

**CITY OF PORT ORFORD  
SPECIAL SESSION OF THE COMMON COUNCIL  
THURSDAY, JUNE 29<sup>th</sup>, 2023, AT 5:30 P.M.**

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**AGENDA**

- 1. Call to order/roll call/ pledge of allegiance**
- 2. Presentations to the Council/Citizens**
- 3. Consent Calander**
  - a. Minutes January 19<sup>th</sup>, 2023**
  - b. Minutes February 16<sup>th</sup>, 2023**
  - c. Minutes May 31<sup>st</sup>, 2023**
  - d. Saint John’s Church Sign Application**
- 4. Citizen’s Concerns**
- 5. Public Hearings**
  - a. Community Development Block Grant Opportunities**
- 6. Departmental Reports**
  - a. Administration**
  - b. Finance**
  - c. Public Works**
  - d. Police**
  - e. Planning**
  - f. Mayors Report**
  - g. Liaison**
    - i. Port – Webb**
    - ii. School – Rask**
    - iii. Fire District - Tidey**
    - iv. Watershed – Vileisis**
    - v. Parks - Tidey TLT**
    - vii. Mainstreet – Burns**
    - viii. Emergency Mgmt. - Burns**

**7. Old Business**

- a. Resolution 2023-13:** APPROVING LOAN AGREEMENT WITH DEQ TO ACQUIRE WATERSHED PROPERTY AND PARTIALLY REHABILITATE SAME; AUTHORIZING CITY ADMINISTRATOR TO EXECUTE AS NECESSARY.
- b. Resolution 2023-14:** RESOLUTION RATIFYING BUDGET AMENDMENT TO FOREST MANAGEMENT PLANNING GRANT AGREEMENT U22011

**8. New Business**

**9. Continuing Action Items**

**10. Considerations**

**11. Future Meetings**

- a. Thursday, July 20<sup>th</sup> 2023; Regular Meeting In the Gable Chambers and Online at 5:30 pm**

**14. Adjourn**

**City of Port Orford  
City Council Meeting  
In the Gable Chambers / Virtual participants  
Tuesday, January 19, 2023 at 5:30 P.M.**

Mayor and Council	Present	City Staff	Present
<i>Pat Cox, Mayor</i>	X	<i>CA Ginsburg</i>	X
<i>Brett Webb</i>	X	<i>Shala Kudlac, City Attorney</i>	X
<i>Gary Burns</i>	X	<i>John Isadore, Public Works</i>	X
<i>Tim Pogwizd</i>	X	<i>Chief Hobart</i>	X
<i>Ann Vileisis</i>	X		
<i>Greg Tidey</i>	X		
<i>Perri Rask</i>	Excused		

*The minutes were prepared to the best of our ability considering the challenging quality of the audio for those attending in the Gable Chambers. Occasional inability to determine the speakers and inaudible conversations are reflected in the quality of minutes.*

Others Present: Penny Suess/Dana Gurnee, Monica Ward of Curry County EM, Rich Folden, Aaron Ashdown of Port of Port Orford, Joseph Harrison, John Johnston, Joy May, Rowland Willis, Kim Foster, Pamela Berndt, Clark Kocurek, Leila Thompson, Marlin Gochnour of Civil West.

**1. Call to Order**

Mayor Cox called to order this Meeting of the Common Council on Tuesday, January 19, 2023, at 5:30 p.m. Mayor Cox and attendees recited the Pledge of Allegiance.

**a. Proclamation of Abstract of November 2022 election:** Mayor Cox read the election proclamation. Councilor Burns moved to approve the Election Proclamation with a second. *Motion carried 6-0.*

Discussion: None.

*Councilor Burns    Yes    Councilor Vileisis    Yes    Councilor Webb    Yes  
Councilor Tidey    Yes    Councilor Pogwizd    Yes*

**b. Approve Minutes of December 20, 2022 meeting:** Councilor Burns moved to approve the December 20, 2022 minutes with Councilor Tidey as second. *Motion failed 4-3.*

Discussion: Councilor Vileisis commented that there are still inaudible entries in the minutes. Councilors discussed contents of future minutes. *Motion carried 6-0.*

Councilor Webb moved to table (inaudible, baby crying) with Councilor Burns as second.

