy, distribute, display, prepare derivative works of and transmit the Proposal solely for the purpose of evaluating the Proposal, negotiating an Agreement, if awarded to Proposer, or as otherwise needed to administer the RFP process, and to fulfill obligations under Oregon Public Records Law (ORS 192.410 through 192.505). Proposals, including supporting materials, will not be returned to Proposer unless the Proposal is submitted late.

6.3 CANCELLATION OF RFP; REJECTION OF PROPOSAL; NO DAMAGES.

The County may reject any or all Proposals in-whole or in-part, or may cancel this RFP at any time when the rejection or cancellation is in the best interest of the County, as determined by the County. The County is not liable to any Proposer for any loss or expense caused by or resulting from the delay, suspension, or cancellation of the RFP, award, or rejection of any Proposal.

6.4 COST OF SUBMITTING A PROPOSAL

Proposer shall pay all the costs in submitting its Proposal, including, but not limited to, the costs to prepare and submit the Proposal, costs of samples and other supporting materials, costs to participate in demonstrations, or costs associated with protests.

6.5 CHECKLIST DISCLAIMER

Any checklists that may be contained in this RFP are provided only as a courtesy to prospective Proposer. The County makes no representation as to the completeness or accuracy of any Checklist. Prospective Proposer is solely responsible for reviewing and understanding the RFP and complying with all the requirements of this RFP, whether listed in a checklist or not. The County is not liable for any claims, or subject to any defenses, asserted by Proposer based upon, resulting from, or related to, Proposer's failure to comprehend all requirements of this RFP.

Checklist	Y / N
Audit firm (Proposer) must be properly licensed for public practice as an independent auditor and be qualified as a municipal auditor.	
Audit firm must not have a record of substandard work. The County will verify this requirement by communication with the Oregon State Board of Accountancy.	
Audit firm must meet the independent standards of the GAO Standards for Audit of Government Organizations, Programs, Activities, and Functions, Latest Revision.	
References	
Work Plan and Timeline	
Qualifications and Experience	
Copy of Proposer's most recent peer review letter	
Key Persons and Resumes	
Cost Proposal	
Attachment B – Affidavit of Trade Secret (if applicable)	
Attachment C – Proposer Information and Certification Sheet	
Sample audit testing preparation list for similar local government	
Sample audit calendar for similar local government	
Sample engagement letter for similar local government	
Sample representation letter for a similar local government	



CLARK NUBER PS

certified public accountants
and consultants

Columbia County

Proposal to Provide
Independent Auditing Services

Submitted: March 29, 2018

Clark Nuber PS

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March 29, 2018

Jewelee Bell
Department of Finance and Taxation
230 Strand Street
St. Helens, Oregon 97051

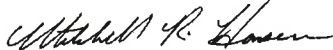
Dear Jewelee:


Thank you for this opportunity to present our qualifications for providing an annual independent audit of the financial statements for Columbia County. We are honored to be considered as a service provider and would be pleased to serve as a resource to you.

This proposal response will be brief, addressing those key points requested in your RFP.

Attached is further information that may be helpful in assessing the qualifications of our firm to meet your needs. Please call us at 425-454-4919 or e-mail at mhansen@clarknuber.com, if we can answer any additional questions, or if you would like to meet to discuss your needs further.

Sincerely,


Mitch Hansen, CPA, CMA, CFE
Shareholder
Clark Nuber PS


Troy Rector, CPA, CGMA
Principal
Clark Nuber PS



T: 425-454-4919
T: 800-504-8747
F: 425-454-4620

10900 NE 4th St
Suite 1400
Bellevue WA
98004

clarknuber.com

Proposal to Provide Professional Services to Columbia County

3.3.1 Proposer Information and Certification Sheet

Please find the Proposer Information and Certification Sheet (Attachment C) in the appendix

3.3.3 References

We place a high value on client relationships and exercise complete discretion in discussing client operations. These clients have granted us permission to use them as references which you may find useful in assessing our qualifications.

Clark Nuber, PS
Jon Matthews, Chief Financial Officer
Columbia River Intertribal Fish Commission
503-238-0667

David Peterson, Controller
Puyallup Tribe of Indians
253-573-7940

Brown, Edwards & Company, L.L.P.
Susan Crawford, Director of Financial Management
County of Bedford, Virginia
540-586-7601

Angie Hill, Director of Finance
County of Montgomery
540-382-6960

3.3.4 Proposed Work Plan and Timeline

Audit Approach

Understanding of Work to Be Performed

We will audit all funds of the County and its component unit in accordance with Generally Accepted Auditing Standards (GAAS); the standards for financial audits contained in Generally Accepted Government Auditing Standards (GAGAS) issued by the Comptroller General of the United States; and the provisions of the Uniform Guidance.

Initial Survey of the County's Systems and Financial Processes

We employ a "top-down" approach to internal controls, which maximizes the efficiency of the process for your staff, and provides us with the most relevant information. A "top down" approach begins with the identification of significant audit areas and relevant financial statement assertions within those areas. The next step is to gain an understanding of the flow of transactions within those areas, and the key controls over those transactions. Finally, as key controls are identified, we verify their implementation through observation, inspection, or re-performance. This level of understanding is then used to design appropriate audit procedures, as well as provide you with our observations and suggestions about your internal controls.

In some audit areas we choose to test controls more extensively, either for efficiency reasons or because it is necessary to obtain appropriate audit evidence. Again, our emphasis is on the testing of key controls, rather than processes that are of lesser importance.

In practical terms, we primarily rely on narratives that describe the flow of transactions, either prepared by the client or with our assistance. In some cases we may supplement this with internal control questionnaires, depending on the complexity of the area and the amount of detail required. For all engagements, both initial and recurring, we prefer to do our internal control audit work during our preliminary fieldwork. This frees up your staff later when we return to perform final fieldwork, and also provides us with relevant information that is used to design our audit procedures.

Annual Planning and Preparation

Our approach emphasizes up-front planning. During the planning phase, we will gain an understanding of the County and its internal controls, to the extent necessary to plan our audit. This will involve one-on-one interviews with and review of questionnaires completed by various County personnel. In addition, we will seek to identify areas that might be of higher risk. During this time, we will also inquire of County personnel as to whether there are new grants or other changes to their operations requiring us to address compliance with new laws and regulations as we plan our audit. Then, utilizing this information and our in-depth knowledge of local governments, we assess the risks associated with your audit, including fraud, and adapt our audit strategy accordingly. A thoughtful, rigorous risk assessment process forces us to focus our efforts and to be as efficient and effective as possible. Our shareholders and concurring reviewers are highly involved in this exercise.

Information Technology Assessment

Generally accepted auditing standards require that we gain an understanding of the internal control system sufficient to plan our audit. As part of that process, we utilize an experienced CISA (Certified Information System Auditor). We have obtained this experience performing IT assessment procedures for various size companies, including public companies for Sarbanes-Oxley Information Technology requirements, governments, colleges, and financial institutions. Our CISA will interview your IT personnel for the purpose of evaluation of IT risks and controls relevant to the audit. Most of our competitors do not have this resource or level of experience available. In most cases, this review results in the identification of previously unknown areas of risk and areas where controls and/or processes could be improved. Many firms market this as an additional service for an additional fee, if they can, in fact, provide the service. We include this assessment as part of our stated audit fees.

Work Plan

The following is our proposed work plan for the financial statement and Single Audit of Columbia County including audit milestones, schedules and time estimates based on our understanding of the County and individual entity's needs. A separate table has been provided below for the audits of the CCDA and 4H and Extension Service District.

Columbia County Audit Engagement

Activity	Estimated Timing	Anticipated Percentage of Hours by Associate Level			Estimated Hours
		Principal	Manager	In-Charge Staff	Total = 278
Preliminary Fieldwork: <ul style="list-style-type: none"> • Entrance conference • Engagement planning • Documentation of systems and understanding of internal controls 	April/May	Off-Site			
		18%	54%	29%	42
Interim Fieldwork <ul style="list-style-type: none"> • Evaluation of systems • Testing of financial statement internal controls • Completion of the Single Audit test work • Completion of the State of Oregon compliance test work 	May or June	On-Site			
		0%	16%	84%	37
Year-End Fieldwork: <ul style="list-style-type: none"> • Substantiation of significant account balances • Analytical review of accounts • Single Audit • Preparation of the County's CAFR 	September or October	On-Site			
		11%	12%	78%	156
Wrap up and Presentation <ul style="list-style-type: none"> • Wrap up of remaining engagement tasks • Final engagement reviews • Presentation of financial statements 	October	33%	23%	44%	43

CCDA and the 4H and Extension District

Audit fieldwork for both CCDA and the 4H and Extension District (the District) would occur at mutually agreeable dates. Our preference would be to perform the audit of the two component units during the same fieldwork dates which could or could not align with the timing of the County's audit. For each of CCDA and the District audits, we would assign a staff member with total of 30 hours expected to complete audit fieldwork for each entity.

Planned Use of Specialists

To ensure we serve the County to the highest extent possible, we would include the firm of Brown, Edwards & Company (Brown Edwards) as technical advisors to the audit of Columbia County. Brown Edwards has significant experience serving local governments and has an in-depth understanding of the regulatory environment in which municipalities operate, CAFR preparation and the GFOA Certificate of Achievement. Brown Edwards would plan to be advisors to Clark Nuber with Clark Nuber holding the primary interactions with the County, as well as, staffing of the audit engagements.

County, CCDA and 4H and Extension Service District Support

A significant portion of our audit budgets are attributed to engagement planning. This includes understanding of the County's internal controls through requested completion of checklists, discussions around significant current year events and other matters that may impact our annual audit engagements. As a result, we are able to prepare an accurate audit preparation listing and engagement with County to ensure all planning tasks, including sample selections, are performed prior to the on-site audit fieldwork.

3.3.5 Qualifications and Experience

About Clark Nuber

Clark Nuber is one of the Top 100 accounting firms in the western region. Headquartered in the Seattle metro area, we are an award-winning CPA and consulting firm that has been providing timely, exceptional service for more than six decades. Clark Nuber's over 200 professionals serve a broad range of clients with operations throughout the world. These clients include not-for-profit and public sector organizations, privately held and family businesses, angel and venture-backed companies, public companies, foundations, and high net worth individuals and their families.

About Clark Nuber

- One of the top accounting firms in the western region*
- Location: Bellevue, WA
- Number of employees: 200+
- Number of shareholders: 23
- Years in existence: 60+

**Accounting Today, western region includes WA, CA, OR, ID and NV*

Our services include financial statement audits; internal audit support; risk management; internal control systems; indirect cost rate consulting; merger and acquisition services; federal, state and local, and international tax planning and compliance; CFO/Controller/accounting services, and specialty audits, including retirement plans and government grants.

Columbia County Comprehensive Annual Financial Report (CAFR)

We will perform an audit of the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the County, which collectively comprise the County's basic financial statements. The audit will be performed in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. We will apply similar procedures and provide an opinion on the other supplementary information.

In accordance with *Government Auditing Standards*, we will issue a report on our consideration of the County's internal control over financial reporting and tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance.

The Management's Discussion and Analysis and other required supplementary information are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We will apply certain limited procedures, which consist principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. No audit opinion will be issued.

GFOA Certificate of Achievement

Collectively, Clark Nuber and Brown Edwards have over thirty years of experience with the GFOA Certificate of Excellence in Financial Reporting program, and all of our clients who have chosen to participate receive the certificate. Our practice is to review the comments provided by the prior year's GFOA review and discuss with our client the implementation of those comments in the current year's report. Additionally, we review the most recent GFOA checklist to identify potential issues that need to be addressed.

Uniform Guidance (2 CFR 200)

Our firm has invested significant resources in the research and learning of the Uniform Guidance. We have held client seminars on the new Uniform Guidance, as well as, providing ongoing advising to our clients on the new requirements. We will be using as a basis for our audit plan the suggested audit procedures as outlined in the OMB Compliance Supplement.

Peer Review Report

The American Institute of CPAs instituted a peer review program with the objective of improving the quality of the work in the profession. Peer reviews are held every three years and are conducted by a team of reviewers approved by the AICPA. Clark Nuber successfully completed its triennial peer review with a passing report and no deficiencies reported. This review included a review of specific not-for-profit, A-133, and retirement plan audit engagements. The firm has never had any audits rejected by federal or state agencies. In addition, there are no disciplinary actions pending or taken against the firm. The most current Peer Review Reports for both Clark Nuber and Brown Edwards & Company are included in the Appendix.

3.3.6 Key Persons and Resumes

The individuals we have selected for your engagement team all have experience targeted to your specific needs and understand that good communication and collaboration are hallmarks of good client service. There have been no complaints against them that have been leveled by the state board of accountancy or other regulatory authority.

Mitch Hansen	Shareholder and Municipal Auditor
Troy Rector	Principal
John Aldridge	Technical Advisor

Mitch Hansen, the shareholder who heads up our governmental practice, will oversee the overall audit engagement. Mitch will stay in regular contact with the team, as well as, perform his in-field review of the audit engagement. He has 25 years of experience planning and conducting financial, compliance and operational audits. Mitch spent 7 years as an auditor for the U.S. Department of Commerce, Office of Inspector General where he spent all of this time conducting these types of audits. This experience also included developing and executing audit work plans for large federal government programs, as well as

contractors and grantees. He then moved into public accounting and devotes 100% of his time to consulting and auditing for not-for-profit and governmental entities. Many of our clients have federal grants and require an annual federal compliance audit under the Single Audit Act. Our firm does more of these audits in Washington than any other CPA firm, and Mitch heads up that practice. He also uses his prior experience with the federal government to consult with and help state and local government entities with operational issues. He is also licensed as a Municipal Auditor in the State of Oregon. A professional résumé for Mitch is included in the Appendix to this proposal.

Troy Rector would serve as the Principal of your audit services and would take the lead role in planning the audits and supervising the audit staff that perform the audit. Troy has deep expertise in providing financial statement and Single Audit services to our clients. Troy leads the team that manages our Uniform Guidance technical resources and provides federal grant compliance training internally for our staff as well as externally for staff at organizations that receive federal funding and especially those awards subject to the OMB's Uniform Guidance. A professional résumé for Troy is included in the Appendix to this proposal.

John Aldridge is an audit partner with Brown Edwards and would lead the technical advisory services provided to the engagement. John's concentration is related to municipalities and HUD entities; he has extensive experience performing organizational reviews as they relate to internal controls and operations. He is also a member of the firm's peer review services team, providing quality reviews to regional public accounting firms around the country.

Staff Continuity

Staff continuity on engagements is as much of a concern for us as it is for our clients. Our policy is to retain the same staff on your engagement from year to year. The senior staff accountant, or "in charge" assigned to your engagement will have several years' experience in serving governmental organizations. This provides for more efficiency on the engagement and less disruption to you and your staff. Although the average turnover rate in the accounting profession is 16-30%, our three-year staff turnover rates are lower than industry standards: 2017: ~ 16% 2016: ~ 15% 2015 ~ 14%.

Should there be a change in your staffing we will work with the County to plan accordingly to make that transition without interruption to work.

None of the members of your team have been subject to disciplinary action and should that change we would be in direct communication with all members of the involved team to discuss the situation.

3.3.7 Cost Proposal

We propose the following fixed fees for a three-year period to demonstrate our commitment to providing you with compliance services for reasonable and predictable fees:

Columbia County	2018	2019	2020
Financial Statement and Single Audits	\$37,000	\$38,500	\$40,000
Estimated travel costs	\$3,500	\$3,500	\$3,500
Total	\$40,500	\$42,000	\$43,500

Columbia County Development Agency	2018	2019	2020
Financial Statement Audit	\$8,000	\$8,500	\$9,000
Estimated travel costs	1,000	1,000	1,000
Total	\$9,000	\$9,500	\$10,000

4H and Extension Service District	2018	2019	2020
Financial Statement Audit	\$8,000	\$8,500	\$9,000
Estimated travel costs	1,000	1,000	1,000
Total	\$9,000	\$9,500	\$10,000

The quoted fees above include all estimated time associated with the annual audits, production of the financial statements, communication to the governing body and routine advice as requested in the request for proposal. In addition, we will not charge for initial engagement costs as we believe those costs are an investment for what we would hope to be a long-term relationship between us and the County.

The above fees are based on the understanding that: 1) all accounting records will be closed and reconciled prior to our arrival for fieldwork; 2) you and your staff will be available and will provide requested files and documents for our review; 3) there will be no unusual, unexpected accounting issues encountered; and 4) we will prepare final bound statements and reports.

The fee quotes above are fixed fee quotes for the services listed and would only change due to changes in the scope of services. We expect any rate increases in future years to be minimal and in line with common cost of living increases, assuming the activity level at your organization remains the same. Our proposed fees are negotiable, and we are happy to discuss any part of our fee quote in more detail, if desired.

Appendix

Résumés

Proposer Information and Certification Sheet

Requested document examples

 Audit testing preparation list

 Audit calendar

 Engagement letter

 Representation letter

Peer Review Report

Mitch Hansen CPA, CMA, CFE



As a shareholder in our audit and assurance practice, Mitch primarily works with not-for-profit and governmental organizations. He specializes in financial statement audits, audits for federally funded programs, entrepreneur consulting, forensic audits, governance consulting and training, and best practice and internal control consulting. Mitch's previous experience as an auditor for the U.S. Department of Commerce and in the accounting department at Yellowstone National Park have helped to create his exceptional knowledge base.

Practice Emphasis

- Heads up the firm's governmental services practice
- Governmental entities
- Not-for-profit organizations
- Healthcare and long-term care facilities
- Community colleges
- Associations
- Required audits for federally funded programs
- Forensic Accounting
- Data mining
- Internal controls over financial reporting, fraud, and compliance
- Performance auditing, benchmarking, and operational reviews

Proven Results

- Performed internal audit services over federal compliance issues for a large international aid organization.
- Assisted organizations in negotiating federal indirect cost rates.
- Served as interim controller at a local hospital for four months.
- Consulted with numerous governmental organizations to improve operations and compliance.
- Helped numerous start-ups (not-for-profit and governmental) with formation issues, policies and procedures, accounting systems, and governance and budgeting processes.

Education

- Utah State University, B.S. in Accounting and Finance, minors in Economics and Geology

Continued

Activities

- American Institute of Certified Public Accountants
- Association of certified fraud examiners
- Washington Society of Certified Public Accountants
- WSCPA Governmental Conference and Governmental Committee, Co-Chaired conference for two years
- Not-for-Profit Committee, WSCPA
- Washington Finance Officers Association
- Institute of Management Accountants
- Leading Age Washington Board Member, Finance Committee member
- Former Board Member of Make-A-Wish Foundation Alaska & Washington, The Hearthstone, Kent Valley Hockey Association, and Washington Society of Association Executives
- *Practical Guide to Form 990* by Clark Nuber, an online treatise published by CCH, contributing writer/reviewer

Troy Rector ^{CPA}



Troy is a principal in the firm's audit and assurance practice. His in-depth understanding of the unique issues not-for-profit organizations face enables him to provide technical advice that is specific to each organization. By leading training sessions and workshops, Troy shares his knowledge and expertise with his colleagues at Clark Nuber as well as with client organizations.

Practice Emphasis

- Governmental entities, not-for-profit organizations, and privately owned companies including municipalities, social service agencies, healthcare organizations, and low income housing entities
- Organizations required to be audited under the Single Audit Act in accordance with the Uniform Guidance and/or HUD requirements

Proven Results

- Worked closely with organization management to strengthen their internal control system and business practices.
- Consulted with organizations concerning compliance with federal grant requirements.
- Performed and supervised audits and reviews of organizations and privately held corporations.

Education

- Indiana University, B.S. in Business Administration, concentration in Accounting and Finance

Activities

- American Institute of Certified Public Accountants
- Washington Society of Certified Public Accountants
- WSCPA, Not-for-Profit Committee
- Treasurer, Foundation for the Edmonds School District
- Single Audit Editorial Advisory Board, Thompson Publishing

John S. Aldridge, CPA – Engagement Partner



John is a 1993 graduate of James Madison University with a Bachelor of Business Administration degree. He is a member of the Virginia Society of Certified Public Accountants, the Virginia Government Finance Officers' Association, and the American Institute of Certified Public Accountants. In addition, he serves as Past-Chairman for the Better Business Bureau of Western Virginia. John was recently named a "Super CPA" by the **Virginia Business** magazine.

John is based in our Roanoke office. He is a general practice partner licensed in the Commonwealth of Virginia. John's concentration is related to municipalities and he has extensive experience performing organizational reviews as they relate to internal controls and operations.

Experience with Municipal Government Clients:

Government Audit Engagement	Years on Engagement	Position
Note: E/IC stands for "Engagement In-Charge"		
City of Danville, Virginia*	1	Concurring Partner
City of Staunton, Virginia	1	Concurring Partner
City of Harrisonburg, Virginia	10	E/IC/Concurring reviewer
City of Lynchburg, Virginia	9	Dir./Concurring reviewer
City of Bedford, Virginia	15	Partner/Concurring reviewer
City of Bristol, Virginia	10	Concurring reviewer
City of Salem, Virginia	18	E/IC
City of Galax, Virginia	5	Partner
City of Colonial Heights, Virginia	4	Partner
City of Falls Church, Virginia*	4	Partner
City of Winchester, Virginia	5	Partner
Roanoke City Public Schools	5	Partner
General Assembly of Virginia	6	Partner
New River Valley Regional Jail Authority	4	Partner
Roanoke Valley Detention Commission	11	E/IC/Partner
County of Frederick, Virginia	12	E/IC/Partner
Town of Altavista, Virginia	11	Dir./Concurring reviewer
County of Bedford, Virginia	13	Partner
County of Montgomery, Virginia	9	Partner
Town of Rocky Mount, Virginia	7	Partner
Town of Blacksburg, Virginia	11	Partner
Town of Vinton, Virginia	12	Partner
Virginia Tech/Montgomery Airport Authority	10	Partner
Town of Culpeper, Virginia	5	Partner
County of Orange, Virginia	4	Partner

* – Includes Pension

Attachment C — Proposer Information and Certification Sheet

Legal Name of Proposer: Clark Nuber PS

Address: 10900 NE 4th St.

City, State, Zip: Bellevue, WA 98004

State of Incorporation: WA Entity Type: _____

Contact Name: Mitch Hansen Telephone: 425-454-4919 Email: mhansen@clarknuber.com

Oregon Business Registry Number (if required): _____

Any individual signing below hereby certifies they are an authorized representative of Proposer and that:

1. Proposer understands and accepts the requirements of this RFP. By submitting a Proposal, Proposer agrees to be bound by the Contract terms and conditions in Attachment A and as modified by any Addenda, except for those terms and conditions that County has reserved for negotiation, as identified in the RFP.
2. Proposer acknowledges receipt of any and all Addenda to this RFP.
3. Proposal is a Firm Offer for 90 days following the RFP Closing.
4. If awarded a Contract, Proposer agrees to perform the scope of work and meet the performance standards set forth in the final Contract.
5. I have knowledge regarding Proposer's payment of taxes and by signing below I hereby certify that, to the best of my knowledge, Proposer is not in violation of any tax laws of the state or a political subdivision of the state, including, without limitation, ORS 305.620 and ORS chapters 316, 317 and 318.
6. Proposer does not discriminate in its employment practices with regard to race, creed, age, religious affiliation, gender, disability, sexual orientation, national origin. When awarding subcontracts, Proposer does not discriminate against any business certified under ORS 200.055 as a disadvantaged business enterprise, a minority-owned business, a woman-owned business, a business that a service-disabled veteran owns or an emerging small business.
7. Proposer is a certified Equal Employment Opportunity and Affirmative Action Employer.
8. Proposer and Proposer's employees, agents, and subcontractors are not included on:
 - A. the "Specially Designated Nationals and Blocked Persons" list maintained by the Office of Foreign Assets Control of the United States Department of the Treasury found at: <https://www.treasury.gov/ofac/downloads/sdnlist.pdf>, or
 - B. the government wide exclusions lists in the System for Award Management found at: <https://www.sam.gov/portal/SAM/#1>

9. Proposer certifies that, to the best of its knowledge, there exists no actual or potential conflict between the business or economic interests of Proposer, its employees, or its agents, on the one hand, and the business or economic interests of the County, on the other hand, arising out of, or relating in any way to, the subject matter of the RFP. If any changes occur with respect to Proposer's status regarding conflict of interest, Proposer shall promptly notify the County in writing.
10. Proposer certifies that all contents of the Proposal (including any other forms or documentation, if required under this RFP) and this Proposal Certification Sheet, are truthful and accurate and have been prepared independently from all other Proposers, and without collusion, fraud, or other dishonesty.
11. Proposer understands that any statement or representation it makes, in response to this RFP, if determined to be false or fraudulent, a misrepresentation, or inaccurate because of the omission of material information could result in a "claim" {as defined by the Oregon False Claims Act, ORS 180.750(1)}, made under Contract being a "false claim" {ORS 180.750(2)} subject to the Oregon False Claims Act, ORS 180.750 to 180.785, and to any liabilities or penalties associated with the making of a false claim under that Act.
12. Proposer acknowledges these certifications are in addition to any certifications required in the Contract at the time of Contract execution.



Authorized Signature

3/28/2018

Date

Mitchell R. Hansen, Shareholder

Print Name and Title

**PBC List - Fieldwork
June 30, 2017**

Page 1 of 5

**Please note that it is helpful to obtain items electronically whenever possible.
We would appreciate receiving all items no later than October 9, 2017.**

KEY OVERALL ITEMS:

1. Make sure that all work papers agree to the TB
2. Please have all items ready when we arrive for final fieldwork, currently scheduled for October 16, 2017.

Cash-and Investments (All Funds)

1. Copies of June 30, 2017 bank reconciliations for all the accounts. Also, provide us with a listing of all outstanding checks at June 30, 2017 **in an electronic format if possible.**
2. Provide a schedule of all subsequent receipts from July 1 through September 30. From this listing, please provide all individual receipts greater than the following amounts (use same spreadsheets as last year):

General Fund	\$176,300
Airport Fund	\$8,300
Debt service Fund	\$23,500
Capital Projects Fund	\$25,100
Water and Sewer Fund	\$101,400

3. Schedule of Interbank transfers for all accounts for the period June 26, 2017 to July 7, 2017. Exclude transfers less than \$15,000. Automatic sweeps to/from ZBA accounts do not need to be included. Use attached spreadsheet.
4. Have June 30 and July 31 bank statements available along with the reconciliations.
5. A listing of all **electronic receipts / EFT's** from July 1, 2017 – September 30, 2017. This will consist primarily of amounts received from the state. It would also help to provide us with our own copy of the documentation from these EFT's readily available, as we'll need to review a number of these, both for the County and for the School Board.

Capital Assets (All Funds)

1. Provide a summary of changes in capital assets that agrees to the capital asset note in the CAFR. All of the following reports and schedules should agree to the numbers on this spreadsheet.
2. Provide capital asset reports electronically that show all assets at year end. Generally those consisted of reports that:
 - a. Agreed to each cost and depreciation summary – government activities, business type activities, etc. would each be separate reports.
 - b. Provided the following information in a single report for the governmental and enterprise activities: Asset number, asset description, acquisition date, category (equipment, buildings, etc.) cost, current depreciation, total accumulated depreciation, depreciation life, and depreciation method.

PBC List - Fieldwork
June 30, 2017

Page 2 of 5

- c. Provided separate reports for items disposed of.
 - d. Review the report for fully-depreciated items to verify that they are still in service.
3. Provide an electronic report that categorizes depreciation by function level, i.e. public works, public safety, etc. Compare to prior year.
 4. Provide an electronic report that categorizes governmental activity asset additions by *function*—(the function to which the asset purchase was charged).
 5. Provide us with an electronic schedule of all construction in progress at year-end. Be sure to include any retainage in the cost of the assets.
 6. Provide calculation for capitalized interest.
 7. Provide the invoices for any 2017 governmental activities additions (including school *buildings* financed by primary government) greater than \$287,100; water/sewer fund additions greater than \$101,400; and School additions greater \$142,100.
 8. Provide an electronic account detail of all repair and maintenance accounts and capital improvement accounts used during the year. This could be accomplished by running a detail ledger for all of the repair and maintenance accounts.
 9. Provide a listing of street additions (if applicable) for FY 2017 with the support for the estimated cost.
 10. Provide a listing of developer contributions and other donated capital assets.

Debt (All Funds)

1. Complete an analysis of changes in long-term debt during the year, i.e. new issuances, payments, etc.
2. Provide support for any new debt issued during the year or any refunding that occurred.
3. Complete an analysis of changes in capital leases during the year and provide support for any new capital leases.
4. Provide support for any amounts disclosed related to operating lease commitments at year end.
5. Provide the calculation of accrued interest at June 30, 2017.

