

Courthouse Improvement  
INTERGOVERNMENTAL AGREEMENT  
OJD Contract No. 250103

This Courthouse Improvement Intergovernmental Agreement ("Agreement") is between the State of Oregon Judicial Department ("OJD") and Columbia County ("County" or "Local Government"), a political subdivision of the State of Oregon, collectively referred to in this Agreement as the "Parties."

**RECITALS:**

- A. The Columbia County Courthouse ("Courthouse") and Courthouse Annex are owned by County and occupied by the Columbia County Circuit Court ("the Court") and County offices. Both Parties are interested in improving the life, safety, functionality, and accessibility of the Courthouse to benefit Court staff, judges, County staff and members of the public.
- B. County and OJD are authorized by ORS 1.002, ORS 8.125, and ORS 190.110 to enter into an intergovernmental agreement for any lawful purpose, including this Agreement.
- C. On or about June 30, 2025, OJD and the County entered into an agreement ("OJD Contract No. 250198") pursuant to which OJD transferred a sum equal to two million dollars (\$2,000,000.00) to the County ("OJD Funds").

The Parties agree as follows

- 1. RECITALS ARE CONTRACTUAL.** The Recitals are incorporated into the substantive provisions of this Agreement.
- 2. TERM.** This Agreement shall be effective upon its execution and shall continue until the project is finished and the Parties have completed all their responsibilities set forth herein or October 30, 2026, whichever is earlier.
- 3. COUNTY'S RESPONSIBILITIES:**
  - a. **Project.** County shall procure the services of a Hart Architects ("Contractor") to confer with Court's presiding judge and trial court administrator to discuss the Columbia County Circuit Court's needs and desires for remodeling the Columbia County Courthouse and Courthouse Annex. After the Consultant confers with the presiding judge and trial court administrator, and confers with the County about its needs and desires for remodeling the Courthouse and Annex, the Contractor shall issue a report (the "Report") for review and comment, which must describe options for a remodeling project that does not exceed a total project cost of 2 million dollars (including planning, engineering, and construction). The options must meet both Parties' needs for the Columbia County Courthouse and Courthouse Annex to the extent reasonably practicable. The presiding judge and trial court administrator will review and provide commentary on the Report within 7 days of receipt. County, by and through its Contractor, shall incorporate Court and any other County comments into the Report and provide a Final Report to the County, the Court and the Office of the State Court Administrator as soon as reasonably practicable, but no later than 15 days after receiving Court's comments. County shall also ensure that the Contractor will send the Report and the Final Report to OJD's contacts under section 15 of this Agreement.

- b. County shall obtain OJD's written approval of the Final Report and agreement on a remodel option before proceeding with future design and construction of the project.
- c. County shall provide OJD the Report and the Final Report within 7 days of receiving them from the Contractor.
- d. County shall provide those OJD contacts identified in Section 15 progress reports at various milestones related to the project, including at the times when the County initiates its procurement process, awards a contract, begins and completes the project, and such other times as reasonably requested by OJD. County shall ensure that the Contractor completes the project and delivers the Final Report no later than May 30, 2026. For purposes of this Agreement, the project will be deemed complete when the Final Report is submitted to the County and State Court.
- e. County shall make full payment to the Contractor and other persons or entities entitled to payment related to the project and shall provide electronic copies of all paid invoices to the OJD contacts identified in Section 16 below.
- f. County in its contract with the Contractor for the work described under this Agreement (the "Scoping Contract") shall ensure that the cost of services provided by the Contractor does not exceed \$25,000.00. County shall also ensure that the Scoping Contract guarantees the delivery of the Report and the Final Report as the deliverables of that Scoping Contract.
- g. County shall contribute \$5000.00 towards the price of the Scoping Contract.

#### **4. OJD'S RESPONSIBILITIES:**

- a. Under no circumstance shall OJD's liability under this Agreement exceed \$20,000.00. If Contractor services for the scope described herein are proposed to exceed \$25,000, the County will not be required to complete Project unless additional funds are authorized to be used by OJD. If the cost of the Project exceeds \$25,000 due to any Court/OJD requested and approved change in the scope of the Scoping Contract, OJD agrees that any such costs will be paid out of the OJD Funds. To be eligible for reimbursement, any requested change under this paragraph must be approved via an amendment to this Agreement.
- b. Upon completion of the project, which includes but is not limited to delivery of the Report and Final Report to OJD, and after the County delivers to OJD proof of the payment to the Contractor, OJD will authorize the County to withdraw in the not to exceed amount of \$20,000.00 from OJD Funds to reimburse the County for verified payments made to the Contractor pursuant to this Agreement. OJD shall not be responsible or liable for any additional funds that may be required for the design of and improvements to the Courthouse. OJD shall not be responsible for any aspect of the procurement process, contract award, or Scoping Contract administration associated with the project. OJD shall not be responsible for seeking or committing more funds to this project or any other projects.

