

**BOARD OF COUNTY COMMISSIONERS  
FOR COLUMBIA COUNTY, OREGON**

**Wednesday, February 20, 2019**

**10:00 a.m. – Room 308**

**BOARD MEETING AGENDA**

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**CALL TO ORDER/FLAG SALUTE**

**MINUTES:**

- 02.13.19 Board Meeting
- 02.13.19 Work Session

**VISITOR COMMENTS – 5 MINUTE LIMIT**

**MATTERS:**

- 1) First Reading of Ordinance No. 2019-4, "In the Matter of Application No. PA 18-01 and ZC 18-02 by Scott Winegar for Warren Community Fellowship to Amend the Comprehensive Plan Map and Zoning Map of 7.4-Acres to Relocate the Columbia County Christian School".

**CONSENT AGENDA:**

- A. Ratify the Select to Pay for 02.18.19.
- B. 2019 Liquor License Renewals for: Scipio's Goble Landing; Alston Country Store and Video.
- C. Authorize Community Justice Director to fill vacant Parole/Probation Officer position.
- D. Application for Oregon Department of Transportation 5310 Grant for Operation, Maintenance, and Administration of Dial-A-Ride in Rainier and authorize Todd Wood to submit.
- E. Application for Oregon Department of Transportation 5311 Grant for Operation, Maintenance, and Administration of Dial-A-Ride in Columbia County and authorize Todd Wood to submit.
- F. Application for Oregon Department of Transportation Special Transportation Fund (STF) Application for Elderly and Disabled Transportation Services and Authorize Todd Wood to submit.

- G. C6-2019, Public Procurement Contract with Pape Machinery for the Purchase of a Backhoe.

**AGREEMENTS/CONTRACTS/AMENDMENTS:**

- H. C13-2019, Master Tax-Exempt Lease/Purchase Agreement and Addendum with US Bancorp Government Leasing and Finance, Inc., for the Financing of a Backhoe and authorize Chair to sign.
- I. C15-2019, Escrow Agreement with US Bancorp Government Leasing and Finance, Inc., and US Bank National Association for the Purchase of a Backhoe,
- J. C18-2019 - Personal Services Contract with Tangent for Email Conversion Services.
- K. C19-2019 – Amendment #1 to Intergovernmental Agreement with Washington County for the Cities Readiness Initiative Program and authorize the Chair to sign.
- L. C20-2019 - Amendment # 2 to the Agreement with Clean Harbors Environmental Services, Inc., for the Operation of the Household Hazardous Waste Facility.
- M. C21-2019 – Amendment #1 to Lease Agreement with City of Columbia County for Justice Court space.

**DISCUSSION ITEMS:**

Tristan Wood: Emergency Repairs to Gable Road

**COMMISSIONER HEIMULLER COMMENTS:**

**COMMISSIONER MAGRUDER COMMENTS:**

**COMMISSIONER TARDIF COMMENTS:**

*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.*

**COLUMBIA COUNTY PROJECT REQUEST FORM**

<p><b>Department:</b> _____</p> <p><b>Submitted by:</b> _____</p> <p><b>Date:</b> _____</p> <p><b>Director Signature</b> _____</p>	<p><b>Type of Project:</b></p> <p style="padding-left: 20px;"><b>Capital Project *</b></p> <p style="padding-left: 20px;"><b>Non-Capital Project</b></p> <p><b>Project Duration:</b></p> <p><b>START:</b> _____ <b>END:</b> _____</p> <p><b>Note: If the project includes new personnel, attach a completed Personnel Request Form.</b></p>
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**Project Name:** \_\_\_\_\_

**General Description of Project:** (Use Additional Sheets As Necessary)

**Need/Justification for Project:**(Use Additional Sheets As Necessary)

**Relationship to Adopted Budget, Plans or Policy:** (Use Additional Sheets As Necessary)

<p><b>PROJECT COSTS:</b></p> <p>1. Planning/Design/Engineering _____</p> <p>2. Legal\Grant Administration _____</p> <p>3. Property Acquisition _____</p> <p>4. Construction _____</p> <p>5. Equipment/Furniture _____</p> <p align="right"><b>TOTAL</b> _____</p>	<p><b>OPERATION/MAINTENANCE(OM) IMPACT</b></p> <p>Personnel _____</p> <p>Contractual _____</p> <p>Materials/Supplies _____</p> <p>Equipment _____</p> <p>Utilities _____</p> <p>OM Savings - ( _____ )</p> <p align="right"><b>TOTAL</b> _____</p>
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<b>EXPENDITURE SCHEDULE:</b>	USE OF FUNDS (Reference Cost Item #)	SOURCE OF FUNDS					
		County		Grant		Other	
		Fund	\$	Grantor	\$	Source	\$
FY_____ \$ _____	_____	_____	_____	_____	_____	_____	_____
FY_____ \$ _____	_____	_____	_____	_____	_____	_____	_____
FY_____ \$ _____	_____	_____	_____	_____	_____	_____	_____
FY_____ \$ _____	1 Year OM	_____	_____	_____	_____	_____	_____

**ADMINISTRATIVE REVIEW:**

**Finance Review:**  
Date: \_\_\_\_\_ Finance Director Signature \_\_\_\_\_ Comments(Page 2)

**Legal Review:**  
Date: \_\_\_\_\_ County Counsel Signature \_\_\_\_\_ Comments(Page 2 )

**HR Review**  
Date: \_\_\_\_\_ HR Director Signature \_\_\_\_\_ Comments(Page 2)

**IT Review**  
Date: \_\_\_\_\_ IT Director Signature \_\_\_\_\_ Comments(Page 2)

**General Services Review:**  
Date: \_\_\_\_\_ General Ser. Director Signature \_\_\_\_\_ Comments(Page 2)

**ADMINISTRATIVE COMMENTS**

**FINANCE REVIEW:**

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

**GENERAL SERVICES REVIEW:**

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

**IT REVIEW:**

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

**HR REVIEW:**

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

**LEGAL REVIEW:**

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

# Section 5310 Application

Enhanced Mobility of Seniors and Individuals with Disabilities

## Applicant Information

### I am the Special Transportation Fund Agency \*

Yes  No

### Special Transportation Fund Agency Name \*

Columbia County



For the agencies applying for the small urban funds, make sure to select the small urban designation from the drop-down.

### Special Transportation Fund Agency Federal EIN \*

93-6002288

### Special Transportation Fund Agency Urbanized Zone \*

Portland area



### Special Transportation Fund Agency Mailing Address (Street or PO Box) \*

1155 Deer Island Rd

St Helens

Oregon



97051

### Special Transportation Fund Agency Web Address

<https://www.nworegontransit.org/agencies/columbia-county-rider/>

### Name of Application Contact \*

Todd M. Wood

### Title of Application Contact \*

Transit Administrator

### Email of Application Contact \*

todd.wood@co.columbia.or.us

### Phone Number of Application Contact

(503) 366-8505

### Fax Number

### Name of Person signing Grant Agreement \*

Henry Heimuller

### Title of Person signing Grant Agreement \*

Commission Chair

### Email of Person signing Grant Agreement \*

henry.heimuller@co.columbia.or.us

### Phone Number of Person signing Grant Agreement

(503) 397-4322

### Fax Number

### Transit Agency Type \*

Public Agency



### Service Area \*

Non-urbanized or Rural area with population of less than 50,000



### What type of Service will be supported with the 5310 grant? (Select all that apply) \*

- Open to the general public at all times
- Open to the general public on a space-available basis
- Open only to seniors and individuals with disabilities
- Limited to defined clientele (e.g. residential home)

Demand Response Deviated Route

**Are any FTA-funded buildings that your transit agency owns located in a flood zone? \***

 Yes No

[More information on floodplains](#)

## Risk Assessment Information

**Did your agency have any turnover of management or financial staff in the last two years? \***

 Yes No

**Does your agency have an accounting system that allows you to completely and accurately track the receipt and disbursement of funds related to the award? \***

 Yes No

**What type of accounting system does your agency use? \***

 Manual Automated Combined

**Does your agency have a system in place that will account for 100 percent of each employee's time? \***

 Yes No

**Did your staff members attend required trainings and meetings during prior grant awards? \***

 Yes No

**Was your agency audited by the Federal government in the past two years? \***

 Yes No

**Did your agency stay on budget in the past two years? \***

 Yes No

## Fund Allocation

**Total 5310 Allocation**

\$333,820.00

## Transit Agency Projects

 **Transit Agency Project 1**

**Project Name \***

Dial-a-Ride Transportation

**Transit Agency Legal Name \***

Columbia County Rider

**Transit Agency DBA Name (Optional)****Federal EIN \***

93-6002288

**Urbanized Zone \***

Portland area

**Agency Mailing Address (Street or PO Box) \***

1155 Deer Island Rd

St Helens

Oregon

97051

**Agency Web Address**<https://www.nworegontransit.org/agencies/columbia-county-rider/>**Project Details****Project Selection \***

- A. Purchased Service
  B. Mobility Management  
 C. Vehicle Purchase
  D. Capitalized Vehicle Preventive Maintenance  
 E. Equipment, Signs and Amenities, Shelters
  F. Facilities: Bus Barns and Other Buildings

Select the project types that you wish to include in your application. Select all that apply.

**A. Purchased Service Project****1. Project Title****Project Title \***

Dial-a Ride Services

**2. Explain how your project is planned, designed, and carried out to meet the special needs of seniors and individuals with disabilities when general public transit is either insufficient, inappropriate, or not available:****Project Service Description \***

This funding will help provide Demand Response services for our senior and disabled population. Columbia County has many miles of roads without access to normal bus service and often without access to other forms of public transportation. This service provides access to vital services for our elderly and disabled population by providing door to door services. The funds will be used to purchase contractor service to provide dispatch,

3. Estimated number of unduplicated individuals (older adults and individuals with disabilities) this project proposes to support in the biennial grant period:

2,856

4. Estimated number of one-way rides this project proposes to provide in the biennial grant period:

13,157

5. Project cost and match information:

Total Project Cost \*

372,028

Match Amount (Total Project Cost x 10.27%)

\$38,207.28

Grant Amount

\$333,820.72

6. Describe the source of your local match funds in the field below (examples: funds from your budget, STF funds). If the matching funds are not available now, describe when they will be (examples: next fiscal year, month/year). Please be specific.

Local Match Details \*

Local match will come from Columbia County Contributions to the transit System available at the beginning of each fiscal year 7/2019,7/2020.

7. On what page is project listed in the Adopted Coordinated Plan?

31

8. Date Coordinated Plan adopted:

9/6/2017



For multiple pages use this box

32

9. Is this project part of a group of activities or projects that are dependant on each other (for example, a new transit service that requires capital and operating funds)?

Yes  No

10. Does your transit agency have an existing contract for transit?

Yes  No

If yes, name the contractor. If no, describe how the transit agency will procure the service and name contractor \*

MTR Western



+ Add Transit Agency Project

### Application Totals

**Total Section 5310 Grant Amount**  
\$333,820.72

**Total Section 5310 Match Amount**  
\$38,207.28

**Total Section 5310 Project Cost**  
\$372,028.00

### Fund Allocation

**Total 5310 Allocation**  
\$333,820.00

### Submitting Your Application

**STF Agencies:** submit your application to RPTD by using the "Submit" button, attaching any supporting documents (such as DCE Worksheets and Preventive Maintenance Plans).

#### Additional Supporting Documents (Optional)

Upload or drag files here.



[Order 70-2017 SIGNED \(the Coordinated Plan\).pdf](#)  
3.25 MB



The person signing this form must have the legal authority to submit this application on behalf of the applicant.

By electronically signing and submitting this form, the agency representative certifies that the information on the application is true and accurate to the best of his or her knowledge.

**Signature \***

Signature input area with a pen icon at the bottom left.

**Print Name \***

Print Name input field.

Submit Application

Save

**COLUMBIA COUNTY PROJECT REQUEST FORM**

<p><b>Department:</b> _____</p> <p><b>Submitted by:</b> _____</p> <p><b>Date:</b> _____</p> <p><b>Director Signature</b> _____</p>	<p><b>Type of Project:</b></p> <p style="padding-left: 20px;"><b>Capital Project *</b></p> <p style="padding-left: 20px;"><b>Non-Capital Project</b></p> <p><b>Project Duration:</b></p> <p><b>START:</b> _____ <b>END:</b> _____</p> <p><b>Note: If the project includes new personnel, attach a completed Personnel Request Form.</b></p>
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**Project Name:** \_\_\_\_\_

**General Description of Project:** (Use Additional Sheets As Necessary)

**Need/Justification for Project:**(Use Additional Sheets As Necessary)

**Relationship to Adopted Budget, Plans or Policy:** (Use Additional Sheets As Necessary)

<p><b>PROJECT COSTS:</b></p> <p>1. Planning/Design/Engineering _____</p> <p>2. Legal\Grant Administration _____</p> <p>3. Property Acquisition _____</p> <p>4. Construction _____</p> <p>5. Equipment/Furniture _____</p> <p align="right"><b>TOTAL</b> _____</p>	<p><b>OPERATION/MAINTENANCE(OM) IMPACT</b></p> <p>Personnel _____</p> <p>Contractual _____</p> <p>Materials/Supplies _____</p> <p>Equipment _____</p> <p>Utilities _____</p> <p>OM Savings - ( _____ )</p> <p align="right"><b>TOTAL</b> _____</p>
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FY_____ \$ _____	_____	_____	_____	_____	_____	_____	_____
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**ADMINISTRATIVE REVIEW:**

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Date: \_\_\_\_\_ General Ser. Director Signature \_\_\_\_\_ Comments(Page 2)

**ADMINISTRATIVE COMMENTS**

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

**GENERAL SERVICES REVIEW:**

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**IT REVIEW:**

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

**HR REVIEW:**

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

**LEGAL REVIEW:**

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

# Section 5310 Application

Enhanced Mobility of Seniors and Individuals with Disabilities

## Applicant Information

### I am the Special Transportation Fund Agency \*

Yes  No

### Special Transportation Fund Agency Name \*

Columbia County (Small Urban) ▼

*For the agencies applying for the small urban funds, make sure to select the small urban designation from the drop-down.*

### Special Transportation Fund Agency Federal EIN \*

93-6002288

### Special Transportation Fund Agency Urbanized Zone \*

Longview WA-OR area ▼

### Special Transportation Fund Agency Mailing Address (Street or PO Box) \*

1155 Deer Island Rd

St Helens

Oregon ▼

97051

### Special Transportation Fund Agency Web Address

<https://www.nworegontransit.org/agencies/columbia-county-rider/>

### Name of Application Contact \*

Todd M. Wood

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(503) 366-8505

### Fax Number

### Name of Person signing Grant Agreement \*

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Commission Chair

### Email of Person signing Grant Agreement \*

henry.heimuller@co.columbia.or.us

### Phone Number of Person signing Grant Agreement

(503) 397-4322

### Fax Number

### Transit Agency Type \*

Public Agency ▼

### Service Area \*

Small Urban area with population of 50,000 to 199,999 ▼

### What type of Service will be supported with the 5310 grant? (Select all that apply) \*

- Open to the general public at all times  Open to the general public on a space-available basis
- Open only to seniors and individuals with disabilities  Limited to defined clientele (e.g. residential home)

Demand Response Deviated Route

**Are any FTA-funded buildings that your transit agency owns located in a flood zone? \***

 Yes No

[More information on floodplains](#)

## Risk Assessment Information

**Did your agency have any turnover of management or financial staff in the last two years? \***

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**Does your agency have an accounting system that allows you to completely and accurately track the receipt and disbursement of funds related to the award? \***

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**What type of accounting system does your agency use? \***

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**Does your agency have a system in place that will account for 100 percent of each employee's time? \***

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**Did your staff members attend required trainings and meetings during prior grant awards? \***

 Yes No

**Was your agency audited by the Federal government in the past two years? \***

 Yes No

**Did your agency stay on budget in the past two years? \***

 Yes No

## Fund Allocation

**Total 5310 Allocation**

\$7,055.00

## Transit Agency Projects - Small Urban

**✘ Transit Agency Project - Small Urban 1**

**Project Name \***

Dial-a-Ride Transportation

**Transit Agency Legal Name \***

Columbia County Rider

**Transit Agency DBA Name (Optional)**

**Federal EIN \***

93-6002288

**Urbanized Zone \***

Longview WA-OR are ▼

**Agency Mailing Address (Street or PO Box) \***

1155 Deer Island Rd

St Helens

Oregon ▼

97051

**Agency Web Address**

https://www.nworegontransit.org/agencies/columbia-county-rider/

**Project Details**

**Project Selection \***

- A. Purchased Service
- B. Mobility Management
- C. Vehicle Purchase
- D. Capitalized Vehicle Preventive Maintenance
- E. Equipment, Signs and Amenities, Shelters
- F. Facilities: Bus Barns and Other Buildings

Select the project types that you wish to include in your application. Select all that apply.

**A. Purchased Service Project**

**1. Project Title**

**Project Title \***

Dial-a Ride Services

**2. Explain how your project is planned, designed, and carried out to meet the special needs of seniors and individuals with disabilities when general public transit is either insufficient, inappropriate, or not available:**

**Project Service Description \***

This funding will help provide Demand Response services for our senior and disabled population. Columbia County has many miles of roads without access to normal bus service and often without access to other forms of public transportation. This service provides access to vital services for our elderly and disabled population by providing door to door services. The funds will be used to purchase contractor service to provide dispatch,

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2,856

4. Estimated number of one-way rides this project proposes to provide in the biennial grant period:

13,157

5. Project cost and match information:

Total Project Cost \*

8,819

Match Amount (Total Project Cost x 20%)

\$1,763.80

Grant Amount

\$7,055.20

6. Describe the source of your local match funds in the field below (examples: funds from your budget, STF funds). If the matching funds are not available now, describe when they will be (examples: next fiscal year, month/year). Please be specific.

Local Match Details \*

Local match will come from Columbia County Contributions to the transit System available at the beginning of each fiscal year 7/2019,7/2020.

7. On what page is project listed in the Adopted Coordinated Plan?

31

8. Date Coordinated Plan adopted:

9/6/2017



For multiple pages use this box

32

9. Is this project part of a group of activities or projects that are dependant on each other (for example, a new transit service that requires capital and operating funds)?

Yes  No

10. Does your transit agency have an existing contract for transit?

Yes  No

If yes, name the contractor. If no, describe how the transit agency will procure the service and name contractor \*

MTR Western

+ Add Transit Agency Project - Small Urban

### Application Totals

**Total Section 5310 Grant Amount**  
\$7,055.20

**Total Section 5310 Match Amount**  
\$1,763.80

**Total Section 5310 Project Cost**  
\$8,819.00

### Fund Allocation

**Total 5310 Allocation**  
\$7,055.00

### Submitting Your Application

**STF Agencies:** submit your application to RPTD by using the "Submit" button, attaching any supporting documents (such as DCE Worksheets and Preventive Maintenance Plans).

#### Additional Supporting Documents (Optional)

Upload or drag files here.




[Order 70-2017 SIGNED \(the Coordinated Plan\).pdf](#)  
3.25 MB



The person signing this form must have the legal authority to submit this application on behalf of the applicant.

By electronically signing and submitting this form, the agency representative certifies that the information on the application is true and accurate to the best of his or her knowledge.

**Signature \***



**Print Name \***

Submit Application

Save



## Master Tax-Exempt Lease/Purchase Agreement

Between: U.S. Bancorp Government Leasing and Finance, Inc. (the "Lessor")  
13010 SW 68th Parkway, Suite 100  
Portland, OR 97223

And: Columbia County, OR (the "Lessee")  
1054 Oregon Street  
Saint Helens, OR 97051  
Attention: LaVena Sullivan  
Telephone: 503-397-0060 x8428

Dated: January 30, 2019

### ARTICLE I DEFINITIONS

The following terms will have the meanings indicated below unless the context clearly requires otherwise:

"**Agreement**" means this Master Tax-Exempt Lease/Purchase Agreement, including all exhibits and schedules attached hereto.

"**Code**" is defined in Section 3.01(f).

"**Commencement Date**" is the date when the term of a Property Schedule and Lessee's obligation to pay rent thereunder commences, which date shall be set forth in such Property Schedule.

"**Event of Default**" is defined in Section 13.01.

"**Lease Payments**" means the Lease Payments payable by Lessee under Article VI of this Agreement and each Property Schedule, as set forth in each Property Schedule.

"**Lease Payment Dates**" means the Lease Payment dates for the Lease Payments as set forth in each Property Schedule.

"**Lease Term**" means, with respect to a Property Schedule, the Original Term and all Renewal Terms. The Lease Term for each Property Schedule executed hereunder shall be set forth in such Property Schedule, as provided in Section 4.02.

"**Lessee**" means the entity identified as such in the first paragraph hereof, and its permitted successors and assigns.

"**Lessor**" means the entity identified as such in the first paragraph hereof, and its successors and assigns.

"**Nonappropriation Event**" is defined in Section 6.06.

"**Original Term**" means, with respect to a Property Schedule, the period from the Commencement Date until the end of the budget year of Lessee in effect at the Commencement Date.

"**Property**" means, collectively, the property lease/purchased pursuant to this Agreement, and with respect to each Property Schedule, the property described in such Property Schedule, and all replacements, repairs, restorations, modifications and improvements thereof or thereto made pursuant to Section 8.01 or Article IX.

"**Property Schedule**" means a Property Schedule in the form attached hereto for Property Schedule 1. Subsequent Property Schedules pursuant to this Agreement shall be numbered consecutively, beginning with Property Schedule 2.

"**Purchase Price**" means the amount that Lessee may, in its discretion, pay to Lessor to purchase the Property under a Property Schedule, as provided in Section 11.01 and as set forth in the Property Schedule.

"**Renewal Terms**" means the renewal terms of a Property Schedule, each having a duration of one year and a term coextensive with Lessee's budget year.

"**State**" means the state where Lessee is located.

"**Vendor**" means the manufacturer or contractor of the Property as well as the agents or dealers of the manufacturer or contractor from whom Lessor or Lessee purchased or is purchasing all or any portion of the Property.

### ARTICLE II

**2.01 Property Schedules Separate Financings.** Each Property Schedule executed and delivered under this Agreement shall be a separate financing, distinct from other Property Schedules. Without limiting the foregoing, upon the occurrence of an Event of Default or a Nonappropriation Event with respect to a Property Schedule, Lessor shall have the rights and remedies specified herein with respect to the Property financed and the Lease Payments payable under such Property Schedule, and except as expressly provided in Section 12.02 below, Lessor shall have no rights or remedies with respect to Property financed or Lease Payments payable under any other Property Schedules unless an Event of Default or Nonappropriation Event has also occurred under such other Property Schedules.

### ARTICLE III

**3.01 Covenants of Lessee.** As of the Commencement Date for each Property Schedule executed and delivered hereunder, Lessee shall be deemed to represent, covenant and warrant for the benefit of Lessor as follows:

- (a) Lessee is a public body corporate and politic duly organized and existing under the constitution and laws of the State with full power and authority to enter into this Agreement and the Property Schedule and the transactions contemplated thereby and to perform all of its obligations thereunder.
- (b) Lessee will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a body corporate and politic. To the extent Lessee should merge with another entity under the laws of the State, Lessee agrees that as a condition to such merger it will require that the remaining or resulting entity shall be assigned Lessee's rights and shall assume Lessee's obligations hereunder.
- (c) Lessee has been duly authorized to execute and deliver this Agreement and the Property Schedule by proper action by its governing body, or by other appropriate official approval, and all requirements have been met and procedures have occurred in order to ensure the validity and enforceability of this

Agreement and the Property Schedule, and Lessee has complied with such public bidding requirements as may be applicable to this Agreement and the Property Schedule and the acquisition by Lessee of the Property thereunder. On or before the Commencement Date for the Property Schedule, Lessee shall cause to be delivered an opinion of counsel in substantially the form attached to the form of the Property Schedule as Exhibit 2.

- (d) During the Lease Term for the Property Schedule, the Property thereunder will perform and will be used by Lessee only for the purpose of performing essential governmental uses and public functions within the permissible scope of Lessee's authority.
- (e) Lessee will provide Lessor with current financial statements, budgets and proof of appropriation for the ensuing budget year and other financial information relating to the ability of Lessee to continue this Agreement and the Property Schedule in such form and containing such information as may be requested by Lessor.
- (f) Lessee will comply with all applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code"), including Sections 103 and 148 thereof, and the regulations of the Treasury Department thereunder, from time to time proposed or in effect, in order to maintain the excludability from gross income for federal income tax purposes of the interest component of Lease Payments under the Property Schedule and will not use or permit the use of the Property in such a manner as to cause a Property Schedule to be a "private activity bond" under Section 141(a) of the Code. Lessee covenants and agrees that it will use the proceeds of the Property Schedule as soon as practicable and with all reasonable dispatch for the purpose for which the Property Schedule has been entered into, and that no part of the proceeds of the Property Schedule shall be invested in any securities, obligations or other investments except for the temporary period pending such use nor used, at any time, directly or indirectly, in a manner which, if such use had been reasonably anticipated on the date of issuance of the Agreement, would have caused any portion of the Property Schedule to be or become "arbitrage bonds" within the meaning of Section 103(b)(2) or Section 148 of the Code and the regulations of the Treasury Department thereunder proposed or in effect at the time of such use and applicable to obligations issued on the date of issuance of the Property Schedule.
- (g) The execution, delivery and performance of this Agreement and the Property Schedule and compliance with the provisions hereof and thereof by Lessee does not conflict with or result in a violation or breach or constitute a default under, any resolution, bond, agreement, indenture, mortgage, note, lease or other instrument to which Lessee is a party or by which it is bound by any law or any rule, regulation, order or decree of any court, governmental agency or body having jurisdiction over Lessee or any of its activities or properties resulting in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any property or assets of Lessee or to which it is subject.
- (h) Lessee's exact legal name is as set forth on the first page of this Agreement. Lessee will not change its legal name in any respect without giving thirty (30) days prior notice to Lessor.

#### ARTICLE IV

**4.01 Lease of Property.** On the Commencement Date of each Property Schedule executed hereunder, Lessor will be deemed to demise, lease and let to Lessee, and Lessee will be deemed to rent, lease and hire from Lessor, the Property described in such Property Schedule, in accordance with this Agreement and such Property Schedule, for the Lease Term set forth in such Property Schedule.

**4.02 Lease Term.** The term of each Property Schedule shall commence on the Commencement Date set forth therein and shall terminate upon payment of the final Lease Payment set forth in such Property Schedule and the exercise of the Purchase Option described in Section 11.01, unless terminated sooner pursuant to this Agreement or the Property Schedule.

**4.03 Delivery, Installation and Acceptance of Property.** Lessee shall order the Property, shall cause the Property to be delivered and installed at the locations specified in the applicable Property Schedule and shall pay all taxes, delivery costs and installation costs, if any, in connection therewith. To the extent funds are deposited under an escrow agreement or trust agreement for the acquisition of the Property, such funds shall be disbursed as provided therein. When the Property described in such Property Schedule is delivered, installed and accepted as to Lessee's specifications, Lessee shall immediately accept the Property and evidence said acceptance by executing and delivering to Lessor the Acceptance Certificate substantially in the form attached to the Property Schedule.

#### ARTICLE V

**5.01 Enjoyment of Property.** Lessee shall during the Lease Term peaceably and quietly have, hold and enjoy the Property, without suit, trouble or hindrance from Lessor, except as expressly set forth in this Agreement. Lessor shall not interfere with such quiet use and enjoyment during the Lease Term so long as Lessee is not in default under the subject Property Schedule.

**5.02 Location; Inspection.** The Property will be initially located or based at the location specified in the applicable Property Schedule. Lessor shall have the right at all reasonable times during business hours to enter into and upon the property of Lessee for the purpose of inspecting the Property.

#### ARTICLE VI

**6.01 Lease Payments to Constitute a Current Expense of Lessee.** Lessor and Lessee understand and intend that the obligation of Lessee to pay Lease Payments hereunder shall constitute a current expense of Lessee and shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional, statutory or charter limitation or requirement concerning the creation of indebtedness by Lessee, nor shall anything contained herein constitute a pledge of the faith and credit or taxing power of Lessee. Upon the appropriation of Lease Payments for a fiscal year, the Lease Payments for said fiscal year, and only the Lease Payments for said current fiscal year, shall be a binding obligation of Lessee; provided that such obligation shall not include a pledge of the taxing power of Lessee.

**6.02 Payment of Lease Payments.** Lessee shall promptly pay Lease Payments under each Property Schedule, exclusively from legally available funds, in lawful money of the United States of America, to Lessor in such amounts and on such dates as described in the applicable Property Schedule, at Lessor's address set forth on the first page of this Agreement, unless Lessor instructs Lessee otherwise. Lessee shall pay Lessor a charge on any delinquent Lease Payments under a Property Schedule in an amount sufficient to cover all additional costs and expenses incurred by Lessor from such delinquent Lease Payment. In addition, Lessee shall pay a late charge of five cents per dollar or the highest amount permitted by applicable law, whichever is lower, on all delinquent Lease Payments and interest on said delinquent amounts from the date such amounts were due until paid at the rate of 12% per annum or the maximum amount permitted by law, whichever is less.

**6.03 Interest Component.** A portion of each Lease Payment due under each Property Schedule is paid as, and represents payment of, interest, and each Property Schedule hereunder shall set forth the interest component (or method of computation thereof) of each Lease Payment thereunder during the Lease Term.

**6.04 Lease Payments to be Unconditional.** SUBJECT TO SECTION 6.06, THE OBLIGATIONS OF LESSEE TO PAY THE LEASE PAYMENTS DUE UNDER THE PROPERTY SCHEDULES AND TO PERFORM AND OBSERVE THE OTHER COVENANTS AND AGREEMENTS CONTAINED HEREIN SHALL BE ABSOLUTE AND UNCONDITIONAL IN ALL EVENTS WITHOUT ABATEMENT, DIMINUTION, DEDUCTION, SET-OFF OR DEFENSE, FOR ANY REASON, INCLUDING WITHOUT LIMITATION, ANY DEFECTS, MALFUNCTIONS, BREAKDOWNS OR INFIRMITIES IN THE PROPERTY OR ANY ACCIDENT, CONDEMNATION OR UNFORESEEN CIRCUMSTANCES. THIS PROVISION SHALL NOT LIMIT LESSEE'S RIGHTS OR ACTIONS AGAINST ANY VENDOR AS PROVIDED IN SECTION 10.02.

**6.05 Continuation of Lease by Lessee.** Lessee intends to continue all Property Schedules entered into pursuant to this Agreement and to pay the Lease Payments thereunder. Lessee reasonably believes that legally available funds in an amount sufficient to make all Lease Payments during the term of all Property Schedules can be obtained. Lessee agrees that its staff will provide during the budgeting process for each budget year to the governing body of Lessee notification of any Lease Payments due under the Property Schedules during the following budget year. Notwithstanding this covenant, if Lessee fails to appropriate the Lease Payments for a Property Schedule pursuant to Section 6.06, such Property Schedule shall terminate at the end of the then current Original Term or Renewal Term. Although Lessee has made this covenant, in the event that it fails to provide such notice, no remedy is provided and Lessee shall not be liable for any damages for its failure to so comply.

**6.06 Nonappropriation.** If during the then current Original Term or Renewal Term, sufficient funds are not appropriated to make Lease Payments required under a Property Schedule for the following fiscal year, Lessee shall be deemed to not have renewed such Property Schedule for the following fiscal year and the Property Schedule shall terminate at the end of the then current Original Term or Renewal Term and Lessee shall not be obligated to make Lease Payments under said Property Schedule beyond the then current fiscal year for which funds have been appropriated. Upon the occurrence of such nonappropriation (a "Nonappropriation Event") Lessee shall, no later than the end of the fiscal year for which Lease Payments have been appropriated, deliver possession of the Property under said Property Schedule to Lessor. If Lessee fails to deliver possession of the Property to Lessor upon termination of said Property Schedule by reason of a Nonappropriation Event, the termination shall nevertheless be

effective but Lessee shall be responsible for the payment of damages in an amount equal to the portion of Lease Payments thereafter coming due that is attributable to the number of days after the termination during which the Lessee fails to deliver possession and for any other loss suffered by Lessor as a result of Lessee's failure to deliver possession as required. In addition, Lessor may, by written instructions to any escrow agent who is holding proceeds of the Property Schedule, instruct such escrow agent to release all such proceeds and any earnings thereon to Lessor, such sums to be credited to Lessee's obligations under the Property Schedule and this Agreement. Lessee shall notify Lessor in writing within seven (7) days after the failure of the Lessee to appropriate funds sufficient for the payment of the Lease Payments, but failure to provide such notice shall not operate to extend the Lease Term or result in any liability to Lessee.

**6.07 Defeasance of Lease Payments.** Lessee may at any time irrevocably deposit in escrow with a defeasance escrow agent for the purpose of paying all of the principal component and interest component accruing under a Property Schedule, a sum of cash and non-callable securities consisting of direct obligations of, or obligations the principal of an interest on which are unconditionally guaranteed by, the United States of America or any agency or instrumentality thereof, in such aggregate amount, bearing interest at such rates and maturing on such dates as shall be required to provide funds sufficient for this purpose. Upon such defeasance, all right, title and interest of Lessor in the Property under said Property Schedule shall terminate. Lessee shall cause such investment to comply with the requirements of federal tax law so that the exclusion from gross income of the interest component of Lease Payments on said Property Schedule is not adversely affected.

**6.08 Gross-Up.** If an Event of Taxability occurs with respect to a Property Schedule, the interest component of Lease Payments on the Property Schedule shall thereafter be payable at the Taxable Rate, and Lessee shall pay to Lessor promptly following demand an amount sufficient to supplement prior Lease Payments on such Property Schedule so that Lessor receives the interest component of such Lease Payments, retroactive to the date as of which the interest component is determined to be includible in the gross income of Lessor for federal income tax purposes, calculated at the Taxable Rate, together with any penalties and interest actually imposed on Lessor as a result of the Event of Taxability. For purposes of this Section, "Event of Taxability" means, with respect to a Property Schedule, (a) a final determination by the Internal Revenue Service or a court of competent jurisdiction that the interest component of Lease Payments on the Property Schedule is includible for federal income tax purposes in the gross income of Lessor, or (b) receipt by Lessor of a written opinion of a nationally recognized public finance lawyer or law firm to the effect that there exists substantial doubt whether the interest component of Lease Payments on the Property Schedule is excludible for federal income tax purposes from the gross income of Lessor, in each case due to any action or failure to take action by Lessee. "Taxable Rate" means the interest rate at which the interest component of Lease Payments on a Property Schedule was originally calculated, divided by 0.79.

## **ARTICLE VII**

**7.01 Title to the Property.** Upon acceptance of the Property by Lessee and unless otherwise required by the laws of the State, title to the Property shall vest in Lessee, subject to Lessor's interests under the applicable Property Schedule and this Agreement.

**7.02 Personal Property.** The Property is and will remain personal property and will not be deemed to be affixed to or a part of the real estate on which it may be situated, notwithstanding that the Property or any part thereof may be or hereafter become in any manner physically affixed or attached to real estate or any building thereon. If requested by Lessor, Lessee will, at Lessee's expense, furnish a waiver of any interest in the Property from any party having an interest in any such real estate or building.

**7.03 Security Interest.** To the extent permitted by law and to secure the performance of all of Lessee's obligations under this Agreement with respect to a Property Schedule, including without limitation all Property Schedules now existing are hereafter executed, Lessee grants to Lessor, for the benefit of Lessor and its successors and assigns, a security interest constituting a first lien on Lessee's interest in all of the Property under the Property Schedule, whether now owned or hereafter acquired, all additions, attachments, alterations and accessions to the Property, all substitutions and replacements for the Property, and on any proceeds of any of the foregoing, including insurance proceeds. Lessee shall execute any additional documents, including financing statements, affidavits, notices and similar instruments, in form and substance satisfactory to Lessor, which Lessor deems necessary or appropriate to establish, maintain and perfect a security interest in the Property in favor of Lessor and its successors and assigns. Lessee hereby authorizes Lessor to file all financing statements which Lessor deems necessary or appropriate to establish, maintain and perfect such security interest.

## **ARTICLE VIII**

**8.01 Maintenance of Property by Lessee.** Lessee shall keep and maintain the Property in good condition and working order and in compliance with the manufacturer's specifications, shall use, operate and maintain the Property in conformity with all laws and regulations concerning the Property's ownership, possession, use and maintenance, and shall keep the Property free and clear of all liens and claims, other than those created by this Agreement. Lessee shall have sole responsibility to maintain and repair the Property. Should Lessee fail to maintain, preserve and keep the Property in good repair and working order and in accordance with manufacturer's specifications, and if requested by Lessor, Lessee will enter into maintenance contracts for the Property in form approved by Lessor and with approved providers.

**8.02 Liens, Taxes, Other Governmental Charges and Utility Charges.** Lessee shall keep the Property free of all levies, liens and encumbrances, except for the interest of Lessor under this Agreement. The parties to this Agreement contemplate that the Property will be used for a governmental or proprietary purpose of Lessee and, therefore, that the Property will be exempt from all property taxes. The Lease Payments payable by Lessee under this Agreement and the Property Schedules hereunder have been established to reflect the savings resulting from this exemption from taxation. Lessee will take such actions necessary under applicable law to obtain said exemption. Nevertheless, if the use, possession or acquisition of the Property is determined to be subject to taxation or later becomes subject to such taxes, Lessee shall pay when due all taxes and governmental charges lawfully assessed or levied against or with respect to the Property. Lessee shall pay all gas, water, steam, electricity, heat, power, telephone, utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Property. Lessee shall pay such taxes or charges as the same may become due; provided that, with respect to any such taxes or charges that may lawfully be paid in installments over a period of years, Lessee shall be obligated to pay only such installments as accrue during the then current fiscal year of the Lease Term for such Property.

**8.03 Insurance.** At its own expense, Lessee shall maintain (a) casualty insurance insuring the Property against loss or damage by fire and all other risks covered by the standard extended coverage endorsement then in use in the State and any other risks reasonably required by Lessor in an amount equal to at least the outstanding principal component of Lease Payments, and (b) liability insurance that protects Lessor from liability in all events in an amount reasonably acceptable to Lessor, and (c) worker's compensation insurance covering all employees working on, in, near or about the Property; provided that Lessee may self-insure against all such risks. All insurance proceeds from casualty losses shall be payable as hereinafter provided in this Agreement. All such insurance shall be with insurers that are authorized to issue such insurance in the State. All such liability insurance shall name Lessor as an additional insured. All such casualty insurance shall contain a provision making any losses payable to Lessor and Lessee as their respective interests may appear. All such insurance shall contain a provision to the effect that such insurance shall not be canceled or modified without first giving written notice thereof to Lessor and Lessee at least thirty (30) days in advance of such cancellation or modification. Such changes shall not become effective without Lessor's prior written consent. Lessee shall furnish to Lessor, on or before the Commencement Date for each Property Schedule, and thereafter at Lessor's request, certificates evidencing such coverage, or, if Lessee self-insures, a written description of its self-insurance program together with a certification from Lessee's risk manager or insurance agent or consultant to the effect that Lessee's self-insurance program provides adequate coverage against the risks listed above.

**8.04 Advances.** In the event Lessee shall fail to either maintain the insurance required by this Agreement or keep the Property in good repair and working order, Lessor may, but shall be under no obligation to, purchase the required insurance and pay the cost of the premiums thereof or maintain and repair the Property and pay the cost thereof. All amounts so advanced by Lessor shall constitute additional rent for the Lease Term for the applicable Property Schedule and shall be due and payable on the next Lease Payment Date and Lessee covenants and agrees to pay such amounts so advanced by Lessor with interest thereon from the date such amounts are advanced until paid at the rate of 12% per annum or the maximum amount permitted by law, whichever is less.

## **ARTICLE IX**

**9.01 Damage or Destruction.** If (a) the Property under a Property Schedule or any portion thereof is destroyed, in whole or in part, or is damaged by fire or other casualty, or (b) title to, or the temporary use of, the Property under a Property Schedule or any part thereof shall be taken under the exercise or threat of the power of eminent domain by any governmental body or by any person, firm or corporation acting pursuant to governmental authority, Lessor and Lessee will cause the Net Proceeds (as hereinafter defined) of any insurance claim, condemnation award or sale under threat of condemnation to be applied to the prompt replacement, repair, restoration, modification or improvement of the Property, unless Lessee shall have exercised its right to defease the Property Schedule as provided herein, or unless Lessee shall have exercised its option to purchase Lessor's interest in the Property if the Property Schedule so provides. Any balance of the Net Proceeds remaining after such work has been completed shall be paid to Lessee. For purposes of Section 8.03 and this Article IX, the term "Net Proceeds" shall mean the amount remaining from the gross proceeds of any insurance claim, condemnation award or sale under threat of condemnation after deducting all expenses, including attorneys' fees, incurred in the collection thereof.

**9.02 Insufficiency of Net Proceeds.** If the Net Proceeds are insufficient to pay in full the cost of any repair, restoration, modification or improvement referred to in Section 9.01, Lessee shall (a) complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds and, if Lessee shall make any payments pursuant to this Section, Lessee shall not be entitled to any reimbursement therefor from Lessor nor shall Lessee be entitled to any diminution of the amounts payable under Section 6.02, or (b) defease the Property Schedule pursuant to Section 6.07, or (c) exercise its option to purchase Lessor's interest in the Property pursuant to the optional purchase provisions of the Property Schedule, if any. The amount of the Net Proceeds, if any, remaining after completing such repair, restoration, modification or improvement or after such defeasance or purchase may be retained by Lessee.

#### **ARTICLE X**

**10.01 Disclaimer of Warranties.** LESSOR MAKES NO (AND SHALL NOT BE DEEMED TO HAVE MADE ANY) WARRANTIES, EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING, WITHOUT LIMITATION, THE DESIGN, OPERATION OR CONDITION OF, OR THE QUALITY OF THE MATERIAL, EQUIPMENT OR WORKMANSHIP IN, THE PROPERTY, ITS MERCHANTABILITY OR ITS FITNESS FOR ANY PARTICULAR PURPOSE, THE STATE OF TITLE THERETO OR ANY COMPONENT THEREOF, THE ABSENCE OF LATENT OR OTHER DEFECTS (WHETHER OR NOT DISCOVERABLE), AND LESSOR HEREBY DISCLAIMS THE SAME; IT BEING UNDERSTOOD THAT THE PROPERTY IS LEASED TO LESSEE "AS IS" ON THE DATE OF THIS AGREEMENT OR THE DATE OF DELIVERY, WHICHEVER IS LATER, AND ALL SUCH RISKS, IF ANY, ARE TO BE BORNE BY LESSEE. Lessee acknowledges that it has made (or will make) the selection of the Property from the Vendor based on its own judgment and expressly disclaims any reliance upon any statements or representations made by Lessor. Lessee understands and agrees that (a) neither the Vendor nor any sales representative or other agent of Vendor, is (i) an agent of Lessor, or (ii) authorized to make or alter any term or condition of this Agreement, and (b) no such waiver or alteration shall vary the terms of this Agreement unless expressly set forth herein. In no event shall Lessor be liable for any incidental, indirect, special or consequential damage in connection with or arising out of this Agreement, the Property Schedules, or the existence, furnishing, functioning or use of any item, product or service provided for in this Agreement or the Property Schedules.

**10.02 Vendor's Warranties.** Lessor hereby irrevocably assigns to Lessee all rights that Lessor may have to assert from time to time whatever claims and rights (including without limitation warranties) related to the Property against the Vendor. Lessee's sole remedy for the breach of such warranty, indemnification or representation shall be against the Vendor of the Property, and not against Lessor, nor shall such matter have any effect whatsoever on the rights and obligations of Lessor with respect to this Agreement, including the right to receive full and timely payments hereunder. Lessee expressly acknowledges that Lessor makes, and has made, no representations or warranties whatsoever as to the existence or the availability of such warranties of the Vendor of the Property.

**10.03 Use of the Property.** Lessee will not install, use, operate or maintain the Property improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated by this Agreement and the applicable Property Schedule. Lessee shall provide all permits and licenses, if any, necessary for the installation and operation of the Property. In addition, Lessee agrees to comply in all respects with all laws of the jurisdiction in which its operations involving any item of Property may extend and any legislative, executive, administrative or judicial body exercising any power or jurisdiction over the items of the Property; provided that Lessee may contest in good faith the validity or application of any such law or rule in any reasonable manner that does not, in the opinion of Lessor, adversely affect the interest of Lessor in and to the Property or its interest or rights under this Agreement. Lessee shall promptly notify Lessor in writing of any pending or threatened investigation, inquiry, claim or action by any governmental authority which could adversely affect this Agreement, any Property Schedule or the Property thereunder.