*Councilor Burns    Yes    Councilor Vileisis    Yes    Councilor Webb    Yes  
Councilor Kessler    Yes    Councilor Tidey    Yes    Councilor Pogwizd    Yes*

**c. Swearing in of Council: Brett Webb** – Not addressed.

**d. Elect Council President – Run meeting in Mayor’s absence:** Councilor Tidey moved to appoint Councilor Vileisis as Council President with Councilor Burns as second. *Motion carried 6-0.*

Discussion: Duty requirements for Council President are discussed and clarified. Council Vileisis accepts the nomination.

<i>Councilor Burns</i>	<u>Yes</u>	<i>Councilor Vileisis</i>	<u>Yes</u>	<i>Councilor Webb</i>	<u>Yes</u>
<i>Councilor Kessler</i>	<u>Yes</u>	<i>Councilor Tidey</i>	<u>Yes</u>	<i>Councilor Pogwizd</i>	<u>Yes</u>

2. **Additions to the Agenda:** Necessity of letter to Curry County as an action item is discussed. Councilor moved to (inaudible) with Councilor Vileisis as second. **Motion carried 6-0.**  
Discussion: This will be added to the agenda as item 8. d.

<i>Councilor Burns</i>	<u>Yes</u>	<i>Councilor Vileisis</i>	<u>Yes</u>	<i>Councilor Webb</i>	<u>Yes</u>
<i>Councilor Kessler</i>	<u>Yes</u>	<i>Councilor Tidey</i>	<u>Yes</u>	<i>Councilor Pogwizd</i>	<u>Yes</u>

3. **Presentation to Council/Citizens:** None.

4. **Consent Calendar:** Minutes were tabled.

5. **Citizens' Concerns:** None.

6. **Departmental Reports:**

- a. **Public Works:** A written report has been provided to councilors by Jon Isadore. Mr. Isadore reported the grit system is rebuilt and install is scheduled for next week, DO probes no longer support and need replaced ASAP, blowers received and installed blower 1, waiting VFD drive/Portland engineering, pending influent flow meters with quote pending from Owens. Trees removed from storms, potholes cold patched, brush trimmed, park trash and debris removed. The report was reviewed by Jon Isadore.
- b. **Administration/Financial Report:** CA Ginsburg provided a financial report to councilors and in the packet. Watershed property was discussed. Councilor Vileisis requested updates be included of items discussed in the past. Community building rental requirements were discussed. Requirements for skaters using the park are discussed. General insurance requirements for public use of city entities are discussed. Councilor Webb asked for clarification on the financial report accommodated by CA Ginsburg.
- c. **Planning:** Business license fees and transfers were discussed.
- d. **Watershed:** Councilor Vileisis reported the watershed planted 420 trees in the watershed the first week in July. The draft of the Fire Risk Reduction Plan has been completed.
- e. **Port:** Mayor Cox reported the Port received new proposals for the new cranes.
- f. **Parks:** Commissioner Thompson is in attendance. He stated that the Parks Commission is frustrated. 1) There is 27,000 dollars from donation towards parks playground and commissioners cannot find those on the financial report. 2) Items approved for purchase have not all been received. Commissioners would like an update on the location of the items. 3) Commissioners are frustrated and intend to resign. It is difficult to maintain the commission. Commissioner Thompson would like dollar numbers available and identification of funds in the financial report. Parks commissioners would like to see the playground completed and see the city show interest. Commissioners would like to see transparency, accountability and commissioner concerns met. **CA Ginsburg's reply is inaudible.** Mayor Cox will schedule a workshop to include the chairperson of each commission. Appreciation is expressed to Parks Commissioners for their work.