#### **5. REPRESENTATIONS AND WARRANTIES.** County represents and warrants to OJD that:

- a. County has the power and authority to enter into and perform this Agreement;
- b. The making and performance by County of this Agreement (a) has been duly authorized by County, (b) does not and will not violate any provision of any applicable law, rule, regulation, or order of any court, regulatory commission, board, or other administrative agency or any provision of

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

- c. This Agreement has been duly executed and delivered by County and constitutes a legal, valid and binding obligation of County enforceable in accordance with its terms;
- d. County has the skill and knowledge possessed by well-informed members of the industry, trade or profession most closely involved in providing the services under this Agreement, and County will apply that skill and knowledge with care and diligence to perform its obligations under this Agreement in a professional manner and in accordance with the highest standards prevalent in the related industry, trade or profession;
- e. Nothing in this Agreement shall be construed as OJD's or County's promise, commitment, or obligation to contribute additional funds to this project, the proposed future improvements in the Final Report, or any other County projects that may directly or indirectly benefit the Columbia County Circuit Court or improve the condition of the Courthouse or Courthouse Annex.
- f. Nothing in this Agreement shall be construed to change the terms of other agreements between the Parties including but not limited to OJD Contract No. 250198. Additionally, entering into this Agreement shall not be construed as entering into a Renovation Contract, as described in OJD Contract No. 250198, or satisfying any legal or contractual obligations under OJD Contract No. 250198.

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

#### **6. HOLD HARMLESS AND CONTRIBUTION:**

- a. Upon completion of any transfer of funds by OJD pursuant to this Agreement, County agrees to be solely responsible for any and all future expenditures of those funds and shall defend and hold harmless OJD and its officials and employees from any action or claim arising out of this Agreement, for the future use of the funds transferred hereunder including, but not limited to any action or claim by or on behalf of the State of Oregon or any of its agencies.
- b. If any third party makes any claim or brings any action, suit or proceeding alleging a tort as now or hereafter defined in ORS 30.260 (a "Third Party Claim") against a Party (the "Notified Party") with respect to which the other Party (the "Other Party") may have liability, the Notified Party shall promptly notify the Other Party in writing of the Third Party Claim and deliver to the Other Party, along with the written notice, a copy of the claim, process and all legal pleadings with respect to the Third Party Claim that have been received by the Notified Party. Each Party is entitled to participate in the defense of a Third Party Claim, and to defend a Third Party Claim with counsel of its own choosing. Receipt by the Other Party of the notice and copies required in this Section and a meaningful opportunity for the Other Party to participate in the investigation, defense and settlement of the Third Party Claim with counsel of its own choosing are conditions precedent to the Other Party's contribution obligation under this Section 6 with respect to the Third Party Claim.

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

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

**8. COUNTY DEFAULT.** County will be in default under this Agreement upon the occurrence of any of the following events:

- a. County fails to perform, observe or discharge any of its covenants, agreements or obligations under this Agreement;
- b. Any representation, warranty or statement made by County in this Agreement or in any documents or reports relied upon by OJD to measure the delivery of services, the expenditure of funds or the performance by County is untrue in any material respect when made;

- c. County (a) applies for or consents to the appointment of, or taking of possession by, a receiver, custodian, trustee, or liquidator of itself or all of its property, (b) admits in writing its inability, or is generally unable, to pay its debts as they become due, (c) makes a general assignment for the benefit of its creditors, (d) is adjudicated as bankrupt or insolvent, (e) commences a voluntary case under the Federal Bankruptcy Code (as now or hereafter in effect), (f) files a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or adjustment of debts, (g) fails to controvert in a timely and appropriate manner, or acquiesces in writing to, any petition filed against it in an involuntary case under the Bankruptcy Code, or (h) takes any action for the purpose of effecting any of the foregoing; or
- d. A proceeding or case is commenced, without the application or consent of County, in any court of competent jurisdiction, seeking (a) the liquidation, dissolution or winding-up, or the composition or readjustment of debts of County, (b) the appointment of a trustee, receiver, custodian, liquidator, or the like of County or of all or any substantial part of its assets, or (c) similar relief in respect to County under any law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or adjustment of debts, and such proceeding or case continues undismissed, or an order, judgment, or decree approving or ordering any of the foregoing is entered and continues unstayed and in effect for a period of 60 (sixty) consecutive days, or an order for relief against County is entered in an involuntary case under the Federal Bankruptcy Code (as now or hereafter in effect).