Accounts Payable (All Funds)

1. Please provide an electronic file of accounts payable listing as of June 30. Remember that only goods/services received before June 30, but paid for after June 30 should be in accounts payable. Goods/services ordered before June 30, received and paid for after June 30 should be shown as encumbrances for the governmental funds. They should not be shown at all for any other funds. Pull support for items over the scopes listed under cash above.

PBC List - Fieldwork
June 30, 2017

Page 3 of 5

2. Prepare schedule of disbursements subsequent to June 30 for each of the major funds, each of the enterprise funds, the nonmajor funds (as a group), the schools (as a group), and the EDA. Use the same scopes as in #1, above, and use the same schedules as last year. Indicate whether each item is included in or excluded from accounts payable or encumbrances (if applicable). Pull supporting information for the items you list on the schedule. Schedule should include period beginning July 1, and end on the last day of our field audit work.
3. Review all construction contracts outstanding at June 30, 2017 to ensure that retainage has been recorded on the books as a liability.

Encumbrances (All Funds)

1. Please provide electronic copy of the "Open PO" report that shows governmental fund encumbrances outstanding on June 30. Provide support for any amount greater than \$100,000; we may ask for additional items during fieldwork.

Accruals (All Funds)

1. Please provide a schedule of accrued payroll and related payroll tax and withholding liabilities, for each of the funds. (PBC reports: School Accrued Payroll Correction)
2. Provide us with a summary of accumulated sick leave and vacation leave and the employees eligible for retirement that could be paid such amounts. Also, provide us with the names of any employee that has announced their retirement at June 30.
3. Please provide information showing the total changes in the accruals / usage of compensated absences during the year. (PBC reports: County Leave Accrual Margaret, County-JV Support Leave Accrual)
4. Provide the most recent actuary report and census data for OPEB.
5. Provide information on OPEB contributions made during the year.

Utility Billings Receivable

1. Please provide us with an electronic download of utility receivables as of June 30. Note that it is helpful to have a download of the receivables before write-offs as well as after write-offs.
2. Please provide us a detailed schedule and summary of unbilled accounts receivable at June 30.
3. Please provide us a detail calculation of any allowance for doubtful accounts.
4. Provide a listing of AR accounts written off in FY17 with balances from FY16 and older.

Prepaid Items

Please provide us with a schedule of prepaid items as in prior year. Please also consider whether any new contracts have been entered into this year that could create new prepaid amounts.

Income Statement Items (All Funds)

1. Using the state's disbursement report at www.APA.state.va.us, local government section, and tie in amounts from the state to your records.
2. During the audit, we will provide you with variances in both the revenue and expense/expenditure accounts for which we will need you to provide explanations.

Real Estate and Property Taxes and Other General Receivables

1. Provide a summary of miscellaneous accounts receivable. Provide support for any amounts shown as outstanding at year end greater than the scopes noted under cash above.
2. Provide a summary of receivables due from the State of Virginia and Federal Government at June 30, 2017. Provide support for any items over \$176,300 for the General Fund and \$142,100 for the Schools.
3. Provide support for any notes receivable at year end as well as increase or decreases throughout the year.
4. Provide a summary of "Unpaid Taxes Receivable", as well as a "roll-forward" which reconciles current year assessments, current year collections and abatements, prior year unpaid taxes, etc to ending balances of current year. See attached for roll-forward.
5. Please provide a download of all real estate and personal property tax payments between July 1, 2016 and June 30, 2017.
6. In order to complete the tax analysis, you will need to:
 - a. Break down the revenue on the TB between PP and RE.
 - b. Provide the PPTRA amount from the State non-categorical aid account
 - c. Run reports for abatements and exonerations.
7. Please provide the calculation of deferred taxes and the allowance for uncollectible taxes.
8. Provide us with any changes to the tax rates from the prior year.
9. As part of preparing the deferred tax calculation, please provide an electronic listing of all personal property and real estate taxes collected between July 1, 2017 and August 30, 2017. Please indicate the tax year the collection relates to.
10. Provide us with support for your calculation of public service tax revenue for the year ended June 30, 2017.

School Division Items (Note other items in this letter that also relate to the schools)

PBC List - Fieldwork
June 30, 2017

Page 5 of 5

1. Please reconcile the amounts on the Department of Education School report to the general ledger.
2. Provide a listing of school inventory at year end—this will probably consist primarily of the inventory of food commodities. Also provide us with an amount of the food commodities used during the year.
3. During the audit, we will provide you with variances in both the revenue and expense/expenditure accounts for which we will need you to provide explanations.
4. If not performed by the County finance department, please reconcile the state's disbursement report at www.APA.state.va.us, local government section to your records.

Financial Report Items

1. Provide us with a listing of fund balance designations (nonspendable, restricted, committed, assigned, unassigned) as of June 30, 2017.
 1. Provide support for restricted, committed, and assigned designations.
2. Schedule of current property and casualty insurance for 2016-2017.
3. VRS and other Pension Actuarial Valuation Statements as of June 30.
4. OPEB Actuarial Valuation Statements as of June 30.
5. Provide a summary of due to/due from other funds as well as transfers as well as the reason for amounts due and transfers.

**Columbia County
Time Control
FYE 6/30/2018**

	Year 1 Budget					Total	Year 2 Budget					Total
	AS1	AS2	SN	MGR	TR		AS1	AS2	SN	MGR	TR	
PLANNING												
Planning meetings with client				4	4	8					4	4
Engagement letter				0.5	0.5	1				0.5	0.5	1
Planning documents				5	1	6			3	1.5	1	5.5
Review internal control template			3			3			0.5			0.5
Prior auditor workpaper review				8		8						0
Single Audit planning and coordination			4	2		6			4	2		6
Client coordination			4	2	1	7			3			3
Final planning mtg / Eng. team discussion			1	1	1	3			1	1	1	3
	0	0	12	22.5	7.5	42	0	0	11.5	5	8.5	23
	0%	0%	29%	54%	18%			27%	12%	18%		
Single Audit				16		16				16		16
State or Oregon compliance				4		4				4		4
Internal control walkthroughs				8		8				5		5
Issues					6	6				6		6
Travel				3		3				3		3
Interim fieldwork	0	0	31	6	0	37	0	0	28	6	0	34
Cash		4				4		4				4
Accounts receivable			8			8			8			8
Fixed assets	8					8	8					8
Other assets	2					2	2					2
Accounts payable	5					5	5					5
Accrued liabilities	3					3	3					3
Pension liabilities			4			4			4			4
Long-term debt	6					6	6					6
Net assets			3			3			3			3
Revenues			12			12			8			8
Expenses	8					8	8					8
Commitments & contingencies	2					2	2					2
Board minutes review	3					3	3					3
Other required inquiries			2			2			1			1
JE testing	2					2	2					2
Management comment notes/letter to the ED			4			4			4			4
Summary memo	2					2	2					2
Checklists	1	1				2	1	1				2
Final analytical review	1					1	1					1
Rep letter	1					1	1					1
Financial statements			35			35			28			28
Issues	5	8	3	3		19	5	8	3	3		19
Field review				12	8	20				12	8	20
CPA firm guidance					6	6					2	2
Travel	3	3	3			9	3	3	3			9
Year end fieldwork	0	56	80	18	17	171	0	56	66	18	13	153
Total	0	56	111	24	17	208	0	58	94	24	13	187
Days/nights	4	6	2	2		14	4	6	2	2		14
	0%	0%	84%	16%	0%							
	0%	33%	47%	11%	10%							
WRAP-UP												
Management letter						0						0
Misc. wrap-up	2	2	10	4	2	20	2	2	10	4	2	20
Associate F&P	2					2	2					2
Manager F&P				4		4				4		4
Associate QC	2					2	2					2
Final review					4	4					4	4
Audit exit conference			1	2	2	5			1	2	2	5
Present FS to Board					6	6					6	6
	6	2	11	10	14	43	6	2	11	10	14	43
	14%	5%	26%	23%	33%							
TOTAL	6	58	134	56.5	38.5	293	6	58	116.5	39	33.5	253

	Rate	# of days/nights	
Lodging	200	14	2,800.00
Per diem	64	14	896.00
			3,696.00

Summary	Name	Initials	Rate	Year 1 Budget		Year 2 Budget	
				Hours	\$	Hours	\$
Associate		AS1	\$155	8	930	6	930
Associate		AS2	\$155	58	8,990	58	8,990
Senior		SN	\$190	134	25,460	116.50	22,135
Manager		MGR	\$265	56.5	14,973	39	10,335
Principal	Troy Reclor	TR	\$350	38.5	13,475	33.5	11,725
Admin			\$115				
TOTALS				293	63,828	253	54,115
					3,696		3,696
					67,524		57,811
Quoted Fee					\$40,500		\$42,000
Planned Realization					59.08%		72.85%

(Date)

(Address To Those Charged With Governance)

(Client Name)

(Address)

(Address)

Dear _____:

We appreciate the opportunity to serve **(Client Name)** ("the Organization"). **(Name)** will be the **(shareholder or principal)** in charge of the work we perform for the Organization, assisted by **(Manager's Rank)** **(Manager)** and other professionals. This letter and attachments confirm our understanding of the services you have asked our firm to provide to the Organization and the terms and conditions under which our firm agrees to perform those services.

We will audit the financial statements of the governmental activities, the business-type activities, **(aggregate discretely presented component units, each major fund, and the aggregate remaining fund information/aggregate discretely presented component unit and remaining fund information, and each major fund)**, which collectively comprise the basic financial statements of the Organization and perform our audit the Organization's major federal award program(s) compliance as of and for the year ended, **(Year-Ended Date)** in accordance with applicable auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Accounting standards generally accepted in the United States provide for certain required supplementary information (RSI) to accompany the Organization's basic financial statements. As part of our engagement, the following RSI of the Organization will be subjected to limited procedures, including inquiries of management regarding the methods of measurement and presentation, but will not be audited:

- **(Management's discussion and analysis)**
- **(Budgetary comparison schedules)**
- **(GASB-required supplementary pension (OPEB))**
- **(Infrastructure information under modified reporting)**
- **(List here any other required supplemental information)**

Also, the Organization has chosen to include the following supplemental information along with the Organization's basic financial statements that will be subjected to the auditing procedures applied in our audit of the basic financial statements:

- **Schedule of expenditures of federal awards**
- **(Comprehensive Annual Financial Report (CAFR))**
- **(List here any other supplemental information that we will be providing in relation to the opinion in our auditors' report)**

In addition, the Organization has chosen to include the following additional information (such as program statistics in Note 1 of the financial statements where they describe their organization)

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or supplemental information along with the Organization's basic financial statements that will not be subjected to the auditing procedures applied in our audit of the basic financial statements and for which our auditor's report will disclaim an opinion:

- **(Comprehensive Annual Financial Report (CAFR))**
- **(List here any other additional or supplemental information that will be unaudited)**

Under these professional standards, the accuracy of the Organization's basic financial statements and any other additional or supplemental information is the responsibility of the Organization's management, not our firm.

The objective of our audit is the expression of an opinion about whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles (**replace "U.S. generally accepted accounting principles" if the financial statements are prepared following a different financial reporting framework, for example, modified cash basis of accounting**). The objective also includes reporting on the Organization's:

- Internal control related to the financial statements and compliance with laws, regulations, and the provisions of contracts or grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control related to major programs and an opinion (or disclaimer of opinion) on whether the Organization complied with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Uniform Guidance for Federal Awards.

Our audit will include tests of accounting records of the Organization, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary in our professional judgment and as required by the professional standards to enable us to express an unmodified opinion that the financial statements prepared as part of this engagement are fairly presented, in all material respects, in conformity with generally accepted accounting principles and (**identify other required audit standards if applicable**). If our opinion is other than unmodified, we will fully discuss it with you in advance. In the event we are unable to complete the audit, we will not issue an opinion as a result of this engagement.

If this is a group audit then one of the following sentences should be included here:

If making reference to a component auditor in the auditor's report:

We will make reference to [Name of Component Auditor(s)]'s audit of [Name of Component(s)] in our report on your financial statements.

If assuming responsibility for the work of component auditors:

Our audit will also include performing procedures on the financial information of [Name of Component(s)] (or requesting other auditors to perform procedures on the financial information of [Name of Component(s)]) to enable us to express such an opinion.)

The applicable professional standards for this audit require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audit will include examining, on a test basis, evidence supporting the amounts

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stated and disclosures made in the financial statements. Our audit will also include an assessment of the accounting principles utilized by the Organization and the significant estimates included by management in the financial statements, as well as an evaluation of the overall financial statement presentation. While we will advise the Organization about appropriate accounting principles and their application and will assist in the preparation of the financial statements, the responsibility for the financial statements remains with the Organization's management. This responsibility includes making all management decisions and performing all management functions such as maintaining adequate records, establishing and maintaining internal controls, monitoring ongoing activities, the selection and application of accounting principles, the determination and use of estimates, and the safeguarding of assets. The Organization's management is also responsible for adjusting the financial statements to correct material misstatements and for confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us in the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and agreements applicable to major programs. Our procedures will consist of the applicable procedures described in the OMB's compliance supplement for the types of compliance requirements that could have a direct and material effect on each of the Organization's major programs. The purposes of these procedures will be to express an opinion on the Organization's compliance with requirements applicable to major programs in our report on compliance issued pursuant to the Uniform Guidance.

You agree that **(Representative)**, your representative(s), will serve as our contact person(s) for your management responses to our audit inquiries, and that we may rely on such responses as being those of the Organization. You also agree that, at our request, the Organization's staff will prepare necessary supporting documentation prior to the expected commencement of our field work. We may retain copies of such records in our workpapers. The original records remain the property of the Organization and it is your responsibility to continue to maintain and preserve those records for the future needs of the Organization, including any required governmental examination. You also agree that **(Representative)** will serve as the Organization's representative(s) with suitable skill, knowledge and experience responsible for reviewing and approving the financial statements and related footnotes and other information or supplemental information that accompany the basic financial statements prepared by Clark Nuber ("nonattest" services) from the trial balance of accounts and other data provided by the Organization. As part of the engagement, we may also propose standard, adjusting or correcting journal entries to your financial statements. Management, however, has final responsibility for reviewing the proposed entries and understanding the nature and impact of the proposed entries to the financial statements. Further, you agree that the Organization is responsible to establish and maintain internal controls over nonattest services provided by Clark Nuber, to evaluate the adequacy and results of the nonattest services performed and to accept responsibility for the results of such services.

We estimate our fee for this engagement will be **\$(Fee)** plus any out-of-pocket expense we might incur, based on the assistance of your personnel and assuming no significant audit problems arise. We will advise you promptly of any situation we encounter that could affect our total fees, and if appropriate will submit a change order for your review and approval reflecting the additional services and related costs. Items that may result in a change order include but are not limited to time delays, additional major programs (our audit fee estimate currently contemplates

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(XXX) major programs), deviations or exceptions noted during testing, incomplete audit requested schedules, identification of fraud risk factors, incomplete account reconciliations, unavailability of your accounting personnel, and difficult or unusual accounting issues. You acknowledge that time delays in completing the engagement may also delay our report date and could require additional procedures to be performed under the professional standards.

Government Auditing Standards requires that we provide you with a copy of our most recent quality control review report. Our peer review report accompanies this letter.

If this letter and attachment correctly express your understanding of the agreement between our firm and the Organization, please follow the link and prompts to electronically approve the terms of engagement. Alternatively, you may print, sign and return the letter of engagement.

We are pleased to have this opportunity to serve you.

Sincerely,

Certified Public Accountants

cc: _____

The services and terms for their performance described in this letter and attachment are in accordance with the Organization's requirements and are acceptable to and agreed to by the Organization, which has authorized me to sign this agreement on its behalf.

By: _____

Title: _____

Date: _____

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Attachment

I. Engagement Limitations and Indemnification and Non-Solicitation

Our audit will be based primarily on tests of accounting records and related supporting data, and a determination of major programs in accordance with The Uniform Guidance, and it will not involve testing of more than a sample of representative transactions. For example, our audit procedures will include tests of certain documentary evidence to support the transactions recorded in the accounts. We also may confirm with third parties outside the Organization accounts receivable and accounts payable as well as certain other assets and liabilities, including leased assets, through contact with selected customers, creditors, financial institutions, and your legal counsel. Since we do not perform in an audit a detailed examination of all transactions or information involved in the preparation of financial statements, our audit is subject to the inherent risk that we will not discover material errors, irregularities, or illegal acts, including but not limited to fraud or defalcations affecting the accuracy of the financial statements.

In other words, as auditors, we are not insurers or guarantors of the accuracy of financial statements and we cannot, as a result of our audit, tell you we are certain there are no material misstatements, illegal acts, defalcations, or other irregularities affecting the financial statements. As such, although our audit will be designed to provide reasonable assurance of detecting errors and fraud that are material to the financial statements, it is not designed and should not be relied on to disclose all fraud, illegal acts, or other irregularities affecting the financial statements. However, we will inform you of any material errors, and all illegal acts or irregularities, unless they are clearly inconsequential, that come to our attention. Our responsibility, as auditors, is limited to the period covered by our audit and does not extend to matters that might arise during any later periods for which we are not engaged as auditors. The Organization agrees that our firm's responsibility is limited to that described in this letter and that the Organization will indemnify, defend and hold our firm and its employees harmless for all actions against us arising out of illegal acts or intentional misrepresentations perpetrated by the Organization's management or its employees. Due to the fact that the term "abuse" is subjective, Government Auditing Standards does not expect auditors to provide reasonable assurance of detecting abuse.

Tests of controls may be performed to test the effectiveness of certain controls that we consider, in our professional judgment, relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Tests of controls relative to the financial statements are required only if control risk is assessed below the maximum level. Our tests, if performed, will be less in scope than what would be required to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls to evaluate the effectiveness of the design and operations of controls that in our professional opinion are relevant to preventing or detecting material noncompliance with the requirements applicable to each major federal awards program. Our tests, however, will be less in scope than what would be required to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

The Organization agrees that Clark Nuber, its personnel, subcontractors, suppliers or licensors (each a "Clark Nuber Party") shall not be liable to the Organization for any actions, claims, liabilities, costs, expenses or losses alleged to arise from or actually arising or resulting from or relating to the services performed by a Clark Nuber Party for an aggregate amount in excess of the total fees paid by the Organization to Clark Nuber for services provided under this agreement. The Parties to this Agreement expressly agree that this limitation of liability provision shall apply to the fullest extent permitted by law, whether by common law (including without limitation contract or tort) or by federal or state statute. The Organization further agrees that under no circumstances, including even if a court of law does not enforce the preceding limitation of liability provision, shall a Clark Nuber Party be liable to the Organization for consequential (including without limitation lost profits and opportunity costs), special, indirect, incidental, punitive or exemplary damages, attorneys' fees and/or other legal expense alleged to arise from or actually arising or resulting from or in any way relating to the services provided under this agreement.

The parties acknowledge that Clark Nuber has incurred significant expense related to the training, development and employment of professional staff assigned to assist on projects for the Organization and would suffer damage if those employees were to terminate employment with Clark Nuber to accept an offer of employment with the Organization. In the event that an employee terminates employment with Clark Nuber in order to accept an offer of employment with the Organization, the Organization agrees that Clark Nuber would suffer loss. The Organization agrees that if an employee accepts employment with the Organization, or any affiliated entities during the term of an engagement or within twelve months after the termination of an engagement, to pay Clark Nuber an amount equal to 40% of the annual Clark Nuber salary as reasonable compensation for our loss. This payment is in addition to the fees and expenses otherwise billable under this agreement. The parties further acknowledge that the solicitation for employment or actual employment of a Clark Nuber employee by the Organization could impair Clark Nuber's independence with respect to the Organization and could result in a delay of service delivery, additional costs, or the potential withdrawal from the engagement.

II. Use of Financial Statements

Our audit opinion is prepared for use by management and the board in conjunction with their evaluation of the Organization's

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performance. We also understand that the audited financial statements will be provided to creditors, lenders, specific legislative and regulatory bodies, federal awarding agencies, pass through entities and others in the normal course of business, as required for borrowing, insurance and other financing purposes. The form and content of these financial statements may not be appropriate for and are not intended for the purpose of engaging in discussions with third parties regarding a possible sale or merger of the Organization or specific operating divisions of the Organization. By signing this letter, please confirm for us that you will not use the audited financial statements for such purposes without our prior consent to such disclosure, which will not be unreasonably withheld. The reports on internal control and compliance will each include a statement that the report is intended for information and use of management, others within the entity, those charged with governance and federal awarding agencies and pass through entities and is not intended to be and should not be used by anyone other than these specific parties.

With regard to the electronic dissemination of audited statements, including financial statements published electronically on your Internet website, you understand that electronic sites are a means of distributing information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information in the electronic site with the original document.

III. Management Responsibility for Internal Controls, Fraud Prevention, Compliance With Laws, Regulations, Contracts and Grant Agreements

You agree that the Organization is responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the Organization involving management, employees who have significant roles in internal control and others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the Organization received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the Organization complies with applicable laws and regulations.

Compliance with laws, regulations, contracts, and grant agreements applicable to the Organization is the responsibility of management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Organization's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of those procedures will not be to provide an opinion of overall compliance to such provisions and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and views of responsible officials and corrective action plan for any current findings for the report.

Management is also responsible for the timing and format for providing that information. We will ask to review the summary schedule of prior audit findings and the corrective action plan as part of our engagement.

Management is responsible for taking timely appropriate steps to remedy fraud, illegal acts, violations of provisions of contracts or grant agreements, or abuse that the auditor reports.

Management is responsible for identifying to us previous financial audits, attestation engagements, performance audits, or other audits, or other studies related to the objectives of the audit being undertaken and the corrective actions taken to address significant findings and recommendations.

Management is responsible for making us aware of significant vendor relationships where the vendor is responsible for program compliance.

Management is responsible for identifying all federal awards expended during the period including federal awards and funding increments received prior to December 26, 2014, and those received in accordance with the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* generally received after December 26, 2014, , establishing and maintaining internal control and for compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. In fulfilling this responsibility estimates and judgments by management are required to assess the expected benefits and related costs of the controls. The objectives of internal control are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorizations and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles, and that federal award programs are managed in compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants.

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing and extent of further audit procedures for the purpose of expressing our opinion on the financial statements of the Organization's and on its compliance with requirements applicable to major programs. However, our audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. During the audit, we will communicate to you and those charged with governance, some limited internal control related matters that are required to be communicated under professional standards. We will also inform you of any other matters involving internal control that come to our attention, as required by the Uniform Guidance.

IV. Timeliness of Information

You agree that the Organization will provide us with the information required for our audit on a timely basis and that

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the Organization is responsible for the accuracy and completeness of that information. You agree that delay in our originally scheduled start date or providing inaccurate or incomplete information may require us to charge additional professional fees and/or reschedule your engagement at our next available time. Should your engagement need to be rescheduled, your specific time deadlines, including tax and government filings, may go unmet.

You acknowledge that time delays in completing the engagement may also delay our report date and could require additional procedures to be performed under the professional standards and additional fees to be charged. Prior to the start of this project, your engagement manager from Clark Nuber PS will be contacting you or your designee regarding the key project milestones and outlining the key dates.

In the event we encounter circumstances that lead us to believe we cannot continue to perform our services consistent with the requirements of the applicable professional standards, including but not limited to ethics rules, we will inform you of our concerns and, if those concerns cannot be addressed to our satisfaction, we may be compelled to withdraw from the engagement. Further, you agree the Organization will pay for all services rendered even if a report cannot be issued.

V. Management Responsibility Over Nonattest Services

As part of this engagement, we may also propose standard, adjusting or correcting journal entries to your financial statements. Management, however, has final responsibility for reviewing the proposed entries and understanding the nature and impact of the proposed entries to the financial statements. Further, you agree that the Organization is responsible to establish and maintain internal controls over nonattest services provided by Clark Nuber PS, to evaluate the adequacy and results of the nonattest services performed and to accept responsibility for the results of such services.

VI. Management Responsibility Over Data Collection Form and Reporting Package

At the conclusion of the engagement, it is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditor's reports, and corrective action plan) along with the Data Collection Form electronically online to the Federal Audit Clearinghouse. The financial reporting package must be text searchable, unencrypted, and unlocked. Otherwise, the reporting package will not be accepted by the federal audit clearinghouse. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditor's reports or nine months after the end of the audit period. Data Collection Forms submitted untimely are one of the factors in assessing the Organization at a higher risk. At the conclusion of the engagement, we will provide information to management on how to complete the electronic submission of this information.

Copies of the reporting package are available for public inspection unless the report is restricted by law or regulation, or contains privileged and confidential information. The Federal Audit Clearinghouse will be making the reporting

package available online, and it is the Organization's responsibility to resolve with them any concerns you may have regarding public access to the reports.

VII. Management and Legal Counsel Representations

At the conclusion of the audit, we will request certain written representations from the Organization's management about the financial statements and related matters, which we will rely on in issuing our report. If the Organization is unable to supply those representations, our report may be affected and, in some circumstances, we may be unable to issue a report. We may also request written representations from your legal counsel as part of these audit procedures. In the event that we are unable to obtain appropriate responses from your legal counsel, a scope limitation may be deemed to have been imposed on our report which could result in an opinion other than unmodified. Your legal counsel may bill you for responding to our inquiry.

VIII. Fees and Payment Terms

We will advise you promptly of any situation we encounter that could affect our total fees, and if appropriate will submit a change order for your review and approval reflecting the additional services and related costs. Items that may result in a change order include but are not limited to time delays, incomplete audit requested schedules, identification of fraud risk factors, incomplete account reconciliations, unavailability of your accounting personnel, and difficult or unusual accounting issues. You acknowledge that time delays in completing the engagement may also delay our report date and could require additional procedures to be performed under the professional standards.

We will bill you for services on a monthly basis. Our invoices will be due 30 days after invoice date. Amounts not paid by month-end will accrue late charges of 1% per month on the past due balance. In the event that you are unable or unwilling to complete periodic progress payments as they are due, you agree we may suspend our work and/or withdraw entirely from the engagement. If we do so, specific time deadlines incumbent to be met by your Organization, including tax and government filings utilizing our work product, may go unmet. Further, you agree the Organization will pay for all services rendered and expenses incurred up to the date of our withdrawal even if a report cannot be issued.

IX. Document Retention and Subpoena of Documents

We will retain our own workpapers for this engagement so that we may be better able to assist you with your professional needs and, in some cases, to comply with legal or professional requirements. Under our firm's document retention policy, we will keep our audit workpapers for a period of at least seven years after the engagement. The Organization agrees we are free to destroy such records at our sole discretion after that seven year period without any notice to the Organization.

In the event that we receive a subpoena or summons requesting documents or other evidence relating to this engagement, we may be compelled to comply. We will notify you before responding to any request. You may, within the time permitted for our firm to respond to any request, take such action, as you deem appropriate to protect information from discovery. If you take no action within the time permitted

(Address To Those Charged With Governance)

(Client Name)

(Date)

Page 8

for us to respond, or if your action does not result in a judicial order protecting us from supplying requested information, we may construe your inaction or failure as consent to comply with the request. In the event we are requested or authorized by the Organization or required by government regulation, subpoena, or other legal process to produce our working papers or our personnel as witnesses with respect to our engagement for the Organization, the Organization will, so long as we are not a party to the proceeding in which the information is sought, reimburse us for our professional time and expenses, as well as the fees and expenses of our counsel, incurred in responding to such a request.

X. On Site Internet Access and Electronic Document Transfers

We request that Internet access be available to our personnel while at your office, as we will retain some information electronically and sometimes access that information over the Internet. By your signature below, you authorize us to transmit, update and store information electronically and to transmit your information over the Internet. We may use a secure Internet portal for document transfer and collaboration with your personnel. It is your responsibility to notify Clark Nuber when the Organization's authorized portal users should no longer have access to the portal.

XI. Disagreement Resolution, Mediation and Venue

The Organization and our firm both believe that most disagreements can be resolved to mutual satisfaction in a friendly, nonthreatening environment. While the Organization and our firm do not expect there to be any problems with their relationship, misunderstandings can occur. Therefore, the Organization and our firm agree that any dispute arising from or relating in any way to services provided by our firm under this agreement (including the scope, nature and quality of services performed by our firm, its fees and any other terms of this agreement) shall first be submitted to mediation and neither the Organization nor our firm will initiate legal proceedings of any kind until after mediation has occurred. The Organization and our firm agree that an impartial third party, acceptable to both the Organization and our firm, shall be appointed to mediate, the Organization and our firm shall pay an equal percentage of the mediator's fees and expenses, and the mediation shall be confidential in all respects, as allowed or required by law.