7. Old Business

a. **Adopt the Forest Stewardship Plan:** Councilor Webb moved to adopt the Forest Stewardship Plan with Councilor Tidey as second. *Motion carried 6-0.*

Discussion: Councilor Vileisis reported that as a part of the loan application and plan for managing the drinking watershed moving forward, the plan was assembled and is ready for adoption. The Forest Stewardship Plan can help with grant applications. Mayor Cox requested clarification on closing access roads. Councilor Vileisis explained which road will be decommissioned due to faulty culvert, and the plan does not encourage building roads.

*Councilor Burns*    Yes      *Councilor Vileisis*    Yes      *Councilor Webb*      Yes  
*Councilor Kessler*    Yes      *Councilor Tidey*      Yes      *Councilor Pogwizd*    Yes

b. **BRIC Grant update / Discussion:** Marlin Gochnour of Civil West is in attendance. The BRIC application was submitted to the State on Friday the 13<sup>th</sup>. A reply is anticipated between 12 and 18 months. Budget worksheets were attached to the final grant. Mr. Gochnour outlined the items written in the grant that are seen as a priority and the purpose of items in the application. Councilors discussed the raw water system future with Mr. Gochnour in regard to the BRIC grant. Mr. Gochnour addressed the assistance attainable through Civil West for the grant process and priorities if the grant comes in. Councilor Webb is concerned about thoroughness regarding the BRIC grant writing, spending match and preparedness. He is concerned with what FEMA sees in the grant application. Councilor Vileisis has unanswered questions. She expressed her appreciation to CA Ginsburg, Jon Isadore, Mr. Gochnour and public works staff for their hard work on the BRIC grant. She would like to express her questions and have them answered. She stated that council representing the community is important. Mr. Gochnour outlined the process and reviews the grant application has gone through. He gave suggestions on projects and funding them. He suggested moving forward on shovel ready projects now. The expense of these can be applied to match with the exception of construction.

Councilor Vileisis moved to extend the meeting with Councilor Burns as second. *Motion carried 6-0.*

Discussion: None.

*Councilor Burns*    Yes      *Councilor Vileisis*    Yes      *Councilor Webb*      Yes  
*Councilor Kessler*    Yes      *Councilor Tidey*      Yes      *Councilor Pogwizd*    Yes

Councilor Vileisis suggested water infrastructure priorities need to be set to prepare for the BRIC grant. Mr. Gochnour of Civil West suggested priorities and asked for a council decision. Councilor Pogwizd suggested dredging the impound be a priority over water meters. Mr. Gochnour recommended moving forward on grants until funds are awarded. He suggested also being proactive with current funds using it for Hubbard Creek dredging and pipeline projects. All grants and projects are attributable to matched funds with the BRIC grant. He suggested an update or amendment to the 2015 master plan to bring it up to date where needed. Mayor Cox suggested focus on in-town projects. CA Ginsburg can make the application available to councilors.

Councilor Webb moved to direct the city administrator to work with Civil West in pursuing the Hubbard Creek dredging project as soon as possible with Councilor Vileisis as second. *Motion carried 6-0.*

Discussion: Mr. Gochnour explained what details qualify as construction and design work.

*Councilor Burns*    Yes      *Councilor Vileisis*    Yes      *Councilor Webb*      Yes  
*Councilor Kessler*    Yes      *Councilor Tidey*      Yes      *Councilor Pogwizd*    Yes

- c.                    **Goal Setting and Planning Workshop:** Planning Commission and City Council workshop will be held on 020723 at 3:30 p.m. A Committee steering meeting will be held. Goal setting session will be February 9. Councilors agree by consensus.