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

**10. REMEDIES.** In the event either party is in default under this Agreement, the other party may, at its option, pursue any or all of the remedies available to it under this Agreement and at law or in equity. The party may pursue any remedy or remedies singly, collectively, successively or in any order whatsoever.

**11. LIMITATION OF LIABILITY.** EXCEPT FOR LIABILITY ARISING UNDER OR RELATED TO SECTION 6, NEITHER PARTY WILL BE LIABLE FOR INCIDENTAL, CONSEQUENTIAL, OR OTHER INDIRECT DAMAGES ARISING OUT OF OR RELATED TO THIS AGREEMENT, REGARDLESS OF WHETHER THE LIABILITY CLAIM IS BASED IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, PRODUCT LIABILITY OR OTHERWISE. NEITHER PARTY WILL BE LIABLE FOR ANY DAMAGES OF ANY SORT ARISING SOLELY FROM THE TERMINATION OF THIS AGREEMENT IN ACCORDANCE WITH ITS TERMS.

**12. INSURANCE.** County shall maintain insurance as set forth in **Exhibit A**, attached hereto and incorporated herein by this reference. The Parties understand that County may be self-insured for tort, property damage, and auto liability pursuant to ORS 30.260 through 30.300 to the limits established under ORS 30.272 and 30.273, and for workers' compensation coverage. If the County is self-insured, the county may use its self-insurance program to meet the requirements of **Exhibit A**.

**13. ACCESS TO RECORDS.** County shall maintain all financial records relating to this Agreement in accordance with generally accepted accounting principles. In addition, County shall maintain any other records, books, documents, papers, plans, records of shipments and payments and writings of County, whether in paper,

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

**14. AMENDMENT.** No amendment to this Agreement shall be effective unless it is made in writing and is signed by both Parties.

**15. CONTACTS AND NOTICES.** Any notice, payment, or any or all of the material that either party may be required or may desire to give or deliver to the other will be conclusively deemed validly given or delivered to and received by the addressee, if delivered personally on the date of such delivery or, if mailed, on the third business day after the mailing of the same by prepaid post addressed to the other party at the address set forth below or, if emailed, on the date delivered to the email address set forth below as confirmed by a return receipt.

OJD:

Toria Fraser  
Trial Court Administrator  
Columbia County Courthouse  
230 Strand Street  
St. Helens, Oregon 97051  
503.397.2327 x 70127  
[Toria.A.Fraser@ojd.state.or.us](mailto:Toria.A.Fraser@ojd.state.or.us)

County:

Riley Baker  
Director of General Services  
Columbia County Circuit Court  
230 Strand Street  
St. Helens, OR, 97051  
503-397-7213  
[riley.baker@columbiacountyor.gov](mailto:riley.baker@columbiacountyor.gov)

Robert Baxter  
Procurement Manager  
Business and Fiscal Services Division  
[robert.a.baxter@ojd.state.or.us](mailto:robert.a.baxter@ojd.state.or.us)  
Office of the State Court Administrator  
1163 State Street  
Salem, OR 97301-2563  
(503) 986-6410

Either party may, from time to time, advise the other by notice in writing of any change of address of the party giving such notice and from and after the giving of such notice the address therein specified will, for the purposes of Section 15, be conclusively deemed to be the address of the party giving such notice.

**16. WAIVER.** The failure of either party to enforce any provision of this Agreement, or the waiver of any violation

or nonperformance of this Agreement in one instance, shall not constitute a waiver by the party of that or any other provision, nor shall it be deemed to be a waiver of any subsequent violation or nonperformance. No waiver, consent, modification, or change of terms of this Agreement shall bind either party unless in writing and signed by both Parties, and with respect to OJD's waiver or consent, all necessary OJD or State of Oregon approvals have been obtained. Such waiver, consent, modification, or change, if made shall be effective only in the specific instance and for the specific purpose given.

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

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

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

**20. SURVIVAL.** All rights and obligations shall cease upon termination or expiration of this Agreement, except the rights and obligations which by their nature extend beyond contract termination, including those set forth in Section 3.k, 3.l, 3.m, 3.n, 6, 7, 10, 11, and 13, provided, however, that termination of this Agreement will not prejudice any rights or obligations accrued to the Parties under this Agreement prior to termination.