The Organization and our firm agree that this agreement will be interpreted under the laws of the State of Washington or federal law, if applicable, and further agree that venue for any cause of action or claim for relief arising out of or relating in any way to services provided by our firm under this agreement shall be in the Superior Court of King County, Washington, Seattle Case Assignment area, or the United States District Court for the Western District of Washington, if appropriate under federal law.

XII. Entirety of Agreement

This engagement letter, attachment, and any future addendum to it signed by all parties constitute the entire agreement between Clark Nuber PS and the Organization, superseding all proposals, oral or written, and all other communications, with respect to the terms of this engagement between the parties.

The parties intend and agree that this engagement letter and any addendum to it signed by all parties is a fully integrated agreement under Washington law and shall be interpreted as such by a court of law.

In the event that any portion of this agreement shall be deemed invalid or unenforceable, the balance of this agreement shall remain in full force and effect.

[Prepared on client's letterhead]

[Insert date]

[Insert name and address of audit firm]

Dear [insert name]:

This representation letter is provided in connection with your audit of the [identify the basic financial statements] of [Entity Name] as of [insert date] and for the [insert periods] then ended, and the related notes to the financial statements, for the purpose of expressing opinions on whether the basic financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows, where applicable, of the various opinion units of [Entity Name] in accordance with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of [insert date of auditor's report]:²

Financial Statements

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated [insert date], for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with U.S. GAAP.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- We acknowledge our responsibility for compliance with the laws, regulations, and provisions of contracts and grant agreements.
- We have reviewed, approved, and taken responsibility for the financial statements and related notes.
- We have a process to track the status of audit findings and recommendations.
- We have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
- The effects of uncorrected misstatements summarized in the attached schedule⁸ and aggregated by you during the current engagement are immaterial, both individually and in the aggregate, to the applicable opinion units and to the financial statements as a whole.
- The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.⁹
- All component units, as well as joint ventures with an equity interest, are included and other joint ventures and related organizations are properly disclosed.
- All funds and activities are properly classified.

- All funds that meet the quantitative criteria in GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus* as amended, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
- All components of net position, nonspendable fund balance, and restricted, committed, assigned, and unassigned fund balance are properly classified and, if applicable, approved.
- Our policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position/fund balance are available is appropriately disclosed and net position/fund balance is properly recognized under the policy.
- All revenues within the statement of activities have been properly classified as program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
- All interfund and intra-entity transactions and balances have been properly classified and reported.
- Special items and extraordinary items have been properly classified and reported.
- Deposit and investment risks have been properly and fully disclosed.
- Capital assets, including infrastructure assets, are properly capitalized, reported, and if applicable, depreciated.
- All required supplementary information is measured and presented within the prescribed guidelines.
- With regard to investments and other instruments reported at fair value:
 - The underlying assumptions are reasonable and they appropriately reflect management's intent and ability to carry out its stated courses of action.
 - The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
 - The disclosures related to fair values are complete, adequate, and in accordance with U.S. GAAP.
 - There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.

Information Provided

- We have provided you with:
 - Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, meeting minutes,⁷ and other matters;
 - Additional information that you have requested from us for the purpose of the audit; and
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- All transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- We have [*no knowledge of any*] [*disclosed to you all information that we are aware of in relation to*] fraud or suspected fraud that affects the entity and involves:
 - Management;
 - Employees who have significant roles in internal control; or
 - Others where the fraud could have a material effect on the financial statements.
- We have [*no knowledge of any*] [*disclosed to you all information in relation to*] allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, vendors, regulators, or others.
- We [*have disclosed to you all known actual or possible*] [*are not aware of any pending or threatened*] litigation, claims, and assessments whose effects should be considered when preparing the financial statements [*and we have not consulted legal counsel concerning litigation, claims, or assessments*].

- We have disclosed to you the identity of the entity’s related parties and all the related party relationships and transactions of which we are aware.
- [There have been no] [We have disclosed to you all] communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
- [Entity Name] has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
- We have disclosed to you all guarantees, whether written or oral, under which [Entity Name] is contingently liable.
- We have disclosed to you all nonexchange financial guarantees, under which we are obligated and have declared liabilities and disclosed properly in accordance with GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, for those guarantees where it is more likely than not that the entity will make a payment on any guarantee.
- For nonexchange financial guarantees where we have declared liabilities, the amount of the liability recognized is the discounted present value of the best estimate of the future outflows expected to be incurred as a result of the guarantee. Where there was no best estimate but a range of estimated future outflows has been established, we have recognized the minimum amount within the range.
- We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB Statement No. 62 (GASB-62), *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.
- We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
- There are no:
 - Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
 - Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with GASB-62.
 - Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB-62
 - Continuing disclosure consent decree agreements or filings with the Securities and Exchange Commission and we have filed updates on a timely basis in accordance with the agreements (Rule 240, 15c2-12).
- [Entity Name] has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
- We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

[Add additional representations that are unique to the government. See Note 1 below for illustrative examples of additional representations.]

(Name of Chief Executive Officer and Title)

(Name of Chief Financial Officer and Title)

System Review Report

To the Shareholders of Clark Nuber P.S.
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Clark Nuber P.S. (the firm) in effect for the year ended April 30, 2016. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards*; audits of employee benefit plans and examinations of service organizations (SOC 2 engagement).

In our opinion, the system of quality control for the accounting and auditing practice of Clark Nuber P.S. in effect for the year ended April 30, 2016, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Clark Nuber P.S. has received a rating of *pass*.

Postlethwaite & Netterville

Baton Rouge, Louisiana
September 22, 2016

Clark Nuber ^{PS}

10900 NE 4th St Suite 1400 Bellevue, WA 98004 clarknuber.com

LETTER OF ENGAGEMENT

July 16, 2018

Ms. Jennifer Cuellar-Smith
Columbia County Oregon
230 Strand Street
St. Helens, OR 97051

Dear Jennifer:

We appreciate the opportunity to serve Columbia County Oregon ("the Organization"). Mitch Hansen will be the shareholder in charge of the work we perform for the Organization, assisted by principal Troy Rector and other professionals. This letter and attachments confirm our understanding of the services you have asked our firm to provide to the Organization and the terms and conditions under which our firm agrees to perform those services.

We will audit the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information, which collectively comprise the basic financial statements of the Organization and perform our audit the Organization's major federal award program(s) compliance as of and for the year ended, June 30, 2018 in accordance with applicable auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; the provisions of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations. Accounting standards generally accepted in the United States provide for certain required supplementary information (RSI) to accompany the Organization's basic financial statements. As part of our engagement, the following RSI of the Organization will be subjected to limited procedures, including inquiries of management regarding the methods of measurement and presentation, but will not be audited:

- Management's discussion and analysis
- Schedule of funding progress, post employment health insurance subsidy
- Schedule of proportionate share of the net pension liability and schedule of contributions

Also, the Organization has chosen to include the following supplemental information along with the Organization's basic financial statements that will be subjected to the auditing procedures applied in our audit of the basic financial statements:

- Schedule of expenditures of federal awards
- Comprehensive Annual Financial Report (CAFR)
- Combining balance sheets and schedules of revenues, expenditures and changes in fund balances for the nonmajor governmental, special revenue and fiduciary funds
- Schedules of revenues, expenditures and changes in fund balance - budget and actual
- Schedule of property tax transactions and balances uncollected
- Future maturities of long-term debt
- Schedule of accountability for elected officials



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In addition, the Organization has chosen to include the introductory and statistical sections in the financial statements that will not be subjected to the auditing procedures applied in our audit of the basic financial statements and for which our auditor's report will disclaim an opinion.

Under these professional standards, the accuracy of the Organization's basic financial statements and any other additional or supplemental information is the responsibility of the Organization's management, not our firm.

The objective of our audit is the expression of an opinion about whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. The objective also includes reporting on the Organization's:

- Independent Auditor's Report Required by Oregon State Regulations
- Internal control related to the financial statements and compliance with laws, regulations, and the provisions of contracts or grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control related to major programs and an opinion (or disclaimer of opinion) on whether the Organization complied with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Uniform Guidance for Federal Awards.

Our audit will include tests of accounting records of the Organization, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary in our professional judgment and as required by the professional standards to enable us to express an unmodified opinion that the financial statements prepared as part of this engagement are fairly presented, in all material respects, in conformity with generally accepted accounting principles. If our opinion is other than unmodified, we will fully discuss it with you in advance. In the event we are unable to complete the audit, we will not issue an opinion as a result of this engagement.

The applicable professional standards for this audit require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audit will include examining, on a test basis, evidence supporting the amounts stated and disclosures made in the financial statements. Our audit will also include an assessment of the accounting principles utilized by the Organization and the significant estimates included by management in the financial statements, as well as an evaluation of the overall financial statement presentation. While we will advise the Organization about appropriate accounting principles and their application and will assist in the preparation of the financial statements, the responsibility for the financial statements remains with the Organization's management. This responsibility includes making all management decisions and performing all management functions such as maintaining adequate records, establishing and maintaining internal controls, monitoring ongoing activities, the selection and application of accounting principles, the determination and use of estimates, and the safeguarding of assets. The Organization's management is also responsible for adjusting the financial statements to correct material misstatements and for confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us in the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and agreements applicable to major programs. Our procedures will consist of the applicable procedures described in the OMB's compliance supplement for the types of compliance requirements that could have a direct and material effect on each of the Organization's major programs. The purposes of these procedures will be to express an opinion on the Organization's compliance with requirements applicable to major programs in our report on compliance issued pursuant to the Uniform Guidance.

You agree that you, the Organization's representative, will serve as our contact person for your management responses to our audit inquiries, and that we may rely on such responses as being those of the Organization. You also agree that, at our request, the Organization's staff will prepare necessary supporting documentation prior to the expected commencement of our field work. We may retain copies of such records in our workpapers. The original records remain the property of the Organization and it is your responsibility to continue to maintain and preserve those records for the future needs of the Organization, including any required governmental examination. You also agree that you will serve as the Organization's representative with suitable skill, knowledge and experience responsible for reviewing and approving the financial statements and related footnotes and other information or supplemental information that accompany the basic financial statements prepared by Clark Nuber ("nonattest" services) from the trial balance of accounts and other data provided by the Organization. As part of the engagement, we may also propose standard, adjusting or correcting journal entries to your financial statements. Management, however, has final responsibility for reviewing the proposed entries and understanding the nature and impact of the proposed entries to the financial statements. Further, you agree that the Organization is responsible to establish and maintain internal controls over nonattest services provided by Clark Nuber, to evaluate the adequacy and results of the nonattest services performed and to accept responsibility for the results of such services.

We estimate our fee for this engagement will be \$37,000 plus any out-of-pocket expense we might incur, based on the assistance of your personnel and assuming no significant audit problems arise. We will advise you promptly of any situation we encounter that could affect our total fees, and if appropriate will submit a change order for your review and approval reflecting the additional services and related costs. Items that may result in a change order include but are not limited to time delays, additional major programs (our audit fee estimate currently contemplates one major program), deviations or exceptions noted during testing, incomplete audit requested schedules, identification of fraud risk factors, incomplete account reconciliations, unavailability of your accounting personnel, and difficult or unusual accounting issues. You acknowledge that time delays in completing the engagement may also delay our report date and could require additional procedures to be performed under the professional standards.

Government Auditing Standards requires that we provide you with a copy of our most recent quality control review report. Our peer review report accompanies this letter.

Ms. Jennifer Cuellar-Smith
Columbia County Oregon
July 16, 2018
Page 4

Clark Nuber PS

If this letter and attachment correctly express your understanding of the agreement between our firm and the Organization, please follow the link and prompts to electronically approve the terms of engagement. Alternatively, you may print, sign and return the letter of engagement.

We are pleased to have this opportunity to serve you.

Sincerely,



Certified Public Accountants

The services and terms for their performance described in this letter and attachment are in accordance with the Organization's requirements and are acceptable to and agreed to by the Organization, which has authorized me to sign this agreement on its behalf.

By: _____

Title: _____

Date: _____

Attachment

I. Engagement Limitations and Indemnification and Non-Solicitation

Our audit will be based primarily on tests of accounting records and related supporting data, and a determination of major programs in accordance with The Uniform Guidance, and it will not involve testing of more than a sample of representative transactions. For example, our audit procedures will include tests of certain documentary evidence to support the transactions recorded in the accounts. We also may confirm with third parties outside the Organization accounts receivable and accounts payable as well as certain other assets and liabilities, including leased assets, through contact with selected customers, creditors, financial institutions, and your legal counsel. Since we do not perform in an audit a detailed examination of all transactions or information involved in the preparation of financial statements, our audit is subject to the inherent risk that we will not discover material errors, irregularities, or illegal acts, including but not limited to fraud or defalcations affecting the accuracy of the financial statements.

In other words, as auditors, we are not insurers or guarantors of the accuracy of financial statements and we cannot, as a result of our audit, tell you we are certain there are no material misstatements, illegal acts, defalcations, or other irregularities affecting the financial statements. As such, although our audit will be designed to provide reasonable assurance of detecting errors and fraud that are material to the financial statements, it is not designed and should not be relied on to disclose all fraud, illegal acts, or other irregularities affecting the financial statements. However, we will inform you of any material errors, and all illegal acts or irregularities, unless they are clearly inconsequential, that come to our attention. Our responsibility, as auditors, is limited to the period covered by our audit and does not extend to matters that might arise during any later periods for which we are not engaged as auditors. The Organization agrees that our firm's responsibility is limited to that described in this letter and that the Organization will indemnify, defend and hold our firm and its employees harmless for all actions against us arising out of illegal acts or intentional misrepresentations perpetrated by the Organization's management or its employees. Due to the fact that the term "abuse" is subjective, Government Auditing Standards does not expect auditors to provide reasonable assurance of detecting abuse.

Tests of controls may be performed to test the effectiveness of certain controls that we consider, in our professional judgment, relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Tests of controls relative to the financial statements are required only if control risk is assessed below the maximum level. Our tests, if performed, will be less in scope than what would be required to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls to evaluate the effectiveness of the design and operations of controls that in our professional opinion are relevant to preventing or detecting material noncompliance with the requirements applicable to each major federal awards program. Our tests, however, will be less in scope than what would be required to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

II. Use of Financial Statements

Our audit opinion is prepared for use by management and the board in conjunction with their evaluation of the Organization's performance. We also understand that the audited financial statements will be provided to creditors, lenders, specific legislative and regulatory bodies, federal awarding agencies, pass through entities and others in the normal course of business, as required for borrowing, insurance and other financing purposes. The form and content of these financial statements may not be appropriate for and are not intended for the purpose of engaging in discussions with third parties regarding a possible sale or merger of the Organization or specific operating divisions of the Organization. By signing this letter, please confirm for us that you will not use the audited financial statements for such purposes without our prior consent to such disclosure, which will not be unreasonably withheld. The reports on internal control and compliance will each include a statement that the report is intended for information and use of management, others within the entity, those charged with governance and federal awarding agencies and pass through entities and is not intended to be and should not be used by anyone other than these specific parties.

With regard to the electronic dissemination of audited statements, including financial statements published electronically on your Internet website, you understand that electronic sites are a means of distributing information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information in the electronic site with the original document.

III. Management Responsibility for Internal Controls, Fraud Prevention, Compliance With Laws, Regulations, Contracts and Grant Agreements

You agree that the Organization is responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the Organization involving management, employees who have significant roles in internal control and others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the Organization received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the Organization complies with applicable laws and regulations.

Compliance with laws, regulations, contracts, and grant agreements applicable to the Organization is the responsibility

of management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Organization's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of those procedures will not be to provide an opinion of overall compliance to such provisions and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and views of responsible officials and corrective action plan for any current findings for the report. Management is also responsible for the timing and format for providing that information. We will ask to review the summary schedule of prior audit findings and the corrective action plan as part of our engagement.

Management is responsible for taking timely appropriate steps to remedy fraud, illegal acts, violations of provisions of contracts or grant agreements, or abuse that the auditor reports.

Management is responsible for identifying to us previous financial audits, attestation engagements, performance audits, or other audits, or other studies related to the objectives of the audit being undertaken and the corrective actions taken to address significant findings and recommendations.

Management is responsible for making us aware of significant vendor relationships where the vendor is responsible for program compliance.

Management is responsible for identifying all federal awards expended during the period including federal awards and funding increments received prior to December 26, 2014, and those received in accordance with the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* generally received after December 26, 2014, , establishing and maintaining internal control and for compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. In fulfilling this responsibility estimates and judgments by management are required to assess the expected benefits and related costs of the controls. The objectives of internal control are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorizations and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles, and that federal award programs are managed in compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants.

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing and extent of

further audit procedures for the purpose of expressing our opinion on the financial statements of the Organization's and on its compliance with requirements applicable to major programs. However, our audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. During the audit, we will communicate to you and those charged with governance, some limited internal control related matters that are required to be communicated under professional standards. We will also inform you of any other matters involving internal control that come to our attention, as required by the Uniform Guidance.

IV. Timeliness of Information

You agree that the Organization will provide us with the information required for our audit on a timely basis and that the Organization is responsible for the accuracy and completeness of that information. You agree that delay in our originally scheduled start date or providing inaccurate or incomplete information may require us to charge additional professional fees and/or reschedule your engagement at our next available time. Should your engagement need to be rescheduled, your specific time deadlines, including tax and government filings, may go unmet.

You acknowledge that time delays in completing the engagement may also delay our report date and could require additional procedures to be performed under the professional standards and additional fees to be charged. Prior to the start of this project, your engagement manager from Clark Nuber PS will be contacting you or your designee regarding the key project milestones and outlining the key dates.

In the event we encounter circumstances that lead us to believe we cannot continue to perform our services consistent with the requirements of the applicable professional standards, including but not limited to ethics rules, we will inform you of our concerns and, if those concerns cannot be addressed to our satisfaction, we may be compelled to withdraw from the engagement. Further, you agree the Organization will pay for all services rendered based on time incurred, even if a report cannot be issued.

V. Management Responsibility Over Nonattest Services

As part of this engagement, we may also propose standard, adjusting or correcting journal entries to your financial statements. Management, however, has final responsibility for reviewing the proposed entries and understanding the nature and impact of the proposed entries to the financial statements. Further, you agree that the Organization is responsible to establish and maintain internal controls over nonattest services provided by Clark Nuber PS, to evaluate the adequacy and results of the nonattest services performed and to accept responsibility for the results of such services.

VI. Management Responsibility Over Data Collection Form and Reporting Package

At the conclusion of the engagement, it is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditor's reports, and corrective action plan) along with the Data Collection Form electronically online to the Federal Audit

Clearinghouse. The financial reporting package must be text searchable, unencrypted, and unlocked. Otherwise, the reporting package will not be accepted by the federal audit clearinghouse. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditor's reports or nine months after the end of the audit period. Data Collection Forms submitted untimely are one of the factors in assessing the Organization at a higher risk. At the conclusion of the engagement, we will provide information to management on how to complete the electronic submission of this information.

Copies of the reporting package are available for public inspection unless the report is restricted by law or regulation, or contains privileged and confidential information. The Federal Audit Clearinghouse will be making the reporting package available online, and it is the Organization's responsibility to resolve with them any concerns you may have regarding public access to the reports.

VII. Management and Legal Counsel Representations

At the conclusion of the audit, we will request certain written representations from the Organization's management about the financial statements and related matters, which we will rely on in issuing our report. If the Organization is unable to supply those representations, our report may be affected and, in some circumstances, we may be unable to issue a report. We may also request written representations from your legal counsel as part of these audit procedures. In the event that we are unable to obtain appropriate responses from your legal counsel, a scope limitation may be deemed to have been imposed on our report which could result in an opinion other than unmodified. Your legal counsel may bill you for responding to our inquiry.

VIII. Fees and Payment Terms

We will advise you promptly of any situation we encounter that could affect our total fees, and if appropriate will submit a change order for your review and approval reflecting the additional services and related costs. Items that may result in a change order include but are not limited to time delays, incomplete audit requested schedules, identification of fraud risk factors, incomplete account reconciliations, unavailability of your accounting personnel, and difficult or unusual accounting issues. You acknowledge that time delays in completing the engagement may also delay our report date and could require additional procedures to be performed under the professional standards.

We will bill you for services on accordance with the terms of the Columbia County Personal Services Contract terms and conditions. Our invoices will be due 30 days after invoice date. Amounts not paid by month-end will accrue late charges of 1% per month on the past due balance.

IX. Document Retention and Subpoena of Documents

We will retain our own workpapers for this engagement so that we may be better able to assist you with your professional needs and, in some cases, to comply with legal or professional requirements. Under our firm's document retention policy, we will keep our audit workpapers for a period of at least seven years after the engagement. The Organization agrees we are free to destroy such records at our sole discretion after that seven year period without any notice to the Organization.

In the event that we receive a subpoena or summons requesting documents or other evidence relating to this engagement, we may be compelled to comply. We will notify you before responding to any request. You may, within the time permitted for our firm to respond to any request, take such action, as you deem appropriate to protect information from discovery. If you take no action within the time permitted for us to respond, or if your action does not result in a judicial order protecting us from supplying requested information, we may construe your inaction or failure as consent to comply with the request. In the event we are requested or authorized by the Organization or required by government regulation, subpoena, or other legal process to produce our working papers or our personnel as witnesses with respect to our engagement for the Organization, the Organization will, so long as we are not a party to the proceeding in which the information is sought, reimburse us for our professional time and expenses, as well as the fees and expenses of our counsel, incurred in responding to such a request.

X. On Site Internet Access and Electronic Document Transfers

We request that Internet access be available to our personnel while at your office, as we will retain some information electronically and sometimes access that information over the Internet. By your signature below, you authorize us to transmit, update and store information electronically and to transmit your information over the Internet. We may use a secure Internet portal for document transfer and collaboration with your personnel. It is your responsibility to notify Clark Nuber when the Organization's authorized portal users should no longer have access to the portal.

RAIL AND PUBLIC TRANSIT DIVISION
OREGON DEPARTMENT OF TRANSPORTATION

This Agreement is made and entered into by and between the **State of Oregon**, acting by and through its Department of Transportation, Rail and Public Transit Division, hereinafter referred to as "State," and **Columbia County**, hereinafter referred to as "Recipient," and collectively referred to as the "Parties."

AGREEMENT

1. **Effective Date.** This Agreement shall become effective on the later of **July 1, 2018** or the date when this Agreement is fully executed and approved as required by applicable law. Unless otherwise terminated or extended, Grant Funds under this Agreement shall be available for Project Costs incurred on or before **June 30, 2020** (Expiration Date). No Grant Funds are available for any expenditures after the Expiration Date. State's obligation to disburse Grant Funds under this Agreement shall end as provided in Section 10 of this Agreement.
2. **Agreement Documents.** This Agreement consists of this document and the following documents, all of which are attached hereto and incorporated herein by reference:

Exhibit A: Project Description and Budget

Exhibit B: Financial Information

Exhibit C: Subcontractor Insurance

Exhibit D: Summary of Federal Requirements, incorporating by reference Annual List of Certifications and Assurances for Federal Transit Administration Grants and Cooperative Agreements ("Certifications and Assurances") and Federal Transit Administration Master Agreement

Exhibit E: Information required by 2 CFR 200.331(a), may be accessed at <http://www.oregon.gov/odot/pt/>, Oregon Public Transit Information System (OPTIS), as the information becomes available

In the event of a conflict between two or more of the documents comprising this Agreement, the language in the document with the highest precedence shall control. The precedence of each of the documents comprising this Agreement is as follows, listed from highest precedence to lowest precedence: Exhibit D; Exhibit E; this Agreement without Exhibits; Exhibit A; Exhibit B; Exhibit C.

3. **Project Cost; Grant Funds; Match.** The total project cost is estimated at **\$180,000.00**. In accordance with the terms and conditions of this Agreement, State shall provide Recipient an amount not to exceed **\$161,514.00** in Grant Funds for eligible costs described in Section 6.a. hereof. Recipient shall provide matching funds for all Project Costs as described in Exhibit A.
4. **Project.** The Grant Funds shall be used solely for the Project described in Exhibit A and shall not be used for any other purpose. No Grant Funds will be disbursed for any changes to the Project unless such changes are approved by State by amendment pursuant to Section 11.d hereof.
5. **Progress Reports.** Recipient shall submit quarterly progress reports to State no later than 45 days after the close of each quarterly reporting period. Reporting periods are July through September, October through December, January through March, and April through June. Reports must be in a format acceptable to State and must be entered into the Oregon Public Transit Information System (OPTIS), which may be accessed at <http://www.oregon.gov/odot/pt/>. If Recipient is unable to access OPTIS, reports must be delivered to ODOTPTDReporting@odot.state.or.us. Reports shall include a statement of revenues and expenditures for each quarter, including documentation of local match contributions and expenditures. State reserves the right to request such additional information as may be

necessary to comply with federal or state reporting requirements.

6. Disbursement and Recovery of Grant Funds.

- a. **Disbursement Generally.** State shall reimburse eligible costs incurred in carrying out the Project, up to the Grant Fund amount provided in Section 3. Reimbursements shall be made by State within 30 days of State's approval of a request for reimbursement from Recipient using a format that is acceptable to State. Requests for reimbursement must be entered into OPTIS or sent to ODOTPTDReporting@odot.state.or.us. Eligible costs are the reasonable and necessary costs incurred by Recipient, or under a subagreement described in Section 9.a. of this Agreement, in performance of the Project and that are not excluded from reimbursement by State, either by this Agreement or by exclusion as a result of financial review or audit.
- b. **Conditions Precedent to Disbursement.** State's obligation to disburse Grant Funds to Recipient is subject to satisfaction, with respect to each disbursement, of each of the following conditions precedent:
 - i. State has received funding, appropriations, limitations, allotments or other expenditure authority sufficient to allow State, in the exercise of its reasonable administrative discretion, to make the disbursement.
 - ii. Recipient is in compliance with the terms of this Agreement including, without limitation, Exhibit D and the requirements incorporated by reference in Exhibit D.
 - iii. Recipient's representations and warranties set forth in Section 7 hereof are true and correct on the date of disbursement with the same effect as though made on the date of disbursement.
 - iv. Recipient has provided to State a request for reimbursement using a format that is acceptable to and approved by State. Recipient must submit its final request for reimbursement following completion of the Project and no later than 60 days after the Expiration Date. Failure to submit the final request for reimbursement within 60 days after the Expiration Date could result in non-payment.
- c. **Recovery of Grant Funds.** Any funds disbursed to Recipient under this Agreement that are expended in violation or contravention of one or more of the provisions of this Agreement ("Misexpended Funds") or that remain unexpended on the earlier of termination or expiration of this Agreement must be returned to State. Recipient shall return all Misexpended Funds to State promptly after State's written demand and no later than 15 days after State's written demand. Recipient shall return all Unexpended Funds to State within 14 days after the earlier of expiration or termination of this Agreement.

7. Representations and Warranties of Recipient. Recipient represents and warrants to State as follows:

- a. **Organization and Authority.** Recipient is duly organized and validly existing under the laws of the State of Oregon and is eligible to receive the Grant Funds. Recipient has full power, authority, and legal right to make this Agreement and to incur and perform its obligations hereunder, and the making and performance by Recipient of this Agreement (1) have been duly authorized by all necessary action of Recipient and (2) do not and will not violate any provision of any applicable law, rule, regulation, or order of any court, regulatory commission, board, or other administrative agency or any provision of Recipient's Articles of Incorporation or Bylaws, if applicable, (3) do not and will not result in the breach of, or constitute a default or require any consent under any other agreement or instrument to which Recipient is a party or by which Recipient or any of its properties may be bound or affected. No authorization, consent, license, approval of, filing or registration with or notification to any governmental body or regulatory or supervisory authority is required for the execution, delivery or performance by Recipient of this Agreement.
- b. **Binding Obligation.** This Agreement has been duly executed and delivered by Recipient and constitutes a legal, valid and binding obligation of Recipient, enforceable in accordance with its terms subject to the laws of bankruptcy, insolvency, or other similar laws affecting the enforcement of creditors' rights generally.
- c. **No Solicitation.** Recipient's officers, employees, and agents shall neither solicit nor

accept gratuities, favors, or any item of monetary value from contractors, potential contractors, or parties to subagreements, except as permitted by applicable law. No member or delegate to the Congress of the United States or State of Oregon employee shall be admitted to any share or part of this Agreement or any benefit arising therefrom.