## 8. New Business:

- a. **Resolution 2023-02 Banking/Signatures New Council:** Councilor Webb moved to table pending further information with Councilor Burns as second. *Motion carried 6-0.*

*Councilor Burns*    Yes      *Councilor Vileisis*    Yes      *Councilor Webb*      Yes  
*Councilor Kessler*    Yes      *Councilor Tidey*      Yes      *Councilor Pogwizd*    Yes

- b. **Scope of Work for Civil West Engineering:** See above, 7.b. Councilor Burns moved to approve the scope of work for Civil West Engineering as discussed in 7.b. with Councilor Webb as second. *Motion carried 6-0.*

Discussion: Mayor Cox suggested councilors read 1-11 thoroughly. Mr. Gochnour of Civil West identified the two scopes of raw water as being dredging and raw water storage. Storage revolves around the reservoir tank and improvements around the Hubbard Creek facility. Mr. Gochnour will give CA Ginsburg a scope of work for the raw water options. Councilor Vileisis reminded councilors they will be spending a quarter million dollars of the citizen's money. Councilors express appreciation to Mr. Gochnour of Civil West for his assistance in working with the City of Port Orford.

*Councilor Burns*    Yes      *Councilor Vileisis*    Yes      *Councilor Webb*      Yes  
*Councilor Kessler*    Yes      *Councilor Tidey*      Yes      *Councilor Pogwizd*    Yes

- c. **Community Building for Dog Training:** Councilor Tidey reported Parks Commission is asking City Council for direction on what is needed prior to Parks recommendation. A for-profit business is asking for the use. Councilor Vileisis suggested council come up with a clear policy for use of community buildings based on the type of use, whether it be nonprofit or for profit. Legal Counsel Kudlac advised there is a policy and includes the need for insurance. Councilor Webb moved to send this request to Parks Commission for recommendation with Councilor Tidey as second. *Motion carried 6-0.*

Discussion: Insurance is necessary. Animals in the building is considered. Councilor Webb suggested Parks contact other communities for their policies on animals in a community building.

*Councilor Burns*    Yes      *Councilor Vileisis*    Yes      *Councilor Webb*      Yes  
*Councilor Kessler*    Yes      *Councilor Tidey*      Yes      *Councilor Pogwizd*    Yes

- d. **Necessity of letter (inaudible):** Councilor Webb moved to direct CA Ginsburg send a letter from the Mayor to get clarification with Councilor Burns as second. *Motion carried 6-0.*

Discussion: Much is inaudible.

*Councilor Burns*    Yes      *Councilor Vileisis*    Yes      *Councilor Webb*      Yes  
*Councilor Kessler*    Yes      *Councilor Tidey*      Yes      *Councilor Pogwizd*    Yes

## 9. Continuing action Items. Discussion is inaudible.

- Rotary Club
- Website
- Roof Quotes
- Wetland walkway
- Short-Term Rentals

**10. Considerations:**

**Citizen:** Rowland Willis advised suggested using a digital recorder to record the meeting and make the recording available to the public. Current microphone/video/recording is not always audible.

**Staff:** None.

**Councilor:** Councilors discussed a method to use that will prevent crosstalk. Hand raising and twice-around was discussed. Councilor Vileisis stated she is excited to work with councilors and become an effective council. She expressed her appreciation for the role of president. Councilor Vileisis reported on a letter she received from the group that has been raising money for the Community Building. They are holding their project in abeyance due to the city not having the capacity for support. Councilor Vileisis would like to see the city get to a place where they can support volunteers and not shut them down. Councilors agree to put this on the next agenda.

**Mayor:** Mayor Cox spoke on improving communication and council moving forward.

**11. Future Meetings:**

**Thursday, February 16, 2023, Regular Council Meeting 5:30, hybrid.**

**Adjourn:** There being no further business, Mayor Cox Adjourned the meeting at 9:10 p.m.

Attest:

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Mayor, Pat Cox

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City Recorder, Jessica Ginsburg

**City of Port Orford**  
**City Council Meeting**  
**In the Gable Chambers / Virtual participants**  
**Tuesday, February 16<sup>th</sup>, 2022 at 5:30 P.M.**