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

**22. COMPLIANCE WITH THE LAW.** In connection with their activities under this Agreement, the Parties shall comply with all applicable federal, state and local law.

**23. TERMINATION:**

- a. The Parties may terminate this Agreement at any time by mutual agreement.

- b. Either party may terminate this Agreement by providing the other party no fewer than 10 (ten) days advance written notice of termination if United States, Oregon or local laws, regulations, or guidelines are modified or interpreted in such a way that either party's continued performance or making of payments under this Agreement is prohibited.
- c. Either party may terminate this Agreement, in whole or in part, by providing the other Party no fewer than 10 (ten) days advance written notice of termination, if either party commits any material breach or default of any covenant, warranty, obligation or agreement under this Agreement and the defaulting party fails to correct such material breach, default or failure to perform within 14 (fourteen) calendar days after receipt of notice of the breach or default, or such longer period as the notifying Party may specify in such notice.
- d. In the event that this Agreement is terminated, the Parties agree that all work performed by Contractor(s) as described herein prior to the date of termination will continue to be authorized for payment out of OJD Funds.

(Document continues on the following page)

Each party, by the signature of its authorized representative, hereby agrees to be bound by the terms and

conditions of this Intergovernmental Agreement.

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

**THE OREGON JUDICIAL DEPARTMENT, BY AND  
THROUGH THE OFFICE OF STATE COURT  
ADMINISTRATOR**

By: Not Present  
Kellie Jo Smith, Chair

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

By: [Signature]  
Casey Garrett, Commissioner

Title: \_\_\_\_\_

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

By: [Signature]  
Margaret Magruder, Commissioner

Legal Review and Approval:

By: \_\_\_\_\_  
OJD Office of General Counsel

Approved as to form

By: [Signature]  
Office of County Counsel

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

**EXHIBIT A**  
**COURTHOUSE IMPROVEMENT INTERGOVERNMENTAL AGREEMENT**  
**INSURANCE REQUIREMENTS**

County: Columbia County

OJD Contract No. 250103

**Required Insurance:** Local Government shall obtain at Local Government's expense the insurance specified in this **Exhibit**, prior to performing under this Agreement and shall maintain it in full force and at its own expense throughout the duration of this Agreement and all warranty periods. Local Government shall obtain the following insurance from insurance companies or entities that are authorized to transact the business of insurance and issue coverage in the State of Oregon and that are acceptable to OJD.

**Self-Insurance.** Notwithstanding the above paragraph, Local Government may fulfill its insurance obligations herein through a program of self-insurance, provided that Local Government's self-insurance program complies with all applicable laws, and provides insurance coverage equivalent in both type and level of coverage to that required in this **Exhibit**. Local Government shall furnish an acceptable insurance certificate to OJD for any insurance coverage required by this Agreement that is fulfilled through self-insurance.

**1. Workers Compensation & Employers' Liability.** All employers, including Local Government, that employ subject workers, as defined in ORS 656.027, shall comply with ORS 656.017 and shall provide workers' compensation insurance coverage for those workers, unless they meet the requirement for an exemption under ORS 656.126(2). Local Government shall require and ensure that each of its subcontractors complies with these requirements. If Local Government is a subject employer, as defined in ORS 656.023, Local Government shall obtain employers' liability insurance coverage limits of not less than \$1,000,000 each accident. If Local Government is an employer subject to any other state's workers' compensation law, Local Government shall provide workers' compensation insurance coverage for its employees as required by applicable workers' compensation laws including employers' liability insurance coverage with limits not less than \$1,000,000 and shall require and ensure that each of its out-of-state subcontractors complies with these requirements

**2. Commercial General Liability.**  **Required by OJD**     **Not required by OJD**

Commercial General Liability Insurance covering bodily injury and property damage in a form and with coverages that are satisfactory to the State. This insurance shall include personal and advertising injury liability, products and completed operations, contractual liability coverage for the indemnity provided under this Agreement, and have no limitation of coverage to designated premises, project or operation. Coverage shall be written on an occurrence basis in an amount not less than \$2,000,000.00 per occurrence and \$4,000,000.00 aggregate.