- d. **No Debarment.** Neither Recipient nor its principals is presently debarred, suspended, or voluntarily excluded from this federally-assisted transaction, or proposed for debarment, declared ineligible or voluntarily excluded from participating in this Agreement by any state or federal agency. Recipient agrees to notify State immediately if it is debarred, suspended or otherwise excluded from this federally-assisted transaction for any reason or if circumstances change that may affect this status, including without limitation upon any relevant indictments or convictions of crimes.

The warranties set in this section are in addition to, and not in lieu of, any other warranties set forth in this Agreement or implied by law.

8. Records Maintenance and Access; Audit.

- a. **Records, Access to Records and Facilities.** Recipient shall make and retain proper and complete books of record and account and maintain all fiscal records related to this Agreement and the Project in accordance with all applicable generally accepted accounting principles, generally accepted governmental auditing standards and state minimum standards for audits of municipal corporations. Recipient shall require that each of its subrecipients and subcontractors complies with these requirements. State, the Secretary of State of the State of Oregon (Secretary), the United States Department of Transportation (USDOT), the Federal Transit Administration (FTA) and their duly authorized representatives shall have access to the books, documents, papers and records of Recipient that are directly related to this Agreement, the funds provided hereunder, or the Project for the purpose of making audits and examinations. In addition, State, the Secretary, USDOT, FTA and their duly authorized representatives may make and retain excerpts, copies, and transcriptions of the foregoing books, documents, papers, and records. Recipient shall permit authorized representatives of State, the Secretary, USDOT and FTA to perform site reviews of the Project, and to inspect all vehicles, real property, facilities and equipment purchased by Recipient as part of the Project, and any transportation services rendered by Recipient.
- b. **Retention of Records.** Recipient shall retain and keep accessible all books, documents, papers, and records that are directly related to this Agreement, the Grant Funds or the Project for a minimum of six (6) years, or such longer period as may be required by other provisions of this Agreement or applicable law, following the Expiration Date. If there are unresolved audit questions at the end of the six-year period, Recipient shall retain the records until the questions are resolved.
- c. **Expenditure Records.** Recipient shall document the expenditure of all Grant Funds disbursed by State under this Agreement. Recipient shall create and maintain all expenditure records in accordance with generally accepted accounting principles and in sufficient detail to permit State to verify how the Grant Funds were expended.
- d. **Audit Requirements.**
 - i. Recipients receiving federal funds in excess of \$750,000 are subject to audit conducted in accordance with the provisions of 2 CFR part 200, subpart F. Recipient, if subject to this requirement, shall at Recipient's own expense submit to State, Rail and Public Transit Division, 555 13th Street NE, Suite 3, Salem, Oregon, 97301-4179 or to ODOTPTDReporting@odot.state.or.us, a copy of, or electronic link to, its annual audit subject to this requirement covering the funds expended under this Agreement and shall submit or cause to be submitted, the annual audit of any subrecipient(s), contractor(s), or subcontractor(s) of Recipient responsible for the financial management of funds received under this Agreement.
 - ii. Recipient shall save, protect and hold harmless State from the cost of any audits or special investigations performed by the Secretary with respect to the funds expended under this Agreement. 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 State.

9. Recipient Subagreements and Procurements

- a. **Subagreements.** Recipient may enter into agreements with sub-recipients, contractors or subcontractors (collectively, "subagreements") for performance of the Project.
 - i. All subagreements must be in writing executed by Recipient and must incorporate and pass through all of the applicable requirements of this Agreement to the other party or parties to the subagreement(s). Use of a subagreement does not relieve Recipient of its responsibilities under this Agreement.
 - ii. Recipient agrees to provide State with a copy of any signed subagreement upon request by State. Any substantial breach of a term or condition of a subagreement relating to funds covered by this Agreement must be reported by Recipient to State within ten (10) days of its being discovered.
- b. Recipient shall review the *Best Practices Procurement Manual*, a technical assistance manual prepared by the FTA, available on the FTA website: www.fta.dot.gov/grants/13054_6037.html
- c. **Subagreement indemnity; insurance**

Recipient's subagreement(s) shall require the other party to such subagreements(s) that is not a unit of local government as defined in ORS 190.003, if any, to indemnify, defend, save and hold harmless State and its officers, employees and agents from and against any and all claims, actions, liabilities, damages, losses, or expenses, including attorneys' fees, arising from a tort, as now or hereafter defined in ORS 30.260, caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of the other party to Recipient's subagreement or any of such party's officers, agents, employees or subcontractors ("Claims"). It is the specific intention of the Parties that the State shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the State, be indemnified by the other party to Recipient's subagreement(s) from and against any and all Claims.

Any such indemnification shall also provide that neither Recipient's subrecipient(s), contractor(s) nor subcontractor(s) (collectively "Subrecipients"), nor any attorney engaged by Recipient's Subrecipient(s), shall defend any claim in the name of the State or any agency of the State of Oregon, nor purport to act as legal representative of the State of Oregon or any of its agencies, without the prior written consent of the Oregon Attorney General. The State may, at any time at its election, assume its own defense and settlement in the event that it determines that Recipient's Subrecipient is prohibited from defending State or that Recipient's Subrecipient is not adequately defending State's interests, or that an important governmental principle is at issue or that it is in the best interests of State to do so. State reserves all rights to pursue claims it may have against Recipient's Subrecipient if State elects to assume its own defense.

Recipient may require the other party, or parties, to each of its subagreements that are not units of local government as defined in ORS 190.003 to obtain and maintain insurance of the types and in the amounts provided in Exhibit C to this Agreement. Any insurance obtained by the other party to Recipient's subagreements, if any, shall not relieve Recipient of the requirements of Section 11 of this Agreement. The other party to any subagreement with Recipient, if the other party employs subject workers as defined in ORS 657.027, must obtain Workers Compensation Coverage as described in Exhibit C.

- d. **Procurements.** Recipient shall make purchases of any equipment, materials, or services for the Project under procedures that comply with Oregon law, as applicable, including all applicable provisions of the Oregon Public Contracting Code and rules, and in conformance to FTA Circular 4220.1F, Third Party Contracting Requirements including:
 - i. all applicable clauses required by federal statute, executive orders and their implementing regulations are included in each competitive procurement;
 - ii. all procurement transactions are conducted in a manner providing full and open

competition;

iii. procurements exclude the use of statutorily or administratively imposed in-state or geographic preference in the evaluation of bids or proposals (with exception of locally controlled licensing requirements);

iv. construction, architectural and engineering procurements are based on Brooks Act procedures unless the procurement is subject to ORS 279C.100 to 279C.125.

e. Additional requirements

- i. Recipient shall comply with 49 CFR sections 37.77(c) and 37.105 regarding "Certification of Equivalent Service" when purchasing vehicles under this Agreement. If non-accessible vehicles, as defined by the Americans with Disabilities Act, are being purchased for use by a public entity in demand responsive service for the general public, Recipient will certify to State at the time of applying for a project that, when viewed in its entirety, the demand responsive service offered to persons with disabilities, including persons who use wheelchairs, meets the standard of equivalent service.
- ii. Recipient shall comply with 49 CFR 663 regarding pre-award and post-delivery reviews. Every Recipient purchasing rolling stock or facilities under this Agreement must certify to State that a pre-award and post-delivery review has been conducted in accordance with ODOT requirements. This review ensures compliance to bid specifications including, but not limited to, FTA requirements, State requirements, and Federal Motor Carrier Safety Standards, as applicable to the type of project. Each Recipient's certification must include assurance that required documents have been received from manufacturers or vendors of products, or from both, and that Recipient possesses such documents. Acceptable certification forms are available from State. Recipient must provide certification forms to State when reimbursement is requested for vehicles. For facilities projects, Recipient must provide pre-award certifications to State at time of first payment, and post-delivery certifications upon completion of the post-delivery review, and in no event later than with Recipient's request for final payment.
- iii. Recipient shall comply with 49 CFR 604 in the provision of any charter service provided with vehicles, facilities, or equipment acquired with FTA assistance under this Agreement.
- iv. Recipient shall submit an annual vehicle inspection report to State for any vehicle purchased under this Agreement. Vehicle inspections shall be conducted by a vehicle maintenance technician certified by a nationally recognized organization in the field of vehicle service and maintenance. Reports covering required areas of inspection shall be submitted on forms provided by State.
- v. All drivers of vehicles purchased with FTA funds under this Agreement must complete a standard defensive driving course before operating an FTA-funded vehicle, and are advised to complete a standard defensive driving course before operating a State-funded vehicle.
- vi. Recipient shall maintain all vehicles, equipment, and facilities purchased under this Agreement in good condition per manufacturer's recommendations. Recipients are required to develop preventive maintenance plans for all rolling stock and facilities and to provide the plans to State upon request.
- vii. Recipient shall be the owner of the property for facility construction projects and of vehicles purchased under this Agreement. Such ownership shall be recorded on real property deeds for facility construction projects and on vehicle titles. If Recipient contracts the operation of vehicles to a third party, then the third party may be shown as the owner or lessee with Recipient listed as the second security interest holder or lessor. In all cases, Oregon Department of Transportation, Rail and Public Transit Division shall be shown as the first security interest holder on vehicle titles. If Recipient fails to show Oregon Department of Transportation, Rail and Public Transit Division as the first security interest holder, Recipient shall pay any expenses to re-submit the necessary documents to Oregon Department of Transportation,

Driver and Motor Vehicle Services (DMV). If a vehicle is damaged or destroyed at any time when Recipient fails to show Oregon Department of Transportation, Rail and Public Transit Division, as the first security interest holder, Recipient shall be liable to State for any damage in an amount in the same manner as if Oregon Department of Transportation, Rail and Public Transit Division, were shown as the first security interest holder.

- viii. Recipient shall bear the cost of insuring assets purchased under this Agreement based on risk assessment. Recipient shall maintain, in amounts and form satisfactory to State, such insurance or self-insurance as will be adequate to protect Recipient, vehicle drivers and assistants, vehicle occupants, and property throughout the period of use. The minimum that will be approved by State is comprehensive and collision insurance adequate to repair or replace property and equipment if damaged or destroyed; liability insurance of \$50,000 for property damage, \$200,000 for bodily injury per person, \$500,000 for bodily injury per occasion for maintenance and shop vehicles, and \$1,000,000 for bodily injury per occasion for vehicles providing passenger transportation; uninsured motorist protection; and personal injury protection as required by ORS Chapter 806. Recipient shall be responsible for all deductibles or self-insured retention. Recipient's insurance policy covering assets purchased under this Agreement shall include the Oregon Department of Transportation, Rail and Public Transit Division as an "Additional Insured". In the event of any ambiguity or conflict between this section 9.e.viii. and Exhibit C Insurance Requirements ii. Commercial General Liability and iii. AUTOMOBILE LIABILITY INSURANCE, this section 9.e.viii. shall control.
- ix. Recipient shall file a restrictive covenant with the property deed for all construction projects and purchases of real estate, with the exception of passenger shelters, amenities, and right-of-way infrastructure improvements. The restrictive covenant will limit the use of the building and property to the stated purpose specified in the statement of work associated with this Agreement.
- x. Recipient shall complete all purchases, including installation, and all construction of capital assets funded under this Agreement prior to the Expiration Date of this Agreement. If local circumstances prevent purchase, installation, or construction by the specified date, Recipient will notify State in writing of the circumstances regarding the delay. Such notification must be received at least forty-five (45) days prior to the expiration of the Agreement. Agreement amendment for time will be considered in extenuating circumstances.

10. Termination

- a. **Termination by State.** State may terminate this Agreement effective upon delivery of written notice of termination to Recipient, or at such later date as may be established by State in such written notice, if:
 - i. Recipient fails to perform the Project within the time specified herein or any extension thereof or commencement, continuation or timely completion of the Project by Recipient is, for any reason, rendered improbable, impossible, or illegal; or
 - ii. State fails to receive funding, appropriations, limitations or other expenditure authority sufficient to allow State, in the exercise of its reasonable administrative discretion, to continue to make payments for performance of this Agreement; or
 - iii. Federal or state laws, rules, regulations or guidelines are modified or interpreted in such a way that the Project is no longer allowable or no longer eligible for funding under this Agreement; or
 - iv. The Project would not produce results commensurate with the further expenditure of funds; or
 - v. Recipient takes any action pertaining to this Agreement without the approval of State and which under the provisions of this Agreement would have required the approval of State.
- b. **Termination by Recipient.** Recipient may terminate this Agreement effective upon

delivery of written notice of termination to State, or at such later date as may be established by Recipient in such written notice, if:

- i. The requisite local funding to continue the Project becomes unavailable to Recipient; or
 - ii. Federal or state laws, rules, regulations or guidelines are modified or interpreted in such a way that the Project is no longer allowable or no longer eligible for funding under this Agreement.
- c. **Termination by Either Party.** Either Party may terminate this Agreement upon at least ten days notice to the other Party and failure of the other Party to cure within the period provided in the notice, if the other Party fails to comply with any of the terms of this Agreement.

11. General Provisions

- a. **Contribution.** If any third party makes any claim or brings any action, suit or proceeding alleging a tort as now or hereafter defined in ORS 30.260 ("Third Party Claim") against State or Recipient with respect to which the other Party may have liability, the notified Party must promptly notify the other Party in writing of the Third Party Claim and deliver to the other Party a copy of the claim, process, and all legal pleadings with respect to the Third Party Claim. Each Party is entitled to participate in the defense of a Third Party Claim, and to defend a Third Party Claim with counsel of its own choosing. Receipt by a Party of the notice and copies required in this paragraph and meaningful opportunity for the Party to participate in the investigation, defense and settlement of the Third Party Claim with counsel of its own choosing are conditions precedent to that Party's liability with respect to the Third Party Claim.

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

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

- b. **Dispute Resolution.** The Parties shall attempt in good faith to resolve any dispute arising out of this Agreement. In addition, the Parties may agree to utilize a jointly selected mediator or arbitrator (for non-binding arbitration) to resolve the dispute short of litigation.
- c. **Responsibility for Grant Funds.** Any recipient of Grant Funds, pursuant to this

Agreement with State, shall assume sole liability for that recipient's breach of the conditions of this Agreement, and shall, upon recipient's breach of conditions that requires State to return funds to the FTA, hold harmless and indemnify State for an amount equal to the funds received under this Agreement; or if legal limitations apply to the indemnification ability of the recipient of Grant Funds, the indemnification amount shall be the maximum amount of funds available for expenditure, including any available contingency funds or other available non-appropriated funds, up to the amount received under this Agreement.

- d. **Amendments.** This Agreement may be amended or extended only by a written instrument signed by both Parties and approved as required by applicable law.
- e. **Duplicate Payment.** Recipient is not entitled to compensation or any other form of duplicate, overlapping or multiple payments for the same work performed under this Agreement from any agency of the State of Oregon or the United States of America or any other party, organization or individual.
- f. **No Third Party Beneficiaries.** State and Recipient are the only Parties to this Agreement and are the only Parties entitled to enforce its terms. Nothing in this Agreement gives, is intended to give, or shall be construed to give or provide any benefit or right, whether directly or indirectly, to a third person unless such a third person is individually identified by name herein and expressly described as an intended beneficiary of the terms of this Agreement.

Recipient acknowledges and agrees that the Federal Government, absent express written consent by the Federal Government, is not a party to this Agreement and shall not be subject to any obligations or liabilities to the Recipient, contractor or any other party (whether or not a party to the Agreement) pertaining to any matter resulting from the this Agreement.

- g. **Notices.** Except as otherwise expressly provided in this Agreement, any communications between the Parties hereto or notices to be given hereunder shall be given in writing by personal delivery, facsimile, email, or mailing the same, postage prepaid, to Recipient Contact or State Contact at the address or number set forth on the signature page of this Agreement, or to such other addresses or numbers as either Party may hereafter indicate pursuant to this Section 11.g. Any communication or notice personally delivered shall be deemed to be given when actually delivered. Any communication or notice delivered by facsimile shall be deemed to be given when receipt of the transmission is generated by the transmitting machine, and to be effective against State, such facsimile transmission must be confirmed by telephone notice to State Contact. Any communication by email shall be deemed to be given when the recipient of the email acknowledges receipt of the email. Any communication or notice mailed shall be deemed to be given when received.
- h. **Governing Law, Consent to Jurisdiction.** This Agreement shall be governed by and construed in accordance with the laws of the State of Oregon without regard to principles of conflicts of law. Any claim, action, suit or proceeding (collectively, "Claim") between State (or any other agency or department of the State of Oregon) and Recipient that arises from or relates to this Agreement shall be brought and conducted solely and exclusively within the Circuit Court of Marion County in the State of Oregon. In no event shall this section be construed as a waiver by the State of Oregon of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the eleventh amendment to the Constitution of the United States or otherwise, from any Claim or from the jurisdiction of any court. 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.
- i. **Compliance with Law.** Recipient shall comply with all federal, state and local laws, regulations, executive orders and ordinances applicable to the Agreement or to the implementation of the Project, as applicable to Recipient, including without limitation as described in Exhibit D. Without limiting the generality of the foregoing, Recipient expressly agrees to comply with (i) Title VI of Civil Rights Act of 1964; (ii) Title V and Section 504 of the Rehabilitation Act of 1973; (iii) the Americans with Disabilities Act of 1990 and ORS 659A.142; (iv) all regulations and administrative rules established pursuant to the foregoing laws; and (v) all other applicable requirements of federal and

state civil rights and rehabilitation statutes, rules and regulations.

- j. **Insurance; Workers' Compensation.** All employers, including Recipient, that employ subject workers who provide services in the State of Oregon shall comply with ORS 656.017 and provide the required Workers' Compensation coverage, unless such employers are exempt under ORS 656.126. Employer's liability insurance with coverage limits of not less than \$500,000 must be included. Recipient shall ensure that each of its subrecipient(s), contractor(s), and subcontractor(s) complies with these requirements.
- k. **Independent Contractor.** Recipient shall perform the Project as an independent contractor and not as an agent or employee of State. Recipient has no right or authority to incur or create any obligation for or legally bind State in any way. State cannot and will not control the means or manner by which Recipient performs the Project, except as specifically set forth in this Agreement. Recipient is responsible for determining the appropriate means and manner of performing the Project. Recipient acknowledges and agrees that Recipient is not an "officer", "employee", or "agent" of State, as those terms are used in ORS 30.265, and shall not make representations to third parties to the contrary.
- l. **Severability.** If any term or provision of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the Parties shall be construed and enforced as if this Agreement did not contain the particular term or provision held to be invalid.
- m. **Counterparts.** This Agreement may be executed in two or more counterparts (by facsimile or otherwise), each of which is an original and all of which together are deemed one agreement binding on all Parties, notwithstanding that all Parties are not signatories to the same counterpart.
- n. **Integration and Waiver.** This Agreement, including all Exhibits, constitutes the entire agreement between the Parties on the subject matter hereof. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement. The delay or failure of either Party to enforce any provision of this Agreement shall not constitute a waiver by that Party of that or any other provision. Recipient, by the signature below of its authorized representative, hereby acknowledges that it has read this Agreement, understands it, and agrees to be bound by its terms and conditions.

The Parties, by execution of this Agreement, hereby acknowledge that each Party has read this Agreement, understands it, and agrees to be bound by its terms and conditions.

The Oregon Transportation Commission on October 20, 2010, approved Delegation Order Number OTC-01, which authorizes the Director of the Oregon Department of Transportation to administer programs related to public transit.

On March 1, 2012, the Director approved Delegation Order Number DIR-04, which delegates the authority to approve this Agreement to the Rail and Public Transit Division Administrator.

SIGNATURE PAGE TO FOLLOW

Columbia County, by and through its

By _____
(Legally designated representative)

Name _____
(printed)

Date _____

By _____

Name _____
(printed)

Date _____

APPROVED AS TO LEGAL SUFFICIENCY

(If required in local process)

By _____
Recipient's Legal Counsel

Date _____

Recipient Contact:

Todd Wood
230 Strand Street
Saint Helens, OR 97051
1 (503) 366-8505
todd.wood@co.columbia.or.us

State Contact:

Arla Miller
555 13th Street NE
Salem, OR 97301-4179
1 (503) 986-2836
Arla.MILLER@odot.state.or.us

State of Oregon, by and through its
Department of Transportation

By _____
H. A. (Hal) Gard
Rail and Public Transit Division Administrator

Date _____

APPROVAL RECOMMENDED

By _____ Arla Miller

Date _____ 07/05/2018

APPROVED AS TO LEGAL SUFFICIENCY

(For funding over \$150,000)

By _____
Assistant Attorney General

Name _____ Marvin Fjordbeck by email
(printed)

Date _____ 03/13/2017

EXHIBIT A

Project Description and Budget

Project Description/Statement of Work

Project Title: STP Columbia County 32852				
<i>Two Vehicle Replacements</i>				
Item #1: Vans				
	Total	Grant Amount	Local Match	Match Type(s)
	\$180,000.00	\$161,514.00	\$18,486.00	Local
Sub Total	\$180,000.00	\$161,514.00	\$18,486.00	
Grand Total	\$180,000.00	\$161,514.00	\$18,486.00	

● 1. PROJECT DESCRIPTION

Purchase 2 transit vehicles as follows: useful life: 4 years and 100,000 miles; approximate length: less than 20 feet; estimated number of seats: 3-14; estimated number of ADA securement stations: 1; fuel type: diesel.

Purchase includes all equipment and supplies necessary to put the vehicles into service.

The following vehicles have been approved for replacement in this Agreement:

*OPTIS V000833; 2008 Ford Eldorado; 1FD4E45S28DB51376.
 OPTIS V000811; 2008 Ford Eldorado; 1FD4E45S59DA12160.*

2. PROJECT DELIVERABLES, SCHEDULE and USE

All purchases and installations must be completed prior to the expiration date of this Agreement.

Expected order date: July 1, 2018.

Expected delivery date: June 30, 2020.

For vehicles procured using State Price Agreement contracts managed by the Oregon Department of Administrative Services, all vehicle orders will be reviewed and approved by State prior to submission to selected vendor. State is responsible for submitting vehicle orders to selected vendor. If Recipient does not purchase from the State Price Agreement contracts managed by the Oregon Department of Administrative Services, Requests for Proposals to procure the vehicles must be reviewed by State prior to solicitation for bids. All vehicle orders will be reviewed by State prior to submission to the selected vendor.

This Agreement provides funding to purchase passenger transportation vehicles to be used to provide public transportation service. Public transportation service is defined as service to the general public or special populations such as seniors and individuals with disabilities. Recipient may use the vehicles to coordinate public and human service transportation services with other agencies. Recipient will not lease the vehicles to another agency without the permission of State.

State will retain title to the vehicles as primary security interest holder as long as the vehicles remain in public transportation service. Recipient must request permission from State to release title for disposal when planning to sell or transfer a vehicle which has exceeded the minimum useful standard for age or mileage, and must notify State when actual disposal has been completed. Recipient must request permission from State in advance to transfer or otherwise dispose of a vehicle prior to its meeting federal useful life standards. Recipient must request permission from State to release title for changes.

Recipient will create and maintain a vehicle maintenance plan that utilizes the original

equipment manufacturer (OEM) maintenance requirements for each vehicle and meets FTA transit asset management requirements in 49 CFR 625. Recipient will provide State a copy of the maintenance plan upon request.

3. PROJECT ACCOUNTING and MATCHING FUNDING

Eligible expenses that may be charged to this Agreement include grant administration, the cost of the procurement process, delivery charges and post-delivery inspections. Aftermarket equipment, graphics and other items directly associated with these vehicles and required to put the vehicles into service are eligible. Purchase of an extended warranty is an eligible expense; however, the eligible warranty shall not exceed the defined useful life of the vehicles. Licensing and other post-delivery expenses are not eligible for reimbursement.

Recipient will provide matching funding from non-federal source(s). Sources of funding that may be used as matching funding for this Agreement include Special Transportation Formula Funds, local funds, service contract revenue, advertisement income, other earned income, cash donations, and other verifiable in-kind contributions that are integral to the project budget. Recipient may not use passenger fares as matching funding.

Recipient will subtract income from fares, tickets, and passes whether pre-paid or post-paid, from the gross operating expenses of the service. Under this Agreement, State will bear the sum remaining after the amount of Recipient's required share of local matching funds is subtracted from the total project expenses. Recipient may not count the same costs twice if they have multiple agreements for which these costs may be eligible.

4. REPORTING and INVOICING REQUIREMENTS

Recipient will provide reporting information as prescribed by State on the vehicles purchased under this Agreement as long as the vehicles remain in public transportation service. Recipient will submit a request for reimbursement in a format provided by State. Reimbursement requests must include the following: a cover letter and copies of all invoices associated with expenses identified for reimbursement. and pre-award and post-delivery certification forms documenting compliance to Altoona bus testing, Federal Motor Vehicle Safety Standards, Buy America, and Disadvantaged Business Enterprise requirements.

EXHIBIT B
FINANCIAL INFORMATION

The information below will assist auditors to prepare a report in compliance with the requirements of 2 CFR part 200, subpart F.

This Agreement is financed by the funding source indicated below:

Federal Program 49 U.S.C. 5311	Federal Funding Agency U.S. Department of Transportation Federal Transit Administration 915 Second Avenue, Suite 3142 Seattle, WA 98174	CFDA Number 20.509 (5311)	Total Federal Funding \$161,514.00
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Administered By Rail and Public Transit Division 555 13th Street NE Salem, OR 97301-4179
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EXHIBIT C

Insurance Requirements

GENERAL - SUBRECIPIENT.

Recipient shall require in its first tier subagreements with entities that are not units of local government as defined in ORS 190.003, if any, to: i) obtain insurance specified under TYPES AND AMOUNTS and meeting the requirements under ADDITIONAL INSURED, "TAIL" COVERAGE, NOTICE OF CANCELLATION OR CHANGE, and CERTIFICATES OF INSURANCE before performance under the subagreement commences, and ii) maintain the insurance in full force throughout the duration of the subagreement. The insurance must be provided by insurance companies or entities that are authorized to transact the business of insurance and issue coverage in the State of Oregon and that are acceptable to State. Recipient shall not authorize work to begin under subagreements until the insurance is in full force. Thereafter, Recipient shall monitor continued compliance with the insurance requirements on an annual or more frequent basis. Recipient shall incorporate appropriate provisions in the subagreement permitting it to enforce compliance with the insurance requirements and shall take all reasonable steps to enforce such compliance. In no event shall Recipient permit work under a subagreement when Recipient is aware that the contractor is not in compliance with the insurance requirements. As used in this section, "first tier" means a subagreement in which the Recipient is a Party.

TYPES AND AMOUNTS.

i. WORKERS COMPENSATION. Insurance in compliance with ORS 656.017, which requires all employers that employ subject workers, as defined in ORS 656.027, to provide workers' compensation coverage for those workers, unless they meet the requirement for an exemption under ORS 656.126(2). Employers liability insurance with coverage limits of not less than \$500,000 must be included.

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

Bodily Injury, Death and Property Damage:

\$1,000,000 per occurrence (for all claimants for claims arising out of a single accident or occurrence).

iii. AUTOMOBILE Liability Insurance: Automobile Liability. Automobile Liability Insurance covering all owned, non-owned and hired vehicles. This coverage may be written in combination with the Commercial General Liability Insurance (with separate limits for "Commercial General Liability" and "Automobile Liability"). Automobile Liability Insurance must be in not less than the following amounts as determined by State:

Bodily Injury, Death and Property Damage:

\$1,000,000 per occurrence (for all claimants for claims arising out of a single accident or occurrence).

ADDITIONAL INSURED. The Commercial General Liability Insurance and Automobile Liability insurance must include State, its officers, employees and agents as Additional Insureds but only with respect to the contractor's activities to be performed under the Subcontract. Coverage must be primary and non-contributory with any other insurance and self-insurance.

"TAIL" COVERAGE. If any of the required insurance policies is on a "claims made" basis, such as professional liability insurance, the contractor shall maintain either "tail" coverage or continuous

"claims made" liability coverage, provided the effective date of the continuous "claims made" coverage is on or before the effective date of the Subcontract, for a minimum of 24 months following the later of: (i) the contractor's completion and Recipient's acceptance of all Services required under the Subcontract or, (ii) the expiration of all warranty periods provided under the Subcontract. Notwithstanding the foregoing 24-month requirement, if the contractor elects to maintain "tail" coverage and if the maximum time period "tail" coverage reasonably available in the marketplace is less than the 24-month period described above, then the contractor may request and State may grant approval of the maximum "tail" coverage period reasonably available in the marketplace. If State approval is granted, the contractor shall maintain "tail" coverage for the maximum time period that "tail" coverage is reasonably available in the marketplace.