<b>Mayor and Council</b>	<b>Present</b>	<b>City Staff</b>	<b>Present</b>
<i>Pat Cox, Mayor</i>	X	<i>CA Ginsburg</i>	X
<i>Brett Webb</i>	X	<i>Shala Kudlac, City Attorney</i>	X
<i>Gary Burns</i>	X	<i>John Isadore, Public Works</i>	X
<i>Tim Pogwizd</i>	X	<i>Chief Hobart</i>	X
<i>Ann Vileisis</i>	X		
<i>Greg Tidey</i>	X		
<i>Perri Rask</i>	X		

*The minutes were prepared to the best of our ability considering the challenging quality of the audio for those attending in the Gable Chambers. The beginning 11 minutes of the meeting was not video recorded.*

Others Present: Leila Thompson, Bret Cecil, Erin Minster, Wendy Fry of AccuScript, Marlin of Civil West, Sierra with Siskiyou Discovery Homeschool Cooperative.

**1. Call to Order**

Mayor Cox called to order this Meeting of the Common Council on Thursday February 16, 2023, at 5:30 p.m. Mayor Cox and attendees recited the Pledge of Allegiance.

**2. Additions to the Agenda**

Goal setting meeting will be rescheduled.

**3. Presentations to Council/Citizens – Gorse/Fire Reduction Plan – Erin Minster**

Erin Minster, technical coordinator for the Curry County Soil and water Conservation District, is in attendance. Ms. Minster reported on the Gorse/Fire Reduction Plan which was written with funding from OHA and Business Oregon. The plan is looking at reducing wildfire risk in the drinking water source area. Details and strategies of the plan and gorse control are shared for the city and the urban growth areas. Grants and scope of work are outlined. An agreement for services with the city is needed. **This will be added to the next agenda.**

**4. Consent Calendar:** C. Pogwizd moved to approve the consent calendar with C. Rask as second.  
*Motion carried 5-1.*

**a. Re-appointment of Greg Thelen to Planning Commission:**

**b. Meeting Minutes December 20, 2022**

Discussion: C. Vileisis commented on the new meeting minutes format. She feels it does not create a record of discussion.

*Councilor Burns*    Yes    *Councilor Vileisis*    Yes    *Councilor Webb*    No  
*Councilor Rask*    Yes    *Councilor Tidey*    Yes    *Councilor Pogwizd*    Yes

**5. Citizens' Concerns:**



Penny Suess, Port Orford resident, spoke on item 7.b., short term rental ordinance. She would like the City Council to consider extending a cap to all zones. She feels a cap of 35 covering all zones is reasonable, but if caps are restricted to 1R and 2R a lower number might be better. Ms. Suess reminded council that 4C and 10MU, without a cap, includes a lot of residential property. She feels a lack of cap in these zones are unfair to those living in the zones. She is concerned that on street parking in 4C, 10MU and other zones could be a problem for residents in 1R and 2R that closely border those zones.

Dana Gurnee, Port Orford resident, spoke regarding the minutes. He wonders where the January minutes are. He wonders if the City Council plans to replace Wendy Fry's style of minutes with the new format proposal. He wonders when the audio and video quality of the meetings will be acceptable. He wonders when the city will update the website to show approved minutes for the months from September, 2022. Mr. Gurnee hopes the city will continue using the full discussion style of minutes.

Greg Thelen, Port Orford resident, introduced himself as the current chair of the Planning Commission commenting as a citizen on Old Business item 7.b., short term rental ordinance. He reviewed the workshop items. He spoke on item 1 about the cap and reported that the Planning Commission had proposed a cap lower than 33 though the council notes state 43. He suggested that the best time for council to set the cap number would be at the time they adopt the ordinance when the final numbers grandfathered in will be clear. Mr. Thelen stated residential parking was not a question the Planning Commission requested to be sent to City Council. Mr. Thelen spoke on the 300 foot distance requirement question. This number was referred back to the Planning Commission for review. Mr. Thelen spoke on the building inspections, which he states was not a question the Planning Commission referred to the City Council. The Planning Commission and Mr. Kearns had recommended initial inspections and periodic inspections every few years. The Planning Commission is hoping for guidance on parking in the commercial and 10MU zones. Mr. Thelen expressed appreciation to the city councilors for their work.