**10.04 Modifications.** Subject to the provisions of this Section, Lessee shall have the right, at its own expense, to make alterations, additions, modifications or improvements to the Property. All such alterations, additions, modifications and improvements shall thereafter comprise part of the Property and shall be subject to the provisions of this Agreement. Such alterations, additions, modifications and improvements shall not in any way damage the Property, substantially alter its nature or cause it to be used for purposes other than those authorized under the provisions of state and federal law; and the Property, on completion of any alterations, additions, modifications or improvements made pursuant to this Section, shall be of a value which is equal to or greater than the value of the Property immediately prior to the making of such alterations, additions, modifications and improvements. Lessee shall, at its own expense, make such alterations, additions, modifications and improvements to the Property as may be required from time to time by applicable law or by any governmental authority.

#### **ARTICLE XI**

**11.01 Option to Purchase.** Lessee shall have the option to purchase Lessor's entire interest in all of the Property subject to a Property Schedule and to terminate any restrictions herein on the Property under such Property Schedule on the last day of the Lease Term for a Property Schedule, if the Property Schedule is still in effect on such day, upon payment in full of the Lease Payments due thereunder plus payment of One (1) Dollar to Lessor. Upon exercise of the purchase option as set forth in this Section 11.01 and payment of the purchase price under the applicable Property Schedule, and performance by Lessee of all other terms, conditions and provisions hereof, Lessor shall deliver to Lessee all such documents and instruments as Lessee may reasonably require to evidence the transfer, without warranty by or recourse to Lessor, of all of Lessor's right, title and interest in and to the Property subject to such Property Schedule to Lessee.

**11.02 Option to Prepay.** Lessee shall have the option to prepay in whole the Lease Payments due under a Property Schedule, but only if the Property Schedule so provides, and on the terms set forth in the Property Schedule. Lessee shall give written notice to Lessor of its intent to purchase Lessor's interest in the Property at least sixty (60) days prior to the last day of the Lease Term for applicable Property Schedule.

#### **ARTICLE XII**

**12.01 Assignment by Lessor.** Lessor's right, title and interest in, to and under each Property Schedule and the Property under such Property Schedule may be assigned and reassigned in whole or in part to one or more assignees or subassignees by Lessor without the necessity of obtaining the consent of Lessee; provided that any assignment shall not be effective until Lessee has received written notice, signed by the assignor, of the name, address and tax identification number of the assignee. Lessee shall retain all such notices as a register of all assignees and shall make all payments to the assignee or assignees designated in such register. Lessee agrees to execute all documents, including notices of assignment and chattel mortgages or financing statements that may be reasonably requested by Lessor or any assignee to protect its interests in this Agreement and the Property Schedules.

**12.02 Property Schedules Separate Financings.** Assignees of the Lessor's rights in one Property Schedule shall have no rights in any other Property Schedule unless such rights have been separately assigned.

**12.03 Assignment and Subleasing by Lessee.** NONE OF LESSEE'S RIGHT, TITLE AND INTEREST IN, TO AND UNDER THIS AGREEMENT AND IN THE PROPERTY MAY BE ASSIGNED, SUBLEASED OR ENCUMBERED BY LESSEE FOR ANY REASON, WITHOUT THE PRIOR WRITTEN CONSENT OF LESSOR.

**12.04 Release and Indemnification Covenants.** To the extent permitted by applicable law, Lessee shall indemnify, protect, hold harmless, save and keep harmless Lessor from and against any and all liability, obligation, loss, claim and damage whatsoever, regardless of cause thereof, and all expenses in connection therewith, including, without limitation, counsel fees and expenses, penalties and interest (collectively, "Losses") arising out of or resulting from the entering into this Agreement, any Property Schedules hereunder, the ownership of any item of the Property, the loss of federal tax exemption of the interest on any of the Property Schedules, the ordering, acquisition, use, operation, condition, purchase, delivery, rejection, storage or return of any item of the Property or any accident in connection with the operation, use, condition, possession, storage or return of any item of the Property resulting in damage to property or injury to or death to any person; provided, however, that Lessee shall not be required to indemnify Lessor for Losses arising out of or resulting from Lessor's own willful or negligent conduct, or for Losses arising out of or resulting from Lessor's preparation of disclosure material relating to certificates of participation in this Agreement and any Property Schedule (other than disclosure material provided to Lessor by Lessee). The indemnification arising under this Section shall continue in full force and effect notwithstanding the full payment of all obligations under this Agreement, or the applicable Property Schedule, or the termination of the Lease Term for such Property Schedule for any reason.

#### **ARTICLE XIII**

**13.01 Events of Default Defined.** Any of the following shall constitute an "Event of Default" under a Property Schedule:

- (a) Failure by Lessee to pay any Lease Payment under the Property Schedule or other payment required to be paid with respect thereto at the time specified therein;
- (b) Failure by Lessee to observe and perform any covenant, condition or agreement on its part to be observed or performed with respect to the Property Schedule, other than as referred to in subparagraph (a) above, for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied is given to Lessee by Lessor, unless Lessor shall agree in writing to an extension of such time prior to its expiration; provided that, if the

failure stated in the notice cannot be corrected within the applicable period, Lessor will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by Lessee within the applicable period and diligently pursued until the default is corrected;

- (c) Any statement, representation or warranty made by Lessee in or pursuant to the Property Schedule or its execution, delivery or performance shall prove to have been false, incorrect, misleading or breached in any material respect on the date when made;
- (d) Lessee shall (i) apply for or consent to the appointment of a receiver, trustee, custodian or liquidator of Lessee, or of all or a substantial part of the assets of Lessee, (ii) be unable, fail or admit in writing its inability generally to pay its debts as they become due, (iii) make a general assignment for the benefit of creditors, (iv) have an order for relief entered against it under applicable federal bankruptcy law, or (v) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors or taking advantage of any insolvency law or any answer admitting the material allegations of a petition filed against Lessee in any bankruptcy, reorganization or insolvency proceeding; or
- (e) An order, judgment or decree shall be entered by any court of competent jurisdiction, approving a petition or appointing a receiver, trustee, custodian or liquidator of Lessee or of all or a substantial part of the assets of Lessee, in each case without its application, approval or consent, and such order, judgment or decree shall continue unstayed and in effect for any period of 60 consecutive days.

The foregoing provisions of Section 13.01 are subject to the following limitation: if by reason of force majeure Lessee is unable in whole or in part to perform its agreements under this Agreement and the Property Schedule (other than the obligations on the part of Lessee contained in Article VI hereof) Lessee shall not be in default during the continuance of such inability. The term "force majeure" as used herein shall mean the following: acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies; orders or restraints of any kind of the government of the United States or of the State or any of their departments, agencies or officials, or any civil or military authority; insurrections, riots, landslides, earthquakes, fires, storms, droughts, floods, explosions, breakage or accident to machinery, transmission pipes or canals; or any other cause or event not reasonably within the control of Lessee.

A Nonappropriation Event is not an Event of Default.

**13.02 Remedies on Default.** Whenever any Event of Default exists with respect to a Property Schedule, Lessor shall have the right, at its sole option without any further demand or notice, to take one or any combination of the following remedial steps:

- (a) Without terminating the Property Schedule, and by written notice to Lessee, Lessor may declare all Lease Payments and other amounts payable by Lessee thereunder to the end of the then-current budget year of Lessee to be due, including without limitation delinquent Lease Payments under the Property Schedule from prior budget years, and such amounts shall thereafter bear interest at the rate of 12% per annum or the maximum rate permitted by applicable law, whichever is less;
- (b) Lessor may terminate the Property Schedule, may enter the premises where the Property subject to the Property Schedule is located and retake possession of the Property, or require Lessee, at Lessee's expense, to promptly return any or all of the Property to the possession of Lessor at such place within the United States as Lessor shall specify, and Lessor may thereafter dispose of the Property in accordance with Article 9 of the Uniform Commercial Code in effect in the State; provided, however, that any proceeds from the disposition of the property in excess of the sum required to (i) pay off any outstanding principal component of Lease Payments, (ii) pay any other amounts then due under the Property Schedule, and (iii) pay Lessor's costs and expenses associated with the disposition of the Property (including attorneys fees), shall be paid to Lessee or such other creditor of Lessee as may be entitled thereto, and further provided that no deficiency shall be allowed against Lessee except with respect to unpaid costs and expenses incurred by Lessor in connection with the disposition of the Property;
- (c) By written notice to any escrow agent who is holding proceeds of the Property Schedule, Lessor may instruct such escrow agent to release all such proceeds and any earnings thereon to Lessor, such sums to be credited to payment of Lessee's obligations under the Property Schedule;
- (d) Lessor may take any action, at law or in equity, that is permitted by applicable law and that may appear necessary or desirable to enforce or to protect any of its rights under the Property Schedule and this Agreement.

Notwithstanding the foregoing, if the proceeds are insufficient to pay items (i) to (iii) in Section 13.02(b) in whole, Lessee shall remain obligated after application of proceeds to items (i) and (ii), to pay in whole the amounts for item (iii).

**13.03 No Remedy Exclusive.** No remedy herein conferred upon or reserved to Lessor is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle Lessor to exercise any remedy reserved to it in this Article it shall not be necessary to give any notice, other than such notice as may be required in this Article.

**13.04 Costs and Attorney Fees.** Upon the occurrence of an Event of Default by Lessee in the performance of any term of this Agreement, Lessee agrees to pay to Lessor or reimburse Lessor for, in addition to all other amounts due hereunder, all of Lessor's costs of collection, including reasonable attorney fees, whether or not suit or action is filed thereon. Any such costs shall be immediately due and payable upon written notice and demand given to Lessee, shall be secured by this Agreement until paid and shall bear interest at the rate of 12% per annum or the maximum amount permitted by law, whichever is less. In the event suit or action is instituted to enforce any of the terms of this Agreement, the prevailing party shall be entitled to recover from the other party such sum as the court may adjudge reasonable as attorneys' fees at trial or on appeal of such suit or action or in any bankruptcy proceeding, in addition to all other sums provided by law.

#### ARTICLE XIV

**14.01 Notices.** All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by certified mail, postage prepaid, to the parties hereto at the addresses as specified on the first page of this Agreement (or at such other address as either party hereto shall designate in writing to the other for notices to such party), to any assignee at its address as it appears on the registration books maintained by Lessee.

**14.02 Arbitrage Certificates.** Unless a separate Arbitrage Certificate is delivered on the Commencement Date, Lessee shall be deemed to make the following representations and covenants as of the Commencement Date for each Property Schedule:

- (a) The estimated total costs, including taxes, freight, installation, and cost of issuance, of the Property under the Property Schedule will not be less than the total principal amount of the Lease Payments.
- (b) The Property under the Property Schedule has been ordered or is expected to be ordered within six months after the Commencement Date and the Property is expected to be delivered and installed, and the Vendor fully paid, within eighteen months from the Commencement Date. Lessee will pursue the completion of the Property and the expenditure of the net proceeds of the Property Schedule with due diligence.
- (c) Lessee has not created or established, and does not expect to create or establish, any sinking fund or other similar fund (i) that is reasonably expected to be used to pay the Lease Payments under the Property Schedule, or (ii) that may be used solely to prevent a default in the payment of the Lease Payments under the Property Schedule.
- (d) The Property under the Property Schedule has not been and is not expected to be sold or otherwise disposed of by Lessee, either in whole or in major part, prior to the last maturity of the Lease Payments under the Property Schedule.
- (e) There are no other obligations of Lessee which (i) are being sold within 15 days of the Commencement Date of the Property Schedule; (ii) are being sold pursuant to the same plan of financing as the Property Schedule; and (iii) are expected to be paid from substantially the same source of funds.
- (f) The officer or official who has executed the Property Schedule on Lessee's behalf is familiar with Lessee's expectations regarding the use and expenditure of the proceeds of the Property Schedule. To the best of Lessee's knowledge, information and belief, the facts and estimates set forth in herein are accurate and the expectations of Lessee set forth herein are reasonable.

**14.03 Further Assurances.** Lessee agrees to execute such other and further documents, including, without limitation, confirmatory financing statements, continuation statements, certificates of title and the like, and to take all such action as may be necessary or appropriate, from time to time, in the reasonable opinion of Lessor, to perfect,

confirm, establish, reestablish, continue, or complete the interests of Lessor in this Agreement and the Property Schedules, to consummate the transactions contemplated hereby and thereby, and to carry out the purposes and intentions of this Agreement and the Property Schedules.

**14.04 Binding Effect.** This Agreement shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns.

**14.05 Severability.** In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

**14.06 Waiver of Jury Trials.** Lessee and Lessor hereby irrevocably waive all right to trial by jury in any action, proceeding or counterclaim (whether based on contract, tort or otherwise) arising out of or relating to this Agreement or the actions of Lessor or Lessee in the negotiation, administration, performance or enforcement hereof.

**14.07 Amendments, Changes and Modifications.** This Agreement may be amended in writing by Lessor and Lessee to the extent the amendment or modification does not apply to outstanding Property Schedules at the time of such amendment or modification. The consent of all assignees shall be required to any amendment or modification before such amendment or modification shall be applicable to any outstanding Property Schedule.

**14.08 Execution in Counterparts.** This Agreement and the Property Schedules hereunder may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**14.09 Applicable Law.** This Agreement shall be governed by and construed in accordance with the laws of the State.

**14.10 Captions.** The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

**IN WITNESS WHEREOF,** Lessor and Lessee have caused this Agreement to be executed in their names by their duly authorized representatives as of the date first above written.

<b>Lessor: U.S. Bancorp Government Leasing and Finance, Inc.</b>
By:
Name:
Title:

<b>Lessee: Columbia County, OR</b>
By:
Name: Henry Heimuller
Title: Chair, Board of County Commissioners

Attest:
By:
Name:
Title:

**ADDENDUM**  
**Master Tax-Exempt Lease/Purchase Agreement**

THIS ADDENDUM, which is entered into as of January 30, 2019 between U.S. Bancorp Government Leasing and Finance, Inc. ("Lessor") and Columbia County, OR ("Lessee"), is intended to modify and supplement the Master Tax-Exempt Lease/Purchase Agreement between Lessor and Lessee dated as of January 30, 2019 (the "Master Agreement"). Capitalized terms not otherwise defined herein shall have the meanings set forth in the Master Agreement.

Section 13.04 is hereby deleted and restated as follows:

**Prevailing Party.** In any legal action to enforce or construe any provision of this Agreement, the non-prevailing party shall pay the prevailing party the reasonable costs and expenses (including reasonable attorneys' fees) incurred by such prevailing party. The term "prevailing party" as used herein will include, without limitation, a party who utilizes legal counsel and brings or defends an action, suit, or judicial or administrative proceeding involving an alleged breach or default under this Agreement or a Property Schedule to construe any provision of this Agreement or a Property Schedule and, if the plaintiff, obtains substantially the relief sought (whether by award or judgment), or if the defendant, the plaintiff fails to substantially obtain the relief sought. If no party can be considered the prevailing party, the judge will have the discretion to equitably apportion the costs and expenses.

Section 14.09 is hereby deleted and restated as follows:

**Applicable Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Oregon with venue in St. Helens, Columbia County, Oregon.

IN WITNESS WHEREOF, Lessor and Lessee have caused this Addendum to be executed in their names by their duly authorized representatives as of the date first above written.

<b>Lessor: U.S. Bancorp Government Leasing and Finance, Inc.</b>
By:
Name:
Title:

<b>Lessee: Columbia County, OR</b>
By:
Name: Henry Heimuller
Title: Chair, Board of County Commissioners

Attest:
By
Name:
Title:

# Property Schedule No. 1

## Master Tax-Exempt Lease/Purchase Agreement

---

This **Property Schedule No. 1** is entered into as of the Commencement Date set forth below, pursuant to that certain Master Tax-Exempt Lease/Purchase Agreement (the "Master Agreement"), dated as of January 30, 2019, between U.S. Bancorp Government Leasing and Finance, Inc., and Columbia County, OR.

1. Interpretation. The terms and conditions of the Master Agreement are incorporated herein by reference as if fully set forth herein. Reference is made to the Master Agreement for all representations, covenants and warranties made by Lessee in the execution of this Property Schedule, unless specifically set forth herein. In the event of a conflict between the provisions of the Master Agreement and the provisions of this Property Schedule, the provisions of this Property Schedule shall control. All capitalized terms not otherwise defined herein shall have the meanings provided in the Master Agreement.
2. Commencement Date. The Commencement Date for this Property Schedule is January 30, 2019.
3. Property Description and Payment Schedule. The Property subject to this Property Schedule is described in Exhibit 1 hereto. Lessee shall not remove such property from the locations set forth therein without giving prior written notice to Lessor. The Lease Payment Schedule for this Property Schedule is set forth in Exhibit 1.
4. Opinion. The Opinion of Lessee's Counsel is attached as Exhibit 2.
5. Lessee's Certificate. The Lessee's Certificate is attached as Exhibit 3.
6. Proceeds. Exhibit 4 is intentionally omitted.
7. Acceptance Certificate. Exhibit 5 is intentionally omitted.
8. Additional Purchase Option Provisions. In addition to the Purchase Option provisions set forth in the Master Agreement, Lease Payments payable under this Property Schedule shall be subject to prepayment in whole at any time by payment of the applicable Termination Amount set forth in Exhibit 1 (Payment Schedule) and payment of all accrued and unpaid interest through the date of prepayment.
9. Private Activity Issue. Lessee understands that among other things, in order to maintain the exclusion of the interest component of Lease Payments from gross income for federal income tax purposes, it must limit and restrict the rights private businesses (including, for this purpose, the federal government and its agencies and organizations described in the Code § 501(c)(3)) have to use the Property. Each of these requirements will be applied beginning on the later of the Commencement Date or date each portion of the Property is placed in service and will continue to apply until earlier of the end of the economic useful life of the property or the date the Agreement or any tax-exempt obligation issued to refund the Property Schedule is retired (the "Measurement Period"). Lessee will comply with the requirements of Section 141 of the Code and the regulations thereunder which provide restrictions on special legal rights that users other than Lessee or a state or local government or an agency or instrumentality of a state or a local government (an "Eligible User") may have to use the Property. For this purpose, special legal rights may arise from a management or service agreement, lease, research agreement or other arrangement providing any entity except an Eligible User the right to use the Property. Any use of the Property by a user other than an Eligible User is referred to herein as "Non-Qualified Use". Throughout the Measurement Period, all of the Property is expected to be owned by Lessee. Throughout the Measurement Period, Lessee will not permit the Non-Qualified Use of the Property to exceed 10%.
10. Bank Qualification and Arbitrage Rebate. Attached as Exhibit 6.
11. Expiration. Lessor, at its sole determination, may choose not to accept this Property Schedule if the fully executed, original Master Agreement (including this Property Schedule and all ancillary documents) is not received by Lessor at its place of business by March 1, 2019.

IN WITNESS WHEREOF, Lessor and Lessee have caused this Property Schedule to be executed in their names by their duly authorized representatives as of the Commencement Date above.

<b>Lessor: U.S. Bancorp Government Leasing and Finance, Inc.</b>
By:
Name:
Title:

<b>Lessee: Columbia County, OR</b>
By:
Name: Henry Heimuller
Title: Chair, Board of County Commissioners

Attest:
By
Name:
Title:



**EXHIBIT 1**

**Property Description and Payment Schedule**

Re: **Property Schedule No. 1** to Master Tax-Exempt Lease/Purchase Agreement between U.S. Bancorp Government Leasing and Finance, Inc. and Columbia County, OR.

THE PROPERTY IS AS FOLLOWS: The Property as more fully described in Exhibit A incorporated herein by reference and attached hereto. It includes all replacements, parts, repairs, additions, accessions and accessories incorporated therein or affixed or attached thereto and any and all proceeds of the foregoing, including, without limitation, insurance recoveries.

PROPERTY LOCATION:

1054 Oregon St.

Address

St. Helens, OR 97051

City, State Zip Code

USE: Backhoe - This use is essential to the proper, efficient and economic functioning of Lessee or to the services that Lessee provides; and Lessee has immediate need for and expects to make immediate use of substantially all of the Property, which need is not temporary or expected to diminish in the foreseeable future.

Lease Payment Schedule

Total Principal Amount: \$106,200.00

Payment No.	Due Date	Lease Payment	Principal Portion	Interest Portion	Termination Amount (After Making Payment for said Due Date)
1	28-Feb-2019	2,385.40	2,054.71	330.69	N/A
2	30-Mar-2019	2,385.40	2,061.10	324.30	N/A
3	30-Apr-2019	2,385.40	2,067.52	317.88	N/A
4	30-May-2019	2,385.40	2,073.96	311.44	N/A
5	30-Jun-2019	2,385.40	2,080.43	304.97	N/A
6	30-Jul-2019	2,385.40	2,086.90	298.50	N/A
7	30-Aug-2019	2,385.40	2,093.39	292.01	N/A
8	30-Sep-2019	2,385.40	2,099.91	285.49	N/A
9	30-Oct-2019	2,385.40	2,106.45	278.95	N/A
10	30-Nov-2019	2,385.40	2,113.01	272.39	N/A
11	30-Dec-2019	2,385.40	2,119.59	265.81	N/A
12	30-Jan-2020	2,385.40	2,126.19	259.21	N/A
13	29-Feb-2020	2,385.40	2,132.81	252.59	N/A
14	30-Mar-2020	2,385.40	2,139.45	245.95	79,149.92
15	30-Apr-2020	2,385.40	2,146.12	239.28	76,939.42
16	30-May-2020	2,385.40	2,152.80	232.60	74,722.04
17	30-Jun-2020	2,385.40	2,159.50	225.90	72,497.75
18	30-Jul-2020	2,385.40	2,166.23	219.17	70,266.53
19	30-Aug-2020	2,385.40	2,172.97	212.43	68,028.37
20	30-Sep-2020	2,385.40	2,179.74	205.66	65,783.24
21	30-Oct-2020	2,385.40	2,186.53	198.87	63,531.12
22	30-Nov-2020	2,385.40	2,193.33	192.07	61,271.99
23	30-Dec-2020	2,385.40	2,200.16	185.24	59,005.82
24	30-Jan-2021	2,385.40	2,207.02	178.38	56,732.59
25	28-Feb-2021	2,385.40	2,213.89	171.51	54,452.29
26	30-Mar-2021	2,385.40	2,220.78	164.62	52,164.88
27	30-Apr-2021	2,385.40	2,227.70	157.70	49,870.35

28	30-May-2021	2,385.40	2,234.63	150.77	47,568.68
29	30-Jun-2021	2,385.40	2,241.59	143.81	45,259.84
30	30-Jul-2021	2,385.40	2,248.57	136.83	42,943.81
31	30-Aug-2021	2,385.40	2,255.57	129.83	40,620.57
32	30-Sep-2021	2,385.40	2,262.60	122.80	38,290.09
33	30-Oct-2021	2,385.40	2,269.64	115.76	35,952.36
34	30-Nov-2021	2,385.40	2,276.71	108.69	33,607.35
35	30-Dec-2021	2,385.40	2,283.80	101.60	31,255.03
36	30-Jan-2022	2,385.40	2,290.91	94.49	28,895.39
37	28-Feb-2022	2,385.40	2,298.05	87.35	26,528.41
38	30-Mar-2022	2,385.40	2,305.20	80.20	24,154.05
39	30-Apr-2022	2,385.40	2,312.38	73.02	21,772.30
40	30-May-2022	2,385.40	2,319.58	65.82	19,383.13
41	30-Jun-2022	2,385.40	2,326.80	58.60	16,986.52
42	30-Jul-2022	2,385.40	2,334.05	51.35	14,582.45
43	30-Aug-2022	2,385.40	2,341.32	44.08	12,170.89
44	30-Sep-2022	2,385.40	2,348.61	36.79	9,751.83
45	30-Oct-2022	2,385.40	2,355.92	29.48	7,325.23
46	30-Nov-2022	2,385.40	2,363.26	22.14	4,891.07
47	30-Dec-2022	2,385.40	2,370.62	14.78	2,449.34
48	30-Jan-2023	2,385.40	2,378.00	7.40	0.00
<b>TOTALS:</b>		<b>114,499.20</b>	<b>106,200.00</b>	<b>8,299.20</b>	

Interest Rate: 3.737%

<b>Lessee: Columbia County, OR</b>
By:
Name: Henry Heimuller
Title: Chair, Board of County Commissioners

# EXHIBIT A

## Property Description

Equipment as described in PAPE Machinery's Quote dated October 2, 2018, inserted below:

<u>310SL HL Backhoe Loader</u>		
<b>Code</b>	<b>Description</b>	<b>Price</b>
0A80T	310SL HL BACKHOE LOADER	\$117,547.00
170C	JDLink Ultimate Cellular - 5 Years	No Added Cost
2401	English Decals with English Operator and Safety Manuals	No Added Cost
3065	Mechanical Front Wheel Drive (MFWD) with Limited Slip Differential	No Added Cost
2035	Cab	\$12,889.00
8685	Dual Maintenance Free Batteries With Disconnect and Jump Post	\$529.00
6020	Extendible Dipperstick	\$8,141.00
6230	Auxiliary Hydraulic with One & Two Way Flow	\$6,058.00
5285	Pilot Controls, Two Lever, with Pattern Selection	\$2,594.00
5400	Less Coupler	No Added Cost
5676	24" Wide, Heavy-Duty, 8.8 Cu. Ft. (0.25 Cu. M.) Capacity Bucket	\$1,825.00
7080	Three-Function Loader Hydraulics, Single Lever	\$3,181.00
8485	1250 Lb. (567 kg) Front Counterweight	\$1,711.00
1065	John Deere PowerTech Plus 4.5L (276 Cu. In.) Engine FT4 Emissions	\$12,899.00
4891	Firestone 21L - 24 12PR & 12.5/80-18 12PR Traction Sure Grip	\$1,927.00
7685	Wide Multipurpose Bucket	\$7,390.00
9210	Left Side Console Storage with Cup Holders	\$79.00
9916	Radio, Bosch Premium Package	\$1,320.00
9919	Sun Visor	\$92.00
9965	Seat, Cloth Air-Suspension	\$490.00
9116	LED Light Package	\$1,025.00
9110	Ride Control	\$1,935.00
9515	Diagnostic Oil Sampling Ports	\$201.00
9505	Full MFWD Driveshaft Guard	\$417.00
<b>Configured List Price</b>		<b>\$182,250.00</b>
<b>Sourcewell Discount 47%</b>		<b>(\$85,657.50)</b>
<b>Price Less Sourcewell Discount</b>		<b>\$96,592.50</b>
<b><u>Additional Costs</u></b>		
	<i>Helac Powertilt with PDI, install and pins</i>	<i>\$8,000.00</i>
	<i>BTI TC92V Compactor with PDI and install</i>	<i>\$8,500.00</i>
	<i>John Deere 36" HD Dig Bucket with Pins</i>	<i>\$2,200.00</i>
	<i>Extended Warranty 60 month / 3,000 hour Powertrain &amp; Hydraulic</i>	<i>\$2,400.00</i>
	<i>Boom Protection Plate with install</i>	<i>\$900.00</i>
	<i>In Bound Freight &amp; Delivery</i>	<i>\$4,500.00</i>
	<i>Pre Delivery Inspection Charge</i>	<i>\$840.00</i>
	<i>ASI</i>	<i>\$1,018.00</i>

## EXHIBIT 2

### Lessee's Counsel's Opinion

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[To be provided on letterhead of Lessee's counsel.]

January 30, 2019

U.S. Bancorp Government Leasing and Finance, Inc.  
13010 SW 68th Parkway, Suite 100  
Portland, OR 97223

Columbia County, OR  
1054 Oregon Street  
Saint Helens, OR 97051  
Attention: LaVena Sullivan

RE: Property Schedule No. 1 to Master Tax-Exempt Lease/Purchase Agreement between U.S. Bancorp Government Leasing and Finance, Inc. and Columbia County, OR.

Ladies and Gentlemen:

We have acted as special counsel to Columbia County, OR ("Lessee"), in connection with the Master Tax-Exempt Lease/Purchase Agreement, dated as of January 30, 2019 (the "Master Agreement"), between Columbia County, OR, as lessee, and U.S. Bancorp Government Leasing and Finance, Inc. as lessor ("Lessor"), and the execution of Property Schedule No. 1 (the "Property Schedule") pursuant to the Master Agreement. We have examined the law and such certified proceedings and other papers as we deem necessary to render this opinion.

All capitalized terms not otherwise defined herein shall have the meanings provided in the Master Agreement and Property Schedule.

As to questions of fact material to our opinion, we have relied upon the representations of Lessee in the Master Agreement and the Property Schedule and in the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion that, under existing law:

1. Lessee is a public body corporate and politic, duly organized and existing under the laws of the State, and has a substantial amount of one or more of the following sovereign powers: (a) the power to tax, (b) the power of eminent domain, and (c) the police power.

2. Lessee has all requisite power and authority to enter into the Master Agreement and the Property Schedule and to perform its obligations thereunder.

3. The execution, delivery and performance of the Master Agreement and the Property Schedule by Lessee has been duly authorized by all necessary action on the part of Lessee.

4. All proceedings of Lessee and its governing body relating to the authorization and approval of the Master Agreement and the Property Schedule, the execution thereof and the transactions contemplated thereby have been conducted in accordance with all applicable open meeting laws and all other applicable state and federal laws.

5. Lessee has acquired or has arranged for the acquisition of the Property subject to the Property Schedule, and has entered into the Master Agreement and the Property Schedule, in compliance with all applicable public bidding laws.

6. Lessee has obtained all consents and approvals of other governmental authorities or agencies which may be required for the execution, delivery and performance by Lessee of the Master Agreement and the Property Schedule.

7. The Master Agreement and the Property Schedule have been duly executed and delivered by Lessee and constitute legal, valid and binding obligations of Lessee, enforceable against Lessee in accordance with the terms thereof, except insofar as the enforcement thereof may be limited by any applicable bankruptcy, insolvency, moratorium, reorganization or other laws of equitable principles of general application, or of application to municipalities or political subdivisions such as the Lessee, affecting remedies or creditors' rights generally, and to the exercise of judicial discretion in appropriate cases.

8. As of the date hereof, based on such inquiry and investigation as we have deemed sufficient, no litigation is pending, (or, to our knowledge, threatened) against Lessee in any court (a) seeking to restrain or enjoin the delivery of the Master Agreement or the Property Schedule or of other agreements similar to the Master Agreement; (b) questioning the authority of Lessee to execute the Master Agreement or the Property Schedule, or the validity of the Master Agreement or the Property Schedule, or the payment of principal of or interest on, the Property Schedule; (c) questioning the constitutionality of any statute, or the validity of any proceedings, authorizing the execution of the Master Agreement and the Property Schedule; or (d) affecting the provisions made for the payment of or security for the Master Agreement and the Property Schedule.

This opinion may be relied upon by Lessor, its successors and assigns, and any other legal counsel who provides an opinion with respect to the Property Schedule.

Very truly yours,

By: \_\_\_\_\_

Name: Robin R. McIntyre

Title: Senior Assistant County Counsel

Dated: \_\_\_\_\_

**EXHIBIT 3**

**Lessee's General and Incumbency Certificate**

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**GENERAL CERTIFICATE**

Re: **Property Schedule No. 1** dated as of January 30, 2019 to the Master Tax-Exempt Lease/Purchase Agreement dated January 30, 2019 between U.S. Bancorp Government Leasing and Finance, Inc. and Columbia County, OR.

The undersigned, being the duly elected, qualified and acting Chair of the Columbia County Board of Commissioners  
(Title of Person to Execute Lease/Purchase Agreement)  
of the Columbia County, OR ("Lessee") does hereby certify, as of January 30, 2019, as follows:

1. Lessee did, at a meeting of the governing body of the Lessee, by resolution or ordinance duly enacted, in accordance with all requirements of law, approve and authorize the execution and delivery of the above-referenced Property Schedule (the "Property Schedule") and the Master Tax-Exempt Lease/Purchase Agreement (the "Master Agreement") by the undersigned.

2. The meeting(s) of the governing body of the Lessee at which the Master Agreement and the Property Schedule were approved and authorized to be executed was duly called, regularly convened and attended throughout by the requisite quorum of the members thereof, and the enactment approving the Master Agreement and the Property Schedule and authorizing the execution thereof has not been altered or rescinded. All meetings of the governing body of Lessee relating to the authorization and delivery of Master Agreement and the Property Schedule have been: (a) held within the geographic boundaries of the Lessee; (b) open to the public, allowing all people to attend; (c) conducted in accordance with internal procedures of the governing body; and (d) conducted in accordance with the charter of the Lessee, if any, and the laws of the State.

3. No event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, an Event of Default or a Nonappropriation Event (as such terms are defined in the Master Agreement) exists at the date hereof with respect to this Property Schedule or any other Property Schedules under the Master Agreement.

4. The acquisition of all of the Property under the Property Schedule has been duly authorized by the governing body of Lessee.

5. Lessee has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the current budget year to make the Lease Payments scheduled to come due during the current budget year under the Property Schedule and to meet its other obligations for the current budget year and such funds have not been expended for other purposes.

6. As of the date hereof, no litigation is pending, (or, to my knowledge, threatened) against Lessee in any court (a) seeking to restrain or enjoin the delivery of the Master Agreement or the Property Schedule or of other agreements similar to the Master Agreement; (b) questioning the authority of Lessee to execute the Master Agreement or the Property Schedule, or the validity of the Master Agreement or the Property Schedule, or the payment of principal or of interest on, the Property Schedule; (c) questioning the constitutionality of any statute, or the validity of any proceedings, authorizing the execution of the Master Agreement and the Property Schedule; or (d) affecting the provisions made for the payment of or security for the Master Agreement and the Property Schedule.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of January 30, 2019.

Columbia County, OR

By \_\_\_\_\_  
Signature of Person to Execute Lease/Purchase Agreement

Henry Heimuller, Chair, Board of County Commissioners  
Print Name and Title of Person to Execute Lease/Purchase Agreement

**INCUMBENCY CERTIFICATE**

Re: **Property Schedule No. 1** dated as of January 30, 2019 to the Master Tax-Exempt Lease/Purchase Agreement dated as of January 30, 2019 between U.S. Bancorp Government Leasing and Finance, Inc. and Columbia County, OR.

The undersigned, being the duly elected, qualified and acting Secretary or Clerk of the Columbia County, OR("Lessee") does hereby certify, as of January 30, 2019, as follows:

As of the date of the meeting(s) of the governing body of the Lessee at which the above-referenced Master Agreement and the Property Schedule were approved and authorized to be executed, and as of the date hereof, the below-named representative of the Lessee held and holds the office set forth below, and the signature set forth below is his/her true and correct signature.

\_\_\_\_\_  
(Signature of Person to Execute Lease/Purchase Agreement)

Henry Heimuller, Chair, Board of County Commissioners  
\_\_\_\_\_  
(Print Name and Title)

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of January 30, 2019.

\_\_\_\_\_  
Secretary/Clerk

Print Name and Title: Jan Greenhalgh, Board Administrator

EXHIBIT 4

Payment of Proceeds Instructions

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Intentionally Omitted.



EXHIBIT 5

Acceptance Certificate

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Intentionally Omitted.

**EXHIBIT 6**

**Bank Qualification And Arbitrage Rebate**

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U.S. Bancorp Government Leasing and Finance, Inc.  
13010 SW 68th Parkway, Suite 100  
Portland, OR 97223

Re: **Property Schedule No. 1** to Master Tax-Exempt Lease/Purchase Agreement between U.S. Bancorp Government Leasing and Finance, Inc. and Columbia County, OR

**PLEASE CHECK EITHER:**

**Bank Qualified Tax-Exempt Obligation under Section 265**

Lessee hereby designates this Property Schedule as a "qualified tax-exempt obligation" as defined in Section 265(b)(3)(B) of the Code. Lessee reasonably anticipates issuing tax-exempt obligations (excluding private activity bonds other than qualified 501(c)(3) bonds and including all tax-exempt obligations of subordinate entities of the Lessee) during the calendar year in which the Commencement Date of this Property Schedule falls, in an amount not exceeding \$10,000,000.

or

Not applicable.

**Arbitrage Rebate**

Eighteen Month Exception:

Pursuant to Treasury Regulations Section 1.148-7(d), the gross proceeds of this Property Schedule will be expended for the governmental purposes for which this Property Schedule was entered into, as follows: at least 15% within six months after the Commencement Date, at least 60% within 12 months after the Commencement Date, and 100% within 18 months after the Commencement Date. If Lessee is unable to comply with Section 1.148-7(d) of the Treasury Regulations, Lessee shall compute rebatable arbitrage on this Agreement and pay rebatable arbitrage to the United States at least once every five years, and within 60 days after payment of the final Lease Payment due under this Agreement.

***Consult tax counsel if there is any chance that the Eighteen Month Exception will not be met.***

<b>Lessee: Columbia County, OR</b>
By:
Name: Henry Heimuller
Title: Chair, Board of County Commissioners

\*Please be sure to select **ONE** option above.

## **Language for UCC Financing Statements**

### **Property Schedule No. 1**

SECURED PARTY: U.S. Bancorp Government Leasing and Finance, Inc.

DEBTOR: Columbia County, OR

This financing statement covers all of Debtor's right, title and interest, whether now owned or hereafter acquired, in and to the equipment leased to Debtor under Property Schedule No. 1 dated January 30, 2019 to that certain Master Tax-Exempt Lease Purchase Agreement dated as of January 30, 2019, in each case between Debtor, as Lessee, and Secured Party, as Lessor, together with all accessions, substitutions and replacements thereto and therefore, and proceeds (cash and non-cash), including, without limitation, insurance proceeds, thereof, including without limiting, all equipment described on Exhibit A attached hereto and made a part hereof.

Debtor has no right to dispose of the equipment.

## Notification of Tax Treatment to Tax-Exempt Lease/Purchase Agreement

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This **Notification of Tax Treatment** is pursuant to the Master Tax-Exempt Lease/Purchase Agreement dated as of January 30, 2019 and the related Property Schedule No. 1 dated January 30, 2019, between Lessor and Lessee (the "Agreement").

- Lessee agrees that this Property Schedule SHOULD be subject to sales/use taxes
- Lessee agrees that this Property Schedule should NOT be subject to sales/use taxes and Lessee has included our tax-exemption certificate with this document package
- Lessee agrees that this Property Schedule should NOT be subject to sales/use taxes and no tax-exemption certificate is issued to us by the State
- Lessee agrees that this Property Schedule is a taxable transaction and subject to any/all taxes
- Lessee agrees that this Property Schedule is subject to sales/use taxes and will pay those taxes directly to the State or Vendor

IN WITNESS WHEREOF, Lessee has caused this Notification of Tax Treatment to be executed by their duly authorized representative.

<b>Lessee: Columbia County, OR</b>
By:
Name: Henry Heimuller
Title: Chair, Board of County Commissioners

## ESCROW AGREEMENT

THIS ESCROW AGREEMENT ("*Escrow Agreement*") is made as of January 30, 2019 by and among U.S. Bancorp Government Leasing and Finance, Inc. ("*Lessor*"), Columbia County, OR ("*Lessee*") and U.S. BANK NATIONAL ASSOCIATION, as escrow agent ("*Escrow Agent*").

Lessor and Lessee have heretofore entered into that certain Master Tax-Exempt Lease/Purchase Agreement dated as of January 30, 2019 (the "*Master Agreement*") and a Property Schedule No. 1 thereto dated January 30, 2019 (the "*Schedule*") and, together with the terms and conditions of the Master Agreement incorporated therein, the "*Agreement*"). The Schedule contemplates that certain personal property described therein (the "*Equipment*") is to be acquired from the vendor(s) or manufacturer(s) thereof (the "*Vendor*"). After acceptance of the Equipment by Lessee, the Equipment is to be financed by Lessor to Lessee pursuant to the terms of the Agreement.

The Master Agreement further contemplates that Lessor will deposit an amount equal to the anticipated aggregate acquisition cost of the Equipment (the "*Purchase Price*"), being \$106,200.00, with Escrow Agent to be held in escrow and applied on the express terms set forth herein. Such deposit, together with all interest and other additions received with respect thereto (hereinafter the "*Escrow Fund*") is to be applied to pay the Vendor its invoice cost (a portion of which may, if required, be paid prior to final acceptance of the Equipment by Lessee); and, if applicable, to reimburse Lessee for progress payments already made by it to the Vendor of the Equipment.

The parties desire to set forth the terms on which the Escrow Fund is to be created and to establish the rights and responsibilities of the parties hereto.

NOW, THEREFORE, in consideration of the sum of Ten Dollars (\$10.00) in hand paid, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Escrow Agent hereby agrees to serve as escrow agent upon the terms and conditions set forth herein. The moneys and investments held in the Escrow Fund are for the benefit of Lessee and Lessor, and such moneys, together with any income or interest earned thereon, shall be expended only as provided in this Escrow Agreement, and shall not be subject to levy or attachment or lien by or for the benefit of any creditor of either Lessee or Lessor. Lessor, Lessee and Escrow Agent intend that the Escrow Fund constitute an escrow account in which Lessee has no legal or equitable right, title or interest until satisfaction in full of all conditions contained herein for the disbursement of funds by the Escrow Agent therefrom. However, if the parties' intention that Lessee shall have no legal or equitable right, title or interest until all conditions for disbursement are satisfied in full is not respected in any legal proceeding, the parties hereto intend that Lessor have a security interest in the Escrow Fund, and such security interest is hereby granted by Lessee to secure payment of all sums due to Lessor under the Master Agreement. For such purpose, Escrow Agent hereby agrees to act as agent for Lessor in connection with the perfection of such security interest and agrees to note, or cause to be noted, on all books and records relating to the Escrow Fund, the Lessor's interest therein.

2. On such day as is determined to the mutual satisfaction of the parties (the "*Closing Date*"), Lessor shall deposit with Escrow Agent cash in the amount of the Purchase Price, to be held in escrow by Escrow Agent on the express terms and conditions set forth herein.

On the Closing Date, Escrow Agent agrees to accept the deposit of the Purchase Price by Lessor, and further agrees to hold the amount so deposited together with all interest and other additions received with respect thereto, as the Escrow Fund hereunder, in escrow on the express terms and conditions set forth herein.

3. Escrow Agent shall at all times segregate the Escrow Fund into an account maintained for that express purpose, which shall be clearly identified on the books and records of Escrow Agent as being held in its capacity as Escrow Agent. Securities and other negotiable instruments comprising the

Escrow Fund from time to time shall be held or registered in the name of Escrow Agent (or its nominee). The Escrow Fund shall not, to the extent permitted by applicable law, be subject to levy or attachment or lien by or for the benefit of any creditor of any of the parties hereto (except with respect to the security interest therein held by Lessor).

4. The cash comprising the Escrow Fund from time to time shall be invested and reinvested by Escrow Agent in one or more investments as directed by Lessee. Absent written direction from Lessee, the cash will be invested in the U.S. Bank National Association Money Market Deposit Fund. See Exhibit 1 Investment Direction Letter. Lessee represents and warrants to Escrow Agent and Lessor that the investments selected by Lessee for investment of the Escrow Fund are permitted investments for Lessee under all applicable laws. Escrow Agent will use due diligence to collect amounts payable under a check or other instrument for the payment of money comprising the Escrow Fund and shall promptly notify Lessee and Lessor in the event of dishonor of payment under any such check or other instruments. Interest or other amounts earned and received by Escrow Agent with respect to the Escrow Fund shall be deposited in and comprise a part of the Escrow Fund. Escrow Agent shall maintain accounting records sufficient to permit calculation of the income on investments and interest earned on deposit of amounts held in the Escrow Fund. The parties acknowledge that to the extent regulations of the Comptroller of Currency or other applicable regulatory entity grant a right to receive brokerage confirmations of security transactions of the escrow, the parties waive receipt of such confirmations, to the extent permitted by law. The Escrow Agent shall furnish a statement of security transactions on its regular monthly reports. Attached as Exhibit 6 is the Class Action Negative Consent Letter to be reviewed by Lessee.

5. Upon request by Lessee and Lessor, Escrow Agent shall send monthly statements of account to Lessee and Lessor, which statements shall set forth all withdrawals from and interest earnings on the Escrow Fund as well as the investments in which the Escrow Fund is invested.

6. Escrow Agent shall take the following actions with respect to the Escrow Fund:

(a) Upon Escrow Agent's acceptance of the deposit of the Purchase Price, an amount equal to Escrow Agent's set-up fee, as set forth on Exhibit 2 hereto, shall be disbursed from the Escrow Fund to Escrow Agent in payment of such fee.

(b) Escrow Agent shall pay costs of the Equipment upon receipt of a duly executed Requisition Request (substantially in the format of Exhibit 3) signed by Lessor and Lessee. Lessor's authorized signatures are provided in Exhibit 5. Lessee's authorized signatures will be provided in Exhibit 3 of Master Lease Purchase Agreement. Escrow Agent will use best efforts to process requests for payment within one (1) business day of receipt of requisitions received prior to 2:00 p.m. Central Time. The final Requisition shall be accompanied by a duly executed Final Acceptance Certificate form attached as Exhibit 4 hereto.