NOTICE OF CANCELLATION OR CHANGE. The contractor or its insurer must provide 30 days' written notice to Recipient before cancellation of, material change to, potential exhaustion of aggregate limits of, or non-renewal of the required insurance coverage(s).

CERTIFICATE(S) OF INSURANCE. Recipient shall obtain from the contractor a certificate(s) of insurance for all required insurance before the contractor performs under the Subcontract. The certificate(s) or an attached endorsement must specify: i) all entities and individuals who are endorsed on the policy as Additional Insured and ii) for insurance on a "claims made" basis, the extended reporting period applicable to "tail" or continuous "claims made" coverage.

GENERAL - RECIPIENT.

Recipient shall: i) obtain insurance specified under TYPES AND AMOUNTS (except TYPES AND AMOUNTS paragraph I applies only to Recipient's subcontractors who employ subject workers) and meeting the requirements under ADDITIONAL INSURED, "TAIL" COVERAGE, NOTICE OF CANCELLATION OR CHANGE, and CERTIFICATES OF INSURANCE before performance under this Agreement commences, and ii) maintain the insurance in full force throughout the duration of this Agreement. The insurance must be provided by insurance companies or entities that are authorized to transact the business of insurance and issue coverage in the State of Oregon and that are acceptable to State.

TYPES AND AMOUNTS.

i. WORKERS COMPENSATION. Insurance in compliance with ORS 656.017, which requires all employers that employ subject workers, as defined in ORS 656.027, to provide Workers' Compensation coverage for those workers, unless they meet the requirement for an exemption under ORS 656.126(2). Employers liability insurance with coverage limits of not less than \$500,000 must be included.

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

Bodily Injury, Death and Property Damage:

\$1,000,000 per occurrence (for all claimants for claims arising out of a single accident or occurrence).

iii. AUTOMOBILE Liability Insurance: Automobile Liability. Automobile Liability Insurance covering all owned, non-owned and hired vehicles. This coverage may be written in combination with the Commercial General Liability Insurance (with separate limits for "Commercial General Liability" and "Automobile Liability"). Automobile Liability Insurance must be in not less than the following amounts as determined by State:

Bodily Injury, Death and Property Damage:

\$1,000,000 per occurrence (for all claimants for claims arising out of a single accident or occurrence).

ADDITIONAL INSURED. The Commercial General Liability Insurance and Automobile Liability insurance must include State, its officers, employees and agents as Additional Insureds but only with respect to the Recipient's activities to be performed under this Agreement. Coverage must be primary and non-contributory with any other insurance and self-insurance.

"TAIL" COVERAGE. If any of the required insurance policies is on a "claims made" basis, such as professional liability insurance, Recipient shall maintain either "tail" coverage or continuous "claims made" liability coverage, provided the effective date of the continuous "claims made" coverage is on or before the effective date of this Agreement, for a minimum of 24 months following the later of: (i) Recipient's completion and State's acceptance of all Services required under this Agreement or, (ii) the expiration of all warranty periods provided under this Agreement. Notwithstanding the foregoing 24-month requirement, if Recipient elects to maintain "tail" coverage and if the maximum time period "tail" coverage reasonably available in the marketplace is less than the 24-month period described above, then Recipient may request and State may grant approval of the maximum "tail" coverage period reasonably available in the marketplace. If State approval is granted, Recipient shall maintain "tail" coverage for the maximum time period that "tail" coverage is reasonably available in the marketplace.

NOTICE OF CANCELLATION OR CHANGE. Recipient or its insurer must provide 30 days' written notice to State before cancellation of, material change to, potential exhaustion of aggregate limits of, or non-renewal of the required insurance coverage(s).

CERTIFICATE(S) OF INSURANCE. State shall obtain from Recipient a certificate(s) of insurance for all required insurance before the effective date of this Agreement . The certificate(s) or an attached endorsement must specify: i) all entities and individuals who are endorsed on the policy as Additional Insured and ii) for insurance on a "claims made" basis, the extended reporting period applicable to "tail" or continuous "claims made" coverage.

EXHIBIT D

Summary of Federal Requirements and Incorporating by Reference Annual List of Certifications and Assurances for FTA Grants and Cooperative Agreements ("Certifications and Assurances") and Federal Transit Administration Master Agreement ("Master Agreement")

Recipient and Recipient's subrecipient(s), contractor(s), or subcontractor(s), at any tier, if any, must comply with all applicable federal requirements contained in the Certifications and Assurances available at www.transit.dot.gov. The Certifications and Assurances, including as they may be changed during the term of this Agreement, are by this reference incorporated herein.

Recipient further agrees to comply with all applicable requirements included in the Master Agreement that is signed and attested to by State. This Master Agreement is incorporated by reference and made part of this Agreement. Said Master Agreement is available upon request from State by calling (503) 986-3300, or at www.transit.dot.gov. Without limiting the foregoing, the following is a summary of some requirements applicable to transactions covered by this Agreement and the funds described in Exhibit A:

1. Recipient shall comply with Title VI of the Civil Rights Act of 1964 (78 State 252, 42 U.S.C. § 2000d) and the regulations of the United States Department of Transportation (49 CFR 21, Subtitle A). Recipient shall exclude no person on the grounds of race, religion, color, sex, age, national origin, or disability from the benefits of aid received under this Agreement. Recipient will report to State on at least an annual basis the following information: any active lawsuits or complaints, including dates, summary of allegation, status of lawsuit or complaint including whether the Parties entered into a consent decree.
2. Recipient shall comply with FTA regulations in Title 49 CFR 27 Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance which implements the Rehabilitation Act of 1973, as amended, the Americans with Disabilities Act of 1990, 49 CFR 37, and 49 CFR 38.
3. Recipient shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any USDOT-assisted contract or in the administration of its DBE program or the requirements of 49 CFR Part 26. Recipient shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of USDOT-assisted contracts. Recipient's DBE program, if applicable, as required by 49 CFR part 26 and as approved by USDOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to State of its failure to carry out its approved program, the Department may impose sanctions as provided for under part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).
4. Recipient must include the following language in each subagreement Recipient signs with a subcontractor or subrecipient:

The contractor, subrecipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this Agreement. The contractor, subrecipient, or subcontractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of USDOT-assisted contracts. Failure by the contractor, subrecipient, or subcontractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as Recipient deems appropriate.

5. By executing the Agreement, Recipient and contractors receiving in excess of \$100,000 in federal funds, other than Indian tribes, certify to State that they have not and will not use federal funds to pay for influencing or attempting to influence an officer or employee of any federal department or Agency, a member of Congress, or an employee of a member of Congress in connection with obtaining any federal grant, cooperative agreement or any other

federal award as well as the extension, continuation, renewal, amendment or modification of any federal contract, grant, loan, cooperative agreement, or other federal award. This certification is a material representation of fact upon which reliance was placed when this Agreement was made or entered into. Submission of this certification is a prerequisite for making or entering into this Agreement imposed by Section 1352, Title 31 of the 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. If non-federal funds have been used to support lobbying activities in connection with the Project, Recipient shall complete Standard Form LLL, Disclosure Form to Report Lobbying and submit the form to State at the end of each calendar quarter in which there occurs an event that requires disclosure. Restrictions on lobbying do not apply to influencing policy decisions. Examples of prohibited activities include seeking support for a particular application or bid and seeking a congressional earmark.

RAIL AND PUBLIC TRANSIT DIVISION
OREGON DEPARTMENT OF TRANSPORTATION

This Agreement is made and entered into by and between the **State of Oregon**, acting by and through its Department of Transportation, Rail and Public Transit Division, hereinafter referred to as "State," and **Columbia County**, hereinafter referred to as "Recipient," and collectively referred to as the "Parties."

AGREEMENT

1. **Effective Date.** This Agreement shall become effective on the later of **July 1, 2018** or the date when this Agreement is fully executed and approved as required by applicable law. Unless otherwise terminated or extended, Grant Funds under this Agreement shall be available for Project Costs incurred on or before **June 30, 2020** (Expiration Date). No Grant Funds are available for any expenditures after the Expiration Date. State's obligation to disburse Grant Funds under this Agreement shall end as provided in Section 10 of this Agreement.
2. **Agreement Documents.** This Agreement consists of this document and the following documents, all of which are attached hereto and incorporated herein by reference:

Exhibit A: Project Description and Budget

Exhibit B: Financial Information

Exhibit C: Subcontractor Insurance

Exhibit D: Summary of Federal Requirements, incorporating by reference Annual List of Certifications and Assurances for Federal Transit Administration Grants and Cooperative Agreements ("Certifications and Assurances") and Federal Transit Administration Master Agreement

Exhibit E: Information required by 2 CFR 200.331(a), may be accessed at <http://www.oregon.gov/odot/pt/>, Oregon Public Transit Information System (OPTIS), as the information becomes available

In the event of a conflict between two or more of the documents comprising this Agreement, the language in the document with the highest precedence shall control. The precedence of each of the documents comprising this Agreement is as follows, listed from highest precedence to lowest precedence: Exhibit D; Exhibit E; this Agreement without Exhibits; Exhibit A; Exhibit B; Exhibit C.

3. **Project Cost; Grant Funds; Match.** The total project cost is estimated at **\$160,000.00**. In accordance with the terms and conditions of this Agreement, State shall provide Recipient an amount not to exceed **\$136,000.00** in Grant Funds for eligible costs described in Section 6.a. hereof. Recipient shall provide matching funds for all Project Costs as described in Exhibit A.
4. **Project.** The Grant Funds shall be used solely for the Project described in Exhibit A and shall not be used for any other purpose. No Grant Funds will be disbursed for any changes to the Project unless such changes are approved by State by amendment pursuant to Section 11.d hereof.
5. **Progress Reports.** Recipient shall submit quarterly progress reports to State no later than 45 days after the close of each quarterly reporting period. Reporting periods are July through September, October through December, January through March, and April through June. Reports must be in a format acceptable to State and must be entered into the Oregon Public Transit Information System (OPTIS), which may be accessed at <http://www.oregon.gov/odot/pt/>. If Recipient is unable to access OPTIS, reports must be delivered to ODOTPTDReporting@odot.state.or.us. Reports shall include a statement of revenues and expenditures for each quarter, including documentation of local match contributions and expenditures. State reserves the right to request such additional information as may be

necessary to comply with federal or state reporting requirements.

6. Disbursement and Recovery of Grant Funds.

- a. **Disbursement Generally.** State shall reimburse eligible costs incurred in carrying out the Project, up to the Grant Fund amount provided in Section 3. Reimbursements shall be made by State within 30 days of State's approval of a request for reimbursement from Recipient using a format that is acceptable to State. Requests for reimbursement must be entered into OPTIS or sent to ODOTPTDReporting@odot.state.or.us. Eligible costs are the reasonable and necessary costs incurred by Recipient, or under a subagreement described in Section 9.a. of this Agreement, in performance of the Project and that are not excluded from reimbursement by State, either by this Agreement or by exclusion as a result of financial review or audit.
- b. **Conditions Precedent to Disbursement.** State's obligation to disburse Grant Funds to Recipient is subject to satisfaction, with respect to each disbursement, of each of the following conditions precedent:
 - i. State has received funding, appropriations, limitations, allotments or other expenditure authority sufficient to allow State, in the exercise of its reasonable administrative discretion, to make the disbursement.
 - ii. Recipient is in compliance with the terms of this Agreement including, without limitation, Exhibit D and the requirements incorporated by reference in Exhibit D.
 - iii. Recipient's representations and warranties set forth in Section 7 hereof are true and correct on the date of disbursement with the same effect as though made on the date of disbursement.
 - iv. Recipient has provided to State a request for reimbursement using a format that is acceptable to and approved by State. Recipient must submit its final request for reimbursement following completion of the Project and no later than 60 days after the Expiration Date. Failure to submit the final request for reimbursement within 60 days after the Expiration Date could result in non-payment.
- c. **Recovery of Grant Funds.** Any funds disbursed to Recipient under this Agreement that are expended in violation or contravention of one or more of the provisions of this Agreement ("Misexpended Funds") or that remain unexpended on the earlier of termination or expiration of this Agreement must be returned to State. Recipient shall return all Misexpended Funds to State promptly after State's written demand and no later than 15 days after State's written demand. Recipient shall return all Unexpended Funds to State within 14 days after the earlier of expiration or termination of this Agreement.

7. Representations and Warranties of Recipient. Recipient represents and warrants to State as follows:

- a. **Organization and Authority.** Recipient is duly organized and validly existing under the laws of the State of Oregon and is eligible to receive the Grant Funds. Recipient has full power, authority, and legal right to make this Agreement and to incur and perform its obligations hereunder, and the making and performance by Recipient of this Agreement (1) have been duly authorized by all necessary action of Recipient and (2) do not and will not violate any provision of any applicable law, rule, regulation, or order of any court, regulatory commission, board, or other administrative agency or any provision of Recipient's Articles of Incorporation or Bylaws, if applicable, (3) do not and will not result in the breach of, or constitute a default or require any consent under any other agreement or instrument to which Recipient is a party or by which Recipient or any of its properties may be bound or affected. No authorization, consent, license, approval of, filing or registration with or notification to any governmental body or regulatory or supervisory authority is required for the execution, delivery or performance by Recipient of this Agreement.
- b. **Binding Obligation.** This Agreement has been duly executed and delivered by Recipient and constitutes a legal, valid and binding obligation of Recipient, enforceable in accordance with its terms subject to the laws of bankruptcy, insolvency, or other similar laws affecting the enforcement of creditors' rights generally.
- c. **No Solicitation.** Recipient's officers, employees, and agents shall neither solicit nor

accept gratuities, favors, or any item of monetary value from contractors, potential contractors, or parties to subagreements, except as permitted by applicable law. No member or delegate to the Congress of the United States or State of Oregon employee shall be admitted to any share or part of this Agreement or any benefit arising therefrom.

- d. **No Debarment.** Neither Recipient nor its principals is presently debarred, suspended, or voluntarily excluded from this federally-assisted transaction, or proposed for debarment, declared ineligible or voluntarily excluded from participating in this Agreement by any state or federal agency. Recipient agrees to notify State immediately if it is debarred, suspended or otherwise excluded from this federally-assisted transaction for any reason or if circumstances change that may affect this status, including without limitation upon any relevant indictments or convictions of crimes.

The warranties set in this section are in addition to, and not in lieu of, any other warranties set forth in this Agreement or implied by law.

8. **Records Maintenance and Access; Audit.**

- a. **Records, Access to Records and Facilities.** Recipient shall make and retain proper and complete books of record and account and maintain all fiscal records related to this Agreement and the Project in accordance with all applicable generally accepted accounting principles, generally accepted governmental auditing standards and state minimum standards for audits of municipal corporations. Recipient shall require that each of its subrecipients and subcontractors complies with these requirements. State, the Secretary of State of the State of Oregon (Secretary), the United States Department of Transportation (USDOT), the Federal Transit Administration (FTA) and their duly authorized representatives shall have access to the books, documents, papers and records of Recipient that are directly related to this Agreement, the funds provided hereunder, or the Project for the purpose of making audits and examinations. In addition, State, the Secretary, USDOT, FTA and their duly authorized representatives may make and retain excerpts, copies, and transcriptions of the foregoing books, documents, papers, and records. Recipient shall permit authorized representatives of State, the Secretary, USDOT and FTA to perform site reviews of the Project, and to inspect all vehicles, real property, facilities and equipment purchased by Recipient as part of the Project, and any transportation services rendered by Recipient.
- b. **Retention of Records.** Recipient shall retain and keep accessible all books, documents, papers, and records that are directly related to this Agreement, the Grant Funds or the Project for a minimum of six (6) years, or such longer period as may be required by other provisions of this Agreement or applicable law, following the Expiration Date. If there are unresolved audit questions at the end of the six-year period, Recipient shall retain the records until the questions are resolved.
- c. **Expenditure Records.** Recipient shall document the expenditure of all Grant Funds disbursed by State under this Agreement. Recipient shall create and maintain all expenditure records in accordance with generally accepted accounting principles and in sufficient detail to permit State to verify how the Grant Funds were expended.
- d. **Audit Requirements.**
 - i. Recipients receiving federal funds in excess of \$750,000 are subject to audit conducted in accordance with the provisions of 2 CFR part 200, subpart F. Recipient, if subject to this requirement, shall at Recipient's own expense submit to State, Rail and Public Transit Division, 555 13th Street NE, Suite 3, Salem, Oregon, 97301-4179 or to ODOTPTDReporting@odot.state.or.us, a copy of, or electronic link to, its annual audit subject to this requirement covering the funds expended under this Agreement and shall submit or cause to be submitted, the annual audit of any subrecipient(s), contractor(s), or subcontractor(s) of Recipient responsible for the financial management of funds received under this Agreement.
 - ii. Recipient shall save, protect and hold harmless State from the cost of any audits or special investigations performed by the Secretary with respect to the funds expended under this Agreement. 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 State.

9. Recipient Subagreements and Procurements

- a. **Subagreements.** Recipient may enter into agreements with sub-recipients, contractors or subcontractors (collectively, "subagreements") for performance of the Project.
 - i. All subagreements must be in writing executed by Recipient and must incorporate and pass through all of the applicable requirements of this Agreement to the other party or parties to the subagreement(s). Use of a subagreement does not relieve Recipient of its responsibilities under this Agreement.
 - ii. Recipient agrees to provide State with a copy of any signed subagreement upon request by State. Any substantial breach of a term or condition of a subagreement relating to funds covered by this Agreement must be reported by Recipient to State within ten (10) days of its being discovered.
- b. Recipient shall review the *Best Practices Procurement Manual*, a technical assistance manual prepared by the FTA, available on the FTA website: www.fta.dot.gov/grants/13054_6037.html
- c. **Subagreement indemnity; insurance**

Recipient's subagreement(s) shall require the other party to such subagreements(s) that is not a unit of local government as defined in ORS 190.003, if any, to indemnify, defend, save and hold harmless State and its officers, employees and agents from and against any and all claims, actions, liabilities, damages, losses, or expenses, including attorneys' fees, arising from a tort, as now or hereafter defined in ORS 30.260, caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of the other party to Recipient's subagreement or any of such party's officers, agents, employees or subcontractors ("Claims"). It is the specific intention of the Parties that the State shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the State, be indemnified by the other party to Recipient's subagreement(s) from and against any and all Claims.

Any such indemnification shall also provide that neither Recipient's subrecipient(s), contractor(s) nor subcontractor(s) (collectively "Subrecipients"), nor any attorney engaged by Recipient's Subrecipient(s), shall defend any claim in the name of the State or any agency of the State of Oregon, nor purport to act as legal representative of the State of Oregon or any of its agencies, without the prior written consent of the Oregon Attorney General. The State may, at any time at its election, assume its own defense and settlement in the event that it determines that Recipient's Subrecipient is prohibited from defending State or that Recipient's Subrecipient is not adequately defending State's interests, or that an important governmental principle is at issue or that it is in the best interests of State to do so. State reserves all rights to pursue claims it may have against Recipient's Subrecipient if State elects to assume its own defense.

Recipient may require the other party, or parties, to each of its subagreements that are not units of local government as defined in ORS 190.003 to obtain and maintain insurance of the types and in the amounts provided in Exhibit C to this Agreement. Any insurance obtained by the other party to Recipient's subagreements, if any, shall not relieve Recipient of the requirements of Section 11 of this Agreement. The other party to any subagreement with Recipient, if the other party employs subject workers as defined in ORS 657.027, must obtain Workers Compensation Coverage as described in Exhibit C.

- d. **Procurements.** Recipient shall make purchases of any equipment, materials, or services for the Project under procedures that comply with Oregon law, as applicable, including all applicable provisions of the Oregon Public Contracting Code and rules, and in conformance to FTA Circular 4220.1F, Third Party Contracting Requirements including:
 - i. all applicable clauses required by federal statute, executive orders and their implementing regulations are included in each competitive procurement;
 - ii. all procurement transactions are conducted in a manner providing full and open

competition;

iii. procurements exclude the use of statutorily or administratively imposed in-state or geographic preference in the evaluation of bids or proposals (with exception of locally controlled licensing requirements);

iv. construction, architectural and engineering procurements are based on Brooks Act procedures unless the procurement is subject to ORS 279C.100 to 279C.125.

e. Additional requirements

- i. Recipient shall comply with 49 CFR sections 37.77(c) and 37.105 regarding "Certification of Equivalent Service" when purchasing vehicles under this Agreement. If non-accessible vehicles, as defined by the Americans with Disabilities Act, are being purchased for use by a public entity in demand responsive service for the general public, Recipient will certify to State at the time of applying for a project that, when viewed in its entirety, the demand responsive service offered to persons with disabilities, including persons who use wheelchairs, meets the standard of equivalent service.
- ii. Recipient shall comply with 49 CFR 663 regarding pre-award and post-delivery reviews. Every Recipient purchasing rolling stock or facilities under this Agreement must certify to State that a pre-award and post-delivery review has been conducted in accordance with ODOT requirements. This review ensures compliance to bid specifications including, but not limited to, FTA requirements, State requirements, and Federal Motor Carrier Safety Standards, as applicable to the type of project. Each Recipient's certification must include assurance that required documents have been received from manufacturers or vendors of products, or from both, and that Recipient possesses such documents. Acceptable certification forms are available from State. Recipient must provide certification forms to State when reimbursement is requested for vehicles. For facilities projects, Recipient must provide pre-award certifications to State at time of first payment, and post-delivery certifications upon completion of the post-delivery review, and in no event later than with Recipient's request for final payment.
- iii. Recipient shall comply with 49 CFR 604 in the provision of any charter service provided with vehicles, facilities, or equipment acquired with FTA assistance under this Agreement.
- iv. Recipient shall submit an annual vehicle inspection report to State for any vehicle purchased under this Agreement. Vehicle inspections shall be conducted by a vehicle maintenance technician certified by a nationally recognized organization in the field of vehicle service and maintenance. Reports covering required areas of inspection shall be submitted on forms provided by State.
- v. All drivers of vehicles purchased with FTA funds under this Agreement must complete a standard defensive driving course before operating an FTA-funded vehicle, and are advised to complete a standard defensive driving course before operating a State-funded vehicle.
- vi. Recipient shall maintain all vehicles, equipment, and facilities purchased under this Agreement in good condition per manufacturer's recommendations. Recipients are required to develop preventive maintenance plans for all rolling stock and facilities and to provide the plans to State upon request.
- vii. Recipient shall be the owner of the property for facility construction projects and of vehicles purchased under this Agreement. Such ownership shall be recorded on real property deeds for facility construction projects and on vehicle titles. If Recipient contracts the operation of vehicles to a third party, then the third party may be shown as the owner or lessee with Recipient listed as the second security interest holder or lessor. In all cases, Oregon Department of Transportation, Rail and Public Transit Division shall be shown as the first security interest holder on vehicle titles. If Recipient fails to show Oregon Department of Transportation, Rail and Public Transit Division as the first security interest holder, Recipient shall pay any expenses to re-submit the necessary documents to Oregon Department of Transportation,

Driver and Motor Vehicle Services (DMV). If a vehicle is damaged or destroyed at any time when Recipient fails to show Oregon Department of Transportation, Rail and Public Transit Division, as the first security interest holder, Recipient shall be liable to State for any damage in an amount in the same manner as if Oregon Department of Transportation, Rail and Public Transit Division, were shown as the first security interest holder.

- viii. Recipient shall bear the cost of insuring assets purchased under this Agreement based on risk assessment. Recipient shall maintain, in amounts and form satisfactory to State, such insurance or self-insurance as will be adequate to protect Recipient, vehicle drivers and assistants, vehicle occupants, and property throughout the period of use. The minimum that will be approved by State is comprehensive and collision insurance adequate to repair or replace property and equipment if damaged or destroyed; liability insurance of \$50,000 for property damage, \$200,000 for bodily injury per person, \$500,000 for bodily injury per occasion for maintenance and shop vehicles, and \$1,000,000 for bodily injury per occasion for vehicles providing passenger transportation; uninsured motorist protection; and personal injury protection as required by ORS Chapter 806. Recipient shall be responsible for all deductibles or self-insured retention. Recipient's insurance policy covering assets purchased under this Agreement shall include the Oregon Department of Transportation, Rail and Public Transit Division as an "Additional Insured". In the event of any ambiguity or conflict between this section 9.e.viii. and Exhibit C Insurance Requirements ii. Commercial General Liability and iii. AUTOMOBILE LIABILITY INSURANCE, this section 9.e.viii. shall control.
- ix. Recipient shall file a restrictive covenant with the property deed for all construction projects and purchases of real estate, with the exception of passenger shelters, amenities, and right-of-way infrastructure improvements. The restrictive covenant will limit the use of the building and property to the stated purpose specified in the statement of work associated with this Agreement.
- x. Recipient shall complete all purchases, including installation, and all construction of capital assets funded under this Agreement prior to the Expiration Date of this Agreement. If local circumstances prevent purchase, installation, or construction by the specified date, Recipient will notify State in writing of the circumstances regarding the delay. Such notification must be received at least forty-five (45) days prior to the expiration of the Agreement. Agreement amendment for time will be considered in extenuating circumstances.

10. Termination

- a. **Termination by State.** State may terminate this Agreement effective upon delivery of written notice of termination to Recipient, or at such later date as may be established by State in such written notice, if:
 - i. Recipient fails to perform the Project within the time specified herein or any extension thereof or commencement, continuation or timely completion of the Project by Recipient is, for any reason, rendered improbable, impossible, or illegal; or
 - ii. State fails to receive funding, appropriations, limitations or other expenditure authority sufficient to allow State, in the exercise of its reasonable administrative discretion, to continue to make payments for performance of this Agreement; or
 - iii. Federal or state laws, rules, regulations or guidelines are modified or interpreted in such a way that the Project is no longer allowable or no longer eligible for funding under this Agreement; or
 - iv. The Project would not produce results commensurate with the further expenditure of funds; or
 - v. Recipient takes any action pertaining to this Agreement without the approval of State and which under the provisions of this Agreement would have required the approval of State.
- b. **Termination by Recipient.** Recipient may terminate this Agreement effective upon

delivery of written notice of termination to State, or at such later date as may be established by Recipient in such written notice, if:

- i. The requisite local funding to continue the Project becomes unavailable to Recipient; or
 - ii. Federal or state laws, rules, regulations or guidelines are modified or interpreted in such a way that the Project is no longer allowable or no longer eligible for funding under this Agreement.
- c. **Termination by Either Party.** Either Party may terminate this Agreement upon at least ten days notice to the other Party and failure of the other Party to cure within the period provided in the notice, if the other Party fails to comply with any of the terms of this Agreement.

11. General Provisions

- a. **Contribution.** If any third party makes any claim or brings any action, suit or proceeding alleging a tort as now or hereafter defined in ORS 30.260 ("Third Party Claim") against State or Recipient with respect to which the other Party may have liability, the notified Party must promptly notify the other Party in writing of the Third Party Claim and deliver to the other Party a copy of the claim, process, and all legal pleadings with respect to the Third Party Claim. Each Party is entitled to participate in the defense of a Third Party Claim, and to defend a Third Party Claim with counsel of its own choosing. Receipt by a Party of the notice and copies required in this paragraph and meaningful opportunity for the Party to participate in the investigation, defense and settlement of the Third Party Claim with counsel of its own choosing are conditions precedent to that Party's liability with respect to the Third Party Claim.

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

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

- b. **Dispute Resolution.** The Parties shall attempt in good faith to resolve any dispute arising out of this Agreement. In addition, the Parties may agree to utilize a jointly selected mediator or arbitrator (for non-binding arbitration) to resolve the dispute short of litigation.
- c. **Responsibility for Grant Funds.** Any recipient of Grant Funds, pursuant to this

Agreement with State, shall assume sole liability for that recipient's breach of the conditions of this Agreement, and shall, upon recipient's breach of conditions that requires State to return funds to the FTA, hold harmless and indemnify State for an amount equal to the funds received under this Agreement; or if legal limitations apply to the indemnification ability of the recipient of Grant Funds, the indemnification amount shall be the maximum amount of funds available for expenditure, including any available contingency funds or other available non-appropriated funds, up to the amount received under this Agreement.

- d. **Amendments.** This Agreement may be amended or extended only by a written instrument signed by both Parties and approved as required by applicable law.
- e. **Duplicate Payment.** Recipient is not entitled to compensation or any other form of duplicate, overlapping or multiple payments for the same work performed under this Agreement from any agency of the State of Oregon or the United States of America or any other party, organization or individual.
- f. **No Third Party Beneficiaries.** State and Recipient are the only Parties to this Agreement and are the only Parties entitled to enforce its terms. Nothing in this Agreement gives, is intended to give, or shall be construed to give or provide any benefit or right, whether directly or indirectly, to a third person unless such a third person is individually identified by name herein and expressly described as an intended beneficiary of the terms of this Agreement.