**3. Automobile Liability Insurance.**  **Required by OJD**     **Not required by OJD**

Automobile Liability Insurance covering Local Government's business use including coverage for all owned, non-owned, or hired vehicles with a combined single limit of not less than \$2,000,000.00 for bodily injury and property damage. This coverage may be written in combination with the Commercial General Liability Insurance (with separate limits for "Commercial General Liability" and "Automobile Liability"). Use of personal automobile liability insurance coverage may be acceptable if evidence that the policy includes a business use endorsement is provided.

**4. Professional Liability**  **Required by OJD**     **Not required by OJD**

Professional Liability Insurance covering any damages caused by an error, omission or any negligent acts related to the Services to be provided under this Agreement by Local Government or Local Government's subcontractors, agents, officers, or employees in an amount not less than \$2,000,000.00 per occurrence. Annual aggregate limit shall be not less than \$4,000,000.00. If coverage is on a claims made basis, then either an extended reporting period of not less than 24 months shall be included in the Professional Liability insurance coverage, or Local Government shall provide tail coverage as provided below.

5. **Network Security and Privacy Liability Insurance.**  **Required by OJD**  **Not required by OJD**

Network Security and Privacy Liability Insurance for the duration of the Agreement and for the period of time in which Local Government maintains, possesses, stores or has access to OJD data, whichever is longer, with a combined single limit of no less than \$2,000,000.00 per claim or incident covering Local Government's liability for loss, theft, unauthorized disclosure, access or use of OJD data (which may include, but is not limited to, Personally Identifiable Information ("PII"), Payment Card Data, and Protected Health Information ("PHI") in any format including, without limitation, hard copy format. Coverage must extend to Business Associates (if applicable) and independent contractors providing Services on behalf of or at the direction of Local Government.

6. **Crime Protection Coverage: Employee Dishonesty or Fidelity Bond.**  **Required by OJD**  **Not required by OJD**

Local Government shall obtain, at Local Government's expense, and keep in effect during the term of the Agreement, Employee Dishonesty or Fidelity Bond coverages for state-owned property in the care, custody and control of the Local Government. Coverage limits shall not be less than \$2,000,000.00.

7. **Additional Coverage Requirements.** Local Government's insurance must be primary and non-contributory with any other insurance and self-insurance. Local Government shall pay for all deductibles, self-insured retention and self-insurance, if any.

8. **Excess/Umbrella Insurance.** A combination of primary and excess/umbrella insurance may be used to meet the required limits of insurance.

9. **Additional Insured.** The Commercial General Liability insurance and Automobile Liability insurance required under this Agreement shall include an additional insured endorsement specifying the State of Oregon, its officers, employees and agents as Additional Insureds, including additional insured status with respect to liability arising out of ongoing operations and completed operations, but only with respect to Local Government's activities to be performed under this Agreement. The Additional Insured endorsement with respect to liability arising out of ongoing operations must be on ISO Form CG 20 10 0704 or equivalent and the Additional Insured endorsement with respect to completed operations must be on ISO form CG 20 37 04 13 or equivalent.

10. **"Tail" Coverage.** If any of the required insurance is on a "claims made" basis and does not include an extended reporting period of at least 24 months, Local Government shall maintain either "tail" coverage or continuous "claims made" liability coverage, provided the effective date of the continuous "claims made" coverage is on or before the effective date of this Agreement, for a minimum of 24 months following the later of: (i) Local Government's completion and OJD's acceptance of all Services required under this Agreement; (ii) OJD or Local Government termination of this Agreement; or, (iii) the expiration of all warranty periods provided under this Agreement.

11. **Certificate(s) and Proof of Insurance.** Local Government shall provide to OJD Certificate(s) of Insurance for all required insurance before delivering any Goods and performing any Services required under this Agreement. The Certificate(s) must list the State of Oregon, its officers, employees and agents as a Certificate holder and as an endorsed Additional Insured. If excess/umbrella insurance is used to meet the minimum insurance requirement, the Certificate of Insurance must include a list of all policies that fall under the excess/umbrella insurance.

Upon request by OJD, Local Government shall provide OJD with copies of the insurance policies and endorsements relating to the insurance coverages required by this Agreement.

12. **Notice of Cancellation or Change.** Local Government or its insurer must provide at least 30 days' written notice to OJD before cancellation of, material change to, potential exhaustion of aggregate limits of, or non-renewal of insurance coverage(s). Any failure to comply with the reporting provisions of this clause shall constitute a material breach of this Agreement and shall be grounds for OJD's immediate termination of this Agreement by OJD.

13. **Insurance Requirements Review.** Local Government agrees to periodic review of insurance requirements by OJD under this Agreement and to meet updated requirements as mutually agreed upon by Local Government

and OJD.