(c) Upon receipt by Escrow Agent of written notice from Lessor that an Event of Default or an Event of Nonappropriation (if provided for under the Master Agreement) has occurred under the Agreement, all funds then on deposit in the Escrow Fund shall be paid to Lessor for application in accordance with the Master Agreement, and this Escrow Agreement shall terminate.

(d) Upon receipt by Escrow Agent of written notice from Lessor that the purchase price of the Equipment has been paid in full, Escrow Agent shall pay the funds then on deposit in the Escrow Fund to Lessor to be applied first to the next Lease Payment due under the Master Agreement, and second, to prepayment of the principal component of Lease Payments in inverse order of maturity without premium. To the extent the Agreement is not subject to prepayment, Lessor consents to such prepayment to the extent of such prepayment amount from the Escrow Fund. Upon disbursement of all amounts in the Escrow Fund, this Escrow Agreement shall terminate.

(e) This Escrow Agreement shall terminate eighteen (18) months from the date of this Escrow Agreement. It may, however, be extended by mutual consent of Lessee and Lessor in writing to Escrow Agent. All funds on deposit in the Escrow Fund at the time of termination under this paragraph, unless otherwise directed by Lessee in writing (electronic means acceptable), shall be transferred to Lessor.

7. The fees and expenses, including any legal fees, of Escrow Agent incurred in connection herewith shall be the responsibility of Lessee. The basic fees and expenses of Escrow Agent shall be as set forth on Exhibit 2 and Escrow Agent is hereby authorized to deduct such fees and expenses from the Escrow Fund as and when the same are incurred without any further authorization from Lessee or Lessor. Escrow Agent may employ legal counsel and other experts as it deems necessary for advice in connection with its obligations hereunder. Escrow Agent waives any claim against Lessor with respect to compensation hereunder.

8. Escrow Agent shall have no liability for acting upon any written instruction presented by Lessor in connection with this Escrow Agreement, which Escrow Agent in good faith believes to be genuine. Furthermore, Escrow Agent shall not be liable for any act or omission in connection with this Escrow Agreement except for its own negligence, willful misconduct or bad faith. Escrow Agent shall not be liable for any loss or diminution in value of the Escrow Fund as a result of the investments made by Escrow Agent.

9. Escrow Agent may resign at any time by giving thirty (30) days' prior written notice to Lessor and Lessee. Lessor may at any time remove Escrow Agent as Escrow Agent under this Escrow Agreement upon written notice. Such removal or resignation shall be effective on the date set forth in the applicable notice. Upon the effective date of resignation or removal, Escrow Agent will transfer the Escrow Fund to the successor Escrow Agent selected by Lessor.

10. Lessee hereby represents, covenants and warrants that pursuant to Treasury Regulations Section 1.148-7(d), the gross proceeds of the Agreement will be expended for the governmental purposes for which the Agreement was entered into, as follows: at least 15% within six months after the Commencement Date, such date being the date of deposit of funds into the Escrow Fund, at least 60% within 12 months after the Commencement Date, and 100% within 18 months after the Commencement Date. If Lessee is unable to comply with Section 1.148-7(d) of the Treasury Regulations, Lessee shall, at its sole expense and cost, compute rebatable arbitrage on the Agreement and pay rebatable arbitrage to the United States at least once every five years, and within 60 days after payment of the final rental or Lease Payment due under the Agreement.

11. In the event of any disagreement between the undersigned or any of them, and/or any other person, resulting in adverse claims and demands being made in connection with or for any moneys involved herein or affected hereby, Escrow Agent shall be entitled at its option to refuse to comply with any such claim or demand, so long as such disagreement shall continue, and in so refusing Escrow Agent may refrain from making any delivery or other disposition of any moneys involved herein or affected hereby and in so doing Escrow Agent shall not be or become liable to the undersigned or any of them or to any person or party for its failure or refusal to comply with such conflicting or adverse demands, and Escrow Agent shall be entitled to continue so to refrain and refuse so to act until:

(a) the rights of the adverse claimants have been finally adjudicated in a court assuming and having jurisdiction of the parties and the moneys involved herein or affected hereby; or

(b) all differences shall have been adjusted by Master Agreement and Escrow Agent shall have been notified thereof in writing signed by all of the persons interested.

12. All notices (excluding billings and communications in the ordinary course of business) hereunder shall be in writing, and shall be sufficiently given and served upon the other party if delivered (a) personally, (b) by United States registered or certified mail, return receipt requested, postage prepaid, (c) by an overnight delivery by a service such as Federal Express or Express Mail from which written

confirmation of overnight delivery is available, or (d) by facsimile with a confirmation copy by regular United States mail, postage prepaid, addressed to the other party at its respective address stated below the signature of such party or at such other address as such party shall from time to time designate in writing to the other party, and shall be effective from the date of mailing.

13. This Escrow Agreement shall inure to the benefit of and shall be binding upon the parties hereto and their respective successors and assigns. No rights or obligations of Escrow Agent under this Escrow Agreement may be assigned without the prior written consent of Lessor.

14. This Escrow Agreement shall be governed by and construed in accordance with the laws in the State of Oregon with venue in St. Helens, Columbia County, Oregon. This Escrow Agreement constitutes the entire Agreement between the parties hereto with respect to the subject matter hereof, and no waiver, consent, modification or change of terms hereof shall bind any party unless in writing signed by all parties.

15. This Escrow Agreement and any written direction may be executed in two or more counterparts, which when so executed shall constitute one and the same agreement or direction.

IN WITNESS WHEREOF, the parties hereto have caused this Escrow Agreement to be duly executed as of the day and year first above set forth.

U.S. Bancorp Government Leasing and Finance, Inc., as Lessor
By:
Name:
Title:
Address: 13010 SW 68 <sup>th</sup> Parkway, Suite 100 Portland, OR 97223

Columbia County, OR, as Lessee
By:
Name: Henry Heimuller
Title: Chair, Board of County Commissioners
Address: 1054 Oregon Street Saint Helens, OR 97051

U.S. BANK NATIONAL ASSOCIATION, as Escrow Agent
By:
Name:
Title:
Address: U.S. Bank National Association 950 17 <sup>th</sup> Street, 12 <sup>th</sup> Floor Denver, CO 80202



**EXHIBIT 1**

**U.S. BANK NATIONAL ASSOCIATION  
MONEY MARKET ACCOUNT AUTHORIZATION FORM  
DESCRIPTION AND TERMS**

The U.S. Bank Money Market account is a U.S. Bank National Association (“U.S. Bank”) interest-bearing money market deposit account designed to meet the needs of U.S. Bank’s Corporate Trust Services Escrow Group and other Corporate Trust customers of U.S. Bank. Selection of this investment includes authorization to place funds on deposit and invest with U.S. Bank.

U.S. Bank uses the daily balance method to calculate interest on this account (actual/365 or 366). This method applies a daily periodic rate to the principal balance in the account each day. Interest is accrued daily and credited monthly to the account. Interest rates are determined at U.S. Bank’s discretion, and may be tiered by customer deposit amount.

The owner of the account is U.S. Bank as Agent for its trust customers. U.S. Bank’s trust department performs all account deposits and withdrawals. Deposit accounts are FDIC Insured per depositor, as determined under FDIC Regulations, up to applicable FDIC limits.

**AUTOMATIC AUTHORIZATION**

In the absence of specific written direction to the contrary, U.S. Bank is hereby directed to invest and reinvest proceeds and other available moneys in the U.S. Bank Money Market Account. The U.S. Bank Money Market Account is a permitted investment under the operative documents and this authorization is the permanent direction for investment of the moneys until notified in writing of alternate instructions.

Columbia County, OR

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Signature of Authorized Directing Party

\_\_\_\_\_  
Trust Account Number – includes existing and future sub-accounts unless otherwise directed

\_\_\_\_\_  
Title/Date

## EXHIBIT 2

### Schedule of Fees for Services as Escrow Agent Equipment Lease Purchase Escrow

CTS01010A	<b>Acceptance Fee</b> The acceptance fee includes the administrative review of documents, initial set-up of the account, and other reasonably required services up to and including the closing. This is a one-time, non-refundable fee, payable at closing.	WAIVED
CTS04460	<b>Escrow Agent</b> Annual fee for the standard escrow agent services associated with the administration of the account. Administration fees are payable in advance.	WAIVED
	<b>Direct Out of Pocket Expenses</b> Reimbursement of expenses associated with the performance of our duties, including but not limited to publications, legal counsel after the initial close, travel expenses and filing fees.	WAIVED
	<b>Extraordinary Services</b> Extraordinary Services are duties or responsibilities of an unusual nature, including termination, but not provided for in the governing documents or otherwise set forth in this schedule. A reasonable charge will be assessed based on the nature of the services and the responsibility involved. At our option, these charges will be billed at a flat fee or at our hourly rate then in effect.	

Account approval is subject to review and qualification. Fees are subject to change at our discretion and upon written notice. Fees paid in advance will not be prorated. The fees set forth above and any subsequent modifications thereof are part of your agreement. Finalization of the transaction constitutes agreement to the above fee schedule, including agreement to any subsequent changes upon proper written notice. In the event your transaction is not finalized, any related out-of-pocket expenses will be billed to you directly. Absent your written instructions to sweep or otherwise invest, all sums in your account will remain uninvested and no accrued interest or other compensation will be credited to the account. Payment of fees constitutes acceptance of the terms and conditions set forth.

#### **IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT:**

**To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account.**

**For a non-individual person such as a business entity, a charity, a Trust or other legal entity we will ask for documentation to verify its formation and existence as a legal entity. We may also ask to see financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.**

**EXHIBIT 3**

**REQUISITION REQUEST**

The Escrow Agent is hereby requested to pay from the Escrow Fund established and maintained under that certain Escrow Agreement dated as of January 30, 2019 (the "Escrow Agreement") by and among U.S. Bancorp Government Leasing and Finance, Inc. (the "Lessor"), Columbia County, OR (the "Lessee"), and U.S. Bank National Association (the "Escrow Agent"), the amount set forth below to the named payee(s). The amount shown is due and payable under a purchase order or contract (or has been paid by and not previously reimbursed to Lessee) with respect to equipment being financed under that certain Master Tax-Exempt Lease Purchase Agreement dated as of January 30, 2019 (the "Master Agreement") and Property Schedule No. 1 thereto dated January 30, 2019 (the "Schedule" and, together with the terms and conditions of the Master Agreement incorporated therein, the "Agreement"), by and between the Lessor and the Lessee, and has not formed the basis of any prior requisition request.

PAYEE	AMOUNT	INVOICE NO.	EQUIPMENT

Total requisition amount \$ \_\_\_\_\_

The undersigned, as Lessee under the Master Agreement, hereby certifies:

1. The items of the Equipment being acquired with the proceeds of this disbursement have been delivered and installed at the location(s) contemplated by the Master Agreement. The Lessee has conducted such inspection and/or testing of the Equipment being acquired with the proceeds of this disbursement as it deems necessary and appropriate, and such Equipment has been accepted by Lessee.
2. The costs of the Equipment to be paid from the proceeds of this disbursement have been properly incurred, are a proper charge against the Escrow Fund and have not been the basis of any previous disbursement.
3. No part of the disbursement requested hereby will be used to pay for materials not yet incorporated into the Equipment or for services not yet performed in connection therewith.
4. The Equipment is covered by insurance in the types and amounts required by the Agreement.
5. No Event of Default or Event of Nonappropriation (if applicable), as each such term is defined in the Master Agreement, and no event which with the giving of notice or lapse of time, or both, would become such an Event of Default or Event of Nonappropriation has occurred and is continuing on the date hereof.
6. If Lessee paid an invoice prior to the commencement date of the Master Agreement, and is requesting reimbursement for such payment, Lessee has satisfied the requirements for reimbursement set forth in Treas. Reg. §1.150-2.

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

<b>Lessor: U.S. Bancorp Government Leasing and Finance, Inc.</b>
By:
Name:
Title:

<b>Lessee: Columbia County, OR</b>
By:
Name:
Title:

**Exhibit 4**

**Final Acceptance Certificate**

U.S. Bancorp Government Leasing and Finance, Inc.  
13010 SW 68th Parkway, Suite 100  
Portland, OR 97223

Re: **Property Schedule No. 1** to Master Tax-Exempt Lease/Purchase Agreement between U.S. Bancorp Government Leasing and Finance, Inc. and Columbia County, OR

Ladies and Gentlemen:

In accordance with the above-referenced Master Tax-Exempt Lease/Purchase Agreement (the "Master Agreement"), the undersigned ("Lessee") hereby certifies and represents to, and agrees with, U.S. Bancorp Government Leasing and Finance, Inc. ("Lessor"), as follows:

- (1) The Property, as such terms are defined in the above-referenced Property Schedule, has been acquired, made, delivered, installed and accepted on the date indicated below.
- (2) Lessee has conducted such inspection and/or testing of the Property as it deems necessary and appropriate and hereby acknowledges that it accepts the Property for all purposes.
- (3) No event or condition that constitutes, or with notice or lapse of time, or both, would constitute, an Event of Default or a Nonappropriation Event (as such terms are defined in the Master Agreement) exists at the date hereof.

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

<b>Lessee: Columbia County, OR</b>
By:
Name:
Title:

## INSURANCE AUTHORIZATION AND VERIFICATION

Date: January 30, 2019

Property Schedule No: 1

To: Columbia County, OR (the "Lessee")

From: U.S. Bancorp Government Leasing and Finance, Inc. (the  
"Lessor")  
1310 Madrid Street  
Marshall, MN 56258

**TO THE LESSEE:** In connection with the above-referenced Property Schedule, Lessor requires proof in the form of this document, executed by both Lessee\* and Lessee's agent, that Lessee's insurable interest in the financed property (the "Property") meets Lessor's requirements as follows, with coverage including, but not limited to, fire, extended coverage, vandalism, and theft:

**Lessor, AND ITS SUCCESSORS AND ASSIGNS, shall be covered as both ADDITIONAL INSURED and LENDER'S LOSS PAYEE with regard to all equipment financed or leased by policy holder through or from Lessor. All such insurance shall contain a provision to the effect that such insurance shall not be canceled or modified without first giving written notice thereof to Lessor and Lessee at least thirty (30) days in advance of such cancellation or modification.**

**Lessee must carry GENERAL LIABILITY (and/or, for vehicles, Automobile Liability) in the amount of no less than \$1,000,000.00 (one million dollars).**

**Lessee must carry PROPERTY Insurance (or, for vehicles, Physical Damage Insurance) in an amount no less than the 'Insurable Value' \$106,200.00, with deductibles no more than \$10,000.00.**

*\*Lessee: Please execute this form and return with your document package. Please fax this form to your insurance agency for endorsement. In lieu of agent endorsement, Lessee's agency may submit insurance certificates demonstrating compliance with all requirements.*

**By signing, Lessee authorizes the Agent named below: 1) to complete and return this form as indicated; and 2) to endorse the policy and subsequent renewals to reflect the required coverage as outlined above.**

Agency/Agent:		
Address:		
Phone/Fax:		
Email:		

<b>Lessee: Columbia County, OR</b>
By:
Name:
Title:

**TO THE AGENT: In lieu of providing a certificate, please execute this form in the space below and promptly fax it to Lessor at 303-585-5985. This fully endorsed form shall serve as proof that Lessee's insurance meets the above requirements.**

**Agent hereby verifies that the above requirements have been met in regard to the Property listed below.**

Print Name of Agency: **X** \_\_\_\_\_

By: **X** \_\_\_\_\_  
(Agent's Signature)

Print Name: **X** \_\_\_\_\_

Date: **X** \_\_\_\_\_

**Insurable Value: \$106,200.00**

**ATTACHED: PROPERTY DESCRIPTION FOR PROPERTY SCHEDULE NO.: 1**

## ESCROW AGREEMENT

THIS ESCROW AGREEMENT ("*Escrow Agreement*") is made as of January 30, 2019 by and among U.S. Bancorp Government Leasing and Finance, Inc. ("*Lessor*"), Columbia County, OR ("*Lessee*") and U.S. BANK NATIONAL ASSOCIATION, as escrow agent ("*Escrow Agent*").

Lessor and Lessee have heretofore entered into that certain Master Tax-Exempt Lease/Purchase Agreement dated as of January 30, 2019 (the "*Master Agreement*") and a Property Schedule No. 1 thereto dated January 30, 2019 (the "*Schedule*") and, together with the terms and conditions of the Master Agreement incorporated therein, the "*Agreement*"). The Schedule contemplates that certain personal property described therein (the "*Equipment*") is to be acquired from the vendor(s) or manufacturer(s) thereof (the "*Vendor*"). After acceptance of the Equipment by Lessee, the Equipment is to be financed by Lessor to Lessee pursuant to the terms of the Agreement.

The Master Agreement further contemplates that Lessor will deposit an amount equal to the anticipated aggregate acquisition cost of the Equipment (the "*Purchase Price*"), being \$106,200.00, with Escrow Agent to be held in escrow and applied on the express terms set forth herein. Such deposit, together with all interest and other additions received with respect thereto (hereinafter the "*Escrow Fund*") is to be applied to pay the Vendor its invoice cost (a portion of which may, if required, be paid prior to final acceptance of the Equipment by Lessee); and, if applicable, to reimburse Lessee for progress payments already made by it to the Vendor of the Equipment.

The parties desire to set forth the terms on which the Escrow Fund is to be created and to establish the rights and responsibilities of the parties hereto.

NOW, THEREFORE, in consideration of the sum of Ten Dollars (\$10.00) in hand paid, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Escrow Agent hereby agrees to serve as escrow agent upon the terms and conditions set forth herein. The moneys and investments held in the Escrow Fund are for the benefit of Lessee and Lessor, and such moneys, together with any income or interest earned thereon, shall be expended only as provided in this Escrow Agreement, and shall not be subject to levy or attachment or lien by or for the benefit of any creditor of either Lessee or Lessor. Lessor, Lessee and Escrow Agent intend that the Escrow Fund constitute an escrow account in which Lessee has no legal or equitable right, title or interest until satisfaction in full of all conditions contained herein for the disbursement of funds by the Escrow Agent therefrom. However, if the parties' intention that Lessee shall have no legal or equitable right, title or interest until all conditions for disbursement are satisfied in full is not respected in any legal proceeding, the parties hereto intend that Lessor have a security interest in the Escrow Fund, and such security interest is hereby granted by Lessee to secure payment of all sums due to Lessor under the Master Agreement. For such purpose, Escrow Agent hereby agrees to act as agent for Lessor in connection with the perfection of such security interest and agrees to note, or cause to be noted, on all books and records relating to the Escrow Fund, the Lessor's interest therein.

2. On such day as is determined to the mutual satisfaction of the parties (the "*Closing Date*"), Lessor shall deposit with Escrow Agent cash in the amount of the Purchase Price, to be held in escrow by Escrow Agent on the express terms and conditions set forth herein.

On the Closing Date, Escrow Agent agrees to accept the deposit of the Purchase Price by Lessor, and further agrees to hold the amount so deposited together with all interest and other additions received with respect thereto, as the Escrow Fund hereunder, in escrow on the express terms and conditions set forth herein.

3. Escrow Agent shall at all times segregate the Escrow Fund into an account maintained for that express purpose, which shall be clearly identified on the books and records of Escrow Agent as being held in its capacity as Escrow Agent. Securities and other negotiable instruments comprising the

Escrow Fund from time to time shall be held or registered in the name of Escrow Agent (or its nominee). The Escrow Fund shall not, to the extent permitted by applicable law, be subject to levy or attachment or lien by or for the benefit of any creditor of any of the parties hereto (except with respect to the security interest therein held by Lessor).

4. The cash comprising the Escrow Fund from time to time shall be invested and reinvested by Escrow Agent in one or more investments as directed by Lessee. Absent written direction from Lessee, the cash will be invested in the U.S. Bank National Association Money Market Deposit Fund. See Exhibit 1 Investment Direction Letter. Lessee represents and warrants to Escrow Agent and Lessor that the investments selected by Lessee for investment of the Escrow Fund are permitted investments for Lessee under all applicable laws. Escrow Agent will use due diligence to collect amounts payable under a check or other instrument for the payment of money comprising the Escrow Fund and shall promptly notify Lessee and Lessor in the event of dishonor of payment under any such check or other instruments. Interest or other amounts earned and received by Escrow Agent with respect to the Escrow Fund shall be deposited in and comprise a part of the Escrow Fund. Escrow Agent shall maintain accounting records sufficient to permit calculation of the income on investments and interest earned on deposit of amounts held in the Escrow Fund. The parties acknowledge that to the extent regulations of the Comptroller of Currency or other applicable regulatory entity grant a right to receive brokerage confirmations of security transactions of the escrow, the parties waive receipt of such confirmations, to the extent permitted by law. The Escrow Agent shall furnish a statement of security transactions on its regular monthly reports. Attached as Exhibit 6 is the Class Action Negative Consent Letter to be reviewed by Lessee.

5. Upon request by Lessee and Lessor, Escrow Agent shall send monthly statements of account to Lessee and Lessor, which statements shall set forth all withdrawals from and interest earnings on the Escrow Fund as well as the investments in which the Escrow Fund is invested.

6. Escrow Agent shall take the following actions with respect to the Escrow Fund:

(a) Upon Escrow Agent's acceptance of the deposit of the Purchase Price, an amount equal to Escrow Agent's set-up fee, as set forth on Exhibit 2 hereto, shall be disbursed from the Escrow Fund to Escrow Agent in payment of such fee.

(b) Escrow Agent shall pay costs of the Equipment upon receipt of a duly executed Requisition Request (substantially in the format of Exhibit 3) signed by Lessor and Lessee. Lessor's authorized signatures are provided in Exhibit 5. Lessee's authorized signatures will be provided in Exhibit 3 of Master Lease Purchase Agreement. Escrow Agent will use best efforts to process requests for payment within one (1) business day of receipt of requisitions received prior to 2:00 p.m. Central Time. The final Requisition shall be accompanied by a duly executed Final Acceptance Certificate form attached as Exhibit 4 hereto.

(c) Upon receipt by Escrow Agent of written notice from Lessor that an Event of Default or an Event of Nonappropriation (if provided for under the Master Agreement) has occurred under the Agreement, all funds then on deposit in the Escrow Fund shall be paid to Lessor for application in accordance with the Master Agreement, and this Escrow Agreement shall terminate.

(d) Upon receipt by Escrow Agent of written notice from Lessor that the purchase price of the Equipment has been paid in full, Escrow Agent shall pay the funds then on deposit in the Escrow Fund to Lessor to be applied first to the next Lease Payment due under the Master Agreement, and second, to prepayment of the principal component of Lease Payments in inverse order of maturity without premium. To the extent the Agreement is not subject to prepayment, Lessor consents to such prepayment to the extent of such prepayment amount from the Escrow Fund. Upon disbursement of all amounts in the Escrow Fund, this Escrow Agreement shall terminate.

(e) This Escrow Agreement shall terminate eighteen (18) months from the date of this Escrow Agreement. It may, however, be extended by mutual consent of Lessee and Lessor in writing to Escrow Agent. All funds on deposit in the Escrow Fund at the time of termination under this paragraph, unless otherwise directed by Lessee in writing (electronic means acceptable), shall be transferred to Lessor.

7. The fees and expenses, including any legal fees, of Escrow Agent incurred in connection herewith shall be the responsibility of Lessee. The basic fees and expenses of Escrow Agent shall be as set forth on Exhibit 2 and Escrow Agent is hereby authorized to deduct such fees and expenses from the Escrow Fund as and when the same are incurred without any further authorization from Lessee or Lessor. Escrow Agent may employ legal counsel and other experts as it deems necessary for advice in connection with its obligations hereunder. Escrow Agent waives any claim against Lessor with respect to compensation hereunder.

8. Escrow Agent shall have no liability for acting upon any written instruction presented by Lessor in connection with this Escrow Agreement, which Escrow Agent in good faith believes to be genuine. Furthermore, Escrow Agent shall not be liable for any act or omission in connection with this Escrow Agreement except for its own negligence, willful misconduct or bad faith. Escrow Agent shall not be liable for any loss or diminution in value of the Escrow Fund as a result of the investments made by Escrow Agent.

9. Escrow Agent may resign at any time by giving thirty (30) days' prior written notice to Lessor and Lessee. Lessor may at any time remove Escrow Agent as Escrow Agent under this Escrow Agreement upon written notice. Such removal or resignation shall be effective on the date set forth in the applicable notice. Upon the effective date of resignation or removal, Escrow Agent will transfer the Escrow Fund to the successor Escrow Agent selected by Lessor.

10. Lessee hereby represents, covenants and warrants that pursuant to Treasury Regulations Section 1.148-7(d), the gross proceeds of the Agreement will be expended for the governmental purposes for which the Agreement was entered into, as follows: at least 15% within six months after the Commencement Date, such date being the date of deposit of funds into the Escrow Fund, at least 60% within 12 months after the Commencement Date, and 100% within 18 months after the Commencement Date. If Lessee is unable to comply with Section 1.148-7(d) of the Treasury Regulations, Lessee shall, at its sole expense and cost, compute rebatable arbitrage on the Agreement and pay rebatable arbitrage to the United States at least once every five years, and within 60 days after payment of the final rental or Lease Payment due under the Agreement.

11. In the event of any disagreement between the undersigned or any of them, and/or any other person, resulting in adverse claims and demands being made in connection with or for any moneys involved herein or affected hereby, Escrow Agent shall be entitled at its option to refuse to comply with any such claim or demand, so long as such disagreement shall continue, and in so refusing Escrow Agent may refrain from making any delivery or other disposition of any moneys involved herein or affected hereby and in so doing Escrow Agent shall not be or become liable to the undersigned or any of them or to any person or party for its failure or refusal to comply with such conflicting or adverse demands, and Escrow Agent shall be entitled to continue so to refrain and refuse so to act until:

(a) the rights of the adverse claimants have been finally adjudicated in a court assuming and having jurisdiction of the parties and the moneys involved herein or affected hereby; or

(b) all differences shall have been adjusted by Master Agreement and Escrow Agent shall have been notified thereof in writing signed by all of the persons interested.

12. All notices (excluding billings and communications in the ordinary course of business) hereunder shall be in writing, and shall be sufficiently given and served upon the other party if delivered (a) personally, (b) by United States registered or certified mail, return receipt requested, postage prepaid, (c) by an overnight delivery by a service such as Federal Express or Express Mail from which written



confirmation of overnight delivery is available, or (d) by facsimile with a confirmation copy by regular United States mail, postage prepaid, addressed to the other party at its respective address stated below the signature of such party or at such other address as such party shall from time to time designate in writing to the other party, and shall be effective from the date of mailing.

13. This Escrow Agreement shall inure to the benefit of and shall be binding upon the parties hereto and their respective successors and assigns. No rights or obligations of Escrow Agent under this Escrow Agreement may be assigned without the prior written consent of Lessor.

14. This Escrow Agreement shall be governed by and construed in accordance with the laws in the State of Oregon with venue in St. Helens, Columbia County, Oregon. This Escrow Agreement constitutes the entire Agreement between the parties hereto with respect to the subject matter hereof, and no waiver, consent, modification or change of terms hereof shall bind any party unless in writing signed by all parties.

15. This Escrow Agreement and any written direction may be executed in two or more counterparts, which when so executed shall constitute one and the same agreement or direction.

IN WITNESS WHEREOF, the parties hereto have caused this Escrow Agreement to be duly executed as of the day and year first above set forth.

U.S. Bancorp Government Leasing and Finance, Inc., as Lessor
By:
Name:
Title:
Address: 13010 SW 68 <sup>th</sup> Parkway, Suite 100 Portland, OR 97223

Columbia County, OR, as Lessee
By:
Name: Henry Heimuller
Title: Chair, Board of County Commissioners
Address: 1054 Oregon Street Saint Helens, OR 97051

U.S. BANK NATIONAL ASSOCIATION, as Escrow Agent
By:
Name:
Title:
Address: U.S. Bank National Association 950 17 <sup>th</sup> Street, 12 <sup>th</sup> Floor Denver, CO 80202

**EXHIBIT 1**

**U.S. BANK NATIONAL ASSOCIATION  
MONEY MARKET ACCOUNT AUTHORIZATION FORM  
DESCRIPTION AND TERMS**

The U.S. Bank Money Market account is a U.S. Bank National Association (“U.S. Bank”) interest-bearing money market deposit account designed to meet the needs of U.S. Bank’s Corporate Trust Services Escrow Group and other Corporate Trust customers of U.S. Bank. Selection of this investment includes authorization to place funds on deposit and invest with U.S. Bank.

U.S. Bank uses the daily balance method to calculate interest on this account (actual/365 or 366). This method applies a daily periodic rate to the principal balance in the account each day. Interest is accrued daily and credited monthly to the account. Interest rates are determined at U.S. Bank’s discretion, and may be tiered by customer deposit amount.

The owner of the account is U.S. Bank as Agent for its trust customers. U.S. Bank’s trust department performs all account deposits and withdrawals. Deposit accounts are FDIC Insured per depositor, as determined under FDIC Regulations, up to applicable FDIC limits.

**AUTOMATIC AUTHORIZATION**

In the absence of specific written direction to the contrary, U.S. Bank is hereby directed to invest and reinvest proceeds and other available moneys in the U.S. Bank Money Market Account. The U.S. Bank Money Market Account is a permitted investment under the operative documents and this authorization is the permanent direction for investment of the moneys until notified in writing of alternate instructions.

Columbia County, OR

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Signature of Authorized Directing Party

\_\_\_\_\_  
Trust Account Number – includes existing and future sub-accounts unless otherwise directed

\_\_\_\_\_  
Title/Date

## EXHIBIT 2

### Schedule of Fees for Services as Escrow Agent Equipment Lease Purchase Escrow

CTS01010A	<b>Acceptance Fee</b> The acceptance fee includes the administrative review of documents, initial set-up of the account, and other reasonably required services up to and including the closing. This is a one-time, non-refundable fee, payable at closing.	WAIVED
CTS04460	<b>Escrow Agent</b> Annual fee for the standard escrow agent services associated with the administration of the account. Administration fees are payable in advance.	WAIVED
	<b>Direct Out of Pocket Expenses</b> Reimbursement of expenses associated with the performance of our duties, including but not limited to publications, legal counsel after the initial close, travel expenses and filing fees.	WAIVED
	<b>Extraordinary Services</b> Extraordinary Services are duties or responsibilities of an unusual nature, including termination, but not provided for in the governing documents or otherwise set forth in this schedule. A reasonable charge will be assessed based on the nature of the services and the responsibility involved. At our option, these charges will be billed at a flat fee or at our hourly rate then in effect.	

Account approval is subject to review and qualification. Fees are subject to change at our discretion and upon written notice. Fees paid in advance will not be prorated. The fees set forth above and any subsequent modifications thereof are part of your agreement. Finalization of the transaction constitutes agreement to the above fee schedule, including agreement to any subsequent changes upon proper written notice. In the event your transaction is not finalized, any related out-of-pocket expenses will be billed to you directly. Absent your written instructions to sweep or otherwise invest, all sums in your account will remain uninvested and no accrued interest or other compensation will be credited to the account. Payment of fees constitutes acceptance of the terms and conditions set forth.

#### **IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT:**

**To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account.**

**For a non-individual person such as a business entity, a charity, a Trust or other legal entity we will ask for documentation to verify its formation and existence as a legal entity. We may also ask to see financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.**

**EXHIBIT 3**

**REQUISITION REQUEST**

The Escrow Agent is hereby requested to pay from the Escrow Fund established and maintained under that certain Escrow Agreement dated as of January 30, 2019 (the "Escrow Agreement") by and among U.S. Bancorp Government Leasing and Finance, Inc. (the "Lessor"), Columbia County, OR (the "Lessee"), and U.S. Bank National Association (the "Escrow Agent"), the amount set forth below to the named payee(s). The amount shown is due and payable under a purchase order or contract (or has been paid by and not previously reimbursed to Lessee) with respect to equipment being financed under that certain Master Tax-Exempt Lease Purchase Agreement dated as of January 30, 2019 (the "Master Agreement") and Property Schedule No. 1 thereto dated January 30, 2019 (the "Schedule" and, together with the terms and conditions of the Master Agreement incorporated therein, the "Agreement"), by and between the Lessor and the Lessee, and has not formed the basis of any prior requisition request.

PAYEE	AMOUNT	INVOICE NO.	EQUIPMENT

Total requisition amount \$ \_\_\_\_\_

The undersigned, as Lessee under the Master Agreement, hereby certifies:

1. The items of the Equipment being acquired with the proceeds of this disbursement have been delivered and installed at the location(s) contemplated by the Master Agreement. The Lessee has conducted such inspection and/or testing of the Equipment being acquired with the proceeds of this disbursement as it deems necessary and appropriate, and such Equipment has been accepted by Lessee.
2. The costs of the Equipment to be paid from the proceeds of this disbursement have been properly incurred, are a proper charge against the Escrow Fund and have not been the basis of any previous disbursement.
3. No part of the disbursement requested hereby will be used to pay for materials not yet incorporated into the Equipment or for services not yet performed in connection therewith.
4. The Equipment is covered by insurance in the types and amounts required by the Agreement.
5. No Event of Default or Event of Nonappropriation (if applicable), as each such term is defined in the Master Agreement, and no event which with the giving of notice or lapse of time, or both, would become such an Event of Default or Event of Nonappropriation has occurred and is continuing on the date hereof.
6. If Lessee paid an invoice prior to the commencement date of the Master Agreement, and is requesting reimbursement for such payment, Lessee has satisfied the requirements for reimbursement set forth in Treas. Reg. §1.150-2.

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

<b>Lessor: U.S. Bancorp Government Leasing and Finance, Inc.</b>
By:
Name:
Title:

<b>Lessee: Columbia County, OR</b>
By:
Name:
Title:

**Exhibit 4**

**Final Acceptance Certificate**

U.S. Bancorp Government Leasing and Finance, Inc.  
13010 SW 68th Parkway, Suite 100  
Portland, OR 97223

Re: **Property Schedule No. 1** to Master Tax-Exempt Lease/Purchase Agreement between U.S. Bancorp Government Leasing and Finance, Inc. and Columbia County, OR

Ladies and Gentlemen:

In accordance with the above-referenced Master Tax-Exempt Lease/Purchase Agreement (the "Master Agreement"), the undersigned ("Lessee") hereby certifies and represents to, and agrees with, U.S. Bancorp Government Leasing and Finance, Inc. ("Lessor"), as follows:

- (1) The Property, as such terms are defined in the above-referenced Property Schedule, has been acquired, made, delivered, installed and accepted on the date indicated below.
- (2) Lessee has conducted such inspection and/or testing of the Property as it deems necessary and appropriate and hereby acknowledges that it accepts the Property for all purposes.
- (3) No event or condition that constitutes, or with notice or lapse of time, or both, would constitute, an Event of Default or a Nonappropriation Event (as such terms are defined in the Master Agreement) exists at the date hereof.

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

<b>Lessee: Columbia County, OR</b>
By:
Name:
Title:

PERSONAL SERVICES CONTRACT (ORS Chapter 279B)

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 TANGENT, 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. This Agreement is effective on the last date signed by the parties, below.
2. Contract Term. The Agreement shall be in effect for five (5) years from the effective date, unless sooner terminated pursuant to Section 17, below.
3. Contractor's Services and Contract Documents. Contractor agrees to provide services consistent with this Agreement and the following documents, which together constitute the Contract Documents:
  - A. Contractor shall provide services as described in Contractor's Proposal, which includes the Product and Services Quote and Statement of Work, dated January 22, 2019, both of which are attached hereto as Exhibit A and incorporated herein by this reference.
  - C. Contractor shall provide services in accordance with the Service Level Agreement, which is attached hereto as Exhibit B and incorporated herein by this reference.

In case of conflict between the Contract Documents, this Agreement shall control over all exhibits.

4. Consideration. As set forth in Exhibit A, County shall pay Contractor on a fee-for-service basis, an amount not to exceed \$12,025.00 for Gmail Migration and Google Vault Migration, and \$2,000.00 per year for O365 Support, said amounts to be the complete compensation to Contractor for the services performed under this agreement. This fee shall include all expenses. Unless otherwise agreed to in writing by the parties, payment for Gmail Migration and Google Vault Migration shall be made in a lump sum at the satisfactory completion of the project. Payment for O365 Support shall be made annually based upon invoices submitted by Contractor. This Agreement is subject to the appropriation of funds by County, and/or the receipt of funds from state and federal sources. In the event sufficient funds shall not be appropriated, and/or received, by County for the payment of consideration required to be paid under this Agreement, then County may terminate this Agreement in accordance with Section 17 of this Agreement.

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

FOR COUNTY

Holly Miller, Director  
Columbia County Information Technology  
230 Strand Street  
St. Helens, OR 97051  
(503) 397-7240  
holly.miller@co.columbia.or.us

FOR CONTRACTOR

Hannah Smith  
Tangent  
101 Broadway, Suite 301  
Oakland, CA 94607  
(415) 301-8357  
hannahs@tangent.com

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.

6. 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.

7. 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 that 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.

8. 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.

9. 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.

10. 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 performance of the work provided for in this Agreement. [ORS 279B.220 (1)]
- (2) Pay all contributions or amounts due the Industrial Accident Fund from the Contractor or any subcontractor incurred in the performance of this Agreement. [ORS 279B.220 (2)]
- (3) Not permit any lien or claim to be filed or prosecuted against County on account of any labor or material furnished. [ORS 279B.220 (3)]
- (4) Pay to the Department of Revenue all sums withheld from employees pursuant to ORS 316.167. [ORS 279.220 (4)]

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. [ORS 279B.230 (1)]



C. Contractor shall pay Contractor's employees who work under this Agreement at least time and a half for all overtime the employees work in excess of 40 hours in any one week, except for employees under a personal services public contract who excluded under ORS 653.010 to 653.261 or under 29 U.S.C. 201 to 209 from receiving overtime. [ORS 279B.235 (3)]

D. Contractor shall notify in writing employees who work on this Agreement, either at the time of hire or before work begins on this Agreement, or by posting a notice in a location frequented by employees, of the number of hours per day and days per week that the contractor may require the employees to work. [ORS 279B.235 (2)]

E. 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. [ORS 279B.230 (2)]

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.

11. Non-Discrimination. Contractor agrees that no person shall, on the grounds of race, color, creed, religion, national origin, sex, sexual orientation, marital status, handicap, age, or any other characteristic protected by law, 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 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 enterprise that is certified under ORS 200.055 in awarding a subcontract.

12. 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).

13. Nonassignment; 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.

14. Nonwaiver. 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.

15. Indemnity.

A. General Indemnification. Contractor shall indemnify, defend, save, and hold harmless 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 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 County, its officers, agents or employees.

B. Patents, Copyrights, and Proprietary Rights Indemnification. Without limiting the general indemnification, above, Contractor shall indemnify, defend, save and hold harmless County, its officers, agents, and employees, from any claim or suit brought against County arising from claims of violation of United States patents or copyrights resulting from the Contractor's or County's use of any equipment, technology, documentation, and/or data developed in connection with the services and products described in this Agreement. In the event County is required to pay monies defending such claims, resulting from Contractor's lack of cooperation or success in representing County's interest, or in the event County is ordered to pay damages as a result of a judgment arising out of an infringement of patents and/or copyrights, Contractor agrees to fully reimburse County for all monies expended in connection with these matters. County retains the right to offset against any amounts owed Contractor any such monies expended by County in defending itself against such claims.

16. Insurance. For the duration of the Agreement, Contractor shall, at its own expense, purchase and maintain, and shall ensure that its subcontractors purchase and maintain, from a company or companies licensed to do business in the State of Oregon, the following insurance with limits not less than those indicated, or greater if required by law:

A. Workers' Compensation and employer's liability insurance meeting statutory limits mandated by state and federal laws. Employer's liability insurance with coverage limits of not less than \$500,000 must be included.

B. Commercial General Liability Insurance covering bodily injury, death, and

property damage in the amount of \$2,000,000 per occurrence (for all claimants for claims arising out of a single accident or occurrence). This insurance shall include personal injury liability, products and completed operations.

- C. Errors and omissions insurance with a limit of not less than \$2,000,000.
- D. Cyber liability insurance in the amount of \$2,000,000 to cover network security, breach of data, and coverage for regulatory fines and fees imposed against County due to failures in products and services provided under this Contract. Cyber liability coverage must include errors, omissions, negligent acts, denial of service, media liability (including software copyright), dishonesty, fraudulent or criminal acts by a person or persons whether identified or not, intellectual property infringement, computer system attacks, unauthorized access and use of computer system, regulatory actions, and contractual liability.
- E. The contractor or its insurer must provide thirty (30) days' written notice to County before cancellation of, material change to, potential exhaustion of aggregate limits of, or non-renewal of the required insurance coverage(s).
- F. Contractor shall provide for itself and its subcontractors, if any, certificate(s) of insurance for all required insurance before the contractor performs under the contract. With the exception of errors and omissions insurance, the certificate(s) shall be accompanied by an Additional Insured Endorsement naming Columbia County, its officers, agents and employees as additional insureds.
- G. The insurance requirements herein supersede those in any attached exhibit.

17. Termination. This Agreement may be terminated at any time in whole or in part by mutual consent of both parties. County may terminate this Agreement, with or without cause, upon thirty (30) days advance written notice. Notice must be delivered by registered or certified mail, or in person, to the other party. County may also terminate this Agreement, effective upon delivery of written notice to Contractor, or at such later date as may be established by 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.

18. Time of the Essence. The parties agree that time is of the essence in this Agreement. Failure of Contractor to complete the project within the time stated herein, will be a material breach of the Agreement unless such failure is due to the failure of the County to provide information or permit approvals in a timely manner which causes delay in the Contractor's performance

19. Ownership of Documents. All documents of any nature and/or electronic data including, but not limited to, working papers, reports, material necessary to understand the documents and/or data, drawings, works of art and photographs, produced, prepared and/or compiled by Contractor pursuant to this Agreement 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.

20. Confidential Information.

A. Access and Protection. Contractor understands that in performing this Agreement, Contractor will have access to and possession of confidential information. Furthermore, Contractor will have access to County information that is exempt or not subject to disclosure under Oregon Public Records Laws. Such information shall be considered confidential information for purposes of this Agreement. Contractor, and each of its officers, employees, and agents shall, subject to the applicable County, State, and Federal Government laws and regulations, maintain all confidential information in the strictest confidence and will not at any time use, publish, reproduce or disclose any confidential information, except as authorized in writing by County, or to perform its obligations as authorized in this Agreement. Contractor shall take all steps necessary to safeguard the confidential information against unauthorized disclosure, reproduction, publication, or use, and to satisfy its obligations under this Agreement. Such obligations shall survive the termination or expiration of this

Agreement.

- B. Security Requirements. Contractor and its officers, employees, subcontractors, and agents shall at all times comply with all County security standards, practices, and procedures with respect to information and materials that come into Contractor's possession and to which Contractor gains access under this Agreement.
- C. Return. Contractor shall promptly return to County, upon its request, all of County's confidential information.
- D. Injunctive Relief. Contractor will immediately report to County any and all unauthorized disclosure or use of County's confidential information of which it or its staff is aware or has knowledge. Contractor acknowledges that any publication or disclosure of County's confidential information to others may cause immediate and irreparable harm to County and, if Contractor should publish or disclose County's confidential information to others, or threaten to publish or disclose County's confidential information, County shall immediately be entitled to injunctive relief. County shall be entitled to such injunctive relief without having to pursue its other remedies herein, including Termination and Dispute Resolution.
- E. Non-disclosure of Other County Information. The use or disclosure by Contractor of any County information not necessary for, nor directly connected with, the performance of this Agreement is prohibited, except upon the express written consent of County.
- F. Documentation. Contractor shall maintain up-to-date documentation indicating compliance with County security and confidentiality requirements governing data use and access.
- G. Subpoena. In the event that a subpoena or other legal process in any way concerning County's confidential information is served upon Contractor, then Contractor agrees to notify County in the most expeditious fashion possible following receipt of such subpoena or other legal process and to cooperate with County, at County's expense, in any lawful effort by County to contest the legal validity of such subpoena or other legal process.

21. Electronic Data.

- A. County Data. County reserves all right, title and interest in any and all electronic data, regardless of where the data is stored, which County has transferred to Contractor or entered into Contractor's system, including electronic data that has resulted from the conversion of County's original data. County retains the right to use Contractor's services to access and retrieve County's data stored on Contractor's infrastructure at County's

sole discretion.