**6. Departmental Reports: New liaison reports and appointments will be on the next agenda.**

- a. Public Works:** A written report has been provided to councilors by Jon Isadore. Mayor Cox requested the number for amount of water sold on the future reports. A **motion** was made and seconded to include the amount of water sold and the corresponding date.

Discussion: CA Ginsburg requested clarification on the numbers needed. *Motion carried 6-0.*

<i>Councilor Burns</i>	<u><i>Yes</i></u>	<i>Councilor Vileisis</i>	<u><i>Yes</i></u>	<i>Councilor Webb</i>	<u><i>Yes</i></u>
<i>Councilor Rask</i>	<u><i>Yes</i></u>	<i>Councilor Tidey</i>	<u><i>Yes</i></u>	<i>Councilor Pogwizd</i>	<u><i>Yes</i></u>

Mr. Isadore asked if there was progress on the meter replacements. Mayor Cox advised a propagation study has been completed. The city will be speaking to the vendor to discuss the next steps.

- b. Administration/Financial Report:** CA Ginsburg provided a financial report to councilors and in the packet. C. Vileisis addressed the Action Item on the admin report regarding the recording system, reminding it has created a problem with the minutes. She asked what can be done to make it happen. C. Tidey replied it has been difficult to get a business to come to Port Orford from Eugene or Portland for a consultation.

A **motion** is made and seconded to resolve the recording issue within the next 60 days. **Motion carried.**

Discussion: None.

<i>Councilor Burns</i>	<u>Yes</u>	<i>Councilor Vileisis</i>	<u>Yes</u>	<i>Councilor Webb</i>	<u>Yes</u>
<i>Councilor Rask</i>	<u>Yes</u>	<i>Councilor Tidey</i>	<u>Yes</u>	<i>Councilor Pogwizd</i>	<u>Yes</u>

C. Webb commented on the email received by the company preparing the minutes, which addressed the audio quality and lack of communication. Wendy Fry was in attendance and clarified that the quality of recording is affecting the amount of hours it is taking to prepare the minutes. C. Pogwizd clarified what Oregon law requires versus what councilors want to see.

CA Ginsburg presented a draft of the new website to councilors and gave an overview. One month is an approximately timeline.

Financials regarding the police levy was discussed in depth. The importance of keeping the Port Orford Police versus contracting out is agreed upon by councilors. The ballot measure needs to be to the county clerk by August. **This will be added to next month's agenda.**

CIS met with CA Ginsburg yesterday regarding insurance for the skating club. A letter was received today and will be shared with councilors and Parks Commission.

A meeting with the chairs of each commission and council will schedule a communication meeting.

Legal Counsel Kudlac advised that if the council wants a staff report from the planning commission, it is normally done by staff and not a member of the Planning Commission. The reasoning is, if the Planning Commission hears a quasi-judicial type application, it would be best to have staff say they had a hearing on this type of application. No detail should come to the council on those items. It would not be appropriate to get staff reports on those applications ahead of time. Normally what the council would get would be a synopsis of what the planning department did that month, e.g., single family dwelling applications, right of way applications, etc.

A new employee has been hired, which will be tasking planning assistant duties.

C. Vileisis has spoken to CA Ginsburg about a meeting to better understand the financial reports. Mayor Cox suggested a workshop. Current financial reports are difficult to understand. Parks budget was discussed.

- c. **Planning:** A workshop is scheduled.
- d. **Watershed:** Councilor Vileisis provided a written watershed liaison report to councilors.
- e. **Port:** Mayor Cox reported the crane process is moving forward at the Port. They are working on the road hardening with FEMA. The Port just put an ask in with EDA for the seawater system.

## 7. Old Business

- a. **Adoption of Proposed Gorse Infestation Fire Reduction Management Plan:** It was moved and seconded to adopt the proposed Wildfire Risk/Reduction/Gorse Infestation Management Plan for Port Orford's Drinking Water Source Area. ***Motion carried 6-0.***  
Discussion: C. Vileisis reported there might be a few minor tweaks to be sure all matches up but will still align with documents accepted.