Recipient acknowledges and agrees that the Federal Government, absent express written consent by the Federal Government, is not a party to this Agreement and shall not be subject to any obligations or liabilities to the Recipient, contractor or any other party (whether or not a party to the Agreement) pertaining to any matter resulting from the this Agreement.

- g. **Notices.** Except as otherwise expressly provided in this Agreement, any communications between the Parties hereto or notices to be given hereunder shall be given in writing by personal delivery, facsimile, email, or mailing the same, postage prepaid, to Recipient Contact or State Contact at the address or number set forth on the signature page of this Agreement, or to such other addresses or numbers as either Party may hereafter indicate pursuant to this Section 11.g. Any communication or notice personally delivered shall be deemed to be given when actually delivered. Any communication or notice delivered by facsimile shall be deemed to be given when receipt of the transmission is generated by the transmitting machine, and to be effective against State, such facsimile transmission must be confirmed by telephone notice to State Contact. Any communication by email shall be deemed to be given when the recipient of the email acknowledges receipt of the email. Any communication or notice mailed shall be deemed to be given when received.
- h. **Governing Law, Consent to Jurisdiction.** This Agreement shall be governed by and construed in accordance with the laws of the State of Oregon without regard to principles of conflicts of law. Any claim, action, suit or proceeding (collectively, "Claim") between State (or any other agency or department of the State of Oregon) and Recipient that arises from or relates to this Agreement shall be brought and conducted solely and exclusively within the Circuit Court of Marion County in the State of Oregon. In no event shall this section be construed as a waiver by the State of Oregon of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the eleventh amendment to the Constitution of the United States or otherwise, from any Claim or from the jurisdiction of any court. 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.
- i. **Compliance with Law.** Recipient shall comply with all federal, state and local laws, regulations, executive orders and ordinances applicable to the Agreement or to the implementation of the Project, as applicable to Recipient, including without limitation as described in Exhibit D. Without limiting the generality of the foregoing, Recipient expressly agrees to comply with (i) Title VI of Civil Rights Act of 1964; (ii) Title V and Section 504 of the Rehabilitation Act of 1973; (iii) the Americans with Disabilities Act of 1990 and ORS 659A.142; (iv) all regulations and administrative rules established pursuant to the foregoing laws; and (v) all other applicable requirements of federal and

state civil rights and rehabilitation statutes, rules and regulations.

- j. **Insurance; Workers' Compensation.** All employers, including Recipient, that employ subject workers who provide services in the State of Oregon shall comply with ORS 656.017 and provide the required Workers' Compensation coverage, unless such employers are exempt under ORS 656.126. Employer's liability insurance with coverage limits of not less than \$500,000 must be included. Recipient shall ensure that each of its subrecipient(s), contractor(s), and subcontractor(s) complies with these requirements.
- k. **Independent Contractor.** Recipient shall perform the Project as an independent contractor and not as an agent or employee of State. Recipient has no right or authority to incur or create any obligation for or legally bind State in any way. State cannot and will not control the means or manner by which Recipient performs the Project, except as specifically set forth in this Agreement. Recipient is responsible for determining the appropriate means and manner of performing the Project. Recipient acknowledges and agrees that Recipient is not an "officer", "employee", or "agent" of State, as those terms are used in ORS 30.265, and shall not make representations to third parties to the contrary.
- l. **Severability.** If any term or provision of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the Parties shall be construed and enforced as if this Agreement did not contain the particular term or provision held to be invalid.
- m. **Counterparts.** This Agreement may be executed in two or more counterparts (by facsimile or otherwise), each of which is an original and all of which together are deemed one agreement binding on all Parties, notwithstanding that all Parties are not signatories to the same counterpart.
- n. **Integration and Waiver.** This Agreement, including all Exhibits, constitutes the entire agreement between the Parties on the subject matter hereof. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement. The delay or failure of either Party to enforce any provision of this Agreement shall not constitute a waiver by that Party of that or any other provision. Recipient, by the signature below of its authorized representative, hereby acknowledges that it has read this Agreement, understands it, and agrees to be bound by its terms and conditions.

The Parties, by execution of this Agreement, hereby acknowledge that each Party has read this Agreement, understands it, and agrees to be bound by its terms and conditions.

The Oregon Transportation Commission on October 20, 2010, approved Delegation Order Number OTC-01, which authorizes the Director of the Oregon Department of Transportation to administer programs related to public transit.

On March 1, 2012, the Director approved Delegation Order Number DIR-04, which delegates the authority to approve this Agreement to the Rail and Public Transit Division Administrator.

SIGNATURE PAGE TO FOLLOW

Columbia County, by and through its

By _____
(Legally designated representative)

Name _____
(printed)

Date _____

By _____

Name _____
(printed)

Date _____

APPROVED AS TO LEGAL SUFFICIENCY

(If required in local process)

By _____
Recipient's Legal Counsel

Date _____

Recipient Contact:

Todd Wood
230 Strand Street
Saint Helens, OR 97051
1 (503) 366-8505
todd.wood@co.columbia.or.us

State Contact:

Arla Miller
555 13th Street NE
Salem, OR 97301-4179
1 (503) 986-2836
Arla.MILLER@odot.state.or.us

State of Oregon, by and through its
Department of Transportation

By _____
H. A. (Hal) Gard
Rail and Public Transit Division Administrator

Date _____

APPROVAL RECOMMENDED

By _____ Arla Miller

Date _____ 07/05/2018

APPROVED AS TO LEGAL SUFFICIENCY

(For funding over \$150,000)

N/A

EXHIBIT A

Project Description and Budget

Project Description/Statement of Work

Project Title: 5339 Columbia County 32830				
<i>Replacement/Right Sizing Vehicle Purchase</i>				
Item #1: Vans				
	Total	Grant Amount	Local Match	Match Type(s)
	\$160,000.00	\$136,000.00	\$24,000.00	Local
Sub Total	\$160,000.00	\$136,000.00	\$24,000.00	
Grand Total	\$160,000.00	\$136,000.00	\$24,000.00	

● **1. PROJECT DESCRIPTION**

Purchase 2 transit vehicles as follows: useful life: 4 years and 100,000 miles; approximate length: less than 20 feet; estimated number of seats: 3-14; estimated number of ADA securement stations: 1; fuel type: diesel.

Purchase includes all equipment and supplies necessary to put the vehicles into service.

The following vehicles have been approved for replacement in this Agreement:

*OPTIS V000062; 2001 Ford F350; 1FDSE35L01HA78713.
 OPTIS V000063; 2004 Ford Windstar; 2FMZA55244BA51254*

2. PROJECT DELIVERABLES, SCHEDULE and USE

All purchases and installations must be completed prior to the expiration date of this Agreement.

*Expected order date: July 1, 2018.
 Expected delivery date: December 31, 2018.*

For vehicles procured using State Price Agreement contracts managed by the Oregon Department of Administrative Services, all vehicle orders will be reviewed and approved by State prior to submission to selected vendor. State is responsible for submitting vehicle orders to selected vendor. If Recipient does not purchase from the State Price Agreement contracts managed by the Oregon Department of Administrative Services, Requests for Proposals to procure the vehicles must be reviewed by State prior to solicitation for bids. All vehicle orders will be reviewed by State prior to submission to the selected vendor.

This Agreement provides funding to purchase passenger transportation vehicles to be used to provide public transportation service. Public transportation service is defined as service to the general public or special populations such as seniors and individuals with disabilities. Recipient may use the vehicles to coordinate public and human service transportation services with other agencies. Recipient will not lease the vehicles to another agency without the permission of State.

State will retain title to the vehicles as primary security interest holder as long as the vehicles remain in public transportation service. Recipient must request permission from State to release title for disposal when planning to sell or transfer a vehicle which has exceeded the minimum useful standard for age or mileage, and must notify State when actual disposal has been completed. Recipient must request permission from State in advance to transfer or otherwise dispose of a vehicle prior to its meeting federal useful life standards. Recipient must request permission from State to release title for changes.

Recipient will create and maintain a vehicle maintenance plan that utilizes the original equipment manufacturer (OEM) maintenance requirements for each vehicle and meets FTA transit asset management requirements 49 CFR 625. Recipient will provide State a copy of the maintenance plan upon request.

3. PROJECT ACCOUNTING and MATCHING FUNDING

Eligible expenses that may be charged to this Agreement include grant administration, the cost of the procurement process, delivery charges and post-delivery inspections. Aftermarket equipment, graphics and other items directly associated with these vehicles and required to put the vehicles into service are eligible. Purchase of an extended warranty is an eligible expense; however, the eligible warranty shall not exceed the defined useful life of the vehicles. Licensing and other post-delivery expenses are not eligible for reimbursement.

Recipient will provide matching funding from non-federal source(s). Sources of funding that may be used as matching funding for this Agreement include Special Transportation Formula Funds, local funds, service contract revenue, advertisement income, other earned income, cash donations, and other verifiable in-kind contributions that are integral to the project budget. Recipient may not use passenger fares as matching funding.

Recipient will subtract income from fares, tickets, and passes whether pre-paid or post-paid, from the gross operating expenses of the service. Under this Agreement, State will bear the sum remaining after the amount of Recipient's required share of local matching funds is subtracted from the total project expenses. Recipient may not count the same costs twice if they have multiple agreements for which these costs may be eligible.

4. REPORTING and INVOICING REQUIREMENTS

Recipient will provide reporting information as prescribed by State on the vehicles purchased under this Agreement as long as the vehicles remain in public transportation service. Vehicle condition and mileage must be reported quarterly.

Recipient will submit a request for reimbursement in a format provided by State. Reimbursement requests must include the following: a cover letter and copies of all invoices associated with expenses identified for reimbursement. and pre-award and post-delivery certification forms documenting compliance to Altoona bus testing, Federal Motor Vehicle Safety Standards, Buy America, and Disadvantaged Business Enterprise requirements.

EXHIBIT B

FINANCIAL INFORMATION

The information below will assist auditors to prepare a report in compliance with the requirements of 2 CFR part 200, subpart F.

This Agreement is financed by the funding source indicated below:

Federal Program 9300.1A	Federal Funding Agency U.S. Department of Transportation Federal Transit Administration 915 Second Avenue, Suite 3142 Seattle, WA 98174	CFDA Number 20.526 (5339)	Total Federal Funding \$136,000.00
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Administered By

Rail and Public Transit Division
555 13th Street NE
Salem, OR 97301-4179

EXHIBIT C

Insurance Requirements

GENERAL - SUBRECIPIENT.

Recipient shall require in its first tier subagreements with entities that are not units of local government as defined in ORS 190.003, if any, to: i) obtain insurance specified under TYPES AND AMOUNTS and meeting the requirements under ADDITIONAL INSURED, "TAIL" COVERAGE, NOTICE OF CANCELLATION OR CHANGE, and CERTIFICATES OF INSURANCE before performance under the subagreement commences, and ii) maintain the insurance in full force throughout the duration of the subagreement. The insurance must be provided by insurance companies or entities that are authorized to transact the business of insurance and issue coverage in the State of Oregon and that are acceptable to State. Recipient shall not authorize work to begin under subagreements until the insurance is in full force. Thereafter, Recipient shall monitor continued compliance with the insurance requirements on an annual or more frequent basis. Recipient shall incorporate appropriate provisions in the subagreement permitting it to enforce compliance with the insurance requirements and shall take all reasonable steps to enforce such compliance. In no event shall Recipient permit work under a subagreement when Recipient is aware that the contractor is not in compliance with the insurance requirements. As used in this section, "first tier" means a subagreement in which the Recipient is a Party.

TYPES AND AMOUNTS.

i. WORKERS COMPENSATION. Insurance in compliance with ORS 656.017, which requires all employers that employ subject workers, as defined in ORS 656.027, to provide workers' compensation coverage for those workers, unless they meet the requirement for an exemption under ORS 656.126(2). Employers liability insurance with coverage limits of not less than \$500,000 must be included.

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

Bodily Injury, Death and Property Damage:

\$1,000,000 per occurrence (for all claimants for claims arising out of a single accident or occurrence).

iii. AUTOMOBILE Liability Insurance: Automobile Liability. Automobile Liability Insurance covering all owned, non-owned and hired vehicles. This coverage may be written in combination with the Commercial General Liability Insurance (with separate limits for "Commercial General Liability" and "Automobile Liability"). Automobile Liability Insurance must be in not less than the following amounts as determined by State:

Bodily Injury, Death and Property Damage:

\$1,000,000 per occurrence (for all claimants for claims arising out of a single accident or occurrence).

ADDITIONAL INSURED. The Commercial General Liability Insurance and Automobile Liability insurance must include State, its officers, employees and agents as Additional Insureds but only with respect to the contractor's activities to be performed under the Subcontract. Coverage must be primary and non-contributory with any other insurance and self-insurance.

"TAIL" COVERAGE. If any of the required insurance policies is on a "claims made" basis, such as professional liability insurance, the contractor shall maintain either "tail" coverage or continuous

"claims made" liability coverage, provided the effective date of the continuous "claims made" coverage is on or before the effective date of the Subcontract, for a minimum of 24 months following the later of: (i) the contractor's completion and Recipient's acceptance of all Services required under the Subcontract or, (ii) the expiration of all warranty periods provided under the Subcontract. Notwithstanding the foregoing 24-month requirement, if the contractor elects to maintain "tail" coverage and if the maximum time period "tail" coverage reasonably available in the marketplace is less than the 24-month period described above, then the contractor may request and State may grant approval of the maximum "tail" coverage period reasonably available in the marketplace. If State approval is granted, the contractor shall maintain "tail" coverage for the maximum time period that "tail" coverage is reasonably available in the marketplace.

NOTICE OF CANCELLATION OR CHANGE. The contractor or its insurer must provide 30 days' written notice to Recipient before cancellation of, material change to, potential exhaustion of aggregate limits of, or non-renewal of the required insurance coverage(s).

CERTIFICATE(S) OF INSURANCE. Recipient shall obtain from the contractor a certificate(s) of insurance for all required insurance before the contractor performs under the Subcontract. The certificate(s) or an attached endorsement must specify: i) all entities and individuals who are endorsed on the policy as Additional Insured and ii) for insurance on a "claims made" basis, the extended reporting period applicable to "tail" or continuous "claims made" coverage.

GENERAL - RECIPIENT.

Recipient shall: i) obtain insurance specified under TYPES AND AMOUNTS (except TYPES AND AMOUNTS paragraph I applies only to Recipient's subcontractors who employ subject workers) and meeting the requirements under ADDITIONAL INSURED, "TAIL" COVERAGE, NOTICE OF CANCELLATION OR CHANGE, and CERTIFICATES OF INSURANCE before performance under this Agreement commences, and ii) maintain the insurance in full force throughout the duration of this Agreement. The insurance must be provided by insurance companies or entities that are authorized to transact the business of insurance and issue coverage in the State of Oregon and that are acceptable to State.

TYPES AND AMOUNTS.

i. WORKERS COMPENSATION. Insurance in compliance with ORS 656.017, which requires all employers that employ subject workers, as defined in ORS 656.027, to provide Workers' Compensation coverage for those workers, unless they meet the requirement for an exemption under ORS 656.126(2). Employers liability insurance with coverage limits of not less than \$500,000 must be included.

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

Bodily Injury, Death and Property Damage:

\$1,000,000 per occurrence (for all claimants for claims arising out of a single accident or occurrence).

iii. AUTOMOBILE Liability Insurance: Automobile Liability. Automobile Liability Insurance covering all owned, non-owned and hired vehicles. This coverage may be written in combination with the Commercial General Liability Insurance (with separate limits for "Commercial General Liability" and "Automobile Liability"). Automobile Liability Insurance must be in not less than the following amounts as determined by State:

Bodily Injury, Death and Property Damage:

\$1,000,000 per occurrence (for all claimants for claims arising out of a single accident or occurrence).

ADDITIONAL INSURED. The Commercial General Liability Insurance and Automobile Liability insurance must include State, its officers, employees and agents as Additional Insureds but only with respect to the Recipient's activities to be performed under this Agreement. Coverage must be primary and non-contributory with any other insurance and self-insurance.

"TAIL" COVERAGE. If any of the required insurance policies is on a "claims made" basis, such as professional liability insurance, Recipient shall maintain either "tail" coverage or continuous "claims made" liability coverage, provided the effective date of the continuous "claims made" coverage is on or before the effective date of this Agreement, for a minimum of 24 months following the later of: (i) Recipient's completion and State's acceptance of all Services required under this Agreement or, (ii) the expiration of all warranty periods provided under this Agreement. Notwithstanding the foregoing 24-month requirement, if Recipient elects to maintain "tail" coverage and if the maximum time period "tail" coverage reasonably available in the marketplace is less than the 24-month period described above, then Recipient may request and State may grant approval of the maximum "tail" coverage period reasonably available in the marketplace. If State approval is granted, Recipient shall maintain "tail" coverage for the maximum time period that "tail" coverage is reasonably available in the marketplace.

NOTICE OF CANCELLATION OR CHANGE. Recipient or its insurer must provide 30 days' written notice to State before cancellation of, material change to, potential exhaustion of aggregate limits of, or non-renewal of the required insurance coverage(s).

CERTIFICATE(S) OF INSURANCE. State shall obtain from Recipient a certificate(s) of insurance for all required insurance before the effective date of this Agreement . The certificate(s) or an attached endorsement must specify: i) all entities and individuals who are endorsed on the policy as Additional Insured and ii) for insurance on a "claims made" basis, the extended reporting period applicable to "tail" or continuous "claims made" coverage.

EXHIBIT D

Summary of Federal Requirements and Incorporating by Reference Annual List of Certifications and Assurances for FTA Grants and Cooperative Agreements ("Certifications and Assurances") and Federal Transit Administration Master Agreement ("Master Agreement")

Recipient and Recipient's subrecipient(s), contractor(s), or subcontractor(s), at any tier, if any, must comply with all applicable federal requirements contained in the Certifications and Assurances available at www.transit.dot.gov. The Certifications and Assurances, including as they may be changed during the term of this Agreement, are by this reference incorporated herein.

Recipient further agrees to comply with all applicable requirements included in the Master Agreement that is signed and attested to by State. This Master Agreement is incorporated by reference and made part of this Agreement. Said Master Agreement is available upon request from State by calling (503) 986-3300, or at www.transit.dot.gov. Without limiting the foregoing, the following is a summary of some requirements applicable to transactions covered by this Agreement and the funds described in Exhibit A:

1. Recipient shall comply with Title VI of the Civil Rights Act of 1964 (78 State 252, 42 U.S.C. § 2000d) and the regulations of the United States Department of Transportation (49 CFR 21, Subtitle A). Recipient shall exclude no person on the grounds of race, religion, color, sex, age, national origin, or disability from the benefits of aid received under this Agreement. Recipient will report to State on at least an annual basis the following information: any active lawsuits or complaints, including dates, summary of allegation, status of lawsuit or complaint including whether the Parties entered into a consent decree.
2. Recipient shall comply with FTA regulations in Title 49 CFR 27 Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance which implements the Rehabilitation Act of 1973, as amended, the Americans with Disabilities Act of 1990, 49 CFR 37, and 49 CFR 38.
3. Recipient shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any USDOT-assisted contract or in the administration of its DBE program or the requirements of 49 CFR Part 26. Recipient shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of USDOT-assisted contracts. Recipient's DBE program, if applicable, as required by 49 CFR part 26 and as approved by USDOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to State of its failure to carry out its approved program, the Department may impose sanctions as provided for under part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).
4. Recipient must include the following language in each subagreement Recipient signs with a subcontractor or subrecipient:

The contractor, subrecipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this Agreement. The contractor, subrecipient, or subcontractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of USDOT-assisted contracts. Failure by the contractor, subrecipient, or subcontractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as Recipient deems appropriate.

5. By executing the Agreement, Recipient and contractors receiving in excess of \$100,000 in federal funds, other than Indian tribes, certify to State that they have not and will not use federal funds to pay for influencing or attempting to influence an officer or employee of any federal department or Agency, a member of Congress, or an employee of a member of Congress in connection with obtaining any federal grant, cooperative agreement or any other

federal award as well as the extension, continuation, renewal, amendment or modification of any federal contract, grant, loan, cooperative agreement, or other federal award. This certification is a material representation of fact upon which reliance was placed when this Agreement was made or entered into. Submission of this certification is a prerequisite for making or entering into this Agreement imposed by Section 1352, Title 31 of the 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. If non-federal funds have been used to support lobbying activities in connection with the Project, Recipient shall complete Standard Form LLL, Disclosure Form to Report Lobbying and submit the form to State at the end of each calendar quarter in which there occurs an event that requires disclosure. Restrictions on lobbying do not apply to influencing policy decisions. Examples of prohibited activities include seeking support for a particular application or bid and seeking a congressional earmark.

Contract No: C77-2018
Date: 7/13/18
Contract Mgr: Brian Pixley
Department: OSMB's office

INTERGOVERNMENTAL AGREEMENT

Agreement No. 250-1819COLUMBIA-000

This Agreement is between the State of Oregon acting by and through its State Marine Board (“OSMB”) and Columbia County (“County”), each a “Party” and, together, the “Parties”.

SECTION 1: AUTHORITY

This Agreement is authorized by ORS 190.110 and ORS 830.110.

SECTION 2: PURPOSE

The purpose of this Agreement is to provide funding to the County to conduct enforcement related to recreational boating in Oregon. Specific activities and assessments are detailed in “Exhibit A” attached hereto and by this reference made a part hereof.

SECTION 3: EFFECTIVE DATE AND DURATION

This Agreement is effective on July 1, 2018, or the date of the last signature, whichever occurs last) (“Effective Date”), and terminates on **June 30, 2019**, unless terminated earlier in accordance with Section 17.

SECTION 4: AUTHORIZED REPRESENTATIVES

4.1 OSMB’s Authorized Representative is:

Randy Henry
435 Commercial Street NE Suite 400, Salem OR 97301
503-378-4597
503-378-2612 Office
Randy.H.Henry@oregon.gov

4.2 County’s Authorized Representative is:

Lieutenant Brian Pixley
Columbia County Sheriff’s Office
901 Port Ave, Saint Helens, OR 97051
(503) 366-4636 Office
brian.pixley@co.columbia.or.us

4.3 A Party may designate a new Authorized Representative by written notice to the other Party.

SECTION 5: RESPONSIBILITIES OF EACH PARTY

- 5.1 County shall perform the work set forth on Exhibit A, attached hereto and incorporated herein by this reference.
- 5.2 OSMB shall pay County as described in Section 7.

SECTION 6: BOAT OWNERSHIP

- 6.1 The ownership of any boat purchased by the County during the term of this agreement shall be vested with the County regardless of funding source, subject to Section 6.2 and Section 29.
- 6.2 During the term of this agreement and for the useful life of the boat or major piece of equipment, the County agrees to maintain in good working condition any boat or major piece of equipment purchased in whole or in part by the County with funds received from OSMB, pursuant to this agreement and prior agreements between County and OSMB. Preventative maintenance schedules for boats and trailers will be established and adhered to. Further, upon the trade-in or sale of a boat or major piece of equipment purchased, in whole or part, with funds received pursuant to this agreement, County shall apply any proceeds from the trade-in or sale to law enforcement activities approved by OSMB, with such approval not to be unreasonably withheld. Notwithstanding Section 29, upon default of this Agreement or notice from OSMB to County of the termination of funding described in ORS 830.140, all boats and major pieces of equipment purchased, in whole or in part, with funds received pursuant to this agreement or previous agreement between the OSMB and County, shall be returned to the OSMB for reassignment if OSMB requests that the boat or major pieces of equipment be returned to OSMB. Upon OSMB's request, County agrees to permit the transfer of a boat purchased, in whole or part, with funds received pursuant to this agreement to another county.

SECTION 7: COMPENSATION AND PAYMENT TERMS

- 7.1 OSMB shall, upon receipt and approval of expenditure documentation, pay to the County an amount not to exceed **\$214,430.00** for the agreement term. Payment requests shall be only for authorized services provided by the County pursuant to this agreement and for costs actually incurred by the County in conjunction with such services (including salaries/benefits, supplies or purchases of boats/equipment). At OSMB's discretion, federal funds may be used for payment.
- 7.2 County shall be responsible for providing employment-related benefits and deductions that are required by law, including but not limited to federal and state income tax deductions, workers' compensation coverage, and contributions to the Public Employees Retirement System.

This agreement is subject to all applicable federal Assurances specified in Exhibit C attached hereto and by this reference made a part hereof. If applicable, County shall provide the OSMB

its Annual Comprehensive Financial Report as required in the Single Audit Act of 1984, 31U.S.C. §§7501-7507 (1994) as amended by Pub.L. 104-156, §§ 1-3, 110 Stat. 1397 (1996). At the end of each fiscal year during the term of this agreement, the County has the duty to request the amount of federal pass-through dollars included in the payments made by the OSMB to the County during that fiscal year.

SECTION 8: CONDITION OF PERFORMANCE

In accordance with 44 CFR 13.36(i), the OSMB's performance is conditioned upon the County's compliance with federal, state and local laws and regulations, including but not limited to, the following:

- 8.1** County shall comply and, if applicable, require a subcontractor to comply, with the applicable audit requirements and responsibilities set forth in the Office of Management and Budget Circular A-133 entitled "Audits of States, Local Governments and Non-Profit Organizations."
- 8.2** The applicable Code of Federal Regulations (CFR) sections and OMB Circulars governing expenditure of federal funds. State, local and Indian Tribal Governments and governmental hospitals must follow OMB A-102. County shall ensure any organization to which funds are passed comply with CFR and OMB requirements
- 8.3** All applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection County regulations (40 CFR part 15).
- 8.4** Mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub.L. 94-163, 89 Stat. 871).
- 8.5** The Copeland "Anti-Kickback" Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR Part 3).
- 8.6** The Davis-Bacon Act (40 U.S.C. 276a to 276a -7) as supplemented by Department of Labor regulations (29 CFR Part 5).
- 8.7** Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) as supplemented by Department of Labor regulations (29 CFR Part 5).

SECTION 9: REPRESENTATIONS AND WARRANTIES

County represents and warrants to OSMB that:

- 9.1** County is a county, duly organized and validly existing. County has the power and authority to enter into and perform this Agreement;
- 9.2** The making and performance by County of this Agreement (a) have been duly authorized by

County, (b) do not and will not violate any provision of any applicable law, rule, regulation, or order of any court, regulatory commission, board, or other administrative agency or any provision of County's charter or other organizational document and (c) do not and will not result in the breach of, or constitute a default or require any consent under any other agreement or instrument to which County is party or by which County may be bound or affected. No authorization, consent, license, approval of, or filing or registration with or notification to any governmental body or regulatory or supervisory authority is required for the execution, delivery or performance by County of this Agreement, other than those that have already been obtained;

- 9.3 This Agreement has been duly executed and delivered by County and constitutes a legal, valid and binding obligation of County enforceable in accordance with its terms;
- 9.4 County has the skill and knowledge possessed by well-informed members of the industry, trade or profession most closely involved in providing the services under this Agreement, and County will apply that skill and knowledge with care and diligence to perform its obligations under this Agreement in a professional manner and in accordance with the highest standards prevalent in the related industry, trade or profession; and
- 9.5 County shall, at all times during the term of this Agreement, be qualified, professionally competent, and duly licensed to perform its obligations under this Agreement.

The representations and warranties set forth in this section are in addition to, and not in lieu of, any other representations or warranties provided by County.

SECTION 10: GOVERNING LAW, CONSENT TO JURISDICTION

This Agreement shall be governed by and construed in accordance with the laws of the State of Oregon without regard to principles of conflicts of law. Any claim, action, suit or proceeding (collectively "Claim") between OSMB or any other agency or department of the State of Oregon, or both, and County that arises from or relates to this Agreement shall be brought and conducted solely and exclusively within the Circuit Court of Marion County for the State of Oregon; provided, however, if a Claim must be brought in a federal forum, then it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. In no event shall this Section be construed as a waiver by the State of Oregon of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the eleventh amendment to the Constitution of the United States or otherwise, to or from any Claim or from the jurisdiction of any court. COUNTY, BY EXECUTION OF THIS AGREEMENT, HEREBY CONSENTS TO THE IN PERSONAM JURISDICTION OF SAID COURTS.