- B. Data Location. Contractor shall provide its services to the County and its end users solely from data centers in the United States. Storage of County data at rest shall be located solely in the United States. Contractor shall not allow its personnel or subcontractors to store County data on portable devices, including personal computers, except for devices that are used and kept only at its United States data centers. Contractor shall permit its personnel and subcontractors to access County data remotely only as required to provide technical support.
- C. Transition. Upon termination or expiration of this Agreement, Contractor shall in a timely manner make available to County all of County's data that is in Contractor's possession. Contractor shall cooperate with County and assist in the transfer and conversion of County's data to an accessible, vendor-neutral electronic format that County specifies. If County has a replacement service provider, Contractor agrees to assist with a timely transition to the new service provider. Except in the event of a termination for cause, County shall reimburse Contractor for reasonable transition services in accordance with the rates set forth in this Agreement. In the event of a termination for cause, Contractor shall provide at no cost to County reasonable transition and termination services, including but not limited to necessary extraction and conversions services required for import of data into new service provider's system.
- D. Loss or Compromise of Data. Contractor shall immediately notify County in writing of any use or disclosure of County data not authorized by this Agreement, including any reasonable belief that an unauthorized individual has accessed County data. Contractor's notice shall identify the nature of the breach and what the Contractor has done or will do to mitigate the effect of the unauthorized use or disclosure. Furthermore, Contractor agrees to investigate the breach and cooperate with County's investigation, if any. Contractor shall perform a root cause analysis of the breach and submit such analysis to County. Contractor shall be responsible for all costs incurred as a result of the unauthorized use or disclosure of County data due to any act, error or omission, negligence, misconduct or breach on the part of Contractor. In addition to the foregoing, the following applies:
- (1) Personally Identifiable Information (PII) and Personal Health Information (PHI). Contractor shall notify County as soon as practicable but no later than 24 hours of becoming aware of any unauthorized use or disclosure of PII or PHI. Contractor shall comply with all County, State, and Federal Government laws and regulations, including but not limited to the Oregon Identity Theft Protection Act, codified at ORS 646A.600 et seq., regarding the

protection of PII and PHI.

- (2) PCI Compliance. Contractor shall adhere to the Payment Card Industry (PCI) Data Security Standards for processing, transmitting, storing or otherwise affecting the security of credit/debit cardholder data and shall not require use of devices and/or systems which could result in enhanced PCI security requirements for the County's network. Contractor is responsible for the security of cardholder data in its possession. The data may only be used to assist County or for other uses specifically authorized by law. Contractor is responsible for all costs incurred as a result of a breach in cardholder data. Costs include but are not limited to fines/fees for non-compliance, card reissuance, credit monitoring, and any costs associated with card association, PCI approved third party, or County initiated security review. Contractor must provide County with an annual documentation of compliance with the PCI Data Security Standard.

E. The provisions of this section survive the termination or expiration of this Agreement.

22. 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, and preferably before commencement of litigation or any permitted arbitration. The parties agree to exercise their best efforts in good faith to resolve all disputes in mediation.

23. Choice of Law. This Agreement shall be governed by the laws of the State of Oregon.

24. 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.

25. Attorneys 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 attorneys fees, expenses, costs and disbursements for said action, suit, proceeding or appeal.

26. 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.

27. 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.

26. This Agreement 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 Agreement so executed shall constitute an original.

27. ENTIRE AGREEMENT. THIS AGREEMENT (INCLUDING THE CONTRACTOR'S PROPOSAL) 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:

OWNER:

By:  \_\_\_\_\_

BOARD OF COUNTY COMMISSIONERS  
FOR COLUMBIA COUNTY, OREGON

Name: Chris Lee

By: \_\_\_\_\_  
Henry Heimuller, Chair

Date: 2/8/19

By: \_\_\_\_\_  
Margaret Magruder, Commissioner

Approved as to form

By: \_\_\_\_\_  
Alex Tardif, Commissioner

By: \_\_\_\_\_  
Office of County Counsel

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



# Columbia County

Prepared on January 23, 2019 - #20190123-111257364

**Columbia County**

United States

**Holly Miller**

holly.miller@co.columbia.or.us

## Products & Services

**Professional Services - Cloud** \$8,625.00

Gmail Migration

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**Professional Services - Cloud** \$3,400.00

Google Vault Migration

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**O365 Support** \$2,000.00 / year

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Recurring subtotal ..... \$2,000.00 / year

One-time subtotal ..... \$12,025.00

**Total** ..... **\$14,025.00**

*This total doesn't include any applicable taxes.*

**This quote expires on February 7, 2019.**

### Purchase Terms

Project would need to begin within next 2 weeks to reach desired completion date



# Statement of Work

1/22/2019

Prepared for Columbia County

Microsoft Partner: Tangent

Microsoft Partner ID: 1023948



Hello!

Tangent Cloud Solutions welcomes the opportunity to provide cloud migration services to Columbia County. During this process, a deployment lead will be assigned to ensure this project is completed; all scheduling will be subject to availability. Please don't hesitate to reach out if there are any questions or snags.

We look forward to serving you.

Warm regards,

**Tangent Office365 Team**

A handwritten signature in blue ink that reads "Tom Holmes". The signature is written in a cursive style with a blue ink color.

**Tom Holmes**

*Director, Cloud Solutions*

# Deployment Plan Summary

This document outlines the proposed migration services for Columbia County.

## Project 1 – Gmail to Exchange Online

### 1. Office 365 Target Tenant Preparation

During this phase, Tangent will assist with creating the Office 365 tenant. Tangent will configure the new tenant, create user accounts, validate/reclaim the vanity domain(s), and check DNS for remediation steps.

### 2. Distribution Group Population

During this phase, Customer will populate the new tenant with their distribution group memberships with Tangent guidance.

### 3. Exchange 2016 Installation

During this phase, an Exchange 2016 hybrid transport server will be installed as a management console and to establish hybrid coexistence with Exchange Online. This includes installing and updating Exchange service packs/rollups/cumulative updates, Autodiscover, UCC/wildcard certificates, and Outlook Anywhere configuration.

- We will be utilizing the free Exchange key provided by <http://aka.ms/hybridkey>

### 4. On-premises Mail Enablement

During this phase, active users will be remote mail-enabled so uniform address policies can be applied and mail-enabled objects can be managed within Exchange 2016.

### 5. Azure AD Connect Installation

During this phase, Tangent will check the on-premises AD with IDFix and remediate any errors found. The latest Azure AD Connect will be deployed to synchronize on-premises user objects and groups to the destination tenant.

- Users will be able to log into their Office 365 accounts with the same password as their on-premises domain-joined workstations.

### 6. Office 365 License Allocation

During this phase, licenses will be assigned to users so their mailboxes provision within Exchange Online. Note that mailboxes and documents will not have been migrated until a later phase.

### 7. Apply Legal Hold on Select Mailboxes

Apply litigation hold in Exchange Online for Customer-determined set of mailboxes.

## 8. Outlook Agent Deployment

During this phase, Tangent will deploy Outlook agents via GPO or email to all user Outlook-installed Windows PCs. These agents will be responsible for creating a new profiles on each users' Outlook application—along with copying over signature blocks, autocompletes, and reattaching any previously attached PSTs.

- Minimum Requirements: User workstations must be running Windows 7/8.1/10 and Outlook 2010 or higher.
  - Although Outlook 2007 is no longer supported by Microsoft so we cannot fully support it either, the migration tool has worked for previous Outlook 2007 clients.
- What the Outlook Configuration Tool Does **\*Not\*** Configure:
  - While all signature blocks are carried to the newly created profile, the default signature will not be set automatically.
  - Secondary email accounts within the profile are not configured and would need to be added manually.

## 9. Mailbox Migration Batch Creation

During this phase, Tangent will create a single mail migration batch project. Tangent will then execute an initial migration pass.

- Active Mailboxes = 255

## 10. PST Migration Guidance

During this phase, Tangent will walk through the process of uploading 1-2 user PSTs and importing them to Office 365 mailboxes as in-place archives.

## 11. Office 365 Relay Guidance

During this phase, Tangent will provide guidance on setting up a multifunction device or application to send email using Office 365.

## 12. CBR Connector

During this phase, Tangent will create a criteria-based routing policy that routes all mail received in O365 from non-migrated-users to Google.

## 13. Mail Flow Test

During this phase, Tangent will test that inbound mail flow received in O365 will route to Google if the user is not migrated.

## 14. DNS Cutover

During this phase, Tangent will work with the customer to switch over the public MX and Autodiscover CNAME records to Office 365. SPF records will be updated as well. Tangent can assist with verifying global propagation. Inbound mail will first flow to the Office 365 mailboxes and then route to Google for non-migrated users.

## 15. Determine Migration Groups

During this phase, Customer will provide Tangent the migration groups of the users to be migrated. A migration group should include any users that share document(s) or calendar(s)—typically within the same business unit.

## 16. Notify Users

During this phase, Customer will notify the migrating group of users of their new web work portal <https://portal.office.com>.

## 17. Update CBR Group

During this phase, mail flow for the migrating group of users will be changed to receive new mail in Office 365 instead of Gmail.

## 18. Mailbox Migration Delta

During this phase, Tangent will execute a full delta pass for the group of mailbox migration users to import mailbox data from Gmail to Exchange Online.

## 19. Outlook Reconfiguration

During this phase, Tangent will activate DeploymentPro for the migrating group, automatically creating mail profiles, migrating over autocompletes, signature blocks, and reconnect any locally attached PSTs.

- User workstations must be running Windows 7/8.1/10 and Outlook 2007 or higher.
- While all signature blocks are carried to the newly created profile, the default signature will not be set automatically.

## 20. Repeat Steps 16-19 for Additional Migration Groups

During this phase, Customer and Tangent will repeat the above steps for additional migration groups.

## 21. Admin Knowledge Transfer

During this phase, Tangent will walk through the Office 365 and Exchange Online admin consoles providing best practices, tips & tricks, and Q&A to the customer's admin staff. This will include:

- Litigation holds
- DLP
- Encryption and secure email (for HIPAA/CJIS)
- Default retention policy (retention tag)
- Mobile device connectivity recommendations & best practices
- EOP maintenance and administration (including anti-virus and anti-spam settings)
- Operational How-Tos for maintenance and administration

## Project 2 – Google Vault to Exchange Online

### 1. Vault Migration Preparation

During this phase, Tangent will create a dedicated Azure storage blob, Vault migration project, setup migration mappings, test credentials, verify connectivity, and remediate errors preventing the migration.

- Vault Mailboxes = 52

### 2. Archive Migration Preparation

During this phase, Tangent will create archive mailboxes in Exchange Online, configure mailboxes for litigation hold, and segment Vault data to prepare for export into the Azure storage blob.

### 3. Upload to Azure Storage Blob

During this phase, Tangent will upload data into the Azure storage blob and verify data integrity.

### 4. Import to Exchange Online

During this phase, Tangent will initiate PST imports from the Azure storage blob into the Exchange Online archives and remediate any import errors.

### 5. Data Cleanup

During this phase, Tangent will purge migration data from the Azure storage blob.

## Project Team

The following staff have been identified to take key roles in Columbia County Office 365 deployment:

Role	Name	Email	Phone
Deployment Lead	Chris Lee	<a href="mailto:chrisl@Tangent.com">chrisl@Tangent.com</a>	8003429388x1159
Project Sponsor	Holly Miller	<a href="mailto:holly.miller@co.columbia.or.us">holly.miller@co.columbia.or.us</a>	
Technical Lead			

Core project roles and responsibilities are described below:

- Deployment Lead – Technical deployment lead for the deployment project.
- Project Sponsor – Primary contact for Tangent that facilitates communication with any client-side teams within the organization.
- Technical Lead – Technical lead on the customer side for the deployment project.

## Assumptions

Tangent will engage in work under the following assumptions. If the listed assumptions are incorrect, please notify your Deployment Lead immediately. If assumptions are not met, work may be paused until assumptions can be remediated or a Project Change Request is submitted to your Deployment Lead.

- (AD Environments Only) Organizations must have a Fully Qualified Domain Name rather than a Single Label Domain Name.
- (AD Environments Only) Organizations must not have active domain controllers in place older than Server 2003.
- Customers must own their domain and are authorized to make changes to their DNS zone file.
- Google Docs is not within the scope of this SOW.
- Google Sites is not within the scope of this SOW.
- The migration will be conducted with HIPAA compliant migration tools.
- Data to be migrated resides either on the email server or the Outlook client. Data housed in any other locations will not be migrated by Tangent.
- Outlook clients are fully patched with the latest Windows Updates.
- Web browsers meet the minimum requirements for accessing Office 365 online services.
  - <https://products.office.com/en-US/office-system-requirements/#Browsers-section>
- Offline PSTs will be migrated by the customer.
- No other assumptions are made.

## Responsibilities



Tangent will work closely with the customer to complete the project and ensure status updates are communicated regularly. If there are any questions, please do not hesitate to reach out to your Tangent representative.

### **Tangent Responsibilities:**

- Assess environment for remediation issues related to domain, DNS, Exchange, licensing, and user workstation requirements.
- Plan and schedule the project phases.
- Provision Office 365 with required accounts and domains.
- Configure Azure AD Connect if directory synchronization.
- Configure Exchange hybrid coexistence between on-premise Exchange and Exchange Online.
- Perform mailbox migrations.
- Assist with DNS changes.
- Assist with troubleshooting and escalation of cloud-related issues involving ADSync and Exchange.
- Configure Office 365 environment (including Yammer and Skype for Business if needed).
- Work closely with Primary Contact to provide record change, name server change instructions, and Exchange configuration changes.
- Provide status reports.
- Knowledge transfer and training.

### **Customer Responsibilities:**

- Assign an individual or team to serve as the Tangent primary contact(s).
- Provide accurate user account information (first name, last name, email address).
- Conduct operating system and browser upgrades to meet minimum requirements.  
<https://products.office.com/en-US/office-system-requirements/#Office365forBEG>
- Configure Email Address Policies for the organization.
- Configure PowerShell automation for the organization.
- Conduct client Office software upgrades to meet minimum requirements.
  - Upgrading Office 2007 to newer versions.
  - Installing latest Office service packs and updates.
  - Potentially resolving corrupted desktop environments that prevent Outlook from connecting with Office 365.
- Provide access to AD (if applicable), mail server, and DNS as needed.
- Arrange inclusion of other departments if needed.
- Provide required hardware and repair services.
- Provide required networking infrastructure.
- Assess the migration to ensure there are no end-user issues pending resolution.
- Provide on-time responses to requests for information.

## Service Level Commitments:

### Response time

- Within three hours for Support issues.
- During normal business hours (M-F 6:30am to 3:30pm PST, weekdays), the first step is to notify Tangent that an issue has occurred. This can be done via email to [O365Admins@tangent.com](mailto:O365Admins@tangent.com) or via phone at 1-800-399-8324. Outside of business hours, the same contact methods apply, but may not be answered until the next business day.
- Level 1 support personnel will attempt to resolve the issue prior to either escalation to tier 3 Microsoft support, if necessary, or, if at the advisory of a Level 1 technician, proceed with escalation directly to the Level 2 Engineering/Development tier for additional analysis.
- With assistance from Microsoft certified tier 3 Engineering/Development support, Level 1 and 2 engineers will work with the Support Requester to resolve the issue and file the necessary paperwork for long term enhancement to software, if applicable.
- Tangent will notify the client and verify resolution of the problem upon conclusion.

### Support Policy

- Tangent will work to provide a satisfactory resolution to a reported incident.
- If applicable, fix will be included into future patch releases via updates.
- Feature requests will be forwarded to Tangent's Research and Development team.
- Online chat support available at [www.Tangent.com](http://www.Tangent.com) during regular business hours (6:30am to 3:30pm PST, weekdays).
- Email support available at [O365Admins@tangent.com](mailto:O365Admins@tangent.com). Response time for email tickets are within three hours.
- 24-hour phone support optionally available for Enterprise clients.
- An active Support and Service subscription must be maintained to be eligible for any Tangent Support assistance.
- Expired service contracts renewed after a lapse in service will renew from original date of expiration, not date of renewal.

### Example Support Scenarios

- Guidance on PowerShell cmdlets for administrators (Office 365 and Exchange Online)
- Guidance on licensing scenarios
- Guidance on security policies and multi-factor authentication
- Troubleshooting Azure AD Connect issues
- Assistance with configuring clients to send email from devices and applications
- Troubleshooting mailbox migration errors
- Troubleshooting DNS issues
- Troubleshooting Outlook client and OWA troubleshooting
- Troubleshooting mobile mail access issues
- Troubleshooting shared mailbox permissions

- Troubleshooting mail flow issues
- Troubleshooting spam protection issues
- Guidance on Data Loss Prevention (DLP) scenarios
- Guidance on retention policies

			Customer Signature	
Organization Name				
Signatory Name	Signatory Position	Signatory E-Mail	Signature	Date

		Partner Signature		
Organization Name	Local MPN ID			
Tangent	1023948			
Signatory Name	Signatory Position	Signatory E-Mail	Signature	Date

ID	Task Name	Duration	Start	Finish	Jan 27, '19	Feb 3, '19	Feb 10, '19	Feb 17, '19	Feb 24, '19	Mar 3, '19	Mar 10, '19																												
					S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
1	Start	0 days	Mon 1/28/19	Mon 1/28/19	◆ 1/28																																		
2	<b>Project 1 – Gmail to Exchange Online</b>	<b>19 days</b>	<b>Mon 1/28/19</b>	<b>Thu 2/21/19</b>	[-----]																																		
3	Office 365 Target Tenant	4 days	Mon 1/28/19	Thu 1/31/19	[-----] Tangent																																		
4	Distribution Group Population	5 days	Thu 2/7/19	Wed 2/13/19	[-----] Customer																																		
5	Exchange 2016 Installation	5 days	Mon 1/28/19	Fri 2/1/19	[-----] Tangent																																		
6	On-premises Mail Enablement	3 days	Mon 2/4/19	Wed 2/6/19	[-----] Tangent																																		
7	Azure AD Connect Installation	1 day	Thu 2/7/19	Thu 2/7/19	[-----] Tangent																																		
8	Office 365 License Allocation	1 day	Fri 2/1/19	Fri 2/1/19	[-----] Tangent																																		
9	Apply Legal Hold on Select Mailboxes	1 day	Mon 2/4/19	Mon 2/4/19	[-----] Tangent																																		
10	Outlook Agent Deployment	3 days	Thu 2/7/19	Mon 2/11/19	[-----] Tangent																																		
11	Mailbox Migration Batch Creation	2 days	Mon 2/4/19	Tue 2/5/19	[-----] Tangent																																		
12	PST Migration Guidance	1 day	Mon 2/4/19	Mon 2/4/19	[-----] Tangent																																		
13	Office 365 Relay Guidance	1 day	Tue 2/5/19	Tue 2/5/19	[-----] Tangent																																		
14	CBR Connector	1 day	Wed 2/6/19	Wed 2/6/19	[-----] Tangent																																		
15	Mail Flow Test	2 days	Thu 2/7/19	Fri 2/8/19	[-----] Tangent																																		

Project: GSuiteMigration Date: Tue 1/22/19	Task		Inactive Summary		External Tasks	
	Split		Manual Task		External Milestone	
	Milestone		Duration-only		Deadline	
	Summary		Manual Summary Rollup		Progress	
	Project Summary		Manual Summary		Manual Progress	
	Inactive Task		Start-only			
Inactive Milestone		Finish-only				

ID	Task Name	Duration	Start	Finish	Jan 27, '19	Feb 3, '19	Feb 10, '19	Feb 17, '19	Feb 24, '19	Mar 3, '19	Mar 10, '19																												
					S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
16	DNS Cutover	1 day	Mon 2/11/19	Mon 2/11/19																																			
17	Determine Migration Groups	2 days	Tue 2/12/19	Wed 2/13/19																																			
18	Notify Users	1 day	Thu 2/14/19	Thu 2/14/19																																			
19	Update CBR Group	1 day	Thu 2/14/19	Thu 2/14/19																																			
20	Mailbox Migration Delta	1 day	Thu 2/14/19	Thu 2/14/19																																			
21	Outlook Reconfiguration	1 day	Thu 2/14/19	Thu 2/14/19																																			
22	Repeat Steps 16-19 for Additional	3 days	Fri 2/15/19	Tue 2/19/19																																			
23	Admin Knowledge Transfer	2 days	Wed 2/20/19	Thu 2/21/19																																			
24	<b>Project 2 – Google Vault to Exchange Online</b>	<b>13 days</b>	<b>Wed 2/20/19</b>	<b>Fri 3/8/19</b>																																			
25	Vault Migration Preparation	3 days	Wed 2/20/19	Fri 2/22/19																																			
26	Archive Migration Preparation	3 days	Mon 2/25/19	Wed 2/27/19																																			
27	Upload to Azure Storage Blob	3 days	Thu 2/28/19	Mon 3/4/19																																			
28	Import to Exchange Online	3 days	Tue 3/5/19	Thu 3/7/19																																			
29	Data Cleanup	1 day	Fri 3/8/19	Fri 3/8/19																																			

Project: GSuiteMigration Date: Tue 1/22/19	Task		Inactive Summary		External Tasks	
	Split		Manual Task		External Milestone	
	Milestone		Duration-only		Deadline	
	Summary		Manual Summary Rollup		Progress	
	Project Summary		Manual Summary		Manual Progress	
	Inactive Task		Start-only			
Inactive Milestone		Finish-only				



191 Airport Boulevard  
Burlingame, CA 94010 - 800.342.9388

## Service Level Commitments:

### Response time

- Within three hours for Support issues.
- During normal business hours (6:30am to 3:30pm PST, weekdays), the first step is to notify Tangent that an issue has occurred. This can be done via email to [O365Admins@tangent.com](mailto:O365Admins@tangent.com) or via phone at 1-800-399-8324. Outside of business hours, the same contact methods apply, but may not be answered until the next business day.
- Level 1 support personnel will attempt to resolve the issue prior to either escalation to tier 3 Microsoft support, if necessary, or, if at the advisory of a Level 1 technician, proceed with escalation directly to the Level 2 Engineering/Development tier for additional analysis.
- With assistance from Microsoft certified tier 3 Engineering/Development support, Level 1 and 2 engineers will work with the Support Requester to resolve the issue and file the necessary paperwork for long term enhancement to software, if applicable.
- Tangent will notify the client and verify resolution of the problem upon conclusion.

### Tangent Post-Deployment Support

- Tangent will work to provide a satisfactory resolution to post-deployment reported incidents. While guidance is offered, incidents related to setup of new services is not covered under this support contract and will require a scoping and New Project Services Request (NPSR).
- Feature requests will be forwarded to Tangent's Research and Development team.
- Online chat support available at [www.Tangent.com](http://www.Tangent.com) during regular business hours (6:30am to 3:30pm PST, weekdays).
- Email support available at [O365Admins@tangent.com](mailto:O365Admins@tangent.com). Response time for email tickets are within three hours.
- 24 hour phone support optionally available for Enterprise clients.
- An active Support and Service subscription must be maintained to be eligible for any Tangent Support assistance.
- Expired service contracts renewed after a lapse in service will renew from original date of expiration, not date of renewal.

### Example Support Scenarios

- Troubleshooting Azure AD Connect issues
- Troubleshooting mailbox migration errors
- Troubleshooting DNS issues
- Troubleshooting Outlook client and Outlook for Web
- Troubleshooting mobile mail access issues

- Troubleshooting shared mailbox and calendar permissions
- Troubleshooting mail flow issues
- Troubleshooting spam protection issues
- Troubleshooting licensing issues
- Guidance on PowerShell cmdlets for administrators (Office 365 and Exchange Online)
- Guidance on security policies and multi-factor authentication
- Guidance on Data Loss Prevention (DLP) scenarios
- Guidance on retention policies
- Guidance on configuring SMTP relay for clients and applications
- Guidance on Azure Information Protection
- Guidance on Password Self-Service Reset
- Guidance on Intune policies
- Guidance on Azure Web Application Proxy
- Guidance on Office 365 SSO implementation





**WASHINGTON COUNTY**  
**OREGON**

January 31, 2019

Michael Paul  
Columbia County  
230 Strand St. #373  
St. Helens, OR 97051

RE: Amendment to IGA

Dear Mr. Paul:

Enclosed please find a revised amendment to the agreement with your county to provide CRI services.

Please sign and return all three copies of the amendment to my attention at the Department of Health and Human Services, 155 N First Avenue, MS #4A, Hillsboro, OR 97124. A fully executed copy will be returned to you.

If you have questions please contact Adrienne Donner, Public Health Program Supervisor, at 503-846-3769. Thank you for providing quality services for Washington County.

Sincerely,

A handwritten signature in black ink, appearing to read "Donna Hall". The signature is fluid and cursive.

Donna Hall  
Administrative Assistant

Enclosures

**CONTRACT AMENDMENT NO. 1**

This amendment is made and entered into by and between, Columbia County (Contractor") and Washington County, a political subdivision of the State of Oregon ("County").

This amendment modifies that certain contract between the parties, the original contract number being CA-18-0828.

The contract is amended as follows:

The contract is increased in the amount of \$10,521. Attachment A, COMPENSATION TERMS, is amended as follows:

COMPENSATION TERMS: Washington County agrees to pay Columbia County, as a sub-recipient of this federal funding, a maximum of \$35,642 between July 1, 2018 and June 30, 2019. Any adjustments to the final grant funds will be reflected in an amendment to this IGA.

Invoices must be on a reimbursement basis and submitted not less than quarterly. Supporting documentation from accounting software should be submitted along with any invoice and should tie to the amount being requesting to be paid.

Please submit invoices to the following:  
Melissa McKinney  
Washington County Dept. of Health and Human Services  
155 North First Avenue, MS-6A  
Hillsboro, OR 97124  
Melissa\_McKinney@co.washington.or.us

If Columbia County does not spend or obligate its award 90 days prior to June 30, 2019 (March 30, 2019), the unspent funds will be retained by Washington County for reallocation.

Effective Date of Amendment: January 25, 2019, or upon final signature, whichever is later.

All other terms and conditions of the original contract shall remain in full force and effect.

CONTRACTOR:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title

\_\_\_\_\_  
Telephone Number

\_\_\_\_\_  
Email

WASHINGTON COUNTY:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title

AMENDMENT NO. 2 TO THE AGREEMENT FOR THE OPERATION OF THE  
HOUSEHOLD HAZARDOUS WASTE FACILITY BY AND BETWEEN COLUMBIA  
COUNTY AND CLEAN HARBORS ENVIRONMENTAL SERVICES, INC.

This Amendment No. 2 to the Agreement for the Operation of the Household Hazardous Waste Facility is made and entered into by and between COLUMBIA COUNTY, a political subdivision of the State of Oregon, hereinafter referred to as "County," and CLEAN HARBORS ENVIRONMENTAL SERVICES, INC., its affiliates and subsidiaries, hereinafter referred to as "Contractor."

RECITALS

WHEREAS, on February 4, 2015, County and Contractor entered into the Agreement for the Operation of the Household Hazardous Waste Facility (hereinafter referred to as the "Contract"); and

WHEREAS, under the Contract, Contractor holds three Household Hazardous Waste ("HHW") collections events at the Columbia County Transfer Station and three collections events at remote locations; and

WHEREAS, the HHW collection events have become popular, and participation has increased by 68% in the last two years, resulting in lines exceeding 50 cars long and wait times of 30-60 minutes; and

WHEREAS, due to the program's popularity and the desire to encourage proper disposal of HHW, the County would like for Contractor to increase its hours of operation, from 8:00 a.m. to noon to 8:00 a.m. to 2:00 p.m. and increase its staffing to add three (3) additional field technicians for the HHW events at the Transfer Station;

AMENDMENT

NOW, THEREFORE, County and Contractor agree, as follows:

1. Section VI.C of the Contract shall be amended to increase Contractor's hours of operation at the transfer station from 8:00 a.m. to noon (four hours) to 8:00 a.m. to 2:00 p.m. (six hours).
2. Section VI.E of the Contract shall be amended to add three (3) additional special waste technicians, for a total of five (5) special waste technicians, to the collection events at the transfer station.
3. Section VII of the Contract shall be amended to increase the fixed fee payments for HHW events at the transfer station from \$2300.00 to \$4730.00.
4. All other terms and conditions of the Contract shall remain in full force and effect.

5. This Amendment shall become effective on the last date signed by the parties, below.
6. This Amendment may be executed in several counterparts, all of which when taken together shall constitute an original and shall be considered the same agreement.

CLEAN HARBORS ENVIRONMENTAL SERVICES, INC.

BOARD OF COUNTY COMMISSIONERS FOR COLUMBIA COUNTY, OREGON

By:

\_\_\_\_\_

Name:

\_\_\_\_\_

Title:

\_\_\_\_\_

Date:

\_\_\_\_\_

Approved as to form

By:

\_\_\_\_\_

Office of Count Counsel

By:

\_\_\_\_\_

Henry Heimuller, Chair

By:

\_\_\_\_\_

Margaret Magruder, Commissioner

By:

\_\_\_\_\_

Alex Tardif, Commissioner

Date:

\_\_\_\_\_

221-2019

**AMENDMENT NO. 1 TO LEASE AGREEMENT BETWEEN  
CITY OF COLUMBIA CITY and COLUMBIA COUNTY**

This Amendment No. 1 is to the Lease Agreement (hereinafter, "Lease Agreement") by and between the City of Columbia City, a municipal corporation of the State of Oregon (hereinafter, "City") and Columbia County, a political subdivision of the State of Oregon (hereinafter, "County"), executed on April 4, 2018.

WHEREAS, on April 4, 2018, the City and the County entered into the Lease Agreement to allow the County to use the City's Community Hall as a courtroom for the Columbia County Justice Court; and

WHEREAS, the parties wish to extend the Lease Agreement, subject to the same terms and conditions, for two (2) additional years;

NOW, THEREFORE, in consideration of the mutual obligations and benefits that will accrue to each party, the parties hereby agree, as follows:

1. Section 2.01 of the Lease Agreement shall be amended to read, as follows:

**"Section 2.01 – Term**

The term of this lease shall commence retroactive to the 1<sup>st</sup> day of February 2018, and shall terminate on January 31, 2021, unless sooner terminated as provided herein. COUNTY's use of the Premises shall be limited to every Wednesday of each month during the term of the Lease. Hours of use shall be from 8:30 a.m. to 12:30 p.m."

2. All other terms and conditions of the Lease Agreement shall remain in full force and effect.
3. This Amendment No. 1 shall be effective when signed by all parties but shall be retroactive to February 1, 2019.

IN WITNESS WHEREOF, the parties have executed this Amendment to become effective on the date last signed by the parties.

CITY OF COLUMBIA CITY

BOARD OF COUNTY COMMISSIONERS  
FOR COLUMBIA COUNTY, OREGON

By: \_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Henry Heimuller, Chair

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

By: \_\_\_\_\_

Margaret Magruder, Commissioner

Approved as to form

By: \_\_\_\_\_

Alex Tardif, Commissioner

By: \_\_\_\_\_

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

Office of County Counsel



DATE: January 29, 2019

FROM: Todd Wood, Transit Administrator

TO: Board of County Commissioners

RE: Formula Fund Grant Applications

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Transit staff has prepared the attached application drafts for the next biennium's formula Grants. These grants include the 5311, 5310 and Special Transportation fund (STF) for the next two years.

The 5311 is the main federal operating grant for rural areas. This grant saw a decrease of 5% in the next biennium to \$873,502. The 5311 is used for operation and maintenance of all CC Rider services throughout Columbia County and requires matching funds of 43.92% for operating and 10.27% for administration and maintenance.

The 5310 fund is the main federal operating grant for Dial-a-Ride services and comes in two applications. The 5310 rural is the main fund with \$333,820 dedicated to elderly and disabled transportation at a match rate of 10.27%. The 5310 small urban is a small grant for operating Dial-a-Ride services in the Rainier/Longview area with \$7,055 dedicated to elderly and disabled transportation at a match rate of 20%.

STF is a state grant for operation of transit services that benefit the elderly and disabled population of Columbia County. The fund provides \$247,006 over the next two years with no match requirements. Columbia County Rider uses this money to match the Federal 5311 funds. Without this match, local funding would be needed to obtain the federal grant funds. The amount of the STF may change dependent upon the States adopted budget. However, we are applying for the full amount.

Staff is requesting permission to apply for these grant funds for the 20/21 biennium.



BEFORE THE BOARD OF COUNTY COMMISSIONERS  
FOR COLUMBIA COUNTY, OREGON

In the Matter of Application No. PA 18-01 and  
ZC 18-02 by Scott Winegar for Warren  
Community Fellowship to Amend the  
Comprehensive Plan Map and Zoning Map of  
7.4-Acres to Relocate the Columbia County  
Christian School

ORDINANCE NO. 2019-4

The Board of County Commissioners for Columbia County, Oregon, ordains as follows:

**SECTION 1. TITLE**

This Ordinance shall be known as Ordinance No. 2019-4.

**SECTION 2. AUTHORITY**

This Ordinance is adopted pursuant to ORS 203.035, ORS 203.045, and ORS 197.175.

**SECTION 3. PURPOSE**

The purpose of this Ordinance is to amend the Columbia County Comprehensive Plan Map (“Comprehensive Plan Map”) designation from Rural Residential to Community Service and the Columbia County Zoning Map (“Zoning Map”) designation from Rural Residential - 2 Acre (RR-2) to Community Service - Institutional (CS-I) for a 7.4-acre property located at 34740 Church Road (Tax Map Number 4119-AC-00700) in Warren, Oregon, to allow for the relocation of the Columbia County Christian School, which is currently located on the parcel to the south in conjunction with the Warren Community Fellowship Church.

**SECTION 4. PROCEDURAL HISTORY**

Planning staff deemed Application No. PA 18-01 and ZC 18-02 complete on April 12, 2018. Following public notice, this matter came before the Columbia County Planning Commission (“Planning Commission”) for a public hearing on June 4, 2018. The Planning Commission recommended denial of the proposed application based on findings that the subject property did not have a proven method of wastewater disposal.

Following public notice, this matter came before the Board of Commissioners (“Board”) for a public hearing on July 25, 2018. At the hearing, the applicant introduced a Preliminary Septic Report intended to show that a wastewater disposal system could be installed at the subject property to adequately support the proposed uses. To allow staff an opportunity to review the



newly introduced evidence, the Board continued the hearing to August 29, 2018. On August 1, the County Planning Manager informed the applicant that the report did not adequately address the wastewater disposal system issue. On August 22, 2018 the applicant requested the Board postpone the August 29, 2018 hearing in order to allow him more time to submit the necessary information. On August 29, 2018, the Board continued the hearing to December 5, 2018. At the December 5, 2018 hearing, the Board heard testimony, deliberated and voted to tentatively approve the application without conditions.

**SECTION 5. AMENDMENT AND AUTHORIZATION**

1. The Board hereby approves Application No. PA 18-01 and ZC 18-02.
2. The Board hereby amends the Comprehensive Plan Map to change the designation from Rural Residential to Community Service for the property at 34740 Church Road (Tax Map Number 4119-AC-00700) in Warren, Oregon.
3. The Board hereby amends the Zoning Map to change the designation from Rural Residential - 2 Acre (RR-2) to Community Service - Institutional (CS-I) for the property at 34740 Church Road (Tax Map Number 4119-AC-00700) in Warren, Oregon.

**SECTION 6. FINDINGS**

The Board adopts the Findings of Fact and Conclusions of Law in the Supplemental Staff Report dated November 28, 2018, attached hereto and incorporated herein as Exhibit A, and the Staff Report dated July 18, 2018, attached hereto and incorporated herein as Exhibit B, to the extent those findings and conclusions are consistent with the Board's decision.

**SECTION 7. SEVERABILITY**

If for any reason a court of competent jurisdiction holds any portion of this Ordinance, including its attachments or any portion therein, to be invalid, and such holding is upheld on appeal, that portion shall be deemed a separate, distinct and independent portion. The court's holding shall not affect the validity of the remaining portions.

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**SECTION 8. SCRIVENER'S ERRORS**

Scrivener's errors in any portion of this Ordinance may be corrected by order of the Board of County Commissioners.

DATED this \_\_\_\_ day of \_\_\_\_\_, 2019.

Approved as to Form

By: \_\_\_\_\_  
Office of County Counsel

Recording Secretary

By: \_\_\_\_\_  
Jan Greenhalgh

First Reading: \_\_\_\_\_

Second Reading: \_\_\_\_\_

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

**BOARD FOR COUNTY COMMISSIONERS  
FOR COLUMBIA COUNTY, OREGON**

By: \_\_\_\_\_  
Henry Heimuller, Chair

By: \_\_\_\_\_  
Margaret Magruder, Commissioner

By: \_\_\_\_\_  
Alex Tardif, Commissioner

**COLUMBIA COUNTY BOARD OF COMMISSIONERS  
SUPPLEMENTAL STAFF REPORT**

November 28, 2018

Zone Change and Comprehensive Plan Map Amendment

**HEARING DATE:** December 5, 2018

**FILE NUMBER:** PA 18-01 & ZC 18-02

**APPLICANT:** Scott Winegar, 56523 Columbia River Highway, St. Helens, OR 97051

**OWNER:** Warren Community Fellowship Church, 56523 Columbia River Highway, St. Helens, OR 97051

**SITE LOCATION:** The site is located on Church Road, bordering the Warren Community Fellowship Church property in back, to the west.

**TAX MAP No:** 4119-AC-00700

**PRESENT COMPREHENSIVE  
PLAN DESIGNATION:** Rural Residential

**PROPOSED COMPREHENSIVE  
PLAN DESIGNATION:** Community Service

**PRESENT ZONING:** Rural Residential - 2 (RR-2)

**PROPOSED ZONING:** Community Service-Institutional (CS-I)

**SITE SIZE:** ± 7.4 Acres

**REQUEST:** To amend the County's Comprehensive Plan Map from Rural Residential to Community Service and the County's Zoning Map from Rural Residential-2 (RR-2) to Community Service-Institutional (CS-I) to allow for the relocation of the Columbia County Christian School (CCCS)

**SUMMARY:**

On April 12, 2018, the application for a Comprehensive Plan Map Amendment and Zone Change was accepted as complete from Scott Winegar, who represents the Columbia County Christian School. This Comprehensive Plan Map Amendment proposes to change the zoning designation of a 7.4 acre parcel that is currently zoned Rural Residential, to Community Service Institutional in order to relocate the existing Columbia County Christian School from the Warren Community Fellowship property to the south.

The Columbia County Planning Commission heard this proposal on June 4, 2018 along with the

Staff Report dated May 25, 2018 and testimony for and against from neighboring property owners. The Planning Commission recommended that the Board of County Commissioners deny the request for a Comprehensive Plan Map Amendment based on the findings that the subject parcel did not have a proven method of waste water disposal.

On July 25, 2018 the Columbia County Board of Commissioners heard the Staff Report dated July 18, 2018 as well as testimony from the applicant and neighbors for and against the proposed Comprehensive Plan Map Amendment. The Board voted to postpone the hearing until August 29, 2018 so that Staff would have adequate time to review the recently submitted "Preliminary Site Evaluation", prepared by Environmental management Systems, Inc. (EMS). Both the State DEQ and Columbia County Sanitarian determined that the EMS report was not adequate to determine if the site is suitable for a septic system which would support a design flow of 2,725 gallons per day. Staff recommended that the applicant apply for a septic lot evaluation through either DEQ or the county to demonstrate that a suitable area is available, including test pits for localized soil evaluations.

On August 22, 2018, the applicant requested a postponement to allow for more time to gather the necessary information for the septic lot evaluation. On August 29, 2018, the Board granted a continuance of the hearing until December 5, 2018 to allow adequate time for the applicant to prepare the necessary measures to prove that an on-site waste water disposal system is feasible for the subject property with the intended use as a school.

Through communications between the Department of Environmental Quality and the Columbia County Sanitarian, DEQ made the determination that the daily flow rate can be based on historical water usage data for the existing school. This authorized the county to review the proposal of a septic lot evaluation rather than seeking approval of a Water Pollution Control Facility (See attached communications). On October 16, 2018, the applicant submitted a septic lot evaluation (192-18-00301-EVAL) to the county which included a staked out plan of how the septic drainfield would be laid out. The County Sanitarian reviewed the drainfield layout as well as test holes on the subject property and concluded that a septic system could be approved for the proposed use.

The remainder of this report will amend affected findings in the July 18, 2018 Board of County Commissioners Staff Report based on supplemental information received from the applicant, addressing the feasibility of on-site waste water disposal for the proposed school.

### **Finding 1:**

**Columbia County Comprehensive Plan Part XIV (Public Facilities & Services) & Statewide Planning Goal 11 (Public Facilities and Services):** The goal of Part XIV is to plan and develop a timely, orderly, and efficient arrangement of public services as a framework for urban and rural development. Policy 2 of the Public Facilities and Services section states, "Require that the level of facilities and provided be appropriate for, but limited to, the needs and requirements of the area(s) to be served. The types and level of public facilities allowed within Rural Residential, Rural Center, Existing Commercial, and Rural Industrial areas are: A. Public or community

water systems. B. Public or community sewage systems. C. Collector and/or arterial street systems. D. Fire protection by a rural fire protection district, or an equivalent level of service". Also, Goal 11 requires local governments "to plan and develop a timely, orderly and efficient arrangement of public facilities and services to serve as a framework for urban and rural development." While this area is not a part of any incorporated city or within an urban growth boundary, it does provide some types of public facilities and services.

The subject property is approximately 7.4 acres and located in an area of relatively high density rural, single-family developments. The area is served by Warren Water Association and the applicants propose to utilize their services for future development. The applicant has not submitted any documentation stating that Warren Water is willing and able to serve this intended new use, however on May 18, 2018 Warren Water submitted comments stating that they have reviewed the requested Zone Change and Comprehensive Plan Map Amendment and have no objections to its approval as submitted.

There are no public stormwater facilities in the vicinity. The subject property is within a natural drainage area including Warren Creek basin. Staff notes that a private engineered stormwater and erosion control plan will be required at the time of Site Design Review.

The subject property is served by the Columbia County Sheriff as well as Columbia River Fire and Rescue. No comments were received by either as part of this proposal, however prior to the approval of the Site Design Review, setbacks, access and fire flow for the planned school shall be reviewed and approved by Columbia River Fire and Rescue.

There are no public sewage disposal facilities located within the vicinity of this site. However, since the initial Board of Commissioners hearing (July 25, 2018), the applicant has submitted an approved Septic Lot Evaluation (192-18-00301-EVAL) that shows the proposed school can be supported by an approved on-site septic system based on the historic water usage data provided to the county.

With this new information and an approved septic lot evaluation for the subject property, Staff finds that Part XIV of the Comprehensive Plan as well as Goal 11 of the Statewide Planning Goals have been satisfied.

### **Columbia County Zoning Ordinance:**

#### **Section 1502.1(A)(3) Adequate Facilities, Services and Transportation Networks**

3. The property and affected area are presently provided with adequate facilities, services, and transportation networks to support the use, or such facilities, services, and transportation networks are planned to be provided concurrently with the development of the property.

**Finding 2:** The subject property is currently provided with adequate facilities in terms of water, transportation networks, and emergency services to support the proposed map amendment and zone change for the relocation of the private Christian School. Neither the County Road

Department nor Oregon Department of Transportation requested a transportation impact analysis because the use is already existing and the access will not change with this proposal. On-site wastewater facilities have been proven to be feasible based on the septic lot evaluation 192-18-000301-EVAL which takes into account the historic water usage data of the existing school with extrapolation for higher usage in the future. Staff finds that with this approved lot evaluation, the applicant has shown that the proposed use of the property can be properly supported by an authorized wastewater disposal system. With this documentation, staff finds that this criteria is met.

### **CONCLUSION, & RECOMMENDED DECISION & CONDITIONS:**

Based on the facts, findings and comments herein, of the original staff report dated July 18, 2018 and the supplemental staff report dated November 28, 2018, the Planning Director recommends **APPROVAL** of this Major Map Amendment (PA 18-01 & ZC 18-02) to change the Comprehensive Plan Map designation from Rural Residential to Community Service and the Zoning Map designation from Rural Residential-2 (RR-2) to Community Service-Institutional (CS-I) for the ± 7.4 acre subject property, identified by tax map # 4119-AC-00700, subject to the following condition:

1. Prior to obtaining any development permits, the applicant shall apply for Site Design Review in accordance with the Columbia County Zoning Ordinance.

Attachment: September 18, 2018 Communication between sanitarian and DEQ

**COLUMBIA COUNTY BOARD OF COMMISSIONERS  
STAFF REPORT**

July 18, 2018

Zone Change and Comprehensive Plan Map Amendment

**HEARING DATE:** July 25, 2018

**FILE NUMBER:** PA 18-01 & ZC 18-02

**APPLICANT:** Scott Winegar, 56523 Columbia River Highway, St. Helens, OR 97051

**OWNER:** Warren Community Fellowship Church, 56523 Columbia River Highway, St. Helens, OR 97051

**SITE LOCATION:** The site is located on Church Road, bordering the Warren Community Fellowship Church property in back, to the west.

**TAX MAP No:** 4119-AC-00700

**PRESENT COMPREHENSIVE  
PLAN DESIGNATION:** Rural Residential

**PROPOSED COMPREHENSIVE  
PLAN DESIGNATION:** Community Service

**PRESENT ZONING:** Rural Residential - 2 (RR-2)

**PROPOSED ZONING:** Community Service-Institutional (CS-I)

**SITE SIZE:** ± 7.4 Acres

**REQUEST:** To amend the County's Comprehensive Plan Map from Rural Residential to Community Service and the County's Zoning Map from Rural Residential-2 (RR-2) to Community Service-Institutional (CS-I) to allow for the relocation of the Columbia County Christian School (CCCS)

**APPLICABLE REVIEW CRITERIA:**

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Columbia County Zoning Ordinance

Section 1502.1(A)(3) Adequacy of Public Facilities	31
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**APPLICATION COMPLETE:** 4/12/18

**150-DAY DEADLINE:** Not Applicable  
(ORS 215.427(7))

**BACKGROUND:**

The applicant, Scott Winegar for Warren Community Fellowship Church, proposes a County Comprehensive Plan Map Amendment and Zone Change for an approximate 7.4 acre property located near the intersection of Highway 30 and Church Road. Currently, the subject property has a comprehensive plan map designation of Rural Residential and a zoning designation of Rural Residential - 2 (RR-2). The request is to amend the comprehensive plan map from Rural Residential to Community Service and the zoning from RR-5 to Community Service - Institutional (CS-I) to allow for the relocation of the Columbia County Christian School, which is currently located on the parcel to the south in conjunction with the Warren Community Fellowship Church.

Need

The Property Owner and Applicant is requesting a Zone Change and Comprehensive Plan



Amendment in order to change the zoning of the subject 7.4 acre property from Rural Residential - 2 (RR-2) to Community Service - Institutional (CS-I). This Zone Change/Plan Amendment is necessary to facilitate the relocation of the Columbia County Christian School (CCCS) which is currently occupying a portion of the Warren Community Fellowship Church property (Tax Lot 4119-AC-00701). The school is a private, faith based organization that offers an accredited education program for students pre-kindergarten through middle school. The school currently enrolls approximately 60-70 students annually.

### **History**

The subject property is located in very close proximity to the historic "center" of Warren, Oregon. Located directly to the east of Highway 30 from the intersection of Church Road and Highway 30 was the original Post Office location. It was once considered to be the Warren town hall. This location was also a station for locomotive travel, both passenger and agricultural products. This area surrounding the intersection of Church Road and Highway 30 has been a central gathering location for the community members of Warren in the past. This "town center" area included commercial establishments, restaurants, churches, and school facilities with residential uses toward the peripheral of this center, further west of Highway 30. The Warren Community Inn was previously located on the southern corner of Church Road and Highway 30, the Warren Baptist Church is located on the northern corner of this intersection, and the Warren Elementary is sited on the corner of Berg Road and Highway 30. This central location of Warren has historically been used as a meeting place for the citizens of Warren and a general place for community services such as schools, churches, post offices, and restaurants.

In 2008, the current facilities used by Columbia County Christian School were reviewed and approved by Land Development Services through a Site Design Review (DR 07-08). This allowed the siting of the current portable classrooms and the use of the Warren Community Fellowship property as a private school. The subject property for which the zone change is requested has been owned by the Warren Community Fellowship Church since approximately 1999 and has been zoned Rural Residential since 1984. This zone change is the first step to siting the existing private school onto the subject property in order for the Warren Community Fellowship congregation to utilize the space where the current school exists.

### **Site Characteristics**

The subject property has frontage along the north property line on Church Road which is a County right of way. Access to the site is obtained from Church Road via a paved driveway. This access is currently being used for the existing school located on Tax Lot 4119-AC-00701, however the church also has access off of Highway 30 which is currently being used for the school traffic as well. Fire services are provided to the site by Columbia River Fire and Rescue.

Currently, the subject parcel contains no improvements other than the existing paved driveway that is used to access the current Christian School. This property does not contain any Big Game Habitat, Threatened Species, or Natural Areas according to the Scappoose-Spitzenberg Area Beak Map. Although, the southern portion of the property contains Warren Creek, which is a fish bearing creek. According to FEMA FIRM Panel 41009C0453D, the southern portion of this

property is located within the floodplain associated with Warren Creek. Also, the property has natural low areas in the central portion which causes pooling throughout the rainy season. According to neighboring property owners, this pooling is very substantial and is a main topic of concern.

The site is surrounded to the north, east, and west by Rural Residential (RR-2) zoned properties and to the south by the existing church and school which is zoned CS-I. RR-2 zoned properties in this area are developed with single-family residential dwellings at fairly high density, with parcels ranging in size from 0.5 acres to approximately 5 acres. A number of neighbors have expressed concerns regarding this proposed Zone Change and Plan Amendment. Land Development Services has received comments from Jessica and Ryan Jaconsen, John Costic, Linda Bolen, Michael Burr, and Steve Pfeiffer. These concerns will be addressed in findings throughout this report.

On June 4, 2018, the requested PA 18-01 & ZC 18-02 was heard and reviewed by the Planning Commission. During this public hearing, the Planning Commission heard testimony in opposition from a number of neighboring property owners and found that the application does not adequately address neighbors' concerns which relate to a number of review criteria. Some of these concerns relate to septic feasibility to support the proposed use, traffic impacts on Church Road, poor drainage on the subject property, protection of the Warren Creek riparian corridor, and noise concerns.

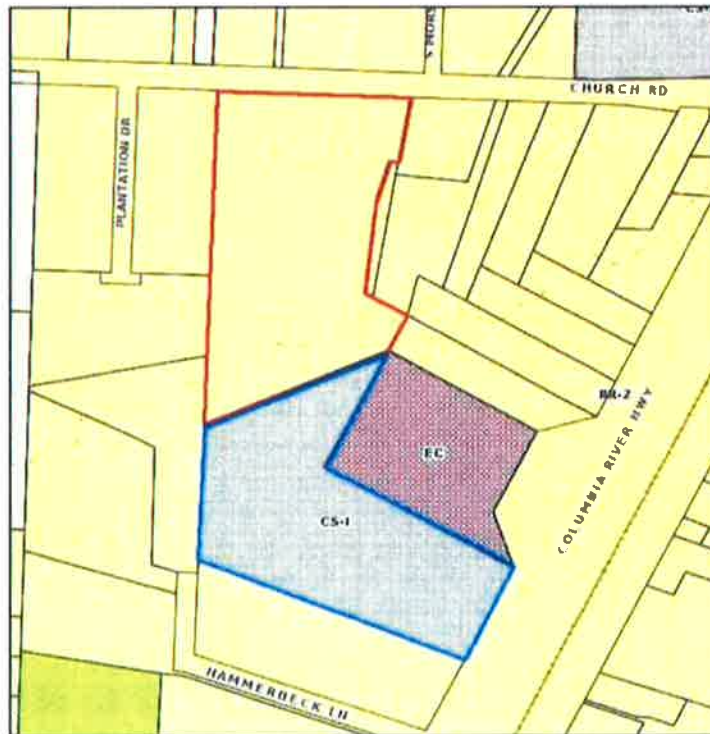
### **Contents of Report**

The remainder of this report will analyze and evaluate the extent to which the proposed map amendment and zone change comply with the applicable provisions of the Columbia County Zoning Ordinance and Comprehensive Plan and Oregon Statewide Planning Goals.

**Aerial Photograph**



**Existing Zoning Map**



**Subject Parcel. Looking from Church Road**



**REVIEW CRITERIA, FACTS, ANALYSIS & FINDINGS:**

**Zoning Ordinance Section 1010 Community Service-Utility**

**Section 1000 COMMUNITY SERVICE - INSTITUTIONAL CS - I**

1001 Purpose: The purpose of this section is to provide for the review and approval of the location and development of special uses which, by reason of their public convenience, necessity, and unusual character or effect on the neighborhood, may not be suitable for listing with the other sections of this Ordinance. The CS-I district is intended to provide a mechanism for the establishment of public and private facilities necessary to meet the demand for the various types of public assemblies and public and private institutional facilities. This district is intended to function as a regular district within the Community Service designation.

1002 Permitted Uses:

- .1 Schools, public or private, and their accompanying sports facilities.

**Finding 1:** The applicant requests approval of a Comprehensive Plan Map amendment and Zone change to allow for the relocation of a private Christian school on a 7.4 acre property that is currently zoned for Rural Residential. With its current zoning of Rural Residential (RR-2), the subject property can not be developed as a private school. As per Section 1002 of the Columbia County Zoning Ordinance, the Community Service-Institutional zone allows "Schools, public or private, and their accompanying sports facilities." as permitted uses, and is therefore, an

appropriate zoning designation for the proposed use. The appropriateness of the subject property for the proposed land use district and use is reviewed through the proposal's consistency with the Zoning Ordinance, Comprehensive Plan and Statewide Planning Goals. Additionally, prior to development, a Site Design Review will be required to address design standards intended to mitigate potential adverse impacts on surrounding properties of different uses. Staff finds that the intended use for the site is consistent with the purpose and permitted uses of the CS-I Zone.

### **Continuing with the Columbia County Zoning Ordinance Section 1003**

1003 **Restrictions and Conditions:** These public facilities have a direct impact upon adjoining properties. The Commission shall study each request to establish a new CS-I use and shall attach adequate conditions to the approval of a CS-I use to insure the adverse impact of the institutional use upon the adjoining land uses have been mitigated.

Conditions shall include:

- .1 Landscaping, berming, fencing, or screening.
- 2 Increased off street parking.
- .3 Limitations on the type and amount of external lighting.
- .4 Limitations on the number and location of access points which connect with County roads or public ways.
- .5 The Commission may attach as many conditions, such as setbacks, screening, off-street parking and unloading, construction standards, maintenance and landscaping requirements, as it deems necessary to protect the public health, safety, welfare, the adjoining property owners, and the public interest.

**Finding 2:** Factors as listed in Section 1003 (above) of the Columbia County Zoning Ordinance will be addressed through the Site Design Review process, and conditions necessary to mitigate impacts of the proposed use implemented at that time. Some, but not all, conditions that will be required at the time of Site Design Review will be discussed throughout later findings of this report. Staff finds that the criterion will be met through a subsequent Site Design Review.

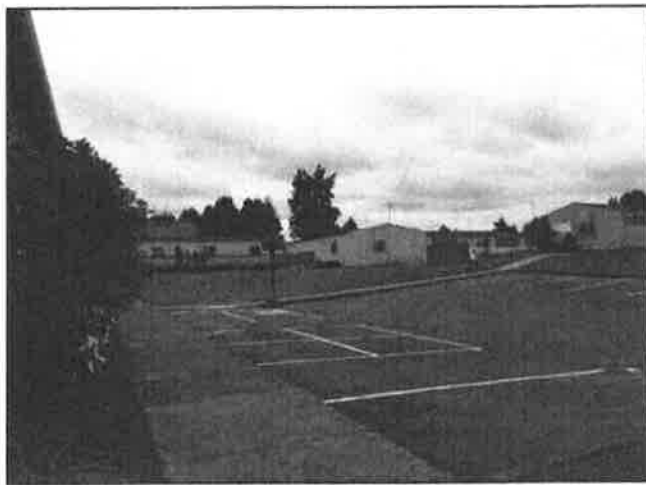
- .6 Within an Urban Growth Boundary, a new CS-I use shall be served by public water and public sewer. The Commission may waive the requirement for the connection to public sewer if it can be shown that the proposed use can be safely served in another manner. In this case, the Commission will require the CS-I use be connected to public sewer when it becomes available to the site.

**Finding 3:** The subject property is not located within an Urban Growth Boundary, and is therefore not required to be connected to public water or sewer. The criterion does not apply.

- .7 Day care centers and private kindergartens shall provide not less than 100 square feet per child of outdoor play area. This area shall not be located in the required front yard unless approved by the Commission.

**Finding 4:** Although this Zone Change and Plan Amendment does not address the site specific development, the applicant will be required, at the time of development, to identify the amount of outdoor play area based on children attending the private school. Staff finds that the criterion will be met through a future Site Design Review for any proposed development.

#### Existing School Facilities on Tax Lot 4119-AC-00701



- .9 Churches may not be approved on a lot or parcel which has an area of less than 15,000 square feet.

**Finding 5:** The proposed new use, after the zone change of the subject parcel, would be for a private, faith based school. A church is not being proposed, although the subject parcel is well over the required 15,000 square foot requirement. Staff finds that this criterion does not apply.

- .10 Off-street parking shall be provided as required in Section 1400.

**Finding 6:** Off-street parking and any other site specific development will be required to be reviewed and approved through the Site Design Review process following this Zone Change and Plan Amendment. Staff finds this criterion can be met with the submittal of a future Site Design Review.

## **Continuing with the Columbia County Zoning Ordinance Section 1004**

- 1004 Before a new Community Service - Institutional use is approved outside an Urban Growth Boundary, the Commission must find that the CS-I use:
- .1 Is consistent with the character of the area.
  - .2 Will not adversely affect natural resources in the area.
  - .3 Will not conflict with farm or forest use in the area.
  - .4 Will not create any traffic hazards.

**Finding 7:** According to the application for PA 18-01 and ZC 18-02 this zone change is necessary in order for the property owners to relocate the Columbia County Christian School from Tax Lot 4119-AC-00701 to the subject parcel (Tax Lot 7119-AC-00700). As discussed in the Summary as well as previous findings, the surrounding area is predominantly zoned Rural Residential with three other parcels zoned CS-I and one zoned EC within approximately 1,000 feet of the subject parcel. Two of the three CS-I zoned properties are currently being used as churches (Warren Community Fellowship and Warren Baptist Church) and the other is being used as an elementary school (Warren Elementary).

This proposal will not adversely affect any farm or forest uses since there are no commercial farm or forest operations in the surrounding area. A significant natural resource, Warren Creek, runs through the subject property on the southern portion. The protections of this natural resource will be discussed in detail in subsequent Findings.

During the Pre-Application meeting that was held on March 23, 2017, it was determined by the County Road Department that this proposed Plan Amendment and Zone Change would not require a Traffic Impact Statement. This is because the current school already uses the proposed access off of Church Road and this relocation will not directly result in more students attending the private school. The relocation of the school alone may not result in changes of traffic counts onto Church Road, but if the school were to expand or if another activity is proposed to be conducted on the property, a Traffic Impact Statement may be required at that time. Although, the County Roads Department deemed it unnecessary, comments from neighboring property owners indicate that Church Road is already over burdened by traffic and if the school is moved to the subject property then all traffic would come and go from Church Road rather than the Highway 30 access. Staff received comments from Oregon Department of Transportation on May 17, 2018 which stated that they have no concerns of traffic implications regarding this proposal. Staff finds that this requested Zone Change and Comprehensive Plan Map Amendment will not create any traffic hazards.

Staff finds that the criterion will be met through a subsequent Site Design Review.

## **Continuing with the Columbia County Zoning Ordinance Section 1015**

## 1005 Standards:

- .1 There is no designated minimum lot or parcel size. The Commission shall review each proposal on a case by case basis and determine if the site is adequate for the proposed use. The site plan shall be reviewed and determined if the site meets all the provisions of this Ordinance, including the off-street parking requirements listed in Section 1400.
- .2 There are no designated minimum setbacks in this district. The applicant shall submit a letter from the Fire Marshall concerning the necessary setbacks for safety. After reviewing the letter and the adjacent land uses, the Commission shall establish setback requirements for each individual site.

**Finding 8:** The subject property is approximately 7.4 acres in size which is sufficient to accommodate the Christian School and the off-street parking requirements of Section 1400 of the County's Zoning Ordinance. The current school is located on the parcel to the south and takes up approximately 3 acres of the Warren Community Fellowship lot. Parking standards will be addressed through the Site Design Review process.

As discussed in previous findings, any site specific design standards will be reviewed and addressed through the Site Design Review process following approval of the proposed Zone Change and Plan Amendment. The site characteristics of the subject property are suitable for the proposed use. Staff finds that the criterion will be met with a Site Design Review.

## **Continuing with the Columbia County Zoning Ordinance Section 1450 Trans. Impact Analysis**

**1450** Transportation Impact Analysis Transportation Impact Analysis (TIA) must be submitted with a land use application if the proposal is expected to involve one or more of the conditions in 1450.1 (below) in order to minimize impacts on and protect transportation facilities, consistent with Section 660-012-0045(2)(b) and (e) of the State Transportation Planning Rule.

- .1 Applicability — A TIA shall be required to be submitted to the County with a land use application if the proposal is expected to involve one (1) or more of the following:
  - A. Changes in land use designation, or zoning designation that will generate more vehicle trip ends.

**Finding 9:** This request is for a Zone Change and Major Comprehensive Plan Map Amendment for the subject 7.4 acre property which is currently zoned RR-2. In comments received on 4/12/18 from the Columbia County Roads Department, they state that the County Road Department is not requiring a Traffic Impact Study. As discussed at the Pre-Application meeting, this activity/development will not change the traffic counts. This is because the school is already



in existence on the adjacent parcel and already utilizes the existing access. However, the Road Department states if the school/church is to expand its operations, or if another activity is to be conducted on the property, a Traffic Impact Study may be required at that time. Also, the Oregon Department of Transportation commented on the proposed Zone Change and Comprehensive Plan Map Amendment and stated that they have no concern over traffic implications regarding this proposal. Staff finds that this criteria has been met.

- B. Projected increase in trip generation of 25 or more trips during either the AM or PM peak hour, or more than 400 daily trips.

**Finding 10:** The County Road Department does not anticipate an increase in trip generation because the proposal as requested is intended to relocate the existing school facility on the Warren Community Fellowship Church parcel, to the subject parcel. The Road Department stated if the school/church is to expand its operations, or if another activity is to be conducted on the property, a Traffic Impact Study may be required at that time. Staff finds that this criteria is met.

- C. Potential impacts to intersection operations.

**Finding 11:** As stated in previous Findings, this proposal is for the relocation of the existing Columbia County Christian School facility to the neighboring property. The anticipated development would utilize existing accesses off of Highway 30 and Church Road and would not have further impact on intersections in the surrounding area. Staff finds that this criteria is met.

- D. Potential impacts to residential areas or local roadways, including any non-residential development that will generate traffic through a residential zone.

**Finding 12:** This proposal is for the Zone Change and Comprehensive Plan Map amendment, to change the subject property from Rural Residential (RR-2) to Community Service (CS-I). The area to the west of the subject property is predominantly residential, however the subject property is in close proximity to the Highway 30 corridor and located on the fringes of the residential areas of Warren. There are no expansions of the school as a result of this zone change therefore it will not create any new impacts to residential or local roadways. It will also not generate any additional traffic through a residential zone. Staff finds that this criteria is met.

- E. Potential impacts to pedestrian and bicycle routes, including, but not limited to school routes and multimodal roadway improvements identified in the TSP.

**Finding 13:** Church Road currently does not have any existing pedestrian facilities or bicycle routes, nor is it identified for multimodal roadway improvements in the Columbia County Transportation Plan. As stated previously, the intended relocation of the school will not create

further impacts to existing systems. However, at the time of Site Design Review, the applicants may be required to install frontage improvements on Church Road as well as multimodal facilities and infrastructure to support the intended use.

- F. The location of an existing or proposed access driveway does not meet minimum spacing or sight distance requirements, or is located where vehicles entering or leaving the property are restricted, or such vehicles are likely to queue or hesitate at an approach or access connection, thereby creating a safety hazard.

**Finding 14:** The intended use of the subject property is already occurring on the Warren Community Fellowship Church Property to the south. The existing school is utilizing the existing access, which will not change as a result of this zone change and map amendment. Although, if at the time of Site Design Review, there are expansions to the school facilities, there may be improvements required to support the future school. The County Road Department commented on the proposal and stated that the future, intended development will not change the traffic counts.

- G. A change in internal traffic patterns may cause safety concerns.

**Finding 15:** This proposal is for the zone change and plan amendment for the subject property and the approval of this zone change does not authorize any site specific development. At the time of development, the internal traffic patterns will be reviewed and approved by the County Road Department. Staff finds this criteria is met.

- H. A TIA is required by ODOT pursuant with OAR 734-051

**Finding 16:** The application materials were sent to Oregon Department of Transportation on April 16, 2018. ODOT submitted comments for the proposed Zone Change and Comprehensive Plan Map Amendment and stated that they have no concerns over traffic implications for this proposal. Staff finds that this criteria has been met.

- I. Projected increase of five trips by vehicles exceeding 26,000-pound gross vehicle weight (13 tons) per day, or an increase in use of adjacent roadways by vehicles exceeding 26,000-pound gross vehicle weight (13 tons) by 10 percent.

**Finding 17:** As stated previously, there is no development being proposed with ZC 18-02 and PA 18-01. Because the intended, future use of the subject property is an existing private school that currently utilizes the existing accesses, there will be no change in traffic patterns including vehicles exceeding 26,000 pounds. Staff finds that this criteria is met.

**Church Road, North Property Line**



**Existing Access from Church Road**



**Continuing with the Columbia County Zoning Ordinance Section 1502 Zone Changes**

- .1 Major map Amendments are defined as Zone Changes which require the Comprehensive Plan Map to be amended in order to allow the proposed Zone Change to conform with the Comprehensive Plan. The approval of this type of Zone Change is a 2 step process:
  - A. The Commission shall hold a hearing on the proposed Zone Change, either concurrently or following a hearing on the proposed amendment to the Comprehensive Plan which is necessary to allow the proposed zoning to conform with the Comprehensive Plan. The Commission may recommend approval of a Major Map Amendment to the Board of Commissioners provided they find adequate evidence has been presented at the hearing substantiating the following:
    1. The proposed Zone Change is consistent with the policies of the Comprehensive Plan;
    2. The proposed Zone Change is consistent with the Statewide Planning Goals (ORS 197); and
    3. The property and affected area are presently provided with adequate facilities, services, and transportation networks to support the use, or such facilities, services and transportation

networks are planned to be provided concurrently with the development of the property.

- B. Final approval of a Major Map Amendment may be given by the Board of Commissioners. The Commissioners shall hold a hearing on the proposed Zone Change either concurrently or following a hearing on the proposed Comprehensive Plan Amendment which is necessary to allow the proposed zoning to conform with the Comprehensive Plan. The Board may approve a Major Map Amendment provided they find adequate evidence has been presented substantiating the following:
1. The proposed Zone Change is consistent with the policies of the Comprehensive Plan;
  2. The proposed Zone Change is consistent with the Statewide Planning Goals (ORS 197); and
  3. The property and affected area are presently provided with adequate facilities, services, and transportation networks to support the use, or such facilities, services, and transportation networks are planned to be provided concurrently with the development of the property.

**Finding 10:** The subject application is being processed as a Major Map Amendment because a Comprehensive Plan Map Amendment is necessary to allow the Zone Change, from Rural Residential-2 (RR-2) to Community Service-Institutional (CS-I), to conform with the Comprehensive Plan. In order for the zoning to be changed as described, the Comprehensive Plan Map shall be changed from Rural Residential to Community Service. The Planning Commission will hear the matter and make a recommendation to the Board of Commissioners. The Board of Commissioners will review all testimony and make a decision to approve, approve with conditions, or deny the application.

Consistency with the policies of the Comprehensive Plan and the Oregon Statewide Planning Goals are reviewed throughout this report. The goals and policies of the Comprehensive Plan are addressed in Findings 15-25 and the Statewide Planning Goals are addressed in Findings 26-33. Likewise, the availability and adequacy of public facilities and services necessary to support the proposed use are discussed through the analyses of the proposal's consistency with the Comprehensive Plan and Planning Goals, and specifically, Findings 34, 20 and 32 of this report.

### **Continuing with Columbia County Zoning Ordinance Section 1603**

**Section 1603 Quasi-judicial Hearing** As provided elsewhere in this ordinance, the Hearings Officer, Planning Commission, or Board of Commissioners may approve certain actions which are in conformance with the provisions of this ordinance. Zone Changes, Conditional Use Permits, Major Variances, and Temporary Use Permits shall be reviewed by the appropriate body and may be approved using the following procedures:

- .1 The applicant shall submit an application and any necessary supplemental information as required by this ordinance to the Planning Department. The application shall be reviewed for completeness and the applicant notified in writing of any deficiencies. The application shall be deemed complete upon receipt of all pertinent information. If an application for a permit or zone change is incomplete, the Planning Department shall notify the applicant of exactly what information is missing within 5 days of receipt of the application and allow the applicant to submit the missing information. The application shall be deemed complete for the purpose of this section upon receipt by the Planning Department of the missing information. *[effective 7-15-97]*
- .2 Once an application is deemed complete, it shall be scheduled for the earliest possible hearing before the Planning Commission or Hearings Officer. The Director will publish a notice of the request in a paper of general circulation not less than 10 calendar days prior to the scheduled public hearing. Notices will also be mailed to adjacent individual property owners in accordance with ORS 197.763. *[effective 7-15-97]*

**[Note:** ORS 197.763 requires 20 days notice (or 10 days before the first hearing if there will be 2 or more hearings), and that notice be provided to property owners within 100' (inside UGBs), 250' (outside UGBs), or 500' (in farm or forest zones).]

- .3 At the public hearing, the staff, applicant, and interested parties may present information relevant to the criteria and standards pertinent to the proposal, giving reasons why the application should or should not be approved, or what modifications are necessary for approval. *[effective 7-15-97]*
- .4 Approval of any action by the Planning Commission at the public hearing shall be by procedure outlined in Ordinance 91-2. *[effective 7-15-97]*

**Finding 11:** Warren Community Fellowship submitted an application for a Major Map Amendment on April 2, 2018. The application was deemed complete on April 12, 2018 and scheduled to be heard at the Planning Commission's June 4, 2018 meeting. The 35-day notice was mailed to the Department of Land Conservation and Development (DLCD) on April 13, 2018. Notice of this application was mailed to surrounding property owners within 250 feet of

the subject site on April 16, 2018. Finally, notice of the application and public hearing has been published in the *Chronicle* and the *Columbia County Spotlight* on May 23 and May 25, 2018. This notice was published at least 10 calendar days prior to the June 4, 2018 public hearing date. Public notification procedures as outlined by Section 1603 for Quasi-judicial hearings were followed for this proposal. Public hearing procedures will be followed in accordance with this Section and Ordinance 91-2. For the Board hearing, notice was provided to local papers for publication and sent to neighboring property owners on June 28, 2018. News paper publication was on July 6, 2018.

### **Continuing with Columbia County Zoning Ordinance Section 1605**

#### **Section 1605            Zone Change - Major Map Amendment:**

The hearing for a major map amendment shall follow the procedure established in Sections 1502, 1502.1, 1502.1A and 1502.1B. This hearing cannot result in the approval of a major map amendment. The Commission may make a recommendation to the Board of Commissioners that such a zone change be granted. Approval by the majority of the Commission is necessary in order to make recommendation to the Board of Commissioners. The Board of Commissioners hearing on the proposed zone change - major map amendment will be on the record unless a majority of the Board votes to allow the admission of new evidence.

**Finding 12:** The hearing for this application is a Major Map Amendment and will follow the procedures established in Sections 1502, 1502.1 (A and B) as described in previous Findings. The Planning Commission will hold a public hearing and make a recommendation to the Board of Commissioners. The Board of Commissioners will then hold a hearing and make a formal decision to allow, allow with conditions, or prohibit the proposed Comprehensive Plan Map Amendment and Zone Change.

### **Continuing with Columbia County Zoning Ordinance Section 1607**

#### **Section 1607            Consistency with the Comprehensive Plan:**

All amendments to the Zoning Ordinance Text and Map shall be consistent with the Comprehensive Plan Text and Maps.

- .1 The Commission shall hold a hearing to consider the proposed amendments and shall make a recommendation to the Board of Commissioners with regard to the proposed amendments. The Board of Commissioners shall hold at least one

hearing to consider the proposed amendments. Both the Commission and the Board of Commissioners hearings will require notice in the manner outlined in Section 1611.

**Finding 13:** As discussed in previous Findings, the request to change the Zoning Ordinance Map from RR-2 to CS-I also requires a Comprehensive Plan Map Amendment from Rural Residential to Community Service. This application is being processed as a Major Map Amendment, involving amendments to both the Comprehensive Plan Map and Zoning Map. The zone changes' consistency with the Comprehensive Plan is discussed in the findings that follow.

The Planning Commission public hearing was held on the proposed amendments on June 4, 2018. They made a recommendation, with regard to the amendments, to the Board of Commissioners, which is scheduled to be heard on July 25, 2018. This is a quasijudicial hearing. Notice of the Planning Commission hearing followed the procedures set forth in Sections 1603 and 1608 of the County's Zoning Ordinance. Notice of the Board of Commissioners hearing also followed the procedures of Section 1608. Staff finds that the criterion is met.

### **Continuing with Columbia County Zoning Ordinance Section 1608**

**1608 Contents of Notice:** Notice of a quasijudicial hearing shall contain the following information:

- .1 The date, time, and place of the hearing;
- .2 A description of the subject property, reasonably calculated to give notice as to the actual location, including but not limited to the tax account number assigned to the lot or parcel by the Columbia County Tax Assessor;
- .3 Nature of the proposed action;
- .4 Interested parties may appear and be heard;
- .5 Hearing to be held according to the procedures established in the Zoning Ordinance.

**Finding 14:** Notice of the Planning Commission's public hearing was published in the *Chronicle* and the *Spotlight* on May 23, 2018 and May 25, 2018, and contained all information required by Section 1608 of the Columbia County Zoning Ordinance. For the second public hearing by the Board of Commissioners, a similar notice, containing all applicable information as outlined in Section 1608, and published in the *Spotlight* on July 6, 2018.

**Section 1502.1(A)(1) Consistency with the Comprehensive Plan**

**THE FOLLOWING POLICIES OF THE COUNTY'S COMPREHENSIVE PLAN APPLY TO THIS PROPOSAL (THOSE NOT LISTED ARE NOT APPLICABLE):**

**Finding 15:**

**Part II (Citizen Involvement):** requires opportunity for citizens to be involved in all phases of the planning process. Generally, Part II is satisfied when a local government follows the public involvement procedures set out in State statutes and in its acknowledged Comprehensive Plan and land use regulations, which has been completed for this application. Additionally, the Scappoose-Spitzenberg Citizen Planning Advisory Committee was notified of the proposed Comprehensive Plan Map Amendment and Zone Change. While this CPAC does not frequently hold meetings, there are discussions within the CPAC members through a telephone survey conducted by the Chair, Michael Sheehan. Land Development Services received comments on April 24, 2018 from the CPAC which voted 6-0 in favor of approval with certain concerns. These concerns consist of increased traffic should lead to lower speed limits on Church Road, the applicant should be required to show that adequate water facilities are available, and the applicant shall show the feasibility of onsite sewage disposal facilities.

Land Development Services also has received comments from a number of neighboring property owners regarding this proposal. These property owners include Jessica and Ryan Jacobsen, John Costic, Linda Bolen, Michael Burr, and Steve Pfeiffer. The comments, which are attached, outline shared concerns including; traffic congestion onto Church Road, increased noise and light pollution into a rural neighborhood, water drainage, septic capacity, decreased home values, and the lack of transparency from the applicant to the neighboring community. The email received on May 7, 2018 from Ryan Jacobsen outlines the attempts that neighbors have made to be a part of this zone change process and the lack of information given.

In the application, the applicant's response to Part II - Citizen Involvement relied heavily on the county's process of public notification and the procedural requirements for two separate public hearings including the Planning Commission and the Board of Commissioners. Since the June 4, 2018 Planning Commission meeting, staff has received communication from a neighboring property owner which shows that the applicant has set up a survey that was sent out to neighbors regarding this proposal. Staff does not have any information on who it was sent out to, or the information that was gathered as a result of this survey.

Based on County government notifications, the opportunity for two public hearings (Planning Commission and Board of Commissioners), and Citizen Planning Advisory Committee comments and recommendations. Staff finds that Part II (Citizen Involvement) of the Comprehensive Plan has been satisfied.



## **Continuing with Columbia County Comprehensive Plan (Planning Coordination)**

### **Finding 16:**

**Part III (Planning Coordination):** requires coordination with affected governments and agencies. In accordance with Section 1603 of Columbia County's Zoning Ordinance, ORS 215.060 and ORS 197.610, the County provided notice of the hearing with the opportunity for comments to DLCD, the Scappoose-Spitzenberg CPAC members, affected property owners, and other relevant governmental entities. Any and all comments, received as of the date of this report, are discussed under COMMENTS RECEIVED below.

Additionally, this Comprehensive Plan Map Amendment is subject to the Quasi-judicial public hearing process and is heard by the Planning Commission (for a recommendation) and by the Board of County Commissioners (for a decision). These hearings are advertised and open to the public and provide additional opportunity for public comment. The Planning Commission hearing is scheduled for June 4, 2018 which will be followed by a hearing of the Board of County Commissioners that has yet to be scheduled. All of these requirements have and will be satisfied through the public notice process. Staff finds that the criterion is met.

## **Continuing with Columbia County Comprehensive Plan (Housing)**

### **Finding 17:**

**Part VI (Housing):** The housing goal is to provide for the housing needs of the citizens of Columbia County by allowing adequate flexibility in housing location, type and density. The subject property is currently vacant and has been owned by the Warren Fellowship Church since the late 1990's. It is currently zoned RR-2 which would allow 2-3 additional dwellings to be developed on the subject property depending on the availability of private facilities to support this residential use. In the application, the applicant states that the proposed Zone Change and Plan Amendment from Rural Residential to Community Service will result in nominal reduction in the amount of buildable land available for residential construction. Given the zoning and current development pattern in the vicinity of the subject property, there appears to be a number of vacant residential parcels that have yet to be developed. Also, the subject property has had at least six lot evaluations conducted in different locations on the property since 2005. Of these lot evaluations only one was approved, located in the southern portion of the property on the high area. Although there is enough acreage for three potential homesites, the onsite facilities required to support three homes would be a limiting factor for development even if the property were to maintain its Rural Residential zoning designation.

Although the request does not provide additional housing for the County, the request also does not contradict the housing goal to "allow adequate flexibility in housing type, location and

density." Staff finds that the proposed map amendment and zone change is not inconsistent with Part VI (Housing) of the Comprehensive Plan and that said section has been satisfied.

### **Continuing with Columbia County Comprehensive Plan (Rural Residential)**

#### **Finding 18:**

**Part VII (Rural Residential):** The rural residential goal is to provide for the continuation and needed expansion of rural residential uses on those lands where a valid exception to forest goals has been justified. Columbia County has a pattern of rural residential uses where rural homesites are located along or close to public roads or clustered near intersections and have an average density of one unit per ten acres or less. Lands that were "built and committed" to non-resource use at the time of zoning (1984), and that were generally developed for residential purposes, were zoned Rural Residential (RR-5 or RR-2). Although the subject property has never been a residential site, it is located amongst other residential properties and was zoned accordingly.

As discussed in Finding 20, Policy 18 of the Public Facilities and Services section of the Comprehensive Plan is to "designate parcels supporting public and private facilities and services as Community Service in the Comprehensive Plan and implement this plan designation through three zoning designations: (A) Community Service Utility - CSU, (B) Community Service Institutional - CSI, and C) Community Service Recreation - CSR." Policy 19 goes on to state, "Designate as Community Service Institutional (CSI) those lands that: (A) Support various types of public and private institutional facilities existing as of the date of this ordinance; or (B) Are needed to support public and private institutional facilities which can be shown to satisfy the minimum standards set out in the implementing ordinances."

As discussed in the previous Finding, pertaining to Housing, the subject property has never been used as a residential property and, most likely, will not be used residentially in the future due to limitations with the onsite septic systems, which will be discussed in later findings. Changing the site's zoning from RR-5 to CS-I will not prohibit the continuation of an existing rural residential use, as the property has never been developed residentially. Finally, the proposed map amendment and zone change will likely not interfere with the expansion of rural residential uses on lands where a valid exception to forest goals has been justified because the site is only eligible for 1-3 single-family dwellings based on the two acre minimum lot size of the RR-2 Zone and the ± 7.4 acre parcel size of the subject property. The loss of approximately 7.4 acres of Rural Residential land is not detrimental to the continuation and needed expansion of Rural Residential uses in the County. Staff finds that Part VII (Rural Residential) of the Comprehensive Plan has been satisfied.

**Continuing with Columbia County Comprehensive Plan (Transportation)**

**Finding 19:**

**Part XIII (Transportation):** The goal of part XIII is the creation of an efficient, safe, and diverse transportation system to serve the needs of Columbia County residents. The subject property has frontage on Church Road, which is a county right-of-way, and gains access to the site from this roadway. However, there is another access off of Highway 30 which has been used by the Warren Community Fellowship Church. Church Road is a paved, two lane roadway with a 60 foot right-of-way. This proposal requests the relocation of the Columbia County Christian School from the Warren Community Fellowship property to the subject property, which should not generate additional traffic. This is because there is no proposed increase of students or activities that will utilize the existing access.

Policy 2 of the Transportation section of the Comprehensive Plan is applicable to this project. Policy 2 requires the dedication of adequate right-of-way to meet the standards set in the Transportation Plan if a zone change is requested. Although this map amendment and zone change is specific to tax lot 4119-AC-00700, the school is already operating on the adjacent parcel 4119-AC-00701 and is currently utilizing the access onto Church Road for the existing school facilities. In the submitted application, the applicant states that the property also has a secondary access from Highway 30 via the property that is occupied by Warren Community Fellowship Church. During the Pre-Application meeting, it was determined by the County Roads Department that this project would not require a TIA due to the fact that the access was already being used by the existing school facilities and the number of students and activities would not be increasing. Oregon Department of Transportation also submitted comments on May 17, 2018 and stated that they have no concerns on the traffic implications for this requested zone change. Although numerous comments received from neighboring property owners regarding traffic concerns. They state, in part, that Church Road is already overburdened by the traffic increase occurring with homes being built in the area and relocating the school facilities will only increase the traffic congestion over time.

As stated in previous Findings throughout this report, the Zone Change and Comprehensive Plan Amendment is requested in order to move the existing private school facilities from the Warren Community Fellowship Church property to the subject property, utilizing the same accesses that are currently in use. The safety and efficiency of the transportation network in the area, including that of Church Road, should not be compromised as a result of this proposal. Staff finds that Part XIII of the Comprehensive Plan has been satisfied.

**Continuing with Columbia County Comprehensive Plan (Public Facilities and Services)**

**Finding 20:**

**Part XIV (Public Facilities & Services):** The goal of Part XIV is to plan and develop a timely, orderly, and efficient arrangement of public services as a framework for urban and rural development. Policy 2 of the Public Facilities and Services section states, "Require that the level of facilities and provided be appropriate for, but limited to, the needs and requirements of the area(s) to be served. The types and level of public facilities allowed within Rural Residential, Rural Center, Existing Commercial, and Rural Industrial areas are: A. Public or community water systems. B. Public or community sewage systems. C. Collector and/or arterial street systems. D. Fire protection by a rural fire protection district, or an equivalent level of service". While this area is not a part of any incorporated city or within an urban growth boundary, it does provide some types of public facilities and services.

The subject property is approximately 7.4 acres and located in an area of relatively high density rural, single-family developments. The area is served by Warren Water Association and the applicants propose to utilize their services for future development. The applicant has not submitted any documentation stating that Warren Water is willing and able to serve this intended new use, however on May 18, 2018 Warren Water submitted comments stating that they have reviewed the requested Zone Change and Comprehensive Plan Map Amendment and have no objections to its approval as submitted.

There are no public stormwater facilities in the vicinity. The subject property is within a natural drainage area including Warren Creek basin. Staff notes that a private engineered stormwater and erosion control plan will be required at the time of Site Design Review. An email from Ryan Jacobsen dated May 6, 2018 shows pictures of the subject parcel from 2015 and 2017 with a large pond in the central portion of the property, described as a "lake". The neighbors also question, if a school is sited in the portion of the parcel where there is poor drainage, what is going to happen to all of the water.

There are no public sewage disposal facilities located within the vicinity of this site. The property does have an approved lot evaluation (LOV 07-065) for an alternative sand filter septic system, however this septic system would only provide enough flow for a four-bedroom residence. The County Sanitarian commented on this proposal and stated, "detailed septic feasibility will be required for subsequent site design review process". The applicant has not shown that the proposed use of the subject property is able to be supported by an approved method of waste water disposal. Also, comments received from neighbors are very skeptical that a system that can handle this proposed private school is able to be approved on the subject property.

The subject property is served by the Columbia County Sheriff as well as Columbia River Fire and Rescue. No comments were received by either as part of this proposal, however prior to the approval of the Site Design Review, setbacks, access and fire flow for the planned school shall be reviewed and approved by Columbia River Fire and Rescue.

With no evidence showing that a septic system can be designed to handle the proposed use for this Zone Change and Comprehensive Plan Map Amendment, Staff finds that this criteria has not been met. Staff finds that Part XIV of the Comprehensive Plan has not been satisfied.

**Continuing with Columbia County Comprehensive Plan (Energy Conservation)**

**Finding 21:**

**Part XV (Energy Conservation):** The purpose of this Part of the Comprehensive Plan is to strive for an energy efficient land use pattern base upon sound economic principles. Policy 6 states, "Commercial will be encouraged to locate within or adjacent to residential areas to limit the energy consumed by travel between residential and shopping areas". As stated in previous findings, the existing school is located on the adjacent parcel with the Warren Community Fellowship Church. The applicant states, given that the school is already existing, the relocation to adjacent property is not expected to result in any increase in energy consumption. By allowing the school to relocate to the adjacent property, it will keep the school in close proximity to the residential area where the students reside. Staff finds that this request will not result in an increase of energy consumption.

**Continuing with Columbia County Comprehensive Plan (Open Space, Scenic, Historic and Natural Areas)**

**Finding 22:**

**Part XVI (Goal 5: Open Space, Scenic and Historic Areas, and Natural Areas):** The purpose of this Part of the Comprehensive Plan is to conserve open space and protect the identified natural and scenic resources in Columbia County as defined by Statewide Planning Goal 5 and the related administrative rule. In order to meet the requirements of Statewide Planning Goal 5, the proposal's impacts on Fish and Wildlife Habitat and Water Resources shall be evaluated. Other resources identified by Goal 5 that are not listed, are not applicable to this request.

The purpose of this Part of the Comprehensive Plan is to conserve open space and protect the identified natural and scenic resources in Columbia County as defined by Statewide Planning Goal 5 and the related administrative rule.

**Article VIII. Fish and Wildlife Habitat:** The Goal of Article VIII is to protect and maintain important habitat areas for fish and wildlife in Columbia County. The County's Comprehensive Plan discusses Big Game, Columbian White-Tailed Deer, Fish, Furbearer, Waterfowl, Non-Game Wildlife and Upland Game Habitats. According to the Oregon Department of Forestry's Stream Classification Maps, Warren Creek, which runs through the southern portion of the

subject property is a fish bearing stream. In the submitted application, the applicant responded to this criteria, *"It is important to note any future development of this property will require conformance to the County's Zoning Code (i.e. Section 1170, Riparian Corridors, Wetlands, water Quality and Fish/Wildlife habitat Protection Overlay and Section 1185, Natural Features Overlay) as well as State and Federal Regulations"*. In addition to the conformance with the mentioned Sections of the Zoning Ordinance, all development shall be reviewed with Section 1100 Flood Hazard Overlay to ensure all development is located outside of the floodplain associated with Warren Creek. Based on the proposed site plan, all development will be located in the northern portion of the property, away from the riparian corridor. The application also states that the riparian corridor is considered a valuable environmental and educational resource to the school. The presence of this resource on the subject property offers many opportunities for environmental education as well as ecology. These development standards also apply to Article X - Wetlands. Section B of Article X states that riparian boundaries for fish-bearing streams and rivers with an average annual stream flow of less than 1,000 cubic feet per second shall be 50-feet from the top-of-bank. Staff finds that the future development of the property shall not encroach nor threaten the 50' riparian corridor for this fish bearing stream. This proposal is found to be consistent with Part XVI of the Comprehensive Plan, with conditions of Site Design Review.

#### **Driveway from Church Road with Warren Creek Riparian Area**



### **Continuing with Columbia County Comprehensive Plan (Recreation Needs)**

#### **Finding 23:**

**Part XVII (Recreation Needs):** The Goal of the Recreation Needs section is to satisfy the recreational needs of the citizens of Columbia County and its visitors. Although this proposal will not include the establishment of a public park, the applicant states that if the property were to be partitioned for residential use, creating three additional homesites to the area, that would create more of a need for additional parks in the vicinity. The proposed Zone Change and Comprehensive Plan Map Amendment will not directly affect the need for a park within the vicinity as no development is being proposed. However, the amount of available recreation land will increase in the vicinity due to the development of playgrounds, athletic fields and indoor gymnasium space. The school will be private, but could potentially be used by the general public through agreements with the Columbia County Christian School. With this possible increase of recreational opportunities, staff finds that this proposal would potentially help satisfy the overall goal of Part XVII of the Comprehensive Plan.