SECTION 11: CONTRIBUTION

- 11.1 If any third party makes any claim or brings any action, suit or proceeding alleging a tort as now or hereafter defined in ORS 30.260 (a "Third Party Claim") against a Party (the "Notified

Party”) with respect to which the other Party (the “Other Party”) may have liability, the Notified Party shall promptly notify the Other Party in writing of the Third Party Claim and deliver to the Other Party, along with the written notice, a copy of the claim, process and all legal pleadings with respect to the Third Party Claim that have been received by the Notified Party. Each Party is entitled to participate in the defense of a Third Party Claim, and to defend a Third Party Claim with counsel of its own choosing. Receipt by the Other Party of the notice and copies required in this Section and a meaningful opportunity for the Other Party to participate in the investigation, defense and settlement of the Third Party Claim with counsel of its own choosing are conditions precedent to the Other Party’s contribution obligation under this Section 10 with respect to the Third Party Claim.

11.2 With respect to a Third Party Claim for which OSMB is jointly liable with County (or would be if joined in the Third Party Claim), OSMB shall contribute to the amount of expenses (including attorneys’ fees), judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by County in such proportion as is appropriate to reflect the relative fault of OSMB on the one hand and of County on the other hand in connection with the events that resulted in such expenses, judgments, fines or settlement amounts, as well as any other relevant equitable considerations. The relative fault of OSMB on the one hand and of County on the other hand shall be determined by reference to, among other things, the Parties’ relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines or settlement amounts. OSMB’s contribution amount in any instance is capped to the same extent it would have been capped under Oregon law if the State had sole liability in the proceeding.

11.3 With respect to a Third Party Claim for which County is jointly liable with OSMB (or would be if joined in the Third Party Claim), County shall contribute to the amount of expenses (including attorneys’ fees), judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by OSMB in such proportion as is appropriate to reflect the relative fault of County on the one hand and of OSMB on the other hand in connection with the events that resulted in such expenses, judgments, fines or settlement amounts, as well as any other relevant equitable considerations. The relative fault of County on the one hand and of OSMB on the other hand shall be determined by reference to, among other things, the Parties’ relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines or settlement amounts. County’s contribution amount in any instance is capped to the same extent it would have been capped under Oregon law if it had sole liability in the proceeding.

SECTION 12: COUNTY DEFAULT

County will be in default under this Agreement upon the occurrence of any of the following events:

12.1 County fails to perform, observe or discharge any of its covenants, agreements or obligations under this Agreement;

- 12.2** Any representation, warranty or statement made by County in this Agreement or in any documents or reports relied upon by OSMB to measure the delivery of services, the expenditure of funds or the performance by County is untrue in any material respect when made;
- 12.3** County (a) applies for or consents to the appointment of, or taking of possession by, a receiver, custodian, trustee, or liquidator of itself or all of its property, (b) admits in writing its inability, or is generally unable, to pay its debts as they become due, (c) makes a general assignment for the benefit of its creditors, (d) is adjudicated as bankrupt or insolvent, (e) commences a voluntary case under the Federal Bankruptcy Code (as now or hereafter in effect), (f) files a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or adjustment of debts, (g) fails to controvert in a timely and appropriate manner, or acquiesces in writing to, any petition filed against it in an involuntary case under the Bankruptcy Code, or (h) takes any action for the purpose of effecting any of the foregoing; or
- 12.4** A proceeding or case is commenced, without the application or consent of County, in any court of competent jurisdiction, seeking (a) the liquidation, dissolution or winding-up, or the composition or readjustment of debts of County, (b) the appointment of a trustee, receiver, custodian, liquidator, or the like of County or of all or any substantial part of its assets, or (c) similar relief in respect to County under any law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or adjustment of debts, and such proceeding or case continues undismissed, or an order, judgment, or decree approving or ordering any of the foregoing is entered and continues unstayed and in effect for a period of sixty consecutive days, or an order for relief against County is entered in an involuntary case under the Federal Bankruptcy Code (as now or hereafter in effect).

SECTION 13: OSMB DEFAULT

OSMB will be in default under this Agreement if OSMB fails to perform, observe or discharge any of its covenants, agreements, or obligations under this Agreement.

SECTION 14: REMEDIES

- 14.1** In the event County is in default under Section 12, OSMB may, at its option, pursue any or all of the remedies available to it under this Agreement and at law or in equity, including, but not limited to: (a) termination of this Agreement under Section 17, (b) reducing or withholding payment for work or Work Product that County has failed to deliver within any scheduled completion dates or has performed inadequately or defectively, (c) requiring County to perform, at County's expense, additional work necessary to satisfy its performance obligations or meet performance standards under this Agreement, (d) initiation of an action or proceeding for damages, specific performance, or declaratory or injunctive relief, or (e) exercise of its right of recovery of overpayments under Section 15 of this Agreement or setoff, or both. These remedies are cumulative to the extent the remedies are not inconsistent, and OSMB may pursue any remedy or remedies singly, collectively, successively

or in any order whatsoever.

- 14.2** In the event OSMB is in default under Section 12 and whether or not County elects to exercise its right to terminate this Agreement under Section 17.3.3, or in the event OSMB terminates this Agreement under Sections 17.2.1, 17.2.2, 17.2.3, or 17.2.5, County's sole monetary remedy will be (a) for work compensable at a stated rate, a claim for unpaid invoices for work completed and accepted by OSMB, for work completed and accepted by OSMB within any limits set forth in this Agreement but not yet invoiced, for authorized expenses incurred, and for interest within the limits of ORS 293.462, less any claims OSMB has against County, and (b) for deliverable-based work, a claim for the sum designated for completing the deliverable multiplied by the percentage of work completed on the deliverable and accepted by OSMB, for authorized expenses incurred, and for interest within the limits of ORS 293.462, less previous amounts paid for the deliverable and any claims that OSMB has against County. In no event will OSMB be liable to County for any expenses related to termination of this Agreement or for anticipated profits. If previous amounts paid to County exceed the amount due to County under this Section 14.2, County shall promptly pay any excess to OSMB.

SECTION 15: RECOVERY OF OVERPAYMENTS

If payments to County under this Agreement, or any other agreement between OSMB and County, exceed the amount to which County is entitled, OSMB may, after notifying County in writing, withhold from payments due County under this Agreement, such amounts, over such periods of times, as are necessary to recover the amount of the overpayment.

SECTION 16: LIMITATION OF LIABILITY

EXCEPT FOR LIABILITY ARISING UNDER OR RELATED TO SECTION 11, NEITHER PARTY WILL BE LIABLE FOR INCIDENTAL, CONSEQUENTIAL, OR OTHER INDIRECT DAMAGES ARISING OUT OF OR RELATED TO THIS AGREEMENT, REGARDLESS OF WHETHER THE LIABILITY CLAIM IS BASED IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, PRODUCT LIABILITY OR OTHERWISE. NEITHER PARTY WILL BE LIABLE FOR ANY DAMAGES OF ANY SORT ARISING SOLELY FROM THE TERMINATION OF THIS AGREEMENT IN ACCORDANCE WITH ITS TERMS.

SECTION 17: TERMINATION

- 17.1** This Agreement may be terminated at any time by mutual written consent of the Parties.
- 17.2** OSMB may terminate this Agreement as follows:
- 17.2.1** Upon 30 days advance written notice to County;
- 17.2.2** Immediately upon written notice to County, if OSMB fails to receive funding, or appropriations, limitations or other expenditure authority at levels sufficient in OSMB's

reasonable administrative discretion, to perform its obligations under this Agreement;

17.2.3 Immediately upon written notice to County, if federal or state laws, rules, regulations or guidelines are modified or interpreted in such a way that OSMB's performance under this Agreement is prohibited or OSMB is prohibited from paying for such performance from the planned funding source;

17.2.4 Immediately upon written notice to County, if County is in default under this Agreement and such default remains uncured 15 days after written notice thereof to County; or

17.2.5 As otherwise expressly provided in this Agreement.

17.3 County may terminate this Agreement as follows:

17.3.1 Immediately upon written notice to OSMB, if County fails to receive funding, or appropriations, limitations or other expenditure authority at levels sufficient in County's reasonable administrative discretion, to perform its obligations under this Agreement;

17.3.2 Immediately upon written notice to OSMB, if federal or state laws, rules, regulations or guidelines are modified or interpreted in such a way that County's performance under this Agreement is prohibited or County is prohibited from paying for such performance from the planned funding source;

17.3.3 Immediately upon written notice to OSMB, if OSMB is in default under this Agreement and such default remains uncured 15 days after written notice thereof to OSMB; or

17.3.4 As otherwise expressly provided in this Agreement.

17.4 Upon receiving a notice of termination of this Agreement, County will immediately cease all activities under this Agreement, unless OSMB expressly directs otherwise in such notice. Upon termination, County will deliver to OSMB all documents, information, works-in-progress, Work Product and other property that are or would be deliverables under the Agreement. And upon OSMB's reasonable request, County will surrender all documents, research or objects or other tangible things needed to complete the work that was to have been performed by County under this Agreement.

SECTION 18: INSURANCE

County shall maintain insurance as set forth in Exhibit D, attached hereto and incorporated herein by this reference.

SECTION 19: NONAPPROPRIATION

OSMB's obligation to pay any amounts and otherwise perform its duties under this Agreement is conditioned upon OSMB receiving funding, appropriations, limitations, allotments, or other expenditure authority sufficient to allow OSMB, in the exercise of its reasonable administrative

discretion, to meet its obligations under this Agreement. Nothing in this Agreement may be construed as permitting any violation of Article XI, section 7 of the Oregon Constitution or any other law limiting the activities, liabilities or monetary obligations of OSMB.

SECTION 20: AMENDMENTS

The terms of this Agreement may not be altered, modified, supplemented or otherwise amended, except by written agreement of the Parties.

SECTION 21: NOTICE

Except as otherwise expressly provided in this Agreement, any notices to be given relating to this Agreement must be given in writing by facsimile, email, personal delivery, or postage prepaid mail, to a Party's Authorized Representative at the physical address, fax number or email address set forth in this Agreement, or to such other addresses as either Party may indicate pursuant to this Section 21. Any notice so addressed and mailed becomes effective five (5) days after mailing. Any notice given by personal delivery becomes effective when actually delivered. Any notice given by email becomes effective upon the sender's receipt of confirmation generated by the recipient's email system that the notice has been received by the recipient's email system. Any notice given by facsimile becomes effective upon electronic confirmation of successful transmission to the designated fax number.

SECTION 22: SURVIVAL

All rights and obligations of the Parties under this Agreement will cease upon termination of this Agreement, other than the rights and obligations arising under Sections 6,10, 11, 15, 16 and 22 hereof and those rights and obligations that by their express terms survive termination of this Agreement; provided, however, that termination of this Agreement will not prejudice any rights or obligations accrued to the Parties under this Agreement prior to termination.

SECTION 23: SEVERABILITY

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

SECTION 24: COUNTERPARTS

This Agreement may be executed in several counterparts, all of which when taken together shall constitute one agreement, notwithstanding that all Parties are not signatories to the same counterpart. Each copy of the Agreement so executed constitutes an original.

SECTION 25: COMPLIANCE WITH LAW

In connection with their activities under this Agreement, the Parties shall comply with all applicable federal, state and local law.

SECTION 26: INDEPENDENT CONTRACTORS

The Parties agree and acknowledge that their relationship is that of independent contracting parties and that County is not an officer, employee, or agent of the State of Oregon as those terms are used in ORS 30.265 or otherwise.

SECTION 27: INTENDED BENEFICIARIES

OSMB and County are the only parties to this Agreement and are the only parties entitled to enforce its terms. Nothing in this Agreement provides, is intended to provide, or may be construed to provide any direct or indirect benefit or right to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of this Agreement.

SECTION 28: FORCE MAJEURE

Neither Party is responsible for any failure to perform nor any delay in performance of any obligations under this Agreement caused by fire, civil unrest, labor unrest, natural causes, or war, which is beyond that Party's reasonable control. Each Party shall, however, make all reasonable efforts to remove or eliminate such cause of failure to perform or delay in performance and shall, upon the cessation of the cause, diligently pursue performance of its obligations under this Agreement. OSMB may terminate this Agreement upon written notice to County after reasonably determining that the failure or delay will likely prevent successful performance of this Agreement.

SECTION 29: SECURITY INTEREST

County, in consideration of OSMB's provision of services described in Exhibit A, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, hereby grants OSMB a continuing security interest in and so pledges and assigns to OSMB all of the rights of County and all proceeds and products in the boats and equipment purchased pursuant to OSMB's authority under ORS 830.140, including, but not limited to this agreement ("Collateral"). County hereby irrevocably authorizes OSMB at any time and from time to time to file in any filing office in any Uniform Commercial Code jurisdiction any financing statements and amendments thereto to complete the attachment, perfection and first priority of, and the ability of OSMB to enforce, OSMB's security interest in the Collateral, including, but not limited to, causing OSMB's name to be noted as secured party on any certificate of title for a titled good. County will not, or will not offer to, sell or otherwise dispose of the Collateral or any interest in the Collateral except with receipt of OSMB's prior written approval. Upon the failure by County

to keep, observe or perform any provision of this agreement, without any other notice to or demand upon County, OSMB shall have in any jurisdiction in which enforcement of this agreement is sought, in addition to all other rights and remedies, all rights, privileges, powers and remedies of a secured creditor provided by the Uniform Commercial Code and any additional rights and remedies which may be provided to a secured party in any jurisdiction in which the Collateral or a part thereof is located, at law, in equity, or otherwise, including, without limitation, its right to take immediate possession of the Collateral.

SECTION 30: ASSIGNMENT AND SUCCESSORS IN INTEREST

County may not assign or transfer its interest in this Agreement without the prior written consent of OSMB and any attempt by County to assign or transfer its interest in this Agreement without such consent will be void and of no force or effect. OSMB's consent to County's assignment or transfer of its interest in this Agreement will not relieve County of any of its duties or obligations under this Agreement. The provisions of this Agreement will be binding upon and inure to the benefit of the Parties hereto, and their respective successors and permitted assigns.

SECTION 31: SUBCONTRACTS

County shall not, without OSMB's prior written consent, enter into any subcontracts for any of the work required of County under this Agreement. OSMB's consent to any subcontract will not relieve County of any of its duties or obligations under this Agreement.

County shall take all reasonable steps to cause its contractor(s) that are not units of local government as defined in ORS 190.003, if any, to indemnify, defend, save and hold harmless the State of Oregon and its officers, employees and agents ("Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including attorneys' fees) arising from a tort (as now or hereafter defined in ORS 30.260) caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of County's contractor or any of the officers, agents, employees or subcontractors of the contractor ("Claims"). It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by the County's contractor from and against any and all Claims.

SECTION 32: TIME IS OF THE ESSENCE

Time is of the essence in County's performance of its obligations under this Agreement.

SECTION 33: MERGER, WAIVER

This Agreement and all exhibits and attachments, if any, constitute the entire agreement between the Parties on the subject matter hereof. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement. No waiver or

consent under this Agreement binds either Party unless in writing and signed by both Parties. Such waiver or consent, if made, is effective only in the specific instance and for the specific purpose given. EACH PARTY, BY SIGNATURE OF ITS AUTHORIZED REPRESENTATIVE, HEREBY ACKNOWLEDGES THAT IT HAS READ THIS AGREEMENT, UNDERSTANDS IT, AND AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS.

SECTION 34: RECORDS MAINTENANCE AND ACCESS

County shall maintain all financial records relating to this Agreement in accordance with generally accepted accounting principles. In addition, County shall maintain any other records, books, documents, papers, plans, records of shipments and payments and writings of County, whether in paper, electronic or other form, that are pertinent to this Agreement in such a manner as to clearly document County's performance. All financial records, other records, books, documents, papers, plans, records of shipments and payments and writings of County, whether in paper, electronic or other form, that are pertinent to this Agreement, are collectively referred to as "Records." County acknowledges and agrees that OSMB and the Oregon Secretary of State's Office and the federal government and their duly authorized representatives will have access to all Records to perform examinations and audits and make excerpts and transcripts. County shall retain and keep accessible all Records for a minimum of six (6) years, or such longer period as may be required by applicable law, following termination of this Agreement, or until the conclusion of any audit, controversy or litigation arising out of or related to this Agreement, whichever date is later. Subject to foregoing minimum records retention requirement, County shall maintain Records in accordance with the records retention schedules set forth in OAR Chapter 166.

SECTION 35: HEADINGS

The headings and captions to sections of this Agreement have been inserted for identification and reference purposes only and may not be used to construe the meaning or to interpret this Agreement.

SECTION 36: ADDITIONAL REQUIREMENTS

County shall comply with the additional requirements set forth in Exhibit C, attached hereto and incorporated herein by this reference.

SECTION 37: AGREEMENT DOCUMENTS

This Agreement consists of the following documents, which are listed in descending order of precedence: this Agreement less all exhibits, attached Exhibit A (the Statement of Work), Exhibit B (Boating Safety Action Plan) Exhibit C (Federal Assurances), and Exhibit D (Insurances).

SECTION 38: SIGNATURES

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the dates set forth below.

STATE OF OREGON acting by and through its State Marine Board

Larry Warren, Director

Date

Columbia County Sheriff's Office

County Sheriff

Date

Signature

Date

Approved for Legal Sufficiency in accordance with ORS 291.047

DOJ File No. 25001-GT0234-11 Exemption letter, AAG Marlowe May 24, 2012
DOJ Attorney Date

EXHIBIT A

STATEMENT OF WORK

THE COUNTY AGREES TO:

- A. Enforce the applicable provisions of the Oregon Revised Statutes, Chapters 830 and 704 and Oregon Administrative Rules, Chapter 250.
- B. Investigate complaints of boating law violations and boating accidents as specified in the current version of the OSMB Policy and Procedures Manual, incorporated by reference herein.
- C. Alert the public to unsafe boating conditions.
- D. Assign duties under this agreement to personnel who have completed training and received certification at the Marine Law Enforcement Academy. Boating law enforcement personnel assigned by the County shall be mentally and physically capable of performing required duties. Standards of performance, discipline of officers and the control of personnel performing services pursuant to this agreement shall be the responsibility of the County. County agrees that assigned personnel shall wear a Coast Guard approved personal flotation device (life jacket) while on board a boat.
- E. Provide assistance to boaters and provide search and rescue services as noted in the policy and procedures manual.
- F. Provide law enforcement examinations of boats.
- G. Carry out all aspects of the Boating Safety Program: The Boating Safety Action Plan, Budget and Maintenance Schedule, described in Exhibit B, attached here to and incorporated by reference herein.
- H. Provide OSMB with monthly activity reports to the OSMB database by the end of each month.
- I. Send quarterly invoices to: **Boating Safety Program Fiscal Analyst, Oregon State Marine Board, and 435 Commercial St. NE, Salem, OR 97309**. Invoices must be submitted within 45 days following the end of the quarter.
- J. Furnish and supply all necessary labor, supervision, equipment, communications, facilities and supplies necessary to provide the level of service required to fulfill this agreement.
- K. Submit all requests for boat and related equipment repairs, to which OSMB holds title, to OSMB for approval. Approval is also required for the vendor providing the services.

OSMB AGREES TO:

- A. Provide County an orientation to OSMB policies, regulations, and administrative rules necessary to meet the purpose of this agreement.
- B. Provide required training through the Marine Law Enforcement Academy held once a year.
- C. Provide funds for the purchase of patrol boats, required equipment, fuel, and boat maintenance.
- D. Provide access to and training for the use of OSMB's law enforcement data base.
- E. Make payment to County within 45 days of receiving and approving invoice from County.

EXHIBIT B
(BOATING SAFETY ACTION PLAN)

(SEE ATTACHED)

EXHIBIT C

OMB Approval No. 0348-0040

ASSURANCES - NON-CONSTRUCTION PROGRAMS

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0040), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the awarding agency. Further, certain Federal awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project cost) to ensure proper planning, management and completion of the project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
4. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
5. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
6. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.
7. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
8. Will comply, as applicable, with provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

Previous Edition Usable

Authorized for Local Reproduction

Standard Form 424B (Rev. 7-97)
Prescribed by OMB Circular A-102

EXHIBIT D

INSURANCE

During the term of this agreement, the County shall provide insurance to cover all loss; damage or injury to the equipment purchased under this agreement, in an amount no less than the purchase price thereof. Such insurance shall be provided by the County through an insurer duly authorized to do business in the State of Oregon but may be provided by self-insurance. Any proceeds from insurance or self-insurance shall be applied to the repair or replacement of the damaged equipment unless the County received prior written direction or authorization from the OSMB to otherwise dispose of the proceeds.



Boating Safety Action Plan

for Columbia County Sheriff's Office
Agency

FY 2018-19

Address: 901 Port Ave, Saint Helens, OR 97051

Phone #: 503.366.4636

Contact for Questions: Lieutenant Brian Pixley

Patrol Hours:	1771
Program Hours:	913 864
Total Hours:	2684 2,635

Total Available Hours
from Page 7

2,635.00

Your 2018-19 Action Plan Overview

Our focus in 2018-19 continues to be risk intervention. Collisions, high speed accidents, livery rentals, BUII and nav rule violations top the charts. While basic compliance is still important, please briefly describe your strategies to focus your patrol efforts on risk intervention and accident prevention at your key, higher risk waterways.

We are once again focusing our efforts on engaging boater behavior most associated with crashes, injuries and complaints.

Beginning in February and extending through October each year we see dramatic increases of boaters utilizing the Multnomah Channel and the Columbia River as they begin fishing the Spring and Summer salmon runs, steelhead, trout, sturgeon, small mouth bass and walleye. Large cumulations of fishing boats are seen in and around the St. Helens area from the mouth of the Multnomah Channel to the Santosh Slough to the south end of Coon Island. Many of these boats enter the water through the Scappoose Bay Marina which is a mecca of activity with an increasing number of non motorized boats as well. In these areas non professional fisherman are mixed with commercial guide / outfitters. For years there has been hostility between the non professional fisherman and the commercial guides / outfitters.

These large accumulations of boats extend into the summer months when recreational boaters begin to emerge to ski, cruise, wake board and fish.

Fishing along the Columbia River has been particularly problematic along the navigation channels where the deep draft ships are required to maneuver. Fisherman routinely anchor inside this channel and refusing to move which creates several near miss collisions every year. We plan on continuing to step up enforcement activity for these issues.

Along the assortment of beaches on the Columbia river side of Sauvie Island, increased numbers of non motorized boaters congregate and have been identified as failing to use proper safety equipment as specified by law.

Marine Deputies will be a visual deterrent in these areas up to and including saturation patrols and directed enforcement actions.

Annual Patrol Plan: 1771 Hours

Expectation: Directed patrols will prioritize risk-based interventions first, then administrative compliance. Interventions should include a full BER. Consider local operation, use patterns, seasonal risks (fishing, cold water, wind etc). Patrol plan should reference ORS/OAR (at left) pertinent to your area of operation.

Risk Intervention

- Local Rules
OAR 250-020
- PFDs
830.215
- Muffling Device
830.260
- Sound Signaling
830.230
- Unsafe Operation
830.305
- Reckless Operation
830.315
- BUU
830.325
- Maintain Lookout
830.335
- Nav Rules
830.340
- Traffic Lanes
830.345
- Riding on Bow
830.360
- Occupy transom
830.362
- Waterskiing/Observer
830.365
- Boat Livery
830.415, 420

Compliance

- AIS
- Boater Ed Card
- Outfitter Guide

Marine Deputies will be vigilant throughout their patrols to identify persons boating under the influence of intoxicants including controlled substances and marijuana (ORS 830.325).

Slow no wake violations around marinas, docks and construction zones (OAR 250-010-0025) will remain a high priority during patrols. Also, speed and wake caused from boats in close proximity of other boaters is by nature a concerning activity that will be addressed through education and enforcement.

Given the unique close quarters of boats fishing and traveling within our congested areas, education and enforcement of navigation rules (ORS 830.340) will remain a priority for contacts and engagement.

Engagement of boaters who are fishing / anchored in navigational channels (ORS 830.345) will be moved up in priority given the large number of near collisions observed and reported over the last several years. More emphasis on citations this year for violation of navigation rules.

Marine Deputies will continue to frequent boat liveries where non motorized boats enter the water. We will continue our campaign to educate non motorized boaters regarding Aquatic Invasive Species (AIS) permits. We anticipate a higher enforcement activity to make sure they are in compliance.

Boat Examination Reports (BER's) will be conducted routinely at ramps, marinas and on water as necessary to identify safety compliance as well as violations for inadequate PFD's, fire extinguishers, sound equipment boaters education cards, etc.

Guide / Outfitters will be given an opportunity for off water examinations concerning OSMB requirements. Those who do not use these opportunities will be sought out on the water.

A Patrol Lieutenant trained in Marine Patrol will provide supervision to the Marine Unit's activities and do ride alongs weekly.



Boating Safety Program Waterbodies To Be Patrolled

County/Agency: Columbia County Sheriff's Office

FY 2018-19

Waterways (Inland & Ocean)	Specific Area	Start MM/YY	End MM/YY	Add'l Comments
Columbia River	Columbia County	07/18	07/19	
Multnomah Channel	Columbia County	07/18	07/19	
Gilbert River	Columbia County	07/18	07/19	Will respond to emergencies throughout the entire year.
Clatskanie River	Columbia County	07/18	07/19	
Nehalem River	Columbia County	07/18	07/19	Will respond to emergencies throughout the entire year.
Wallace Slough	Columbia County	07/18	07/19	
Cunningham Slough	Columbia County	07/18	07/19	Will respond to emergencies throughout the entire year.
Scappoose Bay	Columbia County	07/18	07/19	
Sturgeon Lake	Columbia County	07/18	07/19	Will respond to emergencies throughout the entire year.
Vernonia Lake	Columbia County	07/18	07/19	
Lower McNary Lake	Columbia County	07/18	07/19	Will respond to emergencies throughout the entire year.
Upper McNary Lake	Columbia County	07/18	07/19	



Annual Program Plan

913 864

Hours

<p>Instructor Training</p>	<p>Expectation: Note personnel involved or willing to be involved in providing training on OSMB behalf. Participation pre-approved by training coordinator.</p> <p>Deputy McQuiddy will attend the OSMB Academy in 2017 and is interested in instructing OSMB classes as needed. Lt, Pixley is also available to help train as needed.</p>
<p>Training</p>	<p>Expectation: New or inexperienced DPSST certified marine officers will complete Marine Law Enforcement Academy, Drift Boat, White Water, Swift Water Rescue and other training as appropriate, and attend pre- and post-season meetings, if possible.</p> <p>During this fiscal year, we are anticipating in sending Deputy McQuiddy to Drift Boat, White Water, SRT and other training as offered by OSMB.</p>
<p>Non-OSMB Training</p>	<p>Expectation: Training as per program standards to maintain high level of police skill, performance and certifications.</p> <p>During this FY, all Marine Deputies will be required to engage in ongoing in-service law enforcement training to include road enforcement participation, first aid / CPR / AED, firearms training / Qualification, Defensive Tactics, etc.</p>
<p>Maintenance</p>	<p>Expectation: Perform regular and appropriate maintenance such as winterization, oil changes, trailer bearings, basic repairs and other preventative work as needed.</p> <p>All regular maintenance will be conducted on all OSMB boats and equipment at the proper time and intervals. When possible, members of the marine patrol unit will perform basic maintenance that is within their ability.</p>
<p>Waterway Markers</p>	<p>Expectation: Map and track OSMB-funded or approved waterway markers, maintain and confirm locations as per ORS, OAR, safety and informational requirements, maintain inventory.</p> <p>We will conduct waterway marker surveys and maintenance, this includes install and maintain signs on publicly owned docks and pilings.</p>

Hazard Mitigation	Expectation: Identify and respond to extraordinary waterway hazards through coordination with OSMB.
	We will, within our ability, respond to and mitigate any water way hazards in our area of responsibility.
Abandoned Boats	Expectation: Identify, assess, mitigate and investigate as appropriate. Coordinate with OSMB Abandoned Vessel Program manager.
	We will identify all abandoned boats within our area of responsibility.
Education	Expectation 1: Plan and implement public outreach strategies that teach public basic on-water safety skills. Expectation 2: Provide directly or through partners equivalency exam opportunities in your county.
	We will continue to participate in public education at community events such as schools, fairs and other outreach programs.
Trailing/ Travel	Expectation: Note necessary trailering and traveling times specific to your AOR.
	Trailing is only required when boats need to be removed from the water for service or travel to other areas / waterways.
Accident Investigation	Expectation: Follow investigation protocols. Notify Boat Accident Investigation Team of fatal or serious accidents. Fully evaluate for BUH. Complete reports within timeframe.
	Our marine deputies will be fully compliant with investigative protocols as they apply to boat accidents and assist partner L.E. agencies as needed.
Administrative	Expectation: Office duties required for program operations.
	Administrative responsibilities will be conducted by current program administration as required. The OSMB database will be monitored by the marine patrol program manager.
HINS/Livery/ Moorage Checks	Expectation: Provide HIN inspections as requested; inspect liveries annually for records compliance; check moorages annually to ensure registration compliance.
	We will continue to conduct HIN inspections as needed. We will also continue our efforts to engage with local liveries and conduct annual compliance inspections.