### **Continuing with Columbia County Comprehensive Plan (Air, Land and Water)**

#### **Finding 24:**

**Part XVIII (Air, Land and Water):** The Goal of this Section of the Comprehensive Plan is to maintain and improve land resources and the quality of the air and water of the County. Policy 1 of this Part aims to work with the appropriate State and Federal agencies to ensure that State and Federal water, air, and land resource quality standards are met. As discussed in previous findings, the applicant states that any future development that is proposed on the subject property will be required to be in conformance to the County's Zoning Code as well as State and Federal regulations that protect the quality of air, water and land resources. Staff finds that this proposal will comply with this Section of the Comprehensive Plan, with conditions for Site Design review.

### **Continuing with Columbia County Comprehensive Plan (Natural Disasters and Hazards)**

#### **Finding 25:**

**Part XIX (Natural Disasters and Hazards):** The Floodplain section of Part XIX is applicable to this application. The Goal of the Floodplain section is to eliminate or reduce the economic and social costs created by flood caused damages. Policies 2 and 3 are relevant to this proposal as Policy 2 states, "Any new development with the flood plain shall be designed to avoid damage from flooding and to minimize the damage potential to other developments or properties". Policy 3 states, "Open space uses such as recreation or agriculture shall be encouraged within identified

flood plain areas". As stated in previous findings, according to FEMA FIRM 41009C0453D, the southern portion of the property contains identified floodplains that are associated with Warren Creek. There is no development proposed as part of this request, however the applicant states that all structures will be site outside of this floodplain area. Also, according to the submitted proposed site plan, the proposed school will be located in the northern portion of the subject property and the recreational, multi-use field will be located closer to this identified floodplain. As such, the proposed map and amendment and zone change are consistent with Part XIX of the Comprehensive Plan.

**Section 1502.1(A)(2) Consistency with the Statewide Planning Goals**

**THE FOLLOWING OREGON STATEWIDE PLANNING GOALS APPLY TO THIS PROPOSAL (THOSE NOT LISTED ARE NOT APPLICABLE):**

**Finding 26:**

**Goal 1 (Citizen Involvement):** Goal 1 requires opportunity for citizens to be involved in all phases of the planning process. Generally, Goal 1 is satisfied when a local government follows the public involvement procedures set out in the statutes and in its acknowledged Comprehensive Plan and land use regulations.

For quasi-judicial Comprehensive Plan Amendments and Zone Changes, the County's land use regulations, ORS 215.060 and ORS 197.610 require notice to the public and to the Department of Land Conservation and Development (DLCD) and public hearings before the County Planning Commission and Board of Commissioners. By complying with these regulations and statutes, the County complies with Goal 1.

Scott Winegar submitted an application for the property owners, Warren Community Fellowship Church, for a Major Map Amendment on April 2, 2018. The application was deemed complete on April 12, 2018 and scheduled to be heard at the Planning Commission's June 4, 2018 meeting. The 35-day notice was mailed to the Department of Land Conservation and Development (DLCD) on April 13, 2018. Notice of this application was mailed to surrounding property owners within 250 feet of the subject site on April 16, 2018. Additionally, the Scappoose-Spitzenberg CPAC (Citizen Planning Advisory Committee) was notified of the proposed Comprehensive Plan Map Amendment and Zone Change. While this CPAC does not frequently hold meetings, there are discussions within the CPAC members through a telephone survey conducted by the Chair, Michael Sheehan. Land Development Services received comments on April 24, 2018 from the CPAC which voted 6-0 in favor of approval with certain concerns. These concerns consist of increased traffic should lead to lower speed limits on Church Road, the applicant should be required to show that adequate water facilities are available, and



the applicant shall show the feasibility of onsite sewage disposal facilities. Also, Staff has received numerous comments from neighboring property owners, which are included in this Staff Report as attachments. Public hearing procedures will be followed in accordance with the Zoning Ordinance Sections and Ordinance 91-2. The hearing before the Board of County Commissioners is scheduled for July 25, 2018. The Planning Commission has forwarded their recommendation on to the Board. Staff finds that Goal 1 has been satisfied.

### **Continuing with the Oregon Statewide Planning Goals (Goal 2)**

#### **Finding 27:**

**Goal 2 (Land Use Planning):** The purpose of Goal 2 is, "To establish a land use planning process and policy framework as a basis for all decisions and actions related to use of land and to assure an adequate factual base for such decisions and actions." Further, as summarized by the Department of Land Conservation and Development, Goal 2 requires coordination with affected governmental entities, consistency with acknowledged plans, and periodic review and revisions (as needed) to those plans. "Goal 2 also contains standards for taking exceptions to statewide goals. An exception may be taken when a statewide goal cannot or should not be applied to a particular area or situation. No exception to Statewide Goals are proposed for this application.

As discussed in the previous Findings, the County has complied with Goal 2's coordination requirement. The County notified the Department of Land Conservation and Development of the request on April 12, 2018. This proposal was sent out to a number of governmental entities, including the Scappoose Bay Water Shed Council, Columbia River Fire and Rescue, ODOT Highways, DLCD, the County Sanitarian, Transportation Planner, Building Official, and Assessor. All comments received from affected governmental entities support the application as long as impacts to neighboring properties are mitigated through the design of the site and its proposed development.

Findings throughout this report demonstrate the proposal's consistency with the County's Comprehensive Plan and Zoning Ordinance and with Oregon's Statewide Planning Goals. Exceptions to Planning Goals were not necessary for this proposal as the proposal involves the conversion of Rural Residential land to Community Service-Institutional land. As described by Columbia County's Comprehensive Plan, "The statewide planning goals require that resource lands be protected unless the land is 'Built and Committed' to non-resource uses (a Type I Exception), or 'needed' to support a non-resource use (a Type II Exception). As discussed in Finding 17, the subject property was found, at the time of zoning, to be "built and committed" to a non-resource use, and as such, was granted a Type I exception to Goals 3 (Agriculture) and 4 (Forest Lands) with the adoption of its RR-5 zoning designation. No resource lands are being lost as a result of this application. Staff finds that Goal 2 has been satisfied.

## Continuing with the Oregon Statewide Planning Goals (Goal 5)

### Finding 28:

**Goal 5 (Natural Resources, Scenic and Historic Areas, and Open Spaces):** This goal is intended "to protect natural resources and conserve scenic and historic areas and open spaces." Goal 5 further requires that local governments inventory scenic, historic and open space resources and adopt programs that will conserve these resources for present and future generations. Said resources include, but are not limited to, riparian corridors, including water, riparian areas and fish habitat, wetlands, wildlife habitat, approved Oregon Recreation Trails, natural areas, wilderness areas and cultural areas. Part XVI of the Comprehensive Plan addresses Goal 5. As such, previous Findings of this report provide a more detailed discussion of the Goal 5 resources on or near the subject property.

The Warren Creek is the only protected resource located on the property that has the potential to be impacted by construction of the new Christian School. Because Warren Creek is a fish-bearing creek there is a required 50 foot setback from the topbank. As stated by the applicant, "These areas will not be affected by any proposed change in zoning, as no physical development is proposed. It is important to note that any future development of this property will require conformance to the County's Zoning Code (i.e. Section 1170, Riparian Corridors, Wetlands, Water Quality and Fish/Wildlife Habitat Protection Overlay and Section 1185) as well as state and federal regulations." Impacts to said riparian corridor will be further analyzed through the Site Design Review process, and conditions imposed for permitting or mitigation of impacts if applicable. Section 1170 of the Columbia County Zoning Ordinance regulates permitted and prohibited uses within designated riparian areas. Development of the subject property shall comply with this Section of the Zoning Ordinance. Therefore, the request is consistent with Statewide Planning Goal 5. Staff finds that the criterion will be satisfied.

## Continuing with the Oregon Statewide Planning Goals (Goal 6)

### Finding 29:

**Goal 6 (Air, Water and Land Resources Quality):** Goal 6 addresses the quality of air, water and land resources. In the context of comprehensive plan amendments/zone changes, a local government complies with Goal 6 by explaining why it is reasonable to expect that the proposed uses authorized by the plan amendment will be able to satisfy applicable federal and state environmental standards. As specifically stated in Goal 6, "All waste and process discharges from future development, when combined with such discharges from existing developments shall not threaten to violate or violate applicable state or federal environmental quality statutes, rules and standards." Waste and process discharge refers to solid waste, thermal, noise, atmospheric or water pollutants, contaminants, or products therefrom.

The proposed plan amendment and zone change would allow the relocation of Columbia County Christian School onto the subject property. As stated in previous findings, the approval of this requested Zone Change and Comprehensive Plan Map Amendment does not authorize any type of development on the subject property. The proposed Christian School will require an onsite septic system that will be reviewed and approved by the Department of Environmental Quality so that it does not pollute or contaminate natural resources located on the subject property. Air, Water and Land Resource Quality will be further analyzed through the Site Design Review process and conditions imposed for compliance with local, state and federal environmental regulations if applicable. Staff finds that Goal 6 has been satisfied.

### **Continuing with the Oregon Statewide Planning Goals (Goal 7)**

#### **Finding 30:**

**Goal 7 (Areas Subject to Natural Disasters and Hazards):** The purpose of Goal 7 is, "To protect people and property from natural hazards." As summarized by DLCDC, "Goal 7 deals with development in places subject to natural hazards such as floods or landslides. It requires that jurisdictions apply 'appropriate safeguards' (flood plain zoning, for example) when planning for development there." As discussed in previous Findings, (as stated by the applicant) "The purpose of the proposed project is to relocate the Columbia County Christian School from the adjoining property." As per FEMA Flood Insurance Rate Map (FIRM) No. 41009C0453D, the southern portion of the subject property is located within the 100 year floodplain. If the comprehensive plan map amendment and zone change are approved, the applicants will be able to submit a Site Design Review for the proposed school, which will review and approve and development in or around the floodplain. Staff finds that Goal 7 has been satisfied.

### **Continuing with the Oregon Statewide Planning Goals (Goal 10)**

#### **Finding 31:**

**Goal 10 (Housing):** The purpose of Goal 10 is "to provide for the housing needs of citizens of the State." Goal 10 applies primarily to lands within urban growth boundaries, but is included for discussion based on the potential reduction in housing stock (of one to three units) resulting from the proposed map amendment and zone change. As presented verbatim in Finding 16: The subject property is currently vacant and has been owned by the Warren Fellowship Church since the late 1990's. It is currently zoned RR-2 which would allow 2-3 additional dwellings to be developed on the subject property depending on the availability of private facilities to support this residential use. In the application, the applicant states that the proposed Zone Change and Plan Amendment from Rural Residential to Community Service will result in nominal reduction in the amount of buildable land available for residential construction. Given the zoning and

current development pattern in the vicinity of the subject property, there appears to be a number of vacant residential parcels that have yet to be developed. Also, the subject property has had at least six lot evaluations conducted in different locations on the property since 2005. Of these lot evaluations only one was approved, located in the southern portion of the property on the high area. Although there is enough acreage for three potential homesites, the onsite facilities required to support three homes would be a limiting factor for development even if the property were to maintain its Rural Residential zoning designation.

Although the request does not provide additional housing for the County, the request also does not contradict Goal 10. Staff finds that the criterion has been met.

### **Continuing with the Oregon Statewide Planning Goals (Goal 11)**

#### **Finding 32:**

**Goal 11 (Public Facilities and Services):** Goal 11 requires local governments "to plan and develop a timely, orderly and efficient arrangement of public facilities and services to serve as a framework for urban and rural development." The intent of the proposed map amendment and zone change is to allow for the relocation of the Columbia County Christian School from the adjacent parcel to the south. The subject property is approximately 7.4 acres and located in an area of relatively high density rural, single-family developments. The area is served by Warren Water Association and the applicants propose to utilize their services for future development. On May 18, 2018 Warren Water submitted comments stating that they have reviewed the requested Zone Change and Comprehensive Plan Map Amendment and have no objections to its approval as submitted. Also, at the time of application the County Road Department deemed the existing transportation facilities adequate for the proposed Zone Change and Comprehensive Plan Map Amendment. Comments received from Oregon Department of Transportation stated that they have no concerns over traffic implications regarding this request.

The subject property is served by the Columbia County Sheriff as well as Columbia River Fire and Rescue. No comments were received by either as part of this proposal, however prior to the approval of the Site Design Review, setbacks, access and fire flow for the planned school shall be reviewed and approved by Columbia River Fire and Rescue.

As stated in Finding 20 and throughout this report, the subject property has been approved for an alternative septic system that can support a residence up to four-bedrooms. The applicant has not shown that the proposed use of a private school is able to be supported by an onsite sewage disposal system. For reasons discussed in this Finding and in previous Finding 20, Staff finds that Goal 11 has not been satisfied.

## **Continuing with the Oregon Statewide Planning Goals (Goal 12)**

### **Finding 33:**

**Goal 12 (Transportation):** Goal 12 requires local governments to "provide and encourage a safe, convenient and economic transportation system." Goal 12 is implemented through LCDC's Transportation Planning Rule (TPR), OAR 660, Division 12. The TPR requires that where an amendment to a functional plan, an acknowledged comprehensive plan, or a land use regulation would significantly affect an existing or planned transportation facility, the local government shall put in place measures to assure that allowed land uses are consistent with the identified function, capacity, and performance standards of the facility.

As discussed previously in previous Findings, the proposed map amendment/zone change and relocation of the existing private Christian school will not increase vehicle traffic to and from the site along Highway 30 or Church Road.

The Oregon Department of Transportation was notified of the request and submitted comments stating that they have no concerns regarding traffic implications for this request. Staff finds that Goal 12 has been satisfied.

## **Continuing with the Columbia County Zoning Ordinance**

### **Section 1502.1(A)(3) Adequate Facilities, Services and Transportation Networks**

3. The property and affected area are presently provided with adequate facilities, services, and transportation networks to support the use, or such facilities, services, and transportation networks are planned to be provided concurrently with the development of the property.

**Finding 34:** The subject property is currently provided with adequate facilities, in terms of water, transportation networks and emergency services to support the propose map amendment/zone change for relocation of the private Christian School. Wastewater facilities on site could be an issue and has not been addressed. Currently, the site has been approved for an alternative septic system for a residential use. Although, as discussed in Finding 20, the applicant has not shown that a waste water disposal system that can handle the occupancy of the private school is feasible for the subject property. The County Sanitarian commented on this proposal and stated that the applicant shall be required to show detailed septic feasibility for subsequent site design review process. ODOT was notified of the request and has no objection to its approval. Public Facilities and Services are addressed in further detail in previous Findings 20 and 32 of this report. Staff finds that without any evidence of a plan and study for an approved septic feasibility, this criterion has not been met.

**Continuing with Columbia County Zoning Ordinance Section 1502 Zone Changes**

1502 .3 Alternate Zones: If the Commission determines that a zone other than the one being proposed will adequately allow the establishment of the proposed use, the Commission may substitute the alternate zone for the proposed zone in either the Major Map Amendment or the Minor Map Amendment procedures.

**Finding 35:** The proposed Comprehensive Plan designation and Zoning designation are the most appropriate for the proposed use. Staff does not recommend the substitution of another plan designation or zone for this Major Map Amendment request.

**COMMENTS RECEIVED**

**Columbia River Fire and Rescue:** No comments received as of the date of this report

**Oregon Department of Transportation:** We have no concerns on the traffic implications for this zone change.

**Department of Land Conservation and Development:** No comments received as of the date of this report.

**County Sanitarian:** Detailed Septic Feasibility will be required for subsequent Site Design Review process.

**County Building Official:** No Objection

**Columbia River PUD:** No Objection

**Scappoose-Spitzenberg CPAC:** Voted 6-0 to recommend approval. Comments regarding traffic, water supply, and septic feasibility are attached.

Comments from neighboring property owners and the applicant are attached.

No further comments from agencies, citizens or otherwise have been received regarding this proposal as of the date of this staff report.

## CONCLUSION, & RECOMMENDED DECISION & CONDITIONS:

**Planning Commission:** On June 4, 2018, the requested PA 18-01 & ZC 18-02 was heard and reviewed by the Planning Commission. During this public hearing, the Planning Commission heard testimony in opposition from a number of neighboring property owners and found that the application does not adequately address neighbors' concerns which relate to a number of review criteria. Some of these concerns relate to septic feasibility to support the proposed use, traffic impacts on Church Road, poor drainage on the subject property, protection of the Warren Creek riparian corridor, and noise concerns. After due consideration regarding the proposed application for PA 18-01 and ZC 18-02, the **Planning Commission** voted to recommend that the Columbia County Board of Commissioners **DENY** PA 18-01 and ZC 18-02.

**Planning Staff:** Based on the facts, findings and comments herein, Planning Staff can not recommend approval of this application.

### Options for the Board:

- 1) **DENIAL** of this Comprehensive Plan Map Amendment and Zone Change (PA18-01 & ZC 18-02) due to the lack of evidence showing that the proposed use is able to be supported by the current or planned facilities on the subject property.
- 2) **CONTINUE** the hearing to a date certain, to accept new information into the record, allowing the applicant additional time to provide evidence that an on-site waste water facility, that is adequate for anticipated sewage flow, can be developed.

### **ATTACHMENTS:** Application and maps

- Scappoose-Spitzenberg CPAC Comments
- Comments from neighboring property owners
- Comments from applicant

### **CC:**

Steve Pfeiffer, 34555 Church Road, Warren, OR 97053

John and Robin Costic, 56725 Plantation Dr., Warren, OR 97053

Ryan and Jessica Jacobsen, 34603 Church Road, Warren, OR 97053

Michael Burr, 56652 Plantation Dr., Warren, OR 97053

BEFORE THE BOARD OF COUNTY COMMISSIONERS  
FOR COLUMBIA COUNTY, OREGON

In the Matter of Approving the Financing  
of a John Deere Backhoe for the Public  
Works Department

RESOLUTION NO. 5-2019

WHEREAS, Columbia County is a political subdivision of the State of Oregon and has the authority to enter into a contract for the lease of personal property under ORS 203.015; and

WHEREAS, in accordance with the Columbia County Public Contracting Ordinance No. 2015-2, as amended, the County procured a John Deere 310SL HL Backhoe for \$126,200.00 and sought and obtained quotes for the financing of \$106,200.00 for the backhoe; and

WHEREAS, after reviewing the quotes for financing, the County has selected US Bancorp Government Leasing and Finance, Inc.;

NOW, THEREFORE, THE BOARD OF COUNTY COMMISSIONERS FOR COLUMBIA COUNTY HEREBY RESOLVES, as follows:

1. The Board approves the US Bancorp Master Tax-Exempt Lease/Purchase Agreement, the Addendum, and the exhibits, all of which are attached hereto as Attachment A and incorporated herein by this reference;
2. The Board authorizes the Chair to sign the Master Tax Exempt Lease/Purchase Agreement, Addendum, and all other supporting documents included in Attachment A.
3. The Board approves the Escrow Agreement with US Bancorp Government Leasing and Finance, attached hereto as Attachment B and incorporated herein by this reference, and authorizes the Chair to sign.

DATED this \_\_\_\_ day of \_\_\_\_\_, 2019.

BOARD OF COUNTY COMMISSIONERS  
FOR COLUMBIA COUNTY, OREGON

By: \_\_\_\_\_  
Henry Heimuller, Chair

Approved as to form

By: \_\_\_\_\_  
Margaret Magruder, Commissioner

By: \_\_\_\_\_  
Office of County Counsel

By: \_\_\_\_\_  
Alex Tardif, Commissioner



## Master Tax-Exempt Lease/Purchase Agreement

Between: U.S. Bancorp Government Leasing and Finance, Inc. (the "Lessor")  
13010 SW 68th Parkway, Suite 100  
Portland, OR 97223

And: Columbia County, OR (the "Lessee")  
1054 Oregon Street  
Saint Helens, OR 97051  
Attention: LaVena Sullivan  
Telephone: 503-397-0060 x8428

Dated: January 30, 2019

### ARTICLE I DEFINITIONS

The following terms will have the meanings indicated below unless the context clearly requires otherwise:

"**Agreement**" means this Master Tax-Exempt Lease/Purchase Agreement, including all exhibits and schedules attached hereto.

"**Code**" is defined in Section 3.01(f).

"**Commencement Date**" is the date when the term of a Property Schedule and Lessee's obligation to pay rent thereunder commences, which date shall be set forth in such Property Schedule.

"**Event of Default**" is defined in Section 13.01.

"**Lease Payments**" means the Lease Payments payable by Lessee under Article VI of this Agreement and each Property Schedule, as set forth in each Property Schedule.

"**Lease Payment Dates**" means the Lease Payment dates for the Lease Payments as set forth in each Property Schedule.

"**Lease Term**" means, with respect to a Property Schedule, the Original Term and all Renewal Terms. The Lease Term for each Property Schedule executed hereunder shall be set forth in such Property Schedule, as provided in Section 4.02.

"**Lessee**" means the entity identified as such in the first paragraph hereof, and its permitted successors and assigns.

"**Lessor**" means the entity identified as such in the first paragraph hereof, and its successors and assigns.

"**Nonappropriation Event**" is defined in Section 6.06.

"**Original Term**" means, with respect to a Property Schedule, the period from the Commencement Date until the end of the budget year of Lessee in effect at the Commencement Date.

"**Property**" means, collectively, the property lease/purchased pursuant to this Agreement, and with respect to each Property Schedule, the property described in such Property Schedule, and all replacements, repairs, restorations, modifications and improvements thereof or thereto made pursuant to Section 8.01 or Article IX.

"**Property Schedule**" means a Property Schedule in the form attached hereto for Property Schedule 1. Subsequent Property Schedules pursuant to this Agreement shall be numbered consecutively, beginning with Property Schedule 2.

"**Purchase Price**" means the amount that Lessee may, in its discretion, pay to Lessor to purchase the Property under a Property Schedule, as provided in Section 11.01 and as set forth in the Property Schedule.

"**Renewal Terms**" means the renewal terms of a Property Schedule, each having a duration of one year and a term coextensive with Lessee's budget year.

"**State**" means the state where Lessee is located.

"**Vendor**" means the manufacturer or contractor of the Property as well as the agents or dealers of the manufacturer or contractor from whom Lessor or Lessee purchased or is purchasing all or any portion of the Property.

### ARTICLE II

**2.01 Property Schedules Separate Financings.** Each Property Schedule executed and delivered under this Agreement shall be a separate financing, distinct from other Property Schedules. Without limiting the foregoing, upon the occurrence of an Event of Default or a Nonappropriation Event with respect to a Property Schedule, Lessor shall have the rights and remedies specified herein with respect to the Property financed and the Lease Payments payable under such Property Schedule, and except as expressly provided in Section 12.02 below, Lessor shall have no rights or remedies with respect to Property financed or Lease Payments payable under any other Property Schedules unless an Event of Default or Nonappropriation Event has also occurred under such other Property Schedules.

### ARTICLE III

**3.01 Covenants of Lessee.** As of the Commencement Date for each Property Schedule executed and delivered hereunder, Lessee shall be deemed to represent, covenant and warrant for the benefit of Lessor as follows:

- (a) Lessee is a public body corporate and politic duly organized and existing under the constitution and laws of the State with full power and authority to enter into this Agreement and the Property Schedule and the transactions contemplated thereby and to perform all of its obligations thereunder.
- (b) Lessee will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a body corporate and politic. To the extent Lessee should merge with another entity under the laws of the State, Lessee agrees that as a condition to such merger it will require that the remaining or resulting entity shall be assigned Lessee's rights and shall assume Lessee's obligations hereunder.
- (c) Lessee has been duly authorized to execute and deliver this Agreement and the Property Schedule by proper action by its governing body, or by other appropriate official approval, and all requirements have been met and procedures have occurred in order to ensure the validity and enforceability of this

Agreement and the Property Schedule, and Lessee has complied with such public bidding requirements as may be applicable to this Agreement and the Property Schedule and the acquisition by Lessee of the Property thereunder. On or before the Commencement Date for the Property Schedule, Lessee shall cause to be delivered an opinion of counsel in substantially the form attached to the form of the Property Schedule as Exhibit 2.

- (d) During the Lease Term for the Property Schedule, the Property thereunder will perform and will be used by Lessee only for the purpose of performing essential governmental uses and public functions within the permissible scope of Lessee's authority.
- (e) Lessee will provide Lessor with current financial statements, budgets and proof of appropriation for the ensuing budget year and other financial information relating to the ability of Lessee to continue this Agreement and the Property Schedule in such form and containing such information as may be requested by Lessor.
- (f) Lessee will comply with all applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code"), including Sections 103 and 148 thereof, and the regulations of the Treasury Department thereunder, from time to time proposed or in effect, in order to maintain the excludability from gross income for federal income tax purposes of the interest component of Lease Payments under the Property Schedule and will not use or permit the use of the Property in such a manner as to cause a Property Schedule to be a "private activity bond" under Section 141(a) of the Code. Lessee covenants and agrees that it will use the proceeds of the Property Schedule as soon as practicable and with all reasonable dispatch for the purpose for which the Property Schedule has been entered into, and that no part of the proceeds of the Property Schedule shall be invested in any securities, obligations or other investments except for the temporary period pending such use nor used, at any time, directly or indirectly, in a manner which, if such use had been reasonably anticipated on the date of issuance of the Agreement, would have caused any portion of the Property Schedule to be or become "arbitrage bonds" within the meaning of Section 103(b)(2) or Section 148 of the Code and the regulations of the Treasury Department thereunder proposed or in effect at the time of such use and applicable to obligations issued on the date of issuance of the Property Schedule.
- (g) The execution, delivery and performance of this Agreement and the Property Schedule and compliance with the provisions hereof and thereof by Lessee does not conflict with or result in a violation or breach or constitute a default under, any resolution, bond, agreement, indenture, mortgage, note, lease or other instrument to which Lessee is a party or by which it is bound by any law or any rule, regulation, order or decree of any court, governmental agency or body having jurisdiction over Lessee or any of its activities or properties resulting in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any property or assets of Lessee or to which it is subject.
- (h) Lessee's exact legal name is as set forth on the first page of this Agreement. Lessee will not change its legal name in any respect without giving thirty (30) days prior notice to Lessor.

#### ARTICLE IV

**4.01 Lease of Property.** On the Commencement Date of each Property Schedule executed hereunder, Lessor will be deemed to demise, lease and let to Lessee, and Lessee will be deemed to rent, lease and hire from Lessor, the Property described in such Property Schedule, in accordance with this Agreement and such Property Schedule, for the Lease Term set forth in such Property Schedule.

**4.02 Lease Term.** The term of each Property Schedule shall commence on the Commencement Date set forth therein and shall terminate upon payment of the final Lease Payment set forth in such Property Schedule and the exercise of the Purchase Option described in Section 11.01, unless terminated sooner pursuant to this Agreement or the Property Schedule.

**4.03 Delivery, Installation and Acceptance of Property.** Lessee shall order the Property, shall cause the Property to be delivered and installed at the locations specified in the applicable Property Schedule and shall pay all taxes, delivery costs and installation costs, if any, in connection therewith. To the extent funds are deposited under an escrow agreement or trust agreement for the acquisition of the Property, such funds shall be disbursed as provided therein. When the Property described in such Property Schedule is delivered, installed and accepted as to Lessee's specifications, Lessee shall immediately accept the Property and evidence said acceptance by executing and delivering to Lessor the Acceptance Certificate substantially in the form attached to the Property Schedule.

#### ARTICLE V

**5.01 Enjoyment of Property.** Lessee shall during the Lease Term peaceably and quietly have, hold and enjoy the Property, without suit, trouble or hindrance from Lessor, except as expressly set forth in this Agreement. Lessor shall not interfere with such quiet use and enjoyment during the Lease Term so long as Lessee is not in default under the subject Property Schedule.

**5.02 Location; Inspection.** The Property will be initially located or based at the location specified in the applicable Property Schedule. Lessor shall have the right at all reasonable times during business hours to enter into and upon the property of Lessee for the purpose of inspecting the Property.

#### ARTICLE VI

**6.01 Lease Payments to Constitute a Current Expense of Lessee.** Lessor and Lessee understand and intend that the obligation of Lessee to pay Lease Payments hereunder shall constitute a current expense of Lessee and shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional, statutory or charter limitation or requirement concerning the creation of indebtedness by Lessee, nor shall anything contained herein constitute a pledge of the faith and credit or taxing power of Lessee. Upon the appropriation of Lease Payments for a fiscal year, the Lease Payments for said fiscal year, and only the Lease Payments for said current fiscal year, shall be a binding obligation of Lessee; provided that such obligation shall not include a pledge of the taxing power of Lessee.

**6.02 Payment of Lease Payments.** Lessee shall promptly pay Lease Payments under each Property Schedule, exclusively from legally available funds, in lawful money of the United States of America, to Lessor in such amounts and on such dates as described in the applicable Property Schedule, at Lessor's address set forth on the first page of this Agreement, unless Lessor instructs Lessee otherwise. Lessee shall pay Lessor a charge on any delinquent Lease Payments under a Property Schedule in an amount sufficient to cover all additional costs and expenses incurred by Lessor from such delinquent Lease Payment. In addition, Lessee shall pay a late charge of five cents per dollar or the highest amount permitted by applicable law, whichever is lower, on all delinquent Lease Payments and interest on said delinquent amounts from the date such amounts were due until paid at the rate of 12% per annum or the maximum amount permitted by law, whichever is less.

**6.03 Interest Component.** A portion of each Lease Payment due under each Property Schedule is paid as, and represents payment of, interest, and each Property Schedule hereunder shall set forth the interest component (or method of computation thereof) of each Lease Payment thereunder during the Lease Term.

**6.04 Lease Payments to be Unconditional.** SUBJECT TO SECTION 6.06, THE OBLIGATIONS OF LESSEE TO PAY THE LEASE PAYMENTS DUE UNDER THE PROPERTY SCHEDULES AND TO PERFORM AND OBSERVE THE OTHER COVENANTS AND AGREEMENTS CONTAINED HEREIN SHALL BE ABSOLUTE AND UNCONDITIONAL IN ALL EVENTS WITHOUT ABATEMENT, DIMINUTION, DEDUCTION, SET-OFF OR DEFENSE, FOR ANY REASON, INCLUDING WITHOUT LIMITATION, ANY DEFECTS, MALFUNCTIONS, BREAKDOWNS OR INFIRMITIES IN THE PROPERTY OR ANY ACCIDENT, CONDEMNATION OR UNFORESEEN CIRCUMSTANCES. THIS PROVISION SHALL NOT LIMIT LESSEE'S RIGHTS OR ACTIONS AGAINST ANY VENDOR AS PROVIDED IN SECTION 10.02.

**6.05 Continuation of Lease by Lessee.** Lessee intends to continue all Property Schedules entered into pursuant to this Agreement and to pay the Lease Payments thereunder. Lessee reasonably believes that legally available funds in an amount sufficient to make all Lease Payments during the term of all Property Schedules can be obtained. Lessee agrees that its staff will provide during the budgeting process for each budget year to the governing body of Lessee notification of any Lease Payments due under the Property Schedules during the following budget year. Notwithstanding this covenant, if Lessee fails to appropriate the Lease Payments for a Property Schedule pursuant to Section 6.06, such Property Schedule shall terminate at the end of the then current Original Term or Renewal Term. Although Lessee has made this covenant, in the event that it fails to provide such notice, no remedy is provided and Lessee shall not be liable for any damages for its failure to so comply.

**6.06 Nonappropriation.** If during the then current Original Term or Renewal Term, sufficient funds are not appropriated to make Lease Payments required under a Property Schedule for the following fiscal year, Lessee shall be deemed to not have renewed such Property Schedule for the following fiscal year and the Property Schedule shall terminate at the end of the then current Original Term or Renewal Term and Lessee shall not be obligated to make Lease Payments under said Property Schedule beyond the then current fiscal year for which funds have been appropriated. Upon the occurrence of such nonappropriation (a "Nonappropriation Event") Lessee shall, no later than the end of the fiscal year for which Lease Payments have been appropriated, deliver possession of the Property under said Property Schedule to Lessor. If Lessee fails to deliver possession of the Property to Lessor upon termination of said Property Schedule by reason of a Nonappropriation Event, the termination shall nevertheless be

effective but Lessee shall be responsible for the payment of damages in an amount equal to the portion of Lease Payments thereafter coming due that is attributable to the number of days after the termination during which the Lessee fails to deliver possession and for any other loss suffered by Lessor as a result of Lessee's failure to deliver possession as required. In addition, Lessor may, by written instructions to any escrow agent who is holding proceeds of the Property Schedule, instruct such escrow agent to release all such proceeds and any earnings thereon to Lessor, such sums to be credited to Lessee's obligations under the Property Schedule and this Agreement. Lessee shall notify Lessor in writing within seven (7) days after the failure of the Lessee to appropriate funds sufficient for the payment of the Lease Payments, but failure to provide such notice shall not operate to extend the Lease Term or result in any liability to Lessee.

**6.07 Defeasance of Lease Payments.** Lessee may at any time irrevocably deposit in escrow with a defeasance escrow agent for the purpose of paying all of the principal component and interest component accruing under a Property Schedule, a sum of cash and non-callable securities consisting of direct obligations of, or obligations the principal of an interest on which are unconditionally guaranteed by, the United States of America or any agency or instrumentality thereof, in such aggregate amount, bearing interest at such rates and maturing on such dates as shall be required to provide funds sufficient for this purpose. Upon such defeasance, all right, title and interest of Lessor in the Property under said Property Schedule shall terminate. Lessee shall cause such investment to comply with the requirements of federal tax law so that the exclusion from gross income of the interest component of Lease Payments on said Property Schedule is not adversely affected.

**6.08 Gross-Up.** If an Event of Taxability occurs with respect to a Property Schedule, the interest component of Lease Payments on the Property Schedule shall thereafter be payable at the Taxable Rate, and Lessee shall pay to Lessor promptly following demand an amount sufficient to supplement prior Lease Payments on such Property Schedule so that Lessor receives the interest component of such Lease Payments, retroactive to the date as of which the interest component is determined to be includible in the gross income of Lessor for federal income tax purposes, calculated at the Taxable Rate, together with any penalties and interest actually imposed on Lessor as a result of the Event of Taxability. For purposes of this Section, "Event of Taxability" means, with respect to a Property Schedule, (a) a final determination by the Internal Revenue Service or a court of competent jurisdiction that the interest component of Lease Payments on the Property Schedule is includible for federal income tax purposes in the gross income of Lessor, or (b) receipt by Lessor of a written opinion of a nationally recognized public finance lawyer or law firm to the effect that there exists substantial doubt whether the interest component of Lease Payments on the Property Schedule is excludible for federal income tax purposes from the gross income of Lessor, in each case due to any action or failure to take action by Lessee. "Taxable Rate" means the interest rate at which the interest component of Lease Payments on a Property Schedule was originally calculated, divided by 0.79.

#### **ARTICLE VII**

**7.01 Title to the Property.** Upon acceptance of the Property by Lessee and unless otherwise required by the laws of the State, title to the Property shall vest in Lessee, subject to Lessor's interests under the applicable Property Schedule and this Agreement.

**7.02 Personal Property.** The Property is and will remain personal property and will not be deemed to be affixed to or a part of the real estate on which it may be situated, notwithstanding that the Property or any part thereof may be or hereafter become in any manner physically affixed or attached to real estate or any building thereon. If requested by Lessor, Lessee will, at Lessee's expense, furnish a waiver of any interest in the Property from any party having an interest in any such real estate or building.

**7.03 Security Interest.** To the extent permitted by law and to secure the performance of all of Lessee's obligations under this Agreement with respect to a Property Schedule, including without limitation all Property Schedules now existing are hereafter executed, Lessee grants to Lessor, for the benefit of Lessor and its successors and assigns, a security interest constituting a first lien on Lessee's interest in all of the Property under the Property Schedule, whether now owned or hereafter acquired, all additions, attachments, alterations and accessions to the Property, all substitutions and replacements for the Property, and on any proceeds of any of the foregoing, including insurance proceeds. Lessee shall execute any additional documents, including financing statements, affidavits, notices and similar instruments, in form and substance satisfactory to Lessor, which Lessor deems necessary or appropriate to establish, maintain and perfect a security interest in the Property in favor of Lessor and its successors and assigns. Lessee hereby authorizes Lessor to file all financing statements which Lessor deems necessary or appropriate to establish, maintain and perfect such security interest.

#### **ARTICLE VIII**

**8.01 Maintenance of Property by Lessee.** Lessee shall keep and maintain the Property in good condition and working order and in compliance with the manufacturer's specifications, shall use, operate and maintain the Property in conformity with all laws and regulations concerning the Property's ownership, possession, use and maintenance, and shall keep the Property free and clear of all liens and claims, other than those created by this Agreement. Lessee shall have sole responsibility to maintain and repair the Property. Should Lessee fail to maintain, preserve and keep the Property in good repair and working order and in accordance with manufacturer's specifications, and if requested by Lessor, Lessee will enter into maintenance contracts for the Property in form approved by Lessor and with approved providers.

**8.02 Liens, Taxes, Other Governmental Charges and Utility Charges.** Lessee shall keep the Property free of all levies, liens and encumbrances, except for the interest of Lessor under this Agreement. The parties to this Agreement contemplate that the Property will be used for a governmental or proprietary purpose of Lessee and, therefore, that the Property will be exempt from all property taxes. The Lease Payments payable by Lessee under this Agreement and the Property Schedules hereunder have been established to reflect the savings resulting from this exemption from taxation. Lessee will take such actions necessary under applicable law to obtain said exemption. Nevertheless, if the use, possession or acquisition of the Property is determined to be subject to taxation or later becomes subject to such taxes, Lessee shall pay when due all taxes and governmental charges lawfully assessed or levied against or with respect to the Property. Lessee shall pay all gas, water, steam, electricity, heat, power, telephone, utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Property. Lessee shall pay such taxes or charges as the same may become due; provided that, with respect to any such taxes or charges that may lawfully be paid in installments over a period of years, Lessee shall be obligated to pay only such installments as accrue during the then current fiscal year of the Lease Term for such Property.

**8.03 Insurance.** At its own expense, Lessee shall maintain (a) casualty insurance insuring the Property against loss or damage by fire and all other risks covered by the standard extended coverage endorsement then in use in the State and any other risks reasonably required by Lessor in an amount equal to at least the outstanding principal component of Lease Payments, and (b) liability insurance that protects Lessor from liability in all events in an amount reasonably acceptable to Lessor, and (c) worker's compensation insurance covering all employees working on, in, near or about the Property; provided that Lessee may self-insure against all such risks. All insurance proceeds from casualty losses shall be payable as hereinafter provided in this Agreement. All such insurance shall be with insurers that are authorized to issue such insurance in the State. All such liability insurance shall name Lessor as an additional insured. All such casualty insurance shall contain a provision making any losses payable to Lessor and Lessee as their respective interests may appear. All such insurance shall contain a provision to the effect that such insurance shall not be canceled or modified without first giving written notice thereof to Lessor and Lessee at least thirty (30) days in advance of such cancellation or modification. Such changes shall not become effective without Lessor's prior written consent. Lessee shall furnish to Lessor, on or before the Commencement Date for each Property Schedule, and thereafter at Lessor's request, certificates evidencing such coverage, or, if Lessee self-insures, a written description of its self-insurance program together with a certification from Lessee's risk manager or insurance agent or consultant to the effect that Lessee's self-insurance program provides adequate coverage against the risks listed above.

**8.04 Advances.** In the event Lessee shall fail to either maintain the insurance required by this Agreement or keep the Property in good repair and working order, Lessor may, but shall be under no obligation to, purchase the required insurance and pay the cost of the premiums thereof or maintain and repair the Property and pay the cost thereof. All amounts so advanced by Lessor shall constitute additional rent for the Lease Term for the applicable Property Schedule and shall be due and payable on the next Lease Payment Date and Lessee covenants and agrees to pay such amounts so advanced by Lessor with interest thereon from the date such amounts are advanced until paid at the rate of 12% per annum or the maximum amount permitted by law, whichever is less.

#### **ARTICLE IX**

**9.01 Damage or Destruction.** If (a) the Property under a Property Schedule or any portion thereof is destroyed, in whole or in part, or is damaged by fire or other casualty, or (b) title to, or the temporary use of, the Property under a Property Schedule or any part thereof shall be taken under the exercise or threat of the power of eminent domain by any governmental body or by any person, firm or corporation acting pursuant to governmental authority, Lessor and Lessee will cause the Net Proceeds (as hereinafter defined) of any insurance claim, condemnation award or sale under threat of condemnation to be applied to the prompt replacement, repair, restoration, modification or improvement of the Property, unless Lessee shall have exercised its right to defease the Property Schedule as provided herein, or unless Lessee shall have exercised its option to purchase Lessor's interest in the Property if the Property Schedule so provides. Any balance of the Net Proceeds remaining after such work has been completed shall be paid to Lessee. For purposes of Section 8.03 and this Article IX, the term "Net Proceeds" shall mean the amount remaining from the gross proceeds of any insurance claim, condemnation award or sale under threat of condemnation after deducting all expenses, including attorneys' fees, incurred in the collection thereof.

**9.02 Insufficiency of Net Proceeds.** If the Net Proceeds are insufficient to pay in full the cost of any repair, restoration, modification or improvement referred to in Section 9.01, Lessee shall (a) complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds and, if Lessee shall make any payments pursuant to this Section, Lessee shall not be entitled to any reimbursement therefor from Lessor nor shall Lessee be entitled to any diminution of the amounts payable under Section 6.02, or (b) defease the Property Schedule pursuant to Section 6.07, or (c) exercise its option to purchase Lessor's interest in the Property pursuant to the optional purchase provisions of the Property Schedule, if any. The amount of the Net Proceeds, if any, remaining after completing such repair, restoration, modification or improvement or after such defeasance or purchase may be retained by Lessee.

#### **ARTICLE X**

**10.01 Disclaimer of Warranties.** LESSOR MAKES NO (AND SHALL NOT BE DEEMED TO HAVE MADE ANY) WARRANTIES, EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING, WITHOUT LIMITATION, THE DESIGN, OPERATION OR CONDITION OF, OR THE QUALITY OF THE MATERIAL, EQUIPMENT OR WORKMANSHIP IN, THE PROPERTY, ITS MERCHANTABILITY OR ITS FITNESS FOR ANY PARTICULAR PURPOSE, THE STATE OF TITLE THERETO OR ANY COMPONENT THEREOF, THE ABSENCE OF LATENT OR OTHER DEFECTS (WHETHER OR NOT DISCOVERABLE), AND LESSOR HEREBY DISCLAIMS THE SAME; IT BEING UNDERSTOOD THAT THE PROPERTY IS LEASED TO LESSEE "AS IS" ON THE DATE OF THIS AGREEMENT OR THE DATE OF DELIVERY, WHICHEVER IS LATER, AND ALL SUCH RISKS, IF ANY, ARE TO BE BORNE BY LESSEE. Lessee acknowledges that it has made (or will make) the selection of the Property from the Vendor based on its own judgment and expressly disclaims any reliance upon any statements or representations made by Lessor. Lessee understands and agrees that (a) neither the Vendor nor any sales representative or other agent of Vendor, is (i) an agent of Lessor, or (ii) authorized to make or alter any term or condition of this Agreement, and (b) no such waiver or alteration shall vary the terms of this Agreement unless expressly set forth herein. In no event shall Lessor be liable for any incidental, indirect, special or consequential damage in connection with or arising out of this Agreement, the Property Schedules, or the existence, furnishing, functioning or use of any item, product or service provided for in this Agreement or the Property Schedules.

**10.02 Vendor's Warranties.** Lessor hereby irrevocably assigns to Lessee all rights that Lessor may have to assert from time to time whatever claims and rights (including without limitation warranties) related to the Property against the Vendor. Lessee's sole remedy for the breach of such warranty, indemnification or representation shall be against the Vendor of the Property, and not against Lessor, nor shall such matter have any effect whatsoever on the rights and obligations of Lessor with respect to this Agreement, including the right to receive full and timely payments hereunder. Lessee expressly acknowledges that Lessor makes, and has made, no representations or warranties whatsoever as to the existence or the availability of such warranties of the Vendor of the Property.

**10.03 Use of the Property.** Lessee will not install, use, operate or maintain the Property improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated by this Agreement and the applicable Property Schedule. Lessee shall provide all permits and licenses, if any, necessary for the installation and operation of the Property. In addition, Lessee agrees to comply in all respects with all laws of the jurisdiction in which its operations involving any item of Property may extend and any legislative, executive, administrative or judicial body exercising any power or jurisdiction over the items of the Property; provided that Lessee may contest in good faith the validity or application of any such law or rule in any reasonable manner that does not, in the opinion of Lessor, adversely affect the interest of Lessor in and to the Property or its interest or rights under this Agreement. Lessee shall promptly notify Lessor in writing of any pending or threatened investigation, inquiry, claim or action by any governmental authority which could adversely affect this Agreement, any Property Schedule or the Property thereunder.