**Note: Programs are monitored for Highway Patrol Assistance and other non-marine activities. Hours should be incidental to program. Avoid non-marine operations that cause overtime hours to be charged to marine funding.*

Boating Safety Program Proposed Costs



County/Agency: Columbia County Sheriff's FY 2018-19

Allocation (some may not apply)	OSMB	County/Agency Contribution
LE Allocation:	\$214,430.00	
Boat Allocation:		
Special Emphasis:		
Total:	\$214,430.00	\$0.00
Proposed Program Costs:		
	OSMB	County/Agency Contribution
1. Personnel (Must match totals on Form A)	\$160,856.46	\$187.87
2. Operations and Maintenance (Must match totals on Form B)	\$53,573.54	\$0.00
3. Boat		
4. Total direct Proposed Program Cost (1+2+3, should equal Total in above section)	\$214,430.00	\$187.87

County/Agency Authorized Representative:



Signature

Jeffrey M. Dickerson

Typed Name

4/2/2018

Date

503.366.4610

Telephone

Boating Safety Program



Proposed Personnel Costs – Form A

Note: “# of Hours” equals staff time dedicated to marine program. This may include overhead such as personal leave but should be proportional to their position (2040 hrs is full time). Note that total hours should be consistent with combined “Patrol” and “Program” hours on page 1.

County/Agency: Columbia County Sheriff's Office FY 2018-19

Employee Compensation				Compensation		
Name	Title	# of Hours	Cost per Hour	Total	OSMB	County/ Agency Cash Contribution
1. Shaun McQuiddy	Deputy	1,900.00	\$60.40	\$114,760.00	\$114,760.00	
2. Derek Hibbs	Deputy	300.00	\$42.50	\$12,750.00	\$12,750.00	
3. Brian Pixley	Lieutenant	300.00	\$63.75	\$19,125.00	\$19,125.00	
4. Ryan Dews	Deputy	135.00	\$49.93	\$6,740.55	\$6,740.55	\$187.87
5.				\$0.00		
6.				\$0.00		
7.				\$0.00		
8.				\$0.00		
9.				\$0.00		
10.				\$0.00		
11.				\$0.00		
12.				\$0.00		
13.				\$0.00		
14.				\$0.00		
15.				\$0.00		
16.				\$0.00		
17.				\$0.00		
18.				\$0.00	\$0.00	
19.				\$0.00		
20.				\$0.00		
21. Sub-Total (lines 1 thru 20)		2,635.00		\$153,375.55	\$153,375.55	\$187.87
22. Overtime: (cannot exceed 5% of OSMB's amount on line 21)					\$7,480.91	
23. Total Proposed Personnel Costs (lines 21 + 22)					\$160,856.46	\$187.87

Boating Safety Program

Proposed Operations & Maintenance Costs – Form B



County/Agency: Columbia County Sheriff's FY 2018-19

Operating Supplies/Maintenance/Training Costs	Actual Expenditures		
	Total	OSMB	County/ Agency Cash Contrib.
A. Fuel: Vehicle 2,800.00 gallons @ \$ 3.50 per gallon	\$9,800.00	\$9,800.00	
Boat 3,500.00 gallons @ \$ 4.50 per gallon	\$15,750.00	\$15,750.00	
Subtotal of A:	\$25,550.00	\$25,550.00	\$0.00
B. Vehicle Lease			
C. Moorage	\$6,000.00	\$6,000.00	
D. Expendable Supplies – (\$500 max/each item) specify:			
1. Boat / Mooring Supplies - Lines, Buoys, bumpers; etc	\$500.00	\$500.00	
2. Refresh Boat Decals	\$500.00	\$500.00	
3. PFD Recharge Kits	\$500.00	\$500.00	
4. PFD's	\$500.00	\$500.00	
Subtotal of D:	\$2,000.00	\$2,000.00	\$0.00
E. Maintenance – (Refer to your 2018-19 maintenance schedule, enter data below) Identify by OR # and make:			
1. OR 492 ³ XCX River Wild Jet / Inboard Engine 750	\$800.00	\$800.00	
2. OR 497 ² XCX Alumaweld Pacific / Twin x2 1450	\$3,750.00	\$3,750.00	
3. OR 726 XCX 2014 Yamaha PWC 260	\$300.00	\$300.00	
4. OR 727 XCX 2014 Yamaha PWC 260	\$300.00	\$300.00	
5. 1995 American Eagle Safe boat OR 276XCX 850	\$1,300.00	\$1,300.00	
6.			
Subtotal of E:	\$6,450.00	\$6,450.00	\$0.00
F. Insurance – (specify Insurance Company & policy #):			
Beecher Carlson	\$10,573.57	\$10,573.54	
G. Non-OSMB Training – specify:			
1.			
2.			
3.			
4.			
Subtotal of G:	\$0.00	\$0.00	\$0.00

H. Training Attending-- specify:			
1. Drift: Deputy McQuiddy	\$1,000.00	\$1,000.00	
2. Jet:			
3. Academy: Deputy McQuiddy	\$1,000.00	\$1,000.00	
4. Other: Deputy McQuiddy SRT 1 / 2	\$1,000.00	\$1,000.00	
Subtotal of H:	\$3,000.00	\$3,000.00	\$0.00
I. Other -- specify:			
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
Subtotal of I:	\$0.00	\$0.00	\$0.00
Subtotal:	\$53,573.57	\$53,573.54	\$0.00

2018 Columbia County

Service Plan

(NR=Not Reported)

2013 River Wild (Jet) – OR 493 XCX

Required Service	2016	2017	2018	Cost
Oil Change	Reported	Reported	Required	150
Clean Heat Exchanger	NR	Required	Required	100
Trailer Service	NA	NA	Required	150
Water Fuel Separator	NR	Reported	Required	100
Replace Coolant (200 hrs)	Reported	NA	Required	50
Engine Service/Plug (service 400 hrs)	NA	NR	Required	300
Fire Extinguisher				

Starter Replaced 6/16/2016

Total \$ 850

2013 Alumaweld (Outboards X 2) – OR 492 XCX

Required Service	2016	2017	2018	Cost
Oil Change X2	Reported	Reported	Required	*
Trailer Service	NA	Reported	Required	150
Water Fuel Separator	Reported	Reported	Required	100
Lower Unit Service (300 hrs)	Reported	Reported	Required	*
Valve Adjustment	NA	Required*	Required	*
Cylinder Head Anodes (300 hrs)	NA	NA	Required	*
Timing Belts (1000 hours)	NA	NA	Required	*
Lower Unit Anodes	NA	NA	Required	*
Plugs (500 hrs)	NA	NA	Required	*

*Major Service Required +1143 hours Full Service \$ 600 per motor X2 \$ 1200

Total \$ 1,450

1995 American Eagle (Outboard) – OR 276 XCX

Required Service	2016	2017	2018	Cost
Oil Change	Reported	Reported	Required	200
Trailer Service	NR	NR	Required	150
Water Fuel Separator	NR	Reported	Required	100
Lower Unit Service	Reported	Reported	Required	100
Valve Adjustment (500 hrs)	NR	NR	Required	200
Cylinder Head Anodes (300 hrs)		Reported	NA	
Timing Belts (1000 hrs)		NA	NA	
Plugs		NA	Required	100
Fire Extinguisher				

Total \$ 850

2014 Yamaha PWC - OR 727 XCX (HIN YAMA2361A414)

Required Service	2016	2017	2018	Cost
Oil Change	Reported	Reported	Required	160
Super Charger Service	NA	Reported	NA	
Trailer Service	NA	NA	NA	
Spark Plugs/Tune Up (100 hrs)	NA	Reported	Required	100
Wear Ring	NA	NA	AN	
Coolant (400 hrs)	NA	Reported	NA	
Fire Extinguisher				
Valve Adjustments (200 hrs)		Reported	NA	

Total \$ 260

2014 Yamaha PWC - OR 726 XCX (HIN YAMA4696A414)

Required Service	2016	2017	2018	Cost
Oil Change	Reported	Reported	Required	160
Super Charger Service	NA	Reported	NA	
Trailer Service	NA	NA	NA	
Spark Plugs/Tune Up (100 hrs)	NA	Reported	Required	100
Wear Ring	NA	NA	AN	
Coolant (400 hrs)	NA	Reported	NA	
Fire Extinguisher				
Valve Adjustments (200 hrs)		Reported	NA	

Total \$260

3/6/10

SCAPPOOSE RURAL FIRE PROTECTION DISTRICT and COLUMBIA COUNTY

**INTERGOVERNMENTAL AGREEMENT
FIRE, LIFE, AND SAFETY PLAN REVIEW SERVICES AND INSPECTIONS
PERFORMED ON "AS-NEEDED" BASIS**

PARTIES

This Agreement is entered into between Scappoose Rural Fire Protection District, organized pursuant to ORS 478 hereinafter referred to as "S.R.F.D." and Columbia County, a municipal corporation of the State of Oregon, hereinafter referred to as "Columbia County".

RECITALS

WHEREAS, by the authority granted in ORS 190.010, a local government may enter into an intergovernmental agreement with another local government to perform any and all functions that a party to the agreement, its officers or agencies, have the authority to perform; and

WHEREAS, Columbia County desires to employ the services of S.R.F.D. to provide Fire, Life, and Safety plan review and inspection services for review of compliance with applicable Fire, Life, Safety Codes on an "as-needed" basis determined by the Columbia County Building Official; and

WHEREAS, Columbia County desires to provide a high level of professional and technical services at a cost less than the fees paid to Columbia County by permit applicants; and

WHEREAS, Columbia County wishes to contract with an organization directed by persons having experience and knowledge in the interpretation and application of regulations providing for protection of the public; and

WHEREAS, S.R.F.D. supervisors and managers are credentialed, have regulatory plan review and building inspection experience and otherwise meet Columbia County's criteria; and

WHEREAS, S.R.F.D. is able to provide the services Columbia County is seeking when needed and is willing to enter into this Agreement to provide State of Oregon Fire, Life, and Safety plan review and inspection services to Columbia County in accordance with and limited to the provisions set forth in this Agreement.

AGREEMENT

In consideration of the promises and mutual covenants and agreements herein contained, it is agreed between the parties as follows:

- 1) Effective Date. This Agreement is effective on the last date signed by the parties, below.

- 2) Completion Date. This Agreement shall continue until June 30th, 2019, or until such other date as is mutually agreed upon by the Parties in writing, and shall automatically renew every year thereafter on July 1st unless terminated by either party pursuant to Paragraph 7 of this Agreement.
- 3) S.R.F.D. Services. S.R.F.D. agrees to provide services as follows:
 - a) Fire, Life, and Safety Plan Review Services: as determined by Columbia County Building Official for multi-family residential, mixed use, and non-residential buildings (this does not include single family residential): Complete initial plan review in less than thirty (30) days, however, during fire season allow up to forty-five (45) days. *S.R.F.D. to provide plan review comments to Columbia County via email or paper to the Columbia County Building Official and Land Development Office Manager.*
 - b) Fire, Life, and Safety Inspection Services: as determined by Columbia County Building Official for compliance with approved plans and Columbia County adopted Oregon State Building Codes. The service standard is to perform such inspections within 48 hours of request (or two business days) by Columbia County and provide an inspection record to the applicant and to Columbia County. *Columbia County will notify the S.R.F.D. via email when an inspection is requested and the S.R.F.D. will provide Columbia County with copies of the completed inspection paperwork via email or paper to the Columbia County Building Official and Land Development Office Manager.*

Notwithstanding the service standards outlined above, S.R.F.D. reserves the right to prioritize its own building inspection and plan review work over Columbia County plan review and building inspection service requests.

- 4) Consideration. Compensation shall be at the following rates:
 - a) Commercial and mixed use plan review: 75% of the Fire Life Safety Review fees collected by Columbia County.
 - b) All inspections: \$100.00 per hour billed in half-hour increments.

S.R.F.D. shall submit, after the first business day of each month, the invoice for plan review and inspections performed during the prior month. Payment of invoiced and approved items shall be submitted by Columbia County within forty-five (45) days after the date of the invoice. Payments not made within the above time frame shall, when paid, be increased one and one-half percent per month, or any portion of a month, for each month the payment is delayed.

- 5) Licenses. S.R.F.D. shall maintain all licenses and certifications necessary for the performance of this Agreement.
- 6) Compliance with Codes and Standards. It shall be S.R.F.D. responsibility to determine compliance with all applicable Fire, Life, & Safety laws and codes, and with other applicable Federal, State and local acts, statutes, ordinances, regulations, provisions and rules. In the event of any discrepancy in the code, the Columbia County Building Official will have final determination. It is the property owners' or the occupant's sole responsibility to meet or exceed all laws, codes, and standards. S.R.F.D. is not responsible for any liability resulting from the non-compliance of a property owner or occupant. S.R.F.D. shall engage in no activity that creates and actual conflict of interest or violates the Code of Ethics as provided by ORS Chapter 244.

7) Contract Representatives. Contract representatives for this Agreement are the following:

a) For S.R.F.D.:

Michael Greisen, Fire Chief
52751 Columbia River Hwy.
PO Box 625
Scappoose, OR 97056

b) For Columbia County:

Todd Dugdale, Director of Land Development Services
230 Strand Street
St. Helens, OR 97051

All correspondence shall be sent to the above addresses when written notification is necessary. Representatives of the parties to this Agreement can be changed or substituted by either party providing written notice to the other party at the provided addresses.

8) Termination. This Agreement may be terminated at any time in whole or in part by mutual consent of both parties. This Agreement may also be terminated by either party upon thirty (30) days written notice to the other party. In the event S.R.F.D fails to substantially perform the work in a manner satisfactory to Columbia County, or Columbia County fails to make timely payments for work invoiced by S.R.F.D., this Agreement may be terminated immediately and all costs incurred and fees earned by S.R.F.D. prior to the termination date shall be paid by Columbia County to S.R.F.D. The rights and remedies of Columbia County related to any breach of this Agreement by S.R.F.D. shall not be exclusive, and are in addition to any other rights and remedies provided by law or under this Agreement. Any termination of this Agreement shall be without prejudice to any obligations or liabilities of either party already accrued before such termination.

9) Amendments. All amendments to this Agreement shall be in writing and signed by both parties.

10) Independent Contractor. S.R.F.D. is hereby engaged as an independent contractor, and will be so deemed for purposes of this Agreement and any applicable laws, regulations or policies relating to contracting or employment.

11) Non-Assignment. S.R.F.D. shall not assign, subcontract, or delegate the responsibility for providing the services outlined in this Agreement to any other person, firm or corporation without the express written consent of Columbia County.

12) Reports. Upon the request of Columbia County, S.R.F.D. shall, within a reasonable time, provide a written report on the progress of and information related to the work outlined in this Agreement to the Columbia County Building Official and Land Development Office Manager.

13) Indemnification. Subject at all times to the tort claim limitations in Oregon Tort Claims Act and the Oregon Constitution, S.R.F.D. shall indemnify, defend, save, and hold harmless Columbia County, its officers, agents and employees, from any and all claims, suits or actions of any nature, including claims

of injury to any person or persons or of damage to property, caused directly or indirectly by reason any error, omission, negligence, or wrongful act by S.R.F.D., its officers, agents and/or employees arising out of the performance of this Agreement. This indemnity does not apply to claims, suits or actions arising solely out of the negligent acts or omissions of Columbia County, its officers, agents or employees.

- 14) Insurance. S.R.F.D. shall maintain commercial general liability and property damage insurance in an amount of not less than \$2,000,000 per occurrence to protect Columbia County, its officers, agents, and employees. S.R.F.D. shall also maintain errors and omissions insurance of not less than \$2,000,000. S.R.F.D. shall provide Columbia County a certificate or certificates of insurance in the amounts described above which names County, its officers, agents and employees as additional insureds. Such certificate or certificates shall be accompanied by an additional insured endorsement. S.R.F.D. agrees to notify County immediately upon notification to S.R.F.D. that any insurance coverage required by this paragraph will be canceled, not renewed or modified in any material way, or changed to make the coverage no longer meet the minimum requirements of this Agreement.
- 15) Non-Discrimination. S.R.F.D. agrees that no person shall, on the grounds of race, color, creed, national origin, sex, marital status, handicap or age, suffer discrimination in the performance of this Agreement.
- 16) Non-Appropriation. In the event sufficient funds shall not be appropriated for the payment of consideration required to be paid under this Agreement, and if Columbia County has no funds legally available for consideration from other sources, then Columbia County may terminate this Agreement pursuant to Section 8 of this Agreement. S.R.F.D. may, pursuant to Section 8, terminate this Agreement at any time that funds are not appropriated by Scappoose for compensation to S.R.F.D., and in such event S.R.F.D. may immediately cease its performance of its obligations under this Agreement.
- 17) Legal Fees. In the event any action, suit or proceeding, including any appeals therefrom, is brought for failure to observe or perform any of the terms of this Agreement, each party shall be responsible for its own attorney's fees, expenses, costs and disbursements for said action, suit, proceeding or appeal.
- 18) Non-Waiver. The failure of either party to enforce any provision of this Agreement shall not constitute a waiver of that or any other provision of this Agreement.
- 19) Time of the Essence. The parties agree that time is of the essence in this Agreement.
- 20) Choice of Law. This Agreement shall be governed by the laws of the State of Oregon.
- 21) Venue. Venue relating to this Agreement shall be in the circuit court of the State of Oregon for Columbia County, located in St. Helens, Oregon.

22) Severability. If any provision of this Agreement is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holdings shall not affect the validity of the remainder of this Agreement.

23) Entire Agreement. This Agreement constitutes the entire agreement between the parties. No waiver, consent, modification or change of terms of this Agreement shall bind either party unless in writing and signed by both parties. Such waiver, consent, modification or change, if made, shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements, or representations, oral or written, regarding this Agreement that are not contained within the terms of this Agreement. Columbia County, by signature of its authorized representatives below, hereby acknowledges that it has reviewed, understands and agrees to the terms and conditions of this Agreement. S.R.F.D., by signature of its authorized representatives below, hereby acknowledges that it has reviewed, understands and agrees to the terms and conditions of this Agreement.

DATED this _____ day of _____, 2018

SCAPPOOSE RURAL FIRE DISTRICT

BOARD OF COUNTY COMMISSIONERS FOR COLUMBIA COUNTY, OREGON

By: 

Fire Chief, Michael Greisen

By: _____
Margaret Magruder, Chair

By: 

Ron Cairns, Board President

By: _____
Henry Heimuller, Commissioner

By: 

David Grant, Secretary/Treasurer

By: _____
Alex Tardif, Commissioner

Date: 7-12-2018

Date: _____

Approved as to Form:

By: 

County Counsel

AMENDMENT NUMBER 2
ODOT GRANT AGREEMENT NO. 31454
Columbia County

The **State of Oregon**, acting by and through its Department of Transportation, hereinafter referred to as **State**, and **Columbia County**, hereinafter referred to as **Recipient**, entered into an Agreement on **October 23, 2016**, and Amendment 1 on **February 16, 2018**. Said Agreement is to secure financial assistance to complete the activities described in Exhibit A.

It has now been determined by State and Recipient that the Agreement referenced above, although remaining in full force and effect, shall be amended to extend the Agreement period.

Page 1, Agreement, Paragraph 1, which reads:

1. **Effective Date.** This Agreement shall become effective on the later of **September 1, 2016** or the date when this Agreement is fully executed and approved as required by applicable law. Unless otherwise terminated or extended, Grant Funds under this Agreement shall be available for Project Costs incurred on or before **June 30, 2018** (Expiration Date). No Grant Funds are available for any expenditures after the Expiration Date. State's obligation to disburse Grant Funds under this Agreement shall end as provided in Section 6.b.iv of this Agreement.

Shall be deleted in its entirety and replaced with the following:

1. **Effective Date.** This Agreement shall become effective on the later of **September 1, 2016** or the date when this Agreement is fully executed and approved as required by applicable law. Unless otherwise terminated or extended, Grant Funds under this Agreement shall be available for Project Costs incurred on or before **June 30, 2019** (Expiration Date). No Grant Funds are available for any expenditures after the Expiration Date. State's obligation to disburse Grant Funds under this Agreement shall end as provided in Section 6.b.iv of this Agreement.

This Amendment may be executed in several counterparts (facsimile or otherwise) all of which when taken together shall constitute one agreement binding on all Parties, notwithstanding that all Parties are not signatories to the same counterpart. Each copy of this Amendment so executed shall constitute an original.

THE PARTIES, by execution of this Agreement, hereby acknowledge that their signing representatives have read this Agreement, understand it, and agree to be bound by its terms and conditions.

SIGNATURE PAGE TO FOLLOW

Columbia County, by and through its

By _____
(Legally designated representative)

Name _____
(printed)

Date _____

By _____

Name _____
(printed)

Date _____

APPROVED AS TO LEGAL SUFFICIENCY

(If required in local process)

By _____
Recipient's Legal Counsel

Date _____

Recipient Contact:

Chad Mace
230 Strand Street
Saint Helens, OR 97051
1 (503) 366-0159
chad.mace@co.columbia.or.us

State Contact:

Arla Miller
555 13th Street NE
Salem, OR 97301
1 (503) 986-2836
Arla.MILLER@odot.state.or.us

State of Oregon, by and through its
Department of Transportation

By _____
H. A. (Hal) Gard
Rail and Public Transit Division Administrator

Date _____

APPROVAL RECOMMENDED

By _____ Arla Miller

Date _____ 05/09/2018

APPROVED AS TO LEGAL SUFFICIENCY

(For funding over \$150,000)

Amendment changes to this Agreement are within the scope of the original or previously amended version; therefore, legal sufficiency review is exempt under OAR 137-045-0050(2).

Columbia County
Out-Of-State Travel Authorization Form

EMPLOYEE INFORMATION:

First Name: Denise

Last Name: Keppinger

Email/Phone: denise.keppinger@co.columbia.or.us, 503-397-0300

Department: DA's office

Supervisor: Jeff Auxier

TRAVEL INFORMATION:

Purpose of Travel: Pretrial Services Conference

Travel Destination - City/State: Fort Worth, TX

Dates of Travel: 8/19/18 - 8/22/18

Estimated Costs: \$650 + travel - flight / hotel (approx 1800)

Source of Funds: Yes Grant Budgeted: Yes X No _____

Costs Reimbursed by Outside Agency: Yes _____ No _____ grant funded

AUTHORIZATION:

I approve the travel as indicated and certify that funding is available for the payment of all travel expenses that will be incurred in connection with this travel.

Supervisor Name/Title: Jeff Auxier, DA

Date: 7/13/18

Supervisor Signature: [Signature]

**BOARD OF COMMISSIONERS
COLUMBIA COUNTY, OREGON**

Approved: _____ Denied: _____

By: _____

By: _____

By: _____

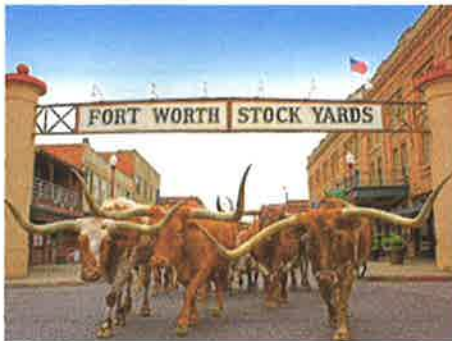
COMPLETED FORM MUST BE RECEIVED BY BOC OFFICE 30 DAYS PRIOR TO TRAVEL



**National Association of Pretrial Services Agencies
46th Annual Conference and Training Institute
August 19-22, 2018 – Fort Worth Omni Hotel**

CONFERENCE REGISTRATION IS NOW OPEN!

Make plans to join us in Fort Worth, Texas on August 19-22, 2018 for the NAPSA 46th Annual Conference and training institute. Recharge your passion, network with your peers and be a leader for pretrial justice!



We are proud to be the only national pretrial services association that offers an annual training institute featuring over 60 instructional workshops. The workshops, combined with lessons learned in the plenary sessions, provide participants the opportunity to review the foundations of pretrial justice, learn latest research findings and discover new programs and evidence-based practices from others working in the field.

The conference offers nationally renowned scholars, practitioners and presenters to deliver information to elevate the national discussion of the need for pretrial services and the incredible work being done by pretrial professionals at the local, state and federal levels.

We invite pretrial services and diversion program staff, judges, prosecutors, defense counsel, court administration, policy makers, researchers and advocates to join us at the Omni Hotel in Fort Worth.

Your voice and your profession matter. Be here and be heard.

CLICK HERE TO VIEW THE PRELIMINARY SCHEDULE OF CONFERENCE EVENTS

<i>Conference Registration Fees</i>	Early Bird (On or before 6/8/18)	Regular (On or before 8/18/18)	On-Site
Member	\$450.00	\$550.00	\$650.00
Non-Member	\$550.00	\$650.00	\$750.00
Confirmed Speaker and Local Conference Registration (TX Resident)	\$400.00	\$400.00	\$500.00
One-day Conference Registration	\$200.00	\$200.00	\$275.00
Spouse/Guest: Sunday Keynote & Reception	\$75.00	\$75.00	\$125.00
Spouse/Guest: Monday Awards Luncheon	\$75.00	\$75.00	\$125.00
Spouse/Guest Package (both events)	\$125.00	\$125.00	\$200.00

The registration fee includes all conference events for the registrant only. A separate spouse/guest must be purchased if a spouse/guest wishes to attend an event.

- IF POSSIBLE, please register online at www.napsa.org.
- For a printable registration form, please click [here](#). Please ensure that all information is complete, correct and legible.
- Registrations must be postmarked by JUNE 8, 2018 to receive the earlybird conference rate.
- Questions should be emailed to info@napsa.org or call toll free at (877) 855-7438.

Please make checks and purchase orders payable to NAPSA (Federal ID: 23-7281239)
Mail to: NAPSA, 660 N. Capitol Street NW, Suite 400, Washington DC 20001

**NAPSA MEMBERS ENJOY A DISCOUNT ON CONFERENCE REGISTRATION FEES.
CLICK [HERE](#) TO LEARN MORE ABOUT MEMBERSHIP.**

Hotel Reservations

As breathtaking as any West Texas sunset, the Omni Fort Worth Hotel offers a taste of Texas hospitality. Conveniently located in the heart of Fort Worth's exciting downtown, the hotel is adjacent to the Fort Worth Convention Center and within walking distance from the city's cultural centers, restaurants and nightlife.

Conference attendees are responsible for making travel and lodging arrangements. Hotel rates are \$139 (plus applicable taxes) per night for single/double occupancy at the **Omni Hotel**. Subject to availability, this rate is also available for three days pre/post the conference. Please use this link to book your accommodations: **[NAPSA Lodging Reservations](#)**. For specific questions about conference lodging, please call 1-800-THE-OMNI to speak directly with a reservation specialist. The \$139 hotel room rate is available until Tuesday, July 17, 2018, or until the rooms contracted in the conference block are reserved, whichever comes first.



Ground Transportation

The trip between the Dallas Fort Worth (DFW) International airport and the Omni Hotel will take approximately 35 minutes. The hotel does not provide complimentary shuttle service to and from the airport. Taxi, car sharing and shuttle services are readily available.

Visit Fort Worth!

For more information Fort Worth, downtown dining, shopping, sightseeing, arts, and museums, be sure to view the **[Visit Fort Worth](#)** website.

A SAMPLE OF WORKSHOP TOPICS FROM THE 2017 CONFERENCE

- *Fundamentals Track - Bail, Risk Assessment, Interviewing, Supervision and more!*
- *Behavioral Health Diversions at the Pretrial Stage*
- *Discover Your Excellence - Professional Development*
- *Essential Elements of an Effective Pretrial System and Agency*
- *Racial Disparities and Risk Assessment*
- *Lessons Learned from Statewide Bail Reform in New Jersey*
- *Outcomes and Performance Measures*
- *Improving Pretrial Risk Assessment Implementation*
- *Ethics for Pretrial Professionals*

ADDITIONAL INFORMATION WILL BE POSTED TO THE NAPSA [WEBSITE](#) AS IT BECOMES AVAILABLE.



FORT WORTH

City of Cowboys and Culture