**10.04 Modifications.** Subject to the provisions of this Section, Lessee shall have the right, at its own expense, to make alterations, additions, modifications or improvements to the Property. All such alterations, additions, modifications and improvements shall thereafter comprise part of the Property and shall be subject to the provisions of this Agreement. Such alterations, additions, modifications and improvements shall not in any way damage the Property, substantially alter its nature or cause it to be used for purposes other than those authorized under the provisions of state and federal law; and the Property, on completion of any alterations, additions, modifications or improvements made pursuant to this Section, shall be of a value which is equal to or greater than the value of the Property immediately prior to the making of such alterations, additions, modifications and improvements. Lessee shall, at its own expense, make such alterations, additions, modifications and improvements to the Property as may be required from time to time by applicable law or by any governmental authority.

#### **ARTICLE XI**

**11.01 Option to Purchase.** Lessee shall have the option to purchase Lessor's entire interest in all of the Property subject to a Property Schedule and to terminate any restrictions herein on the Property under such Property Schedule on the last day of the Lease Term for a Property Schedule, if the Property Schedule is still in effect on such day, upon payment in full of the Lease Payments due thereunder plus payment of One (1) Dollar to Lessor. Upon exercise of the purchase option as set forth in this Section 11.01 and payment of the purchase price under the applicable Property Schedule, and performance by Lessee of all other terms, conditions and provisions hereof, Lessor shall deliver to Lessee all such documents and instruments as Lessee may reasonably require to evidence the transfer, without warranty by or recourse to Lessor, of all of Lessor's right, title and interest in and to the Property subject to such Property Schedule to Lessee.

**11.02 Option to Prepay.** Lessee shall have the option to prepay in whole the Lease Payments due under a Property Schedule, but only if the Property Schedule so provides, and on the terms set forth in the Property Schedule. Lessee shall give written notice to Lessor of its intent to purchase Lessor's interest in the Property at least sixty (60) days prior to the last day of the Lease Term for applicable Property Schedule.

#### **ARTICLE XII**

**12.01 Assignment by Lessor.** Lessor's right, title and interest in, to and under each Property Schedule and the Property under such Property Schedule may be assigned and reassigned in whole or in part to one or more assignees or subassignees by Lessor without the necessity of obtaining the consent of Lessee; provided that any assignment shall not be effective until Lessee has received written notice, signed by the assignor, of the name, address and tax identification number of the assignee. Lessee shall retain all such notices as a register of all assignees and shall make all payments to the assignee or assignees designated in such register. Lessee agrees to execute all documents, including notices of assignment and chattel mortgages or financing statements that may be reasonably requested by Lessor or any assignee to protect its interests in this Agreement and the Property Schedules.

**12.02 Property Schedules Separate Financings.** Assignees of the Lessor's rights in one Property Schedule shall have no rights in any other Property Schedule unless such rights have been separately assigned.

**12.03 Assignment and Subleasing by Lessee.** NONE OF LESSEE'S RIGHT, TITLE AND INTEREST IN, TO AND UNDER THIS AGREEMENT AND IN THE PROPERTY MAY BE ASSIGNED, SUBLEASED OR ENCUMBERED BY LESSEE FOR ANY REASON, WITHOUT THE PRIOR WRITTEN CONSENT OF LESSOR.

**12.04 Release and Indemnification Covenants.** To the extent permitted by applicable law, Lessee shall indemnify, protect, hold harmless, save and keep harmless Lessor from and against any and all liability, obligation, loss, claim and damage whatsoever, regardless of cause thereof, and all expenses in connection therewith, including, without limitation, counsel fees and expenses, penalties and interest (collectively, "Losses") arising out of or resulting from the entering into this Agreement, any Property Schedules hereunder, the ownership of any item of the Property, the loss of federal tax exemption of the interest on any of the Property Schedules, the ordering, acquisition, use, operation, condition, purchase, delivery, rejection, storage or return of any item of the Property or any accident in connection with the operation, use, condition, possession, storage or return of any item of the Property resulting in damage to property or injury to or death to any person; provided, however, that Lessee shall not be required to indemnify Lessor for Losses arising out of or resulting from Lessor's own willful or negligent conduct, or for Losses arising out of or resulting from Lessor's preparation of disclosure material relating to certificates of participation in this Agreement and any Property Schedule (other than disclosure material provided to Lessor by Lessee). The indemnification arising under this Section shall continue in full force and effect notwithstanding the full payment of all obligations under this Agreement, or the applicable Property Schedule, or the termination of the Lease Term for such Property Schedule for any reason.

#### **ARTICLE XIII**

**13.01 Events of Default Defined.** Any of the following shall constitute an "Event of Default" under a Property Schedule:

- (a) Failure by Lessee to pay any Lease Payment under the Property Schedule or other payment required to be paid with respect thereto at the time specified therein;
- (b) Failure by Lessee to observe and perform any covenant, condition or agreement on its part to be observed or performed with respect to the Property Schedule, other than as referred to in subparagraph (a) above, for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied is given to Lessee by Lessor, unless Lessor shall agree in writing to an extension of such time prior to its expiration; provided that, if the

failure stated in the notice cannot be corrected within the applicable period, Lessor will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by Lessee within the applicable period and diligently pursued until the default is corrected;

- (c) Any statement, representation or warranty made by Lessee in or pursuant to the Property Schedule or its execution, delivery or performance shall prove to have been false, incorrect, misleading or breached in any material respect on the date when made;
- (d) Lessee shall (i) apply for or consent to the appointment of a receiver, trustee, custodian or liquidator of Lessee, or of all or a substantial part of the assets of Lessee, (ii) be unable, fail or admit in writing its inability generally to pay its debts as they become due, (iii) make a general assignment for the benefit of creditors, (iv) have an order for relief entered against it under applicable federal bankruptcy law, or (v) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors or taking advantage of any insolvency law or any answer admitting the material allegations of a petition filed against Lessee in any bankruptcy, reorganization or insolvency proceeding; or
- (e) An order, judgment or decree shall be entered by any court of competent jurisdiction, approving a petition or appointing a receiver, trustee, custodian or liquidator of Lessee or of all or a substantial part of the assets of Lessee, in each case without its application, approval or consent, and such order, judgment or decree shall continue unstayed and in effect for any period of 60 consecutive days.

The foregoing provisions of Section 13.01 are subject to the following limitation: if by reason of force majeure Lessee is unable in whole or in part to perform its agreements under this Agreement and the Property Schedule (other than the obligations on the part of Lessee contained in Article VI hereof) Lessee shall not be in default during the continuance of such inability. The term "force majeure" as used herein shall mean the following: acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies; orders or restraints of any kind of the government of the United States or of the State or any of their departments, agencies or officials, or any civil or military authority; insurrections, riots, landslides, earthquakes, fires, storms, droughts, floods, explosions, breakage or accident to machinery, transmission pipes or canals; or any other cause or event not reasonably within the control of Lessee.

A Nonappropriation Event is not an Event of Default.

**13.02 Remedies on Default.** Whenever any Event of Default exists with respect to a Property Schedule, Lessor shall have the right, at its sole option without any further demand or notice, to take one or any combination of the following remedial steps:

- (a) Without terminating the Property Schedule, and by written notice to Lessee, Lessor may declare all Lease Payments and other amounts payable by Lessee thereunder to the end of the then-current budget year of Lessee to be due, including without limitation delinquent Lease Payments under the Property Schedule from prior budget years, and such amounts shall thereafter bear interest at the rate of 12% per annum or the maximum rate permitted by applicable law, whichever is less;
- (b) Lessor may terminate the Property Schedule, may enter the premises where the Property subject to the Property Schedule is located and retake possession of the Property, or require Lessee, at Lessee's expense, to promptly return any or all of the Property to the possession of Lessor at such place within the United States as Lessor shall specify, and Lessor may thereafter dispose of the Property in accordance with Article 9 of the Uniform Commercial Code in effect in the State; provided, however, that any proceeds from the disposition of the property in excess of the sum required to (i) pay off any outstanding principal component of Lease Payments, (ii) pay any other amounts then due under the Property Schedule, and (iii) pay Lessor's costs and expenses associated with the disposition of the Property (including attorneys fees), shall be paid to Lessee or such other creditor of Lessee as may be entitled thereto, and further provided that no deficiency shall be allowed against Lessee except with respect to unpaid costs and expenses incurred by Lessor in connection with the disposition of the Property;
- (c) By written notice to any escrow agent who is holding proceeds of the Property Schedule, Lessor may instruct such escrow agent to release all such proceeds and any earnings thereon to Lessor, such sums to be credited to payment of Lessee's obligations under the Property Schedule;
- (d) Lessor may take any action, at law or in equity, that is permitted by applicable law and that may appear necessary or desirable to enforce or to protect any of its rights under the Property Schedule and this Agreement.

Notwithstanding the foregoing, if the proceeds are insufficient to pay items (i) to (iii) in Section 13.02(b) in whole, Lessee shall remain obligated after application of proceeds to items (i) and (ii), to pay in whole the amounts for item (iii).

**13.03 No Remedy Exclusive.** No remedy herein conferred upon or reserved to Lessor is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle Lessor to exercise any remedy reserved to it in this Article it shall not be necessary to give any notice, other than such notice as may be required in this Article.

**13.04 Costs and Attorney Fees.** Upon the occurrence of an Event of Default by Lessee in the performance of any term of this Agreement, Lessee agrees to pay to Lessor or reimburse Lessor for, in addition to all other amounts due hereunder, all of Lessor's costs of collection, including reasonable attorney fees, whether or not suit or action is filed thereon. Any such costs shall be immediately due and payable upon written notice and demand given to Lessee, shall be secured by this Agreement until paid and shall bear interest at the rate of 12% per annum or the maximum amount permitted by law, whichever is less. In the event suit or action is instituted to enforce any of the terms of this Agreement, the prevailing party shall be entitled to recover from the other party such sum as the court may adjudge reasonable as attorneys' fees at trial or on appeal of such suit or action or in any bankruptcy proceeding, in addition to all other sums provided by law.

#### ARTICLE XIV

**14.01 Notices.** All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by certified mail, postage prepaid, to the parties hereto at the addresses as specified on the first page of this Agreement (or at such other address as either party hereto shall designate in writing to the other for notices to such party), to any assignee at its address as it appears on the registration books maintained by Lessee.

**14.02 Arbitrage Certificates.** Unless a separate Arbitrage Certificate is delivered on the Commencement Date, Lessee shall be deemed to make the following representations and covenants as of the Commencement Date for each Property Schedule:

- (a) The estimated total costs, including taxes, freight, installation, and cost of issuance, of the Property under the Property Schedule will not be less than the total principal amount of the Lease Payments.
- (b) The Property under the Property Schedule has been ordered or is expected to be ordered within six months after the Commencement Date and the Property is expected to be delivered and installed, and the Vendor fully paid, within eighteen months from the Commencement Date. Lessee will pursue the completion of the Property and the expenditure of the net proceeds of the Property Schedule with due diligence.
- (c) Lessee has not created or established, and does not expect to create or establish, any sinking fund or other similar fund (i) that is reasonably expected to be used to pay the Lease Payments under the Property Schedule, or (ii) that may be used solely to prevent a default in the payment of the Lease Payments under the Property Schedule.
- (d) The Property under the Property Schedule has not been and is not expected to be sold or otherwise disposed of by Lessee, either in whole or in major part, prior to the last maturity of the Lease Payments under the Property Schedule.
- (e) There are no other obligations of Lessee which (i) are being sold within 15 days of the Commencement Date of the Property Schedule; (ii) are being sold pursuant to the same plan of financing as the Property Schedule; and (iii) are expected to be paid from substantially the same source of funds.
- (f) The officer or official who has executed the Property Schedule on Lessee's behalf is familiar with Lessee's expectations regarding the use and expenditure of the proceeds of the Property Schedule. To the best of Lessee's knowledge, information and belief, the facts and estimates set forth in herein are accurate and the expectations of Lessee set forth herein are reasonable.

**14.03 Further Assurances.** Lessee agrees to execute such other and further documents, including, without limitation, confirmatory financing statements, continuation statements, certificates of title and the like, and to take all such action as may be necessary or appropriate, from time to time, in the reasonable opinion of Lessor, to perfect,

confirm, establish, reestablish, continue, or complete the interests of Lessor in this Agreement and the Property Schedules, to consummate the transactions contemplated hereby and thereby, and to carry out the purposes and intentions of this Agreement and the Property Schedules.

**14.04 Binding Effect.** This Agreement shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns.

**14.05 Severability.** In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

**14.06 Waiver of Jury Trials.** Lessee and Lessor hereby irrevocably waive all right to trial by jury in any action, proceeding or counterclaim (whether based on contract, tort or otherwise) arising out of or relating to this Agreement or the actions of Lessor or Lessee in the negotiation, administration, performance or enforcement hereof.

**14.07 Amendments, Changes and Modifications.** This Agreement may be amended in writing by Lessor and Lessee to the extent the amendment or modification does not apply to outstanding Property Schedules at the time of such amendment or modification. The consent of all assignees shall be required to any amendment or modification before such amendment or modification shall be applicable to any outstanding Property Schedule.

**14.08 Execution in Counterparts.** This Agreement and the Property Schedules hereunder may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**14.09 Applicable Law.** This Agreement shall be governed by and construed in accordance with the laws of the State.

**14.10 Captions.** The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

**IN WITNESS WHEREOF,** Lessor and Lessee have caused this Agreement to be executed in their names by their duly authorized representatives as of the date first above written.

<b>Lessor: U.S. Bancorp Government Leasing and Finance, Inc.</b>
By:
Name:
Title:

<b>Lessee: Columbia County, OR</b>
By:
Name: Henry Heimuller
Title: Chair, Board of County Commissioners

Attest:
By:
Name:
Title:

## ADDENDUM

### Master Tax-Exempt Lease/Purchase Agreement

THIS ADDENDUM, which is entered into as of January 30, 2019 between U.S. Bancorp Government Leasing and Finance, Inc. ("Lessor") and Columbia County, OR ("Lessee"), is intended to modify and supplement the Master Tax-Exempt Lease/Purchase Agreement between Lessor and Lessee dated as of January 30, 2019 (the "Master Agreement"). Capitalized terms not otherwise defined herein shall have the meanings set forth in the Master Agreement.

Section 13.04 is hereby deleted and restated as follows:

**Prevailing Party.** In any legal action to enforce or construe any provision of this Agreement, the non-prevailing party shall pay the prevailing party the reasonable costs and expenses (including reasonable attorneys' fees) incurred by such prevailing party. The term "prevailing party" as used herein will include, without limitation, a party who utilizes legal counsel and brings or defends an action, suit, or judicial or administrative proceeding involving an alleged breach or default under this Agreement or a Property Schedule to construe any provision of this Agreement or a Property Schedule and, if the plaintiff, obtains substantially the relief sought (whether by award or judgment), or if the defendant, the plaintiff fails to substantially obtain the relief sought. If no party can be considered the prevailing party, the judge will have the discretion to equitably apportion the costs and expenses.

Section 14.09 is hereby deleted and restated as follows:

**Applicable Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Oregon with venue in St. Helens, Columbia County, Oregon.

IN WITNESS WHEREOF, Lessor and Lessee have caused this Addendum to be executed in their names by their duly authorized representatives as of the date first above written.

<b>Lessor: U.S. Bancorp Government Leasing and Finance, Inc.</b>
By:
Name:
Title:

<b>Lessee: Columbia County, OR</b>
By:
Name: Henry Heimuller
Title: Chair, Board of County Commissioners

Attest:
By
Name:
Title:

# Property Schedule No. 1

## Master Tax-Exempt Lease/Purchase Agreement

This **Property Schedule No. 1** is entered into as of the Commencement Date set forth below, pursuant to that certain Master Tax-Exempt Lease/Purchase Agreement (the "Master Agreement"), dated as of January 30, 2019, between U.S. Bancorp Government Leasing and Finance, Inc., and Columbia County, OR.

1. Interpretation. The terms and conditions of the Master Agreement are incorporated herein by reference as if fully set forth herein. Reference is made to the Master Agreement for all representations, covenants and warranties made by Lessee in the execution of this Property Schedule, unless specifically set forth herein. In the event of a conflict between the provisions of the Master Agreement and the provisions of this Property Schedule, the provisions of this Property Schedule shall control. All capitalized terms not otherwise defined herein shall have the meanings provided in the Master Agreement.
2. Commencement Date. The Commencement Date for this Property Schedule is January 30, 2019.
3. Property Description and Payment Schedule. The Property subject to this Property Schedule is described in Exhibit 1 hereto. Lessee shall not remove such property from the locations set forth therein without giving prior written notice to Lessor. The Lease Payment Schedule for this Property Schedule is set forth in Exhibit 1.
4. Opinion. The Opinion of Lessee's Counsel is attached as Exhibit 2.
5. Lessee's Certificate. The Lessee's Certificate is attached as Exhibit 3.
6. Proceeds. Exhibit 4 is intentionally omitted.
7. Acceptance Certificate. Exhibit 5 is intentionally omitted.
8. Additional Purchase Option Provisions. In addition to the Purchase Option provisions set forth in the Master Agreement, Lease Payments payable under this Property Schedule shall be subject to prepayment in whole at any time by payment of the applicable Termination Amount set forth in Exhibit 1 (Payment Schedule) and payment of all accrued and unpaid interest through the date of prepayment.
9. Private Activity Issue. Lessee understands that among other things, in order to maintain the exclusion of the interest component of Lease Payments from gross income for federal income tax purposes, it must limit and restrict the rights private businesses (including, for this purpose, the federal government and its agencies and organizations described in the Code § 501(c)(3)) have to use the Property. Each of these requirements will be applied beginning on the later of the Commencement Date or date each portion of the Property is placed in service and will continue to apply until earlier of the end of the economic useful life of the property or the date the Agreement or any tax-exempt obligation issued to refund the Property Schedule is retired (the "Measurement Period"). Lessee will comply with the requirements of Section 141 of the Code and the regulations thereunder which provide restrictions on special legal rights that users other than Lessee or a state or local government or an agency or instrumentality of a state or a local government (an "Eligible User") may have to use the Property. For this purpose, special legal rights may arise from a management or service agreement, lease, research agreement or other arrangement providing any entity except an Eligible User the right to use the Property. Any use of the Property by a user other than an Eligible User is referred to herein as "Non-Qualified Use". Throughout the Measurement Period, all of the Property is expected to be owned by Lessee. Throughout the Measurement Period, Lessee will not permit the Non-Qualified Use of the Property to exceed 10%.
10. Bank Qualification and Arbitrage Rebate. Attached as Exhibit 6.
11. Expiration. Lessor, at its sole determination, may choose not to accept this Property Schedule if the fully executed, original Master Agreement (including this Property Schedule and all ancillary documents) is not received by Lessor at its place of business by March 1, 2019.

IN WITNESS WHEREOF, Lessor and Lessee have caused this Property Schedule to be executed in their names by their duly authorized representatives as of the Commencement Date above.

<b>Lessor: U.S. Bancorp Government Leasing and Finance, Inc.</b>
By:
Name:
Title:

<b>Lessee: Columbia County, OR</b>
By:
Name: Henry Heimuller
Title: Chair, Board of County Commissioners

Attest:
By
Name:
Title:



**EXHIBIT 1**

**Property Description and Payment Schedule**

Re: **Property Schedule No. 1** to Master Tax-Exempt Lease/Purchase Agreement between U.S. Bancorp Government Leasing and Finance, Inc. and Columbia County, OR.

THE PROPERTY IS AS FOLLOWS: The Property as more fully described in Exhibit A incorporated herein by reference and attached hereto. It includes all replacements, parts, repairs, additions, accessions and accessories incorporated therein or affixed or attached thereto and any and all proceeds of the foregoing, including, without limitation, insurance recoveries.

PROPERTY LOCATION:

1054 Oregon St.  
Address  
  
St. Helens, OR 97051  
City, State Zip Code

USE: Backhoe - This use is essential to the proper, efficient and economic functioning of Lessee or to the services that Lessee provides; and Lessee has immediate need for and expects to make immediate use of substantially all of the Property, which need is not temporary or expected to diminish in the foreseeable future.

Lease Payment Schedule

Total Principal Amount: \$106,200.00

Payment No.	Due Date	Lease Payment	Principal Portion	Interest Portion	Termination Amount (After Making Payment for said Due Date)
1	28-Feb-2019	2,385.40	2,054.71	330.69	N/A
2	30-Mar-2019	2,385.40	2,061.10	324.30	N/A
3	30-Apr-2019	2,385.40	2,067.52	317.88	N/A
4	30-May-2019	2,385.40	2,073.96	311.44	N/A
5	30-Jun-2019	2,385.40	2,080.43	304.97	N/A
6	30-Jul-2019	2,385.40	2,086.90	298.50	N/A
7	30-Aug-2019	2,385.40	2,093.39	292.01	N/A
8	30-Sep-2019	2,385.40	2,099.91	285.49	N/A
9	30-Oct-2019	2,385.40	2,106.45	278.95	N/A
10	30-Nov-2019	2,385.40	2,113.01	272.39	N/A
11	30-Dec-2019	2,385.40	2,119.59	265.81	N/A
12	30-Jan-2020	2,385.40	2,126.19	259.21	N/A
13	29-Feb-2020	2,385.40	2,132.81	252.59	N/A
14	30-Mar-2020	2,385.40	2,139.45	245.95	79,149.92
15	30-Apr-2020	2,385.40	2,146.12	239.28	76,939.42
16	30-May-2020	2,385.40	2,152.80	232.60	74,722.04
17	30-Jun-2020	2,385.40	2,159.50	225.90	72,497.75
18	30-Jul-2020	2,385.40	2,166.23	219.17	70,266.53
19	30-Aug-2020	2,385.40	2,172.97	212.43	68,028.37
20	30-Sep-2020	2,385.40	2,179.74	205.66	65,783.24
21	30-Oct-2020	2,385.40	2,186.53	198.87	63,531.12
22	30-Nov-2020	2,385.40	2,193.33	192.07	61,271.99
23	30-Dec-2020	2,385.40	2,200.16	185.24	59,005.82
24	30-Jan-2021	2,385.40	2,207.02	178.38	56,732.59
25	28-Feb-2021	2,385.40	2,213.89	171.51	54,452.29
26	30-Mar-2021	2,385.40	2,220.78	164.62	52,164.88
27	30-Apr-2021	2,385.40	2,227.70	157.70	49,870.35

28	30-May-2021	2,385.40	2,234.63	150.77	47,568.68
29	30-Jun-2021	2,385.40	2,241.59	143.81	45,259.84
30	30-Jul-2021	2,385.40	2,248.57	136.83	42,943.81
31	30-Aug-2021	2,385.40	2,255.57	129.83	40,620.57
32	30-Sep-2021	2,385.40	2,262.60	122.80	38,290.09
33	30-Oct-2021	2,385.40	2,269.64	115.76	35,952.36
34	30-Nov-2021	2,385.40	2,276.71	108.69	33,607.35
35	30-Dec-2021	2,385.40	2,283.80	101.60	31,255.03
36	30-Jan-2022	2,385.40	2,290.91	94.49	28,895.39
37	28-Feb-2022	2,385.40	2,298.05	87.35	26,528.41
38	30-Mar-2022	2,385.40	2,305.20	80.20	24,154.05
39	30-Apr-2022	2,385.40	2,312.38	73.02	21,772.30
40	30-May-2022	2,385.40	2,319.58	65.82	19,383.13
41	30-Jun-2022	2,385.40	2,326.80	58.60	16,986.52
42	30-Jul-2022	2,385.40	2,334.05	51.35	14,582.45
43	30-Aug-2022	2,385.40	2,341.32	44.08	12,170.89
44	30-Sep-2022	2,385.40	2,348.61	36.79	9,751.83
45	30-Oct-2022	2,385.40	2,355.92	29.48	7,325.23
46	30-Nov-2022	2,385.40	2,363.26	22.14	4,891.07
47	30-Dec-2022	2,385.40	2,370.62	14.78	2,449.34
48	30-Jan-2023	2,385.40	2,378.00	7.40	0.00
<b>TOTALS:</b>		<b>114,499.20</b>	<b>106,200.00</b>	<b>8,299.20</b>	

Interest Rate: 3.737%

<b>Lessee: Columbia County, OR</b>
By:
Name: Henry Heimuller
Title: Chair, Board of County Commissioners

# EXHIBIT A

## Property Description

Equipment as described in PAPE Machinery's Quote dated October 2, 2018, inserted below:

<u>310SL HL Backhoe Loader</u>		
<b>Code</b>	<b>Description</b>	<b>Price</b>
0A80T	310SL HL BACKHOE LOADER	\$117,547.00
170C	JDLink Ultimate Cellular - 5 Years	No Added Cost
2401	English Decals with English Operator and Safety Manuals	No Added Cost
3065	Mechanical Front Wheel Drive (MFWD) with Limited Slip Differential	No Added Cost
2035	Cab	\$12,889.00
8685	Dual Maintenance Free Batteries With Disconnect and Jump Post	\$529.00
6020	Extendible Dipperstick	\$8,141.00
6230	Auxiliary Hydraulic with One & Two Way Flow	\$6,058.00
5285	Pilot Controls, Two Lever, with Pattern Selection	\$2,594.00
5400	Less Coupler	No Added Cost
5676	24" Wide, Heavy-Duty, 8.8 Cu. Ft. (0.25 Cu. M.) Capacity Bucket	\$1,825.00
7080	Three-Function Loader Hydraulics, Single Lever	\$3,181.00
8485	1250 Lb. (567 kg) Front Counterweight	\$1,711.00
1065	John Deere PowerTech Plus 4.5L (276 Cu. In.) Engine FT4 Emissions	\$12,899.00
4891	Firestone 21L - 24 12PR & 12.5/80-18 12PR Traction Sure Grip	\$1,927.00
7685	Wide Multipurpose Bucket	\$7,390.00
9210	Left Side Console Storage with Cup Holders	\$79.00
9916	Radio, Bosch Premium Package	\$1,320.00
9919	Sun Visor	\$92.00
9965	Seat, Cloth Air-Suspension	\$490.00
9116	LED Light Package	\$1,025.00
9110	Ride Control	\$1,935.00
9515	Diagnostic Oil Sampling Ports	\$201.00
9505	Full MFWD Driveshaft Guard	\$417.00
<b>Configured List Price</b>		<b>\$182,250.00</b>
<b>Sourcewell Discount 47%</b>		<b>(\$85,657.50)</b>
<b>Price Less Sourcewell Discount</b>		<b>\$96,592.50</b>
<b><u>Additional Costs</u></b>		
	<i>Helac Powertilt with PDI, install and pins</i>	<i>\$8,000.00</i>
	<i>BTI TC92V Compactor with PDI and install</i>	<i>\$8,500.00</i>
	<i>John Deere 36" HD Dig Bucket with Pins</i>	<i>\$2,200.00</i>
	<i>Extended Warranty 60 month / 3,000 hour Powertrain &amp; Hydraulic</i>	<i>\$2,400.00</i>
	<i>Boom Protection Plate with install</i>	<i>\$900.00</i>
	<i>In Bound Freight &amp; Delivery</i>	<i>\$4,500.00</i>
	<i>Pre Delivery Inspection Charge</i>	<i>\$840.00</i>
	<i>ASI</i>	<i>\$1,018.00</i>

## EXHIBIT 2

### Lessee's Counsel's Opinion

[To be provided on letterhead of Lessee's counsel.]

January 30, 2019

U.S. Bancorp Government Leasing and Finance, Inc.  
13010 SW 68th Parkway, Suite 100  
Portland, OR 97223

Columbia County, OR  
1054 Oregon Street  
Saint Helens, OR 97051  
Attention: LaVena Sullivan

RE: Property Schedule No. 1 to Master Tax-Exempt Lease/Purchase Agreement between U.S. Bancorp Government Leasing and Finance, Inc. and Columbia County, OR.

Ladies and Gentlemen:

We have acted as special counsel to Columbia County, OR ("Lessee"), in connection with the Master Tax-Exempt Lease/Purchase Agreement, dated as of January 30, 2019 (the "Master Agreement"), between Columbia County, OR, as lessee, and U.S. Bancorp Government Leasing and Finance, Inc. as lessor ("Lessor"), and the execution of Property Schedule No. 1 (the "Property Schedule") pursuant to the Master Agreement. We have examined the law and such certified proceedings and other papers as we deem necessary to render this opinion.

All capitalized terms not otherwise defined herein shall have the meanings provided in the Master Agreement and Property Schedule.

As to questions of fact material to our opinion, we have relied upon the representations of Lessee in the Master Agreement and the Property Schedule and in the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion that, under existing law:

1. Lessee is a public body corporate and politic, duly organized and existing under the laws of the State, and has a substantial amount of one or more of the following sovereign powers: (a) the power to tax, (b) the power of eminent domain, and (c) the police power.

2. Lessee has all requisite power and authority to enter into the Master Agreement and the Property Schedule and to perform its obligations thereunder.

3. The execution, delivery and performance of the Master Agreement and the Property Schedule by Lessee has been duly authorized by all necessary action on the part of Lessee.

4. All proceedings of Lessee and its governing body relating to the authorization and approval of the Master Agreement and the Property Schedule, the execution thereof and the transactions contemplated thereby have been conducted in accordance with all applicable open meeting laws and all other applicable state and federal laws.

5. Lessee has acquired or has arranged for the acquisition of the Property subject to the Property Schedule, and has entered into the Master Agreement and the Property Schedule, in compliance with all applicable public bidding laws.

6. Lessee has obtained all consents and approvals of other governmental authorities or agencies which may be required for the execution, delivery and performance by Lessee of the Master Agreement and the Property Schedule.

7. The Master Agreement and the Property Schedule have been duly executed and delivered by Lessee and constitute legal, valid and binding obligations of Lessee, enforceable against Lessee in accordance with the terms thereof, except insofar as the enforcement thereof may be limited by any applicable bankruptcy, insolvency, moratorium, reorganization or other laws of equitable principles of general application, or of application to municipalities or political subdivisions such as the Lessee, affecting remedies or creditors' rights generally, and to the exercise of judicial discretion in appropriate cases.

8. As of the date hereof, based on such inquiry and investigation as we have deemed sufficient, no litigation is pending, (or, to our knowledge, threatened) against Lessee in any court (a) seeking to restrain or enjoin the delivery of the Master Agreement or the Property Schedule or of other agreements similar to the Master Agreement; (b) questioning the authority of Lessee to execute the Master Agreement or the Property Schedule, or the validity of the Master Agreement or the Property Schedule, or the payment of principal or interest on, the Property Schedule; (c) questioning the constitutionality of any statute, or the validity of any proceedings, authorizing the execution of the Master Agreement and the Property Schedule; or (d) affecting the provisions made for the payment of or security for the Master Agreement and the Property Schedule.

This opinion may be relied upon by Lessor, its successors and assigns, and any other legal counsel who provides an opinion with respect to the Property Schedule.

Very truly yours,

By: \_\_\_\_\_

Name: Robin R. McIntyre

Title: Senior Assistant County Counsel

Dated: \_\_\_\_\_

**EXHIBIT 3**

**Lessee's General and Incumbency Certificate**

**GENERAL CERTIFICATE**

Re: **Property Schedule No. 1** dated as of January 30, 2019 to the Master Tax-Exempt Lease/Purchase Agreement dated January 30, 2019 between U.S. Bancorp Government Leasing and Finance, Inc. and Columbia County, OR.

The undersigned, being the duly elected, qualified and acting Chair of the Columbia County Board of Commissioners  
(Title of Person to Execute Lease/Purchase Agreement)  
of the Columbia County, OR ("Lessee") does hereby certify, as of January 30, 2019, as follows:

1. Lessee did, at a meeting of the governing body of the Lessee, by resolution or ordinance duly enacted, in accordance with all requirements of law, approve and authorize the execution and delivery of the above-referenced Property Schedule (the "Property Schedule") and the Master Tax-Exempt Lease/Purchase Agreement (the "Master Agreement") by the undersigned.

2. The meeting(s) of the governing body of the Lessee at which the Master Agreement and the Property Schedule were approved and authorized to be executed was duly called, regularly convened and attended throughout by the requisite quorum of the members thereof, and the enactment approving the Master Agreement and the Property Schedule and authorizing the execution thereof has not been altered or rescinded. All meetings of the governing body of Lessee relating to the authorization and delivery of Master Agreement and the Property Schedule have been: (a) held within the geographic boundaries of the Lessee; (b) open to the public, allowing all people to attend; (c) conducted in accordance with internal procedures of the governing body; and (d) conducted in accordance with the charter of the Lessee, if any, and the laws of the State.

3. No event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, an Event of Default or a Nonappropriation Event (as such terms are defined in the Master Agreement) exists at the date hereof with respect to this Property Schedule or any other Property Schedules under the Master Agreement.

4. The acquisition of all of the Property under the Property Schedule has been duly authorized by the governing body of Lessee.

5. Lessee has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the current budget year to make the Lease Payments scheduled to come due during the current budget year under the Property Schedule and to meet its other obligations for the current budget year and such funds have not been expended for other purposes.

6. As of the date hereof, no litigation is pending, (or, to my knowledge, threatened) against Lessee in any court (a) seeking to restrain or enjoin the delivery of the Master Agreement or the Property Schedule or of other agreements similar to the Master Agreement; (b) questioning the authority of Lessee to execute the Master Agreement or the Property Schedule, or the validity of the Master Agreement or the Property Schedule, or the payment of principal or of interest on, the Property Schedule; (c) questioning the constitutionality of any statute, or the validity of any proceedings, authorizing the execution of the Master Agreement and the Property Schedule; or (d) affecting the provisions made for the payment of or security for the Master Agreement and the Property Schedule.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of January 30, 2019.

Columbia County, OR

By \_\_\_\_\_  
Signature of Person to Execute Lease/Purchase Agreement

Henry Heimuller, Chair, Board of County Commissioners  
Print Name and Title of Person to Execute Lease/Purchase Agreement

**INCUMBENCY CERTIFICATE**

Re: **Property Schedule No. 1** dated as of January 30, 2019 to the Master Tax-Exempt Lease/Purchase Agreement dated as of January 30, 2019 between U.S. Bancorp Government Leasing and Finance, Inc. and Columbia County, OR.

The undersigned, being the duly elected, qualified and acting Secretary or Clerk of the Columbia County, OR("Lessee") does hereby certify, as of January 30, 2019, as follows:

As of the date of the meeting(s) of the governing body of the Lessee at which the above-referenced Master Agreement and the Property Schedule were approved and authorized to be executed, and as of the date hereof, the below-named representative of the Lessee held and holds the office set forth below, and the signature set forth below is his/her true and correct signature.

\_\_\_\_\_  
(Signature of Person to Execute Lease/Purchase Agreement)

Henry Heimuller, Chair, Board of County Commissioners  
\_\_\_\_\_  
(Print Name and Title)

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of January 30, 2019.

\_\_\_\_\_  
Secretary/Clerk

Print Name and Title: Jan Greenhalgh, Board Administrator

EXHIBIT 4

Payment of Proceeds Instructions

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Intentionally Omitted.



EXHIBIT 5

Acceptance Certificate

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Intentionally Omitted.

**EXHIBIT 6**

**Bank Qualification And Arbitrage Rebate**

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U.S. Bancorp Government Leasing and Finance, Inc.  
13010 SW 68th Parkway, Suite 100  
Portland, OR 97223

Re: **Property Schedule No. 1** to Master Tax-Exempt Lease/Purchase Agreement between U.S. Bancorp Government Leasing and Finance, Inc. and Columbia County, OR

**PLEASE CHECK EITHER:**

**Bank Qualified Tax-Exempt Obligation under Section 265**

XX Lessee hereby designates this Property Schedule as a "qualified tax-exempt obligation" as defined in Section 265(b)(3)(B) of the Code. Lessee reasonably anticipates issuing tax-exempt obligations (excluding private activity bonds other than qualified 501(c)(3) bonds and including all tax-exempt obligations of subordinate entities of the Lessee) during the calendar year in which the Commencement Date of this Property Schedule falls, in an amount not exceeding \$10,000,000.

or

       Not applicable.

**Arbitrage Rebate**

Eighteen Month Exception:

Pursuant to Treasury Regulations Section 1.148-7(d), the gross proceeds of this Property Schedule will be expended for the governmental purposes for which this Property Schedule was entered into, as follows: at least 15% within six months after the Commencement Date, at least 60% within 12 months after the Commencement Date, and 100% within 18 months after the Commencement Date. If Lessee is unable to comply with Section 1.148-7(d) of the Treasury Regulations, Lessee shall compute rebatable arbitrage on this Agreement and pay rebatable arbitrage to the United States at least once every five years, and within 60 days after payment of the final Lease Payment due under this Agreement.

***Consult tax counsel if there is any chance that the Eighteen Month Exception will not be met.***

<b>Lessee: Columbia County, OR</b>
By:
Name: Henry Heimuller
Title: Chair, Board of County Commissioners

**\*Please be sure to select ONE option above.**

## **Language for UCC Financing Statements**

### **Property Schedule No. 1**

SECURED PARTY: U.S. Bancorp Government Leasing and Finance, Inc.

DEBTOR: Columbia County, OR

This financing statement covers all of Debtor's right, title and interest, whether now owned or hereafter acquired, in and to the equipment leased to Debtor under Property Schedule No. 1 dated January 30, 2019 to that certain Master Tax-Exempt Lease Purchase Agreement dated as of January 30, 2019, in each case between Debtor, as Lessee, and Secured Party, as Lessor, together with all accessions, substitutions and replacements thereto and therefore, and proceeds (cash and non-cash), including, without limitation, insurance proceeds, thereof, including without limiting, all equipment described on Exhibit A attached hereto and made a part hereof.

Debtor has no right to dispose of the equipment.

## Notification of Tax Treatment to Tax-Exempt Lease/Purchase Agreement

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This **Notification of Tax Treatment** is pursuant to the Master Tax-Exempt Lease/Purchase Agreement dated as of January 30, 2019 and the related Property Schedule No. 1 dated January 30, 2019, between Lessor and Lessee (the "Agreement").

- Lessee agrees that this Property Schedule SHOULD be subject to sales/use taxes
- Lessee agrees that this Property Schedule should NOT be subject to sales/use taxes and Lessee has included our tax-exemption certificate with this document package
- Lessee agrees that this Property Schedule should NOT be subject to sales/use taxes and no tax-exemption certificate is issued to us by the State
- Lessee agrees that this Property Schedule is a taxable transaction and subject to any/all taxes
- Lessee agrees that this Property Schedule is subject to sales/use taxes and will pay those taxes directly to the State or Vendor

IN WITNESS WHEREOF, Lessee has caused this Notification of Tax Treatment to be executed by their duly authorized representative.

<b>Lessee: Columbia County, OR</b>
By:
Name: Henry Heimuller
Title: Chair, Board of County Commissioners

## ESCROW AGREEMENT

THIS ESCROW AGREEMENT ("*Escrow Agreement*") is made as of January 30, 2019 by and among U.S. Bancorp Government Leasing and Finance, Inc. ("*Lessor*"), Columbia County, OR ("*Lessee*") and U.S. BANK NATIONAL ASSOCIATION, as escrow agent ("*Escrow Agent*").

Lessor and Lessee have heretofore entered into that certain Master Tax-Exempt Lease/Purchase Agreement dated as of January 30, 2019 (the "*Master Agreement*") and a Property Schedule No. 1 thereto dated January 30, 2019 (the "*Schedule*") and, together with the terms and conditions of the Master Agreement incorporated therein, the "*Agreement*"). The Schedule contemplates that certain personal property described therein (the "*Equipment*") is to be acquired from the vendor(s) or manufacturer(s) thereof (the "*Vendor*"). After acceptance of the Equipment by Lessee, the Equipment is to be financed by Lessor to Lessee pursuant to the terms of the Agreement.

The Master Agreement further contemplates that Lessor will deposit an amount equal to the anticipated aggregate acquisition cost of the Equipment (the "*Purchase Price*"), being \$106,200.00, with Escrow Agent to be held in escrow and applied on the express terms set forth herein. Such deposit, together with all interest and other additions received with respect thereto (hereinafter the "*Escrow Fund*") is to be applied to pay the Vendor its invoice cost (a portion of which may, if required, be paid prior to final acceptance of the Equipment by Lessee); and, if applicable, to reimburse Lessee for progress payments already made by it to the Vendor of the Equipment.

The parties desire to set forth the terms on which the Escrow Fund is to be created and to establish the rights and responsibilities of the parties hereto.

NOW, THEREFORE, in consideration of the sum of Ten Dollars (\$10.00) in hand paid, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Escrow Agent hereby agrees to serve as escrow agent upon the terms and conditions set forth herein. The moneys and investments held in the Escrow Fund are for the benefit of Lessee and Lessor, and such moneys, together with any income or interest earned thereon, shall be expended only as provided in this Escrow Agreement, and shall not be subject to levy or attachment or lien by or for the benefit of any creditor of either Lessee or Lessor. Lessor, Lessee and Escrow Agent intend that the Escrow Fund constitute an escrow account in which Lessee has no legal or equitable right, title or interest until satisfaction in full of all conditions contained herein for the disbursement of funds by the Escrow Agent therefrom. However, if the parties' intention that Lessee shall have no legal or equitable right, title or interest until all conditions for disbursement are satisfied in full is not respected in any legal proceeding, the parties hereto intend that Lessor have a security interest in the Escrow Fund, and such security interest is hereby granted by Lessee to secure payment of all sums due to Lessor under the Master Agreement. For such purpose, Escrow Agent hereby agrees to act as agent for Lessor in connection with the perfection of such security interest and agrees to note, or cause to be noted, on all books and records relating to the Escrow Fund, the Lessor's interest therein.

2. On such day as is determined to the mutual satisfaction of the parties (the "*Closing Date*"), Lessor shall deposit with Escrow Agent cash in the amount of the Purchase Price, to be held in escrow by Escrow Agent on the express terms and conditions set forth herein.

On the Closing Date, Escrow Agent agrees to accept the deposit of the Purchase Price by Lessor, and further agrees to hold the amount so deposited together with all interest and other additions received with respect thereto, as the Escrow Fund hereunder, in escrow on the express terms and conditions set forth herein.

3. Escrow Agent shall at all times segregate the Escrow Fund into an account maintained for that express purpose, which shall be clearly identified on the books and records of Escrow Agent as being held in its capacity as Escrow Agent. Securities and other negotiable instruments comprising the

Escrow Fund from time to time shall be held or registered in the name of Escrow Agent (or its nominee). The Escrow Fund shall not, to the extent permitted by applicable law, be subject to levy or attachment or lien by or for the benefit of any creditor of any of the parties hereto (except with respect to the security interest therein held by Lessor).

4. The cash comprising the Escrow Fund from time to time shall be invested and reinvested by Escrow Agent in one or more investments as directed by Lessee. Absent written direction from Lessee, the cash will be invested in the U.S. Bank National Association Money Market Deposit Fund. See Exhibit 1 Investment Direction Letter. Lessee represents and warrants to Escrow Agent and Lessor that the investments selected by Lessee for investment of the Escrow Fund are permitted investments for Lessee under all applicable laws. Escrow Agent will use due diligence to collect amounts payable under a check or other instrument for the payment of money comprising the Escrow Fund and shall promptly notify Lessee and Lessor in the event of dishonor of payment under any such check or other instruments. Interest or other amounts earned and received by Escrow Agent with respect to the Escrow Fund shall be deposited in and comprise a part of the Escrow Fund. Escrow Agent shall maintain accounting records sufficient to permit calculation of the income on investments and interest earned on deposit of amounts held in the Escrow Fund. The parties acknowledge that to the extent regulations of the Comptroller of Currency or other applicable regulatory entity grant a right to receive brokerage confirmations of security transactions of the escrow, the parties waive receipt of such confirmations, to the extent permitted by law. The Escrow Agent shall furnish a statement of security transactions on its regular monthly reports. Attached as Exhibit 6 is the Class Action Negative Consent Letter to be reviewed by Lessee.

5. Upon request by Lessee and Lessor, Escrow Agent shall send monthly statements of account to Lessee and Lessor, which statements shall set forth all withdrawals from and interest earnings on the Escrow Fund as well as the investments in which the Escrow Fund is invested.

6. Escrow Agent shall take the following actions with respect to the Escrow Fund:

(a) Upon Escrow Agent's acceptance of the deposit of the Purchase Price, an amount equal to Escrow Agent's set-up fee, as set forth on Exhibit 2 hereto, shall be disbursed from the Escrow Fund to Escrow Agent in payment of such fee.

(b) Escrow Agent shall pay costs of the Equipment upon receipt of a duly executed Requisition Request (substantially in the format of Exhibit 3) signed by Lessor and Lessee. Lessor's authorized signatures are provided in Exhibit 5. Lessee's authorized signatures will be provided in Exhibit 3 of Master Lease Purchase Agreement. Escrow Agent will use best efforts to process requests for payment within one (1) business day of receipt of requisitions received prior to 2:00 p.m. Central Time. The final Requisition shall be accompanied by a duly executed Final Acceptance Certificate form attached as Exhibit 4 hereto.

(c) Upon receipt by Escrow Agent of written notice from Lessor that an Event of Default or an Event of Nonappropriation (if provided for under the Master Agreement) has occurred under the Agreement, all funds then on deposit in the Escrow Fund shall be paid to Lessor for application in accordance with the Master Agreement, and this Escrow Agreement shall terminate.

(d) Upon receipt by Escrow Agent of written notice from Lessor that the purchase price of the Equipment has been paid in full, Escrow Agent shall pay the funds then on deposit in the Escrow Fund to Lessor to be applied first to the next Lease Payment due under the Master Agreement, and second, to prepayment of the principal component of Lease Payments in inverse order of maturity without premium. To the extent the Agreement is not subject to prepayment, Lessor consents to such prepayment to the extent of such prepayment amount from the Escrow Fund. Upon disbursement of all amounts in the Escrow Fund, this Escrow Agreement shall terminate.

(e) This Escrow Agreement shall terminate eighteen (18) months from the date of this Escrow Agreement. It may, however, be extended by mutual consent of Lessee and Lessor in writing to Escrow Agent. All funds on deposit in the Escrow Fund at the time of termination under this paragraph, unless otherwise directed by Lessee in writing (electronic means acceptable), shall be transferred to Lessor.

7. The fees and expenses, including any legal fees, of Escrow Agent incurred in connection herewith shall be the responsibility of Lessee. The basic fees and expenses of Escrow Agent shall be as set forth on Exhibit 2 and Escrow Agent is hereby authorized to deduct such fees and expenses from the Escrow Fund as and when the same are incurred without any further authorization from Lessee or Lessor. Escrow Agent may employ legal counsel and other experts as it deems necessary for advice in connection with its obligations hereunder. Escrow Agent waives any claim against Lessor with respect to compensation hereunder.

8. Escrow Agent shall have no liability for acting upon any written instruction presented by Lessor in connection with this Escrow Agreement, which Escrow Agent in good faith believes to be genuine. Furthermore, Escrow Agent shall not be liable for any act or omission in connection with this Escrow Agreement except for its own negligence, willful misconduct or bad faith. Escrow Agent shall not be liable for any loss or diminution in value of the Escrow Fund as a result of the investments made by Escrow Agent.

9. Escrow Agent may resign at any time by giving thirty (30) days' prior written notice to Lessor and Lessee. Lessor may at any time remove Escrow Agent as Escrow Agent under this Escrow Agreement upon written notice. Such removal or resignation shall be effective on the date set forth in the applicable notice. Upon the effective date of resignation or removal, Escrow Agent will transfer the Escrow Fund to the successor Escrow Agent selected by Lessor.

10. Lessee hereby represents, covenants and warrants that pursuant to Treasury Regulations Section 1.148-7(d), the gross proceeds of the Agreement will be expended for the governmental purposes for which the Agreement was entered into, as follows: at least 15% within six months after the Commencement Date, such date being the date of deposit of funds into the Escrow Fund, at least 60% within 12 months after the Commencement Date, and 100% within 18 months after the Commencement Date. If Lessee is unable to comply with Section 1.148-7(d) of the Treasury Regulations, Lessee shall, at its sole expense and cost, compute rebatable arbitrage on the Agreement and pay rebatable arbitrage to the United States at least once every five years, and within 60 days after payment of the final rental or Lease Payment due under the Agreement.

11. In the event of any disagreement between the undersigned or any of them, and/or any other person, resulting in adverse claims and demands being made in connection with or for any moneys involved herein or affected hereby, Escrow Agent shall be entitled at its option to refuse to comply with any such claim or demand, so long as such disagreement shall continue, and in so refusing Escrow Agent may refrain from making any delivery or other disposition of any moneys involved herein or affected hereby and in so doing Escrow Agent shall not be or become liable to the undersigned or any of them or to any person or party for its failure or refusal to comply with such conflicting or adverse demands, and Escrow Agent shall be entitled to continue so to refrain and refuse so to act until:

(a) the rights of the adverse claimants have been finally adjudicated in a court assuming and having jurisdiction of the parties and the moneys involved herein or affected hereby; or

(b) all differences shall have been adjusted by Master Agreement and Escrow Agent shall have been notified thereof in writing signed by all of the persons interested.

12. All notices (excluding billings and communications in the ordinary course of business) hereunder shall be in writing, and shall be sufficiently given and served upon the other party if delivered (a) personally, (b) by United States registered or certified mail, return receipt requested, postage prepaid, (c) by an overnight delivery by a service such as Federal Express or Express Mail from which written

confirmation of overnight delivery is available, or (d) by facsimile with a confirmation copy by regular United States mail, postage prepaid, addressed to the other party at its respective address stated below the signature of such party or at such other address as such party shall from time to time designate in writing to the other party, and shall be effective from the date of mailing.

13. This Escrow Agreement shall inure to the benefit of and shall be binding upon the parties hereto and their respective successors and assigns. No rights or obligations of Escrow Agent under this Escrow Agreement may be assigned without the prior written consent of Lessor.

14. This Escrow Agreement shall be governed by and construed in accordance with the laws in the State of Oregon with venue in St. Helens, Columbia County, Oregon. This Escrow Agreement constitutes the entire Agreement between the parties hereto with respect to the subject matter hereof, and no waiver, consent, modification or change of terms hereof shall bind any party unless in writing signed by all parties.

15. This Escrow Agreement and any written direction may be executed in two or more counterparts, which when so executed shall constitute one and the same agreement or direction.

IN WITNESS WHEREOF, the parties hereto have caused this Escrow Agreement to be duly executed as of the day and year first above set forth.

U.S. Bancorp Government Leasing and Finance, Inc., as Lessor
By:
Name:
Title:
Address: 13010 SW 68 <sup>th</sup> Parkway, Suite 100 Portland, OR 97223

Columbia County, OR, as Lessee
By:
Name: Henry Heimuller
Title: Chair, Board of County Commissioners
Address: 1054 Oregon Street Saint Helens, OR 97051

U.S. BANK NATIONAL ASSOCIATION, as Escrow Agent
By:
Name:
Title:
Address: U.S. Bank National Association 950 17 <sup>th</sup> Street, 12 <sup>th</sup> Floor Denver, CO 80202



**EXHIBIT 1**

**U.S. BANK NATIONAL ASSOCIATION  
MONEY MARKET ACCOUNT AUTHORIZATION FORM  
DESCRIPTION AND TERMS**

The U.S. Bank Money Market account is a U.S. Bank National Association (“U.S. Bank”) interest-bearing money market deposit account designed to meet the needs of U.S. Bank’s Corporate Trust Services Escrow Group and other Corporate Trust customers of U.S. Bank. Selection of this investment includes authorization to place funds on deposit and invest with U.S. Bank.

U.S. Bank uses the daily balance method to calculate interest on this account (actual/365 or 366). This method applies a daily periodic rate to the principal balance in the account each day. Interest is accrued daily and credited monthly to the account. Interest rates are determined at U.S. Bank’s discretion, and may be tiered by customer deposit amount.

The owner of the account is U.S. Bank as Agent for its trust customers. U.S. Bank’s trust department performs all account deposits and withdrawals. Deposit accounts are FDIC Insured per depositor, as determined under FDIC Regulations, up to applicable FDIC limits.

**AUTOMATIC AUTHORIZATION**

In the absence of specific written direction to the contrary, U.S. Bank is hereby directed to invest and reinvest proceeds and other available moneys in the U.S. Bank Money Market Account. The U.S. Bank Money Market Account is a permitted investment under the operative documents and this authorization is the permanent direction for investment of the moneys until notified in writing of alternate instructions.

Columbia County, OR

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Signature of Authorized Directing Party

\_\_\_\_\_  
Trust Account Number – includes existing and future sub-accounts unless otherwise directed

\_\_\_\_\_  
Title/Date

## EXHIBIT 2

### Schedule of Fees for Services as Escrow Agent Equipment Lease Purchase Escrow

CTS01010A	<b>Acceptance Fee</b> The acceptance fee includes the administrative review of documents, initial set-up of the account, and other reasonably required services up to and including the closing. This is a one-time, non-refundable fee, payable at closing.	WAIVED
CTS04460	<b>Escrow Agent</b> Annual fee for the standard escrow agent services associated with the administration of the account. Administration fees are payable in advance.	WAIVED
	<b>Direct Out of Pocket Expenses</b> Reimbursement of expenses associated with the performance of our duties, including but not limited to publications, legal counsel after the initial close, travel expenses and filing fees.	WAIVED
	<b>Extraordinary Services</b> Extraordinary Services are duties or responsibilities of an unusual nature, including termination, but not provided for in the governing documents or otherwise set forth in this schedule. A reasonable charge will be assessed based on the nature of the services and the responsibility involved. At our option, these charges will be billed at a flat fee or at our hourly rate then in effect.	

Account approval is subject to review and qualification. Fees are subject to change at our discretion and upon written notice. Fees paid in advance will not be prorated. The fees set forth above and any subsequent modifications thereof are part of your agreement. Finalization of the transaction constitutes agreement to the above fee schedule, including agreement to any subsequent changes upon proper written notice. In the event your transaction is not finalized, any related out-of-pocket expenses will be billed to you directly. Absent your written instructions to sweep or otherwise invest, all sums in your account will remain uninvested and no accrued interest or other compensation will be credited to the account. Payment of fees constitutes acceptance of the terms and conditions set forth.

#### **IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT:**

**To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account.**

**For a non-individual person such as a business entity, a charity, a Trust or other legal entity we will ask for documentation to verify its formation and existence as a legal entity. We may also ask to see financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.**

**EXHIBIT 3**

**REQUISITION REQUEST**

The Escrow Agent is hereby requested to pay from the Escrow Fund established and maintained under that certain Escrow Agreement dated as of January 30, 2019 (the “Escrow Agreement”) by and among U.S. Bancorp Government Leasing and Finance, Inc. (the “Lessor”), Columbia County, OR (the “Lessee”), and U.S. Bank National Association (the “Escrow Agent”), the amount set forth below to the named payee(s). The amount shown is due and payable under a purchase order or contract (or has been paid by and not previously reimbursed to Lessee) with respect to equipment being financed under that certain Master Tax-Exempt Lease Purchase Agreement dated as of January 30, 2019 (the “Master Agreement”) and Property Schedule No. 1 thereto dated January 30, 2019 (the “Schedule” and, together with the terms and conditions of the Master Agreement incorporated therein, the “Agreement”), by and between the Lessor and the Lessee, and has not formed the basis of any prior requisition request.

PAYEE	AMOUNT	INVOICE NO.	EQUIPMENT

Total requisition amount \$ \_\_\_\_\_

The undersigned, as Lessee under the Master Agreement, hereby certifies:

1. The items of the Equipment being acquired with the proceeds of this disbursement have been delivered and installed at the location(s) contemplated by the Master Agreement. The Lessee has conducted such inspection and/or testing of the Equipment being acquired with the proceeds of this disbursement as it deems necessary and appropriate, and such Equipment has been accepted by Lessee.
2. The costs of the Equipment to be paid from the proceeds of this disbursement have been properly incurred, are a proper charge against the Escrow Fund and have not been the basis of any previous disbursement.
3. No part of the disbursement requested hereby will be used to pay for materials not yet incorporated into the Equipment or for services not yet performed in connection therewith.
4. The Equipment is covered by insurance in the types and amounts required by the Agreement.
5. No Event of Default or Event of Nonappropriation (if applicable), as each such term is defined in the Master Agreement, and no event which with the giving of notice or lapse of time, or both, would become such an Event of Default or Event of Nonappropriation has occurred and is continuing on the date hereof.
6. If Lessee paid an invoice prior to the commencement date of the Master Agreement, and is requesting reimbursement for such payment, Lessee has satisfied the requirements for reimbursement set forth in Treas. Reg. §1.150-2.

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

<b>Lessor: U.S. Bancorp Government Leasing and Finance, Inc.</b>
By:
Name:
Title:

<b>Lessee: Columbia County, OR</b>
By:
Name:
Title:

**Exhibit 4**

**Final Acceptance Certificate**

U.S. Bancorp Government Leasing and Finance, Inc.  
13010 SW 68th Parkway, Suite 100  
Portland, OR 97223

Re: **Property Schedule No. 1** to Master Tax-Exempt Lease/Purchase Agreement between U.S. Bancorp Government Leasing and Finance, Inc. and Columbia County, OR

Ladies and Gentlemen:

In accordance with the above-referenced Master Tax-Exempt Lease/Purchase Agreement (the "Master Agreement"), the undersigned ("Lessee") hereby certifies and represents to, and agrees with, U.S. Bancorp Government Leasing and Finance, Inc. ("Lessor"), as follows:

- (1) The Property, as such terms are defined in the above-referenced Property Schedule, has been acquired, made, delivered, installed and accepted on the date indicated below.
- (2) Lessee has conducted such inspection and/or testing of the Property as it deems necessary and appropriate and hereby acknowledges that it accepts the Property for all purposes.
- (3) No event or condition that constitutes, or with notice or lapse of time, or both, would constitute, an Event of Default or a Nonappropriation Event (as such terms are defined in the Master Agreement) exists at the date hereof.

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

<b>Lessee: Columbia County, OR</b>
By:
Name:
Title:

## INSURANCE AUTHORIZATION AND VERIFICATION

Date: January 30, 2019

Property Schedule No: 1

To: Columbia County, OR (the "Lessee")

From: U.S. Bancorp Government Leasing and Finance, Inc. (the  
"Lessor")  
1310 Madrid Street  
Marshall, MN 56258

**TO THE LESSEE:** In connection with the above-referenced Property Schedule, Lessor requires proof in the form of this document, executed by both Lessee\* and Lessee's agent, that Lessee's insurable interest in the financed property (the "Property") meets Lessor's requirements as follows, with coverage including, but not limited to, fire, extended coverage, vandalism, and theft:

**Lessor, AND ITS SUCCESSORS AND ASSIGNS, shall be covered as both ADDITIONAL INSURED and LENDER'S LOSS PAYEE with regard to all equipment financed or leased by policy holder through or from Lessor. All such insurance shall contain a provision to the effect that such insurance shall not be canceled or modified without first giving written notice thereof to Lessor and Lessee at least thirty (30) days in advance of such cancellation or modification.**

**Lessee must carry GENERAL LIABILITY (and/or, for vehicles, Automobile Liability) in the amount of no less than \$1,000,000.00 (one million dollars).**

**Lessee must carry PROPERTY Insurance (or, for vehicles, Physical Damage Insurance) in an amount no less than the 'Insurable Value' \$106,200.00, with deductibles no more than \$10,000.00.**

*\*Lessee: Please execute this form and return with your document package. Please fax this form to your insurance agency for endorsement. In lieu of agent endorsement, Lessee's agency may submit insurance certificates demonstrating compliance with all requirements.*

**By signing, Lessee authorizes the Agent named below: 1) to complete and return this form as indicated; and 2) to endorse the policy and subsequent renewals to reflect the required coverage as outlined above.**

Agency/Agent:		
Address:		
Phone/Fax:		
Email:		

<b>Lessee: Columbia County, OR</b>
By:
Name:
Title:

**TO THE AGENT: In lieu of providing a certificate, please execute this form in the space below and promptly fax it to Lessor at 303-585-5985. This fully endorsed form shall serve as proof that Lessee's insurance meets the above requirements.**

**Agent hereby verifies that the above requirements have been met in regard to the Property listed below.**

Print Name of Agency: **X** \_\_\_\_\_

By: **X** \_\_\_\_\_  
(Agent's Signature)

Print Name: **X** \_\_\_\_\_

Date: **X** \_\_\_\_\_

**Insurable Value: \$106,200.00**

**ATTACHED: PROPERTY DESCRIPTION FOR PROPERTY SCHEDULE NO.: 1**

**ESCROW AGREEMENT**

THIS ESCROW AGREEMENT ("*Escrow Agreement*") is made as of January 30, 2019 by and among U.S. Bancorp Government Leasing and Finance, Inc. ("*Lessor*"), Columbia County, OR ("*Lessee*") and U.S. BANK NATIONAL ASSOCIATION, as escrow agent ("*Escrow Agent*").

Lessor and Lessee have heretofore entered into that certain Master Tax-Exempt Lease/Purchase Agreement dated as of January 30, 2019 (the "*Master Agreement*") and a Property Schedule No. 1 thereto dated January 30, 2019 (the "*Schedule*") and, together with the terms and conditions of the Master Agreement incorporated therein, the "*Agreement*"). The Schedule contemplates that certain personal property described therein (the "*Equipment*") is to be acquired from the vendor(s) or manufacturer(s) thereof (the "*Vendor*"). After acceptance of the Equipment by Lessee, the Equipment is to be financed by Lessor to Lessee pursuant to the terms of the Agreement.

The Master Agreement further contemplates that Lessor will deposit an amount equal to the anticipated aggregate acquisition cost of the Equipment (the "*Purchase Price*"), being \$106,200.00, with Escrow Agent to be held in escrow and applied on the express terms set forth herein. Such deposit, together with all interest and other additions received with respect thereto (hereinafter the "*Escrow Fund*") is to be applied to pay the Vendor its invoice cost (a portion of which may, if required, be paid prior to final acceptance of the Equipment by Lessee); and, if applicable, to reimburse Lessee for progress payments already made by it to the Vendor of the Equipment.

The parties desire to set forth the terms on which the Escrow Fund is to be created and to establish the rights and responsibilities of the parties hereto.

NOW, THEREFORE, in consideration of the sum of Ten Dollars (\$10.00) in hand paid, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Escrow Agent hereby agrees to serve as escrow agent upon the terms and conditions set forth herein. The moneys and investments held in the Escrow Fund are for the benefit of Lessee and Lessor, and such moneys, together with any income or interest earned thereon, shall be expended only as provided in this Escrow Agreement, and shall not be subject to levy or attachment or lien by or for the benefit of any creditor of either Lessee or Lessor. Lessor, Lessee and Escrow Agent intend that the Escrow Fund constitute an escrow account in which Lessee has no legal or equitable right, title or interest until satisfaction in full of all conditions contained herein for the disbursement of funds by the Escrow Agent therefrom. However, if the parties' intention that Lessee shall have no legal or equitable right, title or interest until all conditions for disbursement are satisfied in full is not respected in any legal proceeding, the parties hereto intend that Lessor have a security interest in the Escrow Fund, and such security interest is hereby granted by Lessee to secure payment of all sums due to Lessor under the Master Agreement. For such purpose, Escrow Agent hereby agrees to act as agent for Lessor in connection with the perfection of such security interest and agrees to note, or cause to be noted, on all books and records relating to the Escrow Fund, the Lessor's interest therein.

2. On such day as is determined to the mutual satisfaction of the parties (the "*Closing Date*"), Lessor shall deposit with Escrow Agent cash in the amount of the Purchase Price, to be held in escrow by Escrow Agent on the express terms and conditions set forth herein.

On the Closing Date, Escrow Agent agrees to accept the deposit of the Purchase Price by Lessor, and further agrees to hold the amount so deposited together with all interest and other additions received with respect thereto, as the Escrow Fund hereunder, in escrow on the express terms and conditions set forth herein.

3. Escrow Agent shall at all times segregate the Escrow Fund into an account maintained for that express purpose, which shall be clearly identified on the books and records of Escrow Agent as being held in its capacity as Escrow Agent. Securities and other negotiable instruments comprising the

Escrow Fund from time to time shall be held or registered in the name of Escrow Agent (or its nominee). The Escrow Fund shall not, to the extent permitted by applicable law, be subject to levy or attachment or lien by or for the benefit of any creditor of any of the parties hereto (except with respect to the security interest therein held by Lessor).

4. The cash comprising the Escrow Fund from time to time shall be invested and reinvested by Escrow Agent in one or more investments as directed by Lessee. Absent written direction from Lessee, the cash will be invested in the U.S. Bank National Association Money Market Deposit Fund. See Exhibit 1 Investment Direction Letter. Lessee represents and warrants to Escrow Agent and Lessor that the investments selected by Lessee for investment of the Escrow Fund are permitted investments for Lessee under all applicable laws. Escrow Agent will use due diligence to collect amounts payable under a check or other instrument for the payment of money comprising the Escrow Fund and shall promptly notify Lessee and Lessor in the event of dishonor of payment under any such check or other instruments. Interest or other amounts earned and received by Escrow Agent with respect to the Escrow Fund shall be deposited in and comprise a part of the Escrow Fund. Escrow Agent shall maintain accounting records sufficient to permit calculation of the income on investments and interest earned on deposit of amounts held in the Escrow Fund. The parties acknowledge that to the extent regulations of the Comptroller of Currency or other applicable regulatory entity grant a right to receive brokerage confirmations of security transactions of the escrow, the parties waive receipt of such confirmations, to the extent permitted by law. The Escrow Agent shall furnish a statement of security transactions on its regular monthly reports. Attached as Exhibit 6 is the Class Action Negative Consent Letter to be reviewed by Lessee.

5. Upon request by Lessee and Lessor, Escrow Agent shall send monthly statements of account to Lessee and Lessor, which statements shall set forth all withdrawals from and interest earnings on the Escrow Fund as well as the investments in which the Escrow Fund is invested.

6. Escrow Agent shall take the following actions with respect to the Escrow Fund:

(a) Upon Escrow Agent's acceptance of the deposit of the Purchase Price, an amount equal to Escrow Agent's set-up fee, as set forth on Exhibit 2 hereto, shall be disbursed from the Escrow Fund to Escrow Agent in payment of such fee.

(b) Escrow Agent shall pay costs of the Equipment upon receipt of a duly executed Requisition Request (substantially in the format of Exhibit 3) signed by Lessor and Lessee. Lessor's authorized signatures are provided in Exhibit 5. Lessee's authorized signatures will be provided in Exhibit 3 of Master Lease Purchase Agreement. Escrow Agent will use best efforts to process requests for payment within one (1) business day of receipt of requisitions received prior to 2:00 p.m. Central Time. The final Requisition shall be accompanied by a duly executed Final Acceptance Certificate form attached as Exhibit 4 hereto.

(c) Upon receipt by Escrow Agent of written notice from Lessor that an Event of Default or an Event of Nonappropriation (if provided for under the Master Agreement) has occurred under the Agreement, all funds then on deposit in the Escrow Fund shall be paid to Lessor for application in accordance with the Master Agreement, and this Escrow Agreement shall terminate.

(d) Upon receipt by Escrow Agent of written notice from Lessor that the purchase price of the Equipment has been paid in full, Escrow Agent shall pay the funds then on deposit in the Escrow Fund to Lessor to be applied first to the next Lease Payment due under the Master Agreement, and second, to prepayment of the principal component of Lease Payments in inverse order of maturity without premium. To the extent the Agreement is not subject to prepayment, Lessor consents to such prepayment to the extent of such prepayment amount from the Escrow Fund. Upon disbursement of all amounts in the Escrow Fund, this Escrow Agreement shall terminate.

(e) This Escrow Agreement shall terminate eighteen (18) months from the date of this Escrow Agreement. It may, however, be extended by mutual consent of Lessee and Lessor in writing to Escrow Agent. All funds on deposit in the Escrow Fund at the time of termination under this paragraph, unless otherwise directed by Lessee in writing (electronic means acceptable), shall be transferred to Lessor.

7. The fees and expenses, including any legal fees, of Escrow Agent incurred in connection herewith shall be the responsibility of Lessee. The basic fees and expenses of Escrow Agent shall be as set forth on Exhibit 2 and Escrow Agent is hereby authorized to deduct such fees and expenses from the Escrow Fund as and when the same are incurred without any further authorization from Lessee or Lessor. Escrow Agent may employ legal counsel and other experts as it deems necessary for advice in connection with its obligations hereunder. Escrow Agent waives any claim against Lessor with respect to compensation hereunder.

8. Escrow Agent shall have no liability for acting upon any written instruction presented by Lessor in connection with this Escrow Agreement, which Escrow Agent in good faith believes to be genuine. Furthermore, Escrow Agent shall not be liable for any act or omission in connection with this Escrow Agreement except for its own negligence, willful misconduct or bad faith. Escrow Agent shall not be liable for any loss or diminution in value of the Escrow Fund as a result of the investments made by Escrow Agent.

9. Escrow Agent may resign at any time by giving thirty (30) days' prior written notice to Lessor and Lessee. Lessor may at any time remove Escrow Agent as Escrow Agent under this Escrow Agreement upon written notice. Such removal or resignation shall be effective on the date set forth in the applicable notice. Upon the effective date of resignation or removal, Escrow Agent will transfer the Escrow Fund to the successor Escrow Agent selected by Lessor.

10. Lessee hereby represents, covenants and warrants that pursuant to Treasury Regulations Section 1.148-7(d), the gross proceeds of the Agreement will be expended for the governmental purposes for which the Agreement was entered into, as follows: at least 15% within six months after the Commencement Date, such date being the date of deposit of funds into the Escrow Fund, at least 60% within 12 months after the Commencement Date, and 100% within 18 months after the Commencement Date. If Lessee is unable to comply with Section 1.148-7(d) of the Treasury Regulations, Lessee shall, at its sole expense and cost, compute rebatable arbitrage on the Agreement and pay rebatable arbitrage to the United States at least once every five years, and within 60 days after payment of the final rental or Lease Payment due under the Agreement.

11. In the event of any disagreement between the undersigned or any of them, and/or any other person, resulting in adverse claims and demands being made in connection with or for any moneys involved herein or affected hereby, Escrow Agent shall be entitled at its option to refuse to comply with any such claim or demand, so long as such disagreement shall continue, and in so refusing Escrow Agent may refrain from making any delivery or other disposition of any moneys involved herein or affected hereby and in so doing Escrow Agent shall not be or become liable to the undersigned or any of them or to any person or party for its failure or refusal to comply with such conflicting or adverse demands, and Escrow Agent shall be entitled to continue so to refrain and refuse so to act until:

(a) the rights of the adverse claimants have been finally adjudicated in a court assuming and having jurisdiction of the parties and the moneys involved herein or affected hereby; or

(b) all differences shall have been adjusted by Master Agreement and Escrow Agent shall have been notified thereof in writing signed by all of the persons interested.

12. All notices (excluding billings and communications in the ordinary course of business) hereunder shall be in writing, and shall be sufficiently given and served upon the other party if delivered (a) personally, (b) by United States registered or certified mail, return receipt requested, postage prepaid, (c) by an overnight delivery by a service such as Federal Express or Express Mail from which written



confirmation of overnight delivery is available, or (d) by facsimile with a confirmation copy by regular United States mail, postage prepaid, addressed to the other party at its respective address stated below the signature of such party or at such other address as such party shall from time to time designate in writing to the other party, and shall be effective from the date of mailing.

13. This Escrow Agreement shall inure to the benefit of and shall be binding upon the parties hereto and their respective successors and assigns. No rights or obligations of Escrow Agent under this Escrow Agreement may be assigned without the prior written consent of Lessor.

14. This Escrow Agreement shall be governed by and construed in accordance with the laws in the State of Oregon with venue in St. Helens, Columbia County, Oregon. This Escrow Agreement constitutes the entire Agreement between the parties hereto with respect to the subject matter hereof, and no waiver, consent, modification or change of terms hereof shall bind any party unless in writing signed by all parties.

15. This Escrow Agreement and any written direction may be executed in two or more counterparts, which when so executed shall constitute one and the same agreement or direction.

IN WITNESS WHEREOF, the parties hereto have caused this Escrow Agreement to be duly executed as of the day and year first above set forth.

U.S. Bancorp Government Leasing and Finance, Inc., as Lessor
By:
Name:
Title:
Address: 13010 SW 68 <sup>th</sup> Parkway, Suite 100 Portland, OR 97223

Columbia County, OR, as Lessee
By:
Name: Henry Heimuller
Title: Chair, Board of County Commissioners
Address: 1054 Oregon Street Saint Helens, OR 97051

U.S. BANK NATIONAL ASSOCIATION, as Escrow Agent
By:
Name:
Title:
Address: U.S. Bank National Association 950 17 <sup>th</sup> Street, 12 <sup>th</sup> Floor Denver, CO 80202

**EXHIBIT 1**

**U.S. BANK NATIONAL ASSOCIATION  
MONEY MARKET ACCOUNT AUTHORIZATION FORM  
DESCRIPTION AND TERMS**

The U.S. Bank Money Market account is a U.S. Bank National Association (“U.S. Bank”) interest-bearing money market deposit account designed to meet the needs of U.S. Bank’s Corporate Trust Services Escrow Group and other Corporate Trust customers of U.S. Bank. Selection of this investment includes authorization to place funds on deposit and invest with U.S. Bank.

U.S. Bank uses the daily balance method to calculate interest on this account (actual/365 or 366). This method applies a daily periodic rate to the principal balance in the account each day. Interest is accrued daily and credited monthly to the account. Interest rates are determined at U.S. Bank’s discretion, and may be tiered by customer deposit amount.

The owner of the account is U.S. Bank as Agent for its trust customers. U.S. Bank’s trust department performs all account deposits and withdrawals. Deposit accounts are FDIC Insured per depositor, as determined under FDIC Regulations, up to applicable FDIC limits.

**AUTOMATIC AUTHORIZATION**

In the absence of specific written direction to the contrary, U.S. Bank is hereby directed to invest and reinvest proceeds and other available moneys in the U.S. Bank Money Market Account. The U.S. Bank Money Market Account is a permitted investment under the operative documents and this authorization is the permanent direction for investment of the moneys until notified in writing of alternate instructions.

Columbia County, OR

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Signature of Authorized Directing Party

\_\_\_\_\_  
Trust Account Number – includes existing and future sub-accounts unless otherwise directed

\_\_\_\_\_  
Title/Date

## EXHIBIT 2

### Schedule of Fees for Services as Escrow Agent Equipment Lease Purchase Escrow

CTS01010A	<b>Acceptance Fee</b> The acceptance fee includes the administrative review of documents, initial set-up of the account, and other reasonably required services up to and including the closing. This is a one-time, non-refundable fee, payable at closing.	WAIVED
CTS04460	<b>Escrow Agent</b> Annual fee for the standard escrow agent services associated with the administration of the account. Administration fees are payable in advance.	WAIVED
	<b>Direct Out of Pocket Expenses</b> Reimbursement of expenses associated with the performance of our duties, including but not limited to publications, legal counsel after the initial close, travel expenses and filing fees.	WAIVED
	<b>Extraordinary Services</b> Extraordinary Services are duties or responsibilities of an unusual nature, including termination, but not provided for in the governing documents or otherwise set forth in this schedule. A reasonable charge will be assessed based on the nature of the services and the responsibility involved. At our option, these charges will be billed at a flat fee or at our hourly rate then in effect.	

Account approval is subject to review and qualification. Fees are subject to change at our discretion and upon written notice. Fees paid in advance will not be prorated. The fees set forth above and any subsequent modifications thereof are part of your agreement. Finalization of the transaction constitutes agreement to the above fee schedule, including agreement to any subsequent changes upon proper written notice. In the event your transaction is not finalized, any related out-of-pocket expenses will be billed to you directly. Absent your written instructions to sweep or otherwise invest, all sums in your account will remain uninvested and no accrued interest or other compensation will be credited to the account. Payment of fees constitutes acceptance of the terms and conditions set forth.

#### **IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT:**

**To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account.**

**For a non-individual person such as a business entity, a charity, a Trust or other legal entity we will ask for documentation to verify its formation and existence as a legal entity. We may also ask to see financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.**

**EXHIBIT 3**

**REQUISITION REQUEST**

The Escrow Agent is hereby requested to pay from the Escrow Fund established and maintained under that certain Escrow Agreement dated as of January 30, 2019 (the “Escrow Agreement”) by and among U.S. Bancorp Government Leasing and Finance, Inc. (the “Lessor”), Columbia County, OR (the “Lessee”), and U.S. Bank National Association (the “Escrow Agent”), the amount set forth below to the named payee(s). The amount shown is due and payable under a purchase order or contract (or has been paid by and not previously reimbursed to Lessee) with respect to equipment being financed under that certain Master Tax-Exempt Lease Purchase Agreement dated as of January 30, 2019 (the “Master Agreement”) and Property Schedule No. 1 thereto dated January 30, 2019 (the “Schedule” and, together with the terms and conditions of the Master Agreement incorporated therein, the “Agreement”), by and between the Lessor and the Lessee, and has not formed the basis of any prior requisition request.

PAYEE	AMOUNT	INVOICE NO.	EQUIPMENT

Total requisition amount \$ \_\_\_\_\_

The undersigned, as Lessee under the Master Agreement, hereby certifies:

1. The items of the Equipment being acquired with the proceeds of this disbursement have been delivered and installed at the location(s) contemplated by the Master Agreement. The Lessee has conducted such inspection and/or testing of the Equipment being acquired with the proceeds of this disbursement as it deems necessary and appropriate, and such Equipment has been accepted by Lessee.
2. The costs of the Equipment to be paid from the proceeds of this disbursement have been properly incurred, are a proper charge against the Escrow Fund and have not been the basis of any previous disbursement.
3. No part of the disbursement requested hereby will be used to pay for materials not yet incorporated into the Equipment or for services not yet performed in connection therewith.
4. The Equipment is covered by insurance in the types and amounts required by the Agreement.
5. No Event of Default or Event of Nonappropriation (if applicable), as each such term is defined in the Master Agreement, and no event which with the giving of notice or lapse of time, or both, would become such an Event of Default or Event of Nonappropriation has occurred and is continuing on the date hereof.
6. If Lessee paid an invoice prior to the commencement date of the Master Agreement, and is requesting reimbursement for such payment, Lessee has satisfied the requirements for reimbursement set forth in Treas. Reg. §1.150-2.

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

<b>Lessor: U.S. Bancorp Government Leasing and Finance, Inc.</b>
By:
Name:
Title:

<b>Lessee: Columbia County, OR</b>
By:
Name:
Title:

**Exhibit 4**

**Final Acceptance Certificate**

U.S. Bancorp Government Leasing and Finance, Inc.  
13010 SW 68th Parkway, Suite 100  
Portland, OR 97223

Re: **Property Schedule No. 1** to Master Tax-Exempt Lease/Purchase Agreement between U.S. Bancorp Government Leasing and Finance, Inc. and Columbia County, OR

Ladies and Gentlemen:

In accordance with the above-referenced Master Tax-Exempt Lease/Purchase Agreement (the "Master Agreement"), the undersigned ("Lessee") hereby certifies and represents to, and agrees with, U.S. Bancorp Government Leasing and Finance, Inc. ("Lessor"), as follows:

- (1) The Property, as such terms are defined in the above-referenced Property Schedule, has been acquired, made, delivered, installed and accepted on the date indicated below.
- (2) Lessee has conducted such inspection and/or testing of the Property as it deems necessary and appropriate and hereby acknowledges that it accepts the Property for all purposes.
- (3) No event or condition that constitutes, or with notice or lapse of time, or both, would constitute, an Event of Default or a Nonappropriation Event (as such terms are defined in the Master Agreement) exists at the date hereof.

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

<b>Lessee: Columbia County, OR</b>
By:
Name:
Title:

**COLUMBIA COUNTY PROJECT REQUEST FORM**

<p><b>Department:</b> _____</p> <p><b>Submitted by:</b> _____</p> <p><b>Date:</b> _____</p> <p><b>Director Signature</b> _____</p>	<p><b>Type of Project:</b></p> <p style="padding-left: 20px;"><b>Capital Project *</b></p> <p style="padding-left: 20px;"><b>Non-Capital Project</b></p> <p><b>Project Duration:</b></p> <p><b>START:</b> _____ <b>END:</b> _____</p> <p><b>Note: If the project includes new personnel, attach a completed Personnel Request Form.</b></p>
--	---

**Project Name:** \_\_\_\_\_

**General Description of Project:** (Use Additional Sheets As Necessary)

**Need/Justification for Project:**(Use Additional Sheets As Necessary)

**Relationship to Adopted Budget, Plans or Policy:** (Use Additional Sheets As Necessary)

<p><b>PROJECT COSTS:</b></p> <p>1. Planning/Design/Engineering _____</p> <p>2. Legal\Grant Administration _____</p> <p>3. Property Acquisition _____</p> <p>4. Construction _____</p> <p>5. Equipment/Furniture _____</p> <p align="right"><b>TOTAL</b> _____</p>	<p><b>OPERATION/MAINTENANCE(OM) IMPACT</b></p> <p>Personnel _____</p> <p>Contractual _____</p> <p>Materials/Supplies _____</p> <p>Equipment _____</p> <p>Utilities _____</p> <p>OM Savings - ( _____ )</p> <p align="right"><b>TOTAL</b> _____</p>
---	--

<b>EXPENDITURE SCHEDULE:</b>	USE OF FUNDS (Reference Cost Item #)	SOURCE OF FUNDS					
		County		Grant		Other	
		Fund	\$	Grantor	\$	Source	\$
FY_____ \$ _____	_____	_____	_____	_____	_____	_____	_____
FY_____ \$ _____	_____	_____	_____	_____	_____	_____	_____
FY_____ \$ _____	_____	_____	_____	_____	_____	_____	_____
FY_____ \$ _____	1 Year OM	_____	_____	_____	_____	_____	_____

**ADMINISTRATIVE REVIEW:**

**Finance Review:**  
Date: \_\_\_\_\_ Finance Director Signature \_\_\_\_\_ Comments(Page 2)

**Legal Review:**  
Date: \_\_\_\_\_ County Counsel Signature \_\_\_\_\_ Comments(Page 2)

**HR Review**  
Date: \_\_\_\_\_ HR Director Signature \_\_\_\_\_ Comments(Page 2)

**IT Review**  
Date: \_\_\_\_\_ IT Director Signature \_\_\_\_\_ Comments(Page 2)

**General Services Review:**  
Date: \_\_\_\_\_ General Ser. Director Signature \_\_\_\_\_ Comments(Page 2)

**ADMINISTRATIVE COMMENTS**

**FINANCE REVIEW:**

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

**GENERAL SERVICES REVIEW:**

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

**IT REVIEW:**

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

**HR REVIEW:**

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

**LEGAL REVIEW:**

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

# Special Transportation Fund Application

## A. Applicant Information

I am the Special Transportation Fund Agency \*

Yes  No

Special Transportation Fund Agency \*

Columbia County



STF Agency Mailing Address (Street or PO Box) \*

1155 Deer Island Rd

St Helens

Oregon



97051

STF Agency Web Address

<https://www.nworegontransit.org/agencies/columbia-county-rider/>

Name of Application Contact \*

Todd Wood

Title of Application Contact \*

Email of Application Contact \*

todd.wood@co.columbia.or.us

Phone of Application Contact

(503) 366-8505

Fax Number

Name of Application Recipient (Person signing Grant Agreement) \*

Henry Heimuller

Title of Application Recipient (Person signing Grant Agreement) \*

Commission Chair

Email of Application Recipient (Person signing Grant Agreement)

henry.heimuller@co.columbia.or.us

Phone of Application Recipient (Person signing Grant Agreement)

(503) 397-4322

Fax Number

Transit Agency Type \*

Public Agency



Urbanized Zone \*

Portland area



Service Area \*

Non-urbanized or Rural (area with population of less than 50,000)



Does your STF agency delegate the administration of the STF program to a separate agency? \*

Yes  No

## B. STF Advisory Committee



**Do all of the committee members reside within the boundaries of your STF agency service area? \***

Yes  No

Enter each member's organization in the table below (click to add additional lines).

Pick the category of membership that best describes each member, pursuant to OAR 732-005-0031.

**Minimum requirements: Counties and districts - five members. Tribes - three members.**

Member Name *	Organization *	Member Category *
<input type="radio"/> Bill Eagle	Resident, Member of Kiwanis	Representative of elderly individuals
<input type="radio"/> Sharon Evinger	Resident of Scappose	Disabled individual using transportation services
<input type="radio"/> Dena Chesney	Resident of St Helens	Disabled individual using transportation services
<input type="radio"/> Claudia Eagle	Resident of St Helens	Representative of elderly individuals
<input type="radio"/> Todd M. Wood	Columbia County Rider	Individual engaged in providing transportation serv
<input type="radio"/> Charlotte Hart	Resident of St Helens	Representative of elderly individuals
<input type="radio"/> Blanche Katz	Avamere Resident	Disabled individual using transportation services
<input type="radio"/> Genell Grow	Resident of Rainier	Elderly individual living in area w/o public tranp. serv

**C. Summary of Distribution Plan**

<b>Total STF Fund Allocation</b>	<b>Funds Disbursed Per Year</b>	<b>Funds Disbursed Per Quarter</b>
\$247,006.00	\$123,503.00	\$30,875.75

**STF Allocation Expenditure Plan**

<b>Administrative Allotment (required by OAR 732-005-0021(5)(b) for receiving, disbursing and accounting for funds)</b>	<b>Year 1</b>	<b>Year 2</b>
	\$2,000.00	\$2,000.00
<b>Contribution to Reserve Account (amount contributed to the reserve account – see Section E)</b>	<b>Year 1 *</b>	<b>Year 2 *</b>
	<input type="text" value="\$0.00"/>	<input type="text" value="\$0.00"/>
<b>Additional Funds for Allocation (optional)</b>	<b>Year 1 *</b>	<b>Year 2 *</b>
	<input type="text" value="\$0.00"/>	<input type="text" value="\$0.00"/>
<b>Contingency (not to exceed 15% of total program budget)</b>	<b>Year 1 *</b>	<b>Year 2 *</b>
	<input type="text" value="\$0.00"/>	<input type="text" value="\$0.00"/>

### Planning Projects

List the Agency Receiving Funds \*

Year 1 \*

Year 2 \*

+ Add Item

### Operating Projects

List the Agency Receiving Funds \*

Year 1 \*

Year 2 \*

	Year 1 *	Year 2 *
<span style="color: red;">✘</span> Columbia County Rider	\$121,503.00	\$121,503.00

+ Add Item

### Capital Projects

List the Agency Receiving Funds \*

Year 1 \*

Year 2 \*

+ Add Item

## D. STF Formula Remaining From Previous Years

Do NOT include reserve funds in this section - see Section E.

Will the STF agency have carryover STF funds from prior years, including funds from the previous biennium that will be applied to the present biennium? \*

- Yes
- No

## E. Reserve Fund Summary

STF agencies may establish a reserve fund to save STF funds for a future purpose.

Does the STF Agency have a separate reserve funds account for the STF program?

- Yes
- No

## F. Transit Agency and Project Descriptions

### ✘ Project 1

Project Title \*

Matching funds for 5311

**Project Description \***

These funds will be used to match 5311 funds for operating deviated fixed route, and demand response services within Columbia County Oregon.

**Total STF funds awarded to project \***

\$247,006.00

**Project Type \***

Operating

**Recipient Agency Name \***

Columbia County Rider

**Address \***

1155 Deer Island Rd

St Helens

Oregon

97051

**Recipient Agency Contact Name \***

Todd M. Wood

**Recipient Agency Contact Title \***

Program Administrator

**Recipient Agency Contact Email \***

todd.wood@co.columbia.or.us

**Recipient Agency Contact Phone \***

(503) 366-8505

**Fax Number \***

(503) 366-427

[+ Add Project](#)
**Project Totals**

\$247,006.00

**Fund Allocation****Total STF Fund Allocation**

\$247,006.00

**Funds Disbursed Per Year**

\$123,503.00

**Funds Disbursed Per Quarter**

\$30,875.75

**Submitting Your Application**

STF Agencies: Submit your application to RPTD by using the "Submit" button, attaching any supporting documents.

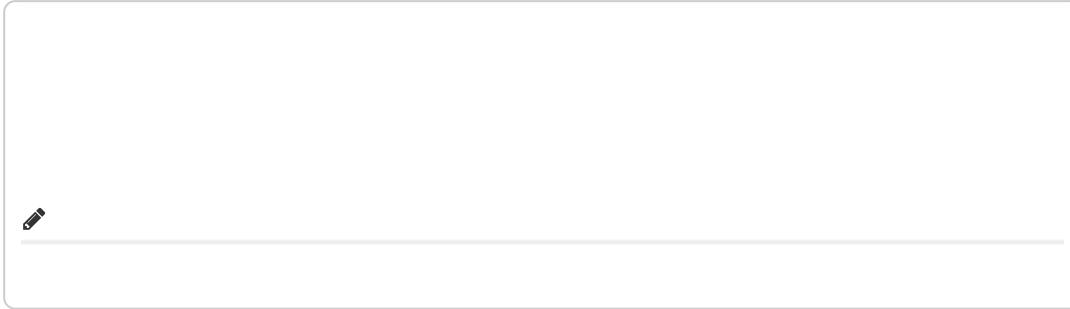
**Additional Supporting Documents (Optional)**


or drag files here.

The person signing this form must have the legal authority to submit this application on behalf of the applicant.

By electronically signing and submitting this form, the agency representative certifies that the information on the application is true and accurate to the best of his or her knowledge.

**Signature \***



**Print Name \***

Submit Application

Save