<i>Councilor Burns</i>	<u><i>Yes</i></u>	<i>Councilor Vileisis</i>	<u><i>Yes</i></u>	<i>Councilor Webb</i>	<u><i>Yes</i></u>
<i>Councilor Rask</i>	<u><i>Yes</i></u>	<i>Councilor Tidey</i>	<u><i>Yes</i></u>	<i>Councilor Pogwizd</i>	<u><i>Yes</i></u>

- b. **Resolution 2023-01 Banking/Signatures New Council:** C. Burns moved that the City Council pass resolution 2023-01 on the removal and addition of council members to the Rogue bank account with C. Pogwizd as second. ***Motion carried 6-0.***  
Discussion: None.

<i>Councilor Burns</i>	<u><i>Yes</i></u>	<i>Councilor Vileisis</i>	<u><i>Yes</i></u>	<i>Councilor Webb</i>	<u><i>Yes</i></u>
<i>Councilor Rask</i>	<u><i>Yes</i></u>	<i>Councilor Tidey</i>	<u><i>Yes</i></u>	<i>Councilor Pogwizd</i>	<u><i>Yes</i></u>

- c. **Scope of Work for Raw Water BRIC Grant Application.** C. Burns moved to approve the scope of work for Civil West Engineering Services as part of the raw water BRIC grant application submission with C. Vileisis as second. ***Motion carried 5-1.***  
Discussion: Marlin of Civil West is in attendance and recommended that City Council approve option 2 from the scope of work provided. This option will help the city implement a 2<sup>nd</sup> source for the raw water system to bridge the gap and also help in streamlining the dredging enabling the city to make water while the dredging is taking place. Clearing out, cleaning and improving the current dam is intended. Details regarding scope of work is discussed in depth.

<i>Councilor Burns</i>	<u><i>Yes</i></u>	<i>Councilor Vileisis</i>	<u><i>Yes</i></u>	<i>Councilor Webb</i>	<u><i>No</i></u>
<i>Councilor Rask</i>	<u><i>Yes</i></u>	<i>Councilor Tidey</i>	<u><i>Yes</i></u>	<i>Councilor Pogwizd</i>	<u><i>Yes</i></u>

- d. **Siskiyou Discovery Homeschool Cooperative:** C. Burns moved to approve the rental of the A-frame to Siskiyou Discovery Homeschool Cooperative for 120 dollars per month and direct city staff to draft a rental agreement with C. Pogwizd as second. ***Motion rescinded.***  
Discussion: C. Pogwizd and C. Tidey confirmed utilities are included in the rental price. Siskiyou is a nonprofit with approximately five kids under 5 years old and parent run, thus does not need to be licensed. Public Works Superintendent Isadore will inspect the building. Insurance proof has been provided. Sierra will be the responsible party. Legal Counsel Kudlac advised the agreement has to be with Sierra or the Cooperative will need to be added to the insurance. Sierra is hoping for April as a timeline.  
C. Burns rescinded his motion and C. Pogwizd rescinded his second.  
C. Vileisis **moved** to direct staff to move forward with drafting a rental agreement contingent upon determining compliance on insurance requirements with CIS and contingent upon identifying the proper name on the agreement with C. Burns as second. ***Motion carried 6-0.***  
Discussion: John Isadore will inspect the building.

<i>Councilor Burns</i>	<u><i>Yes</i></u>	<i>Councilor Vileisis</i>	<u><i>Yes</i></u>	<i>Councilor Webb</i>	<u><i>Yes</i></u>
<i>Councilor Kessler</i>	<u><i>Yes</i></u>	<i>Councilor Tidey</i>	<u><i>Yes</i></u>	<i>Councilor Pogwizd</i>	<u><i>Yes</i></u>

C. Burns moved to extend the meeting with C. Vileisis as second. ***Motion carried 4-3.***  
Discussion: none.

<i>Councilor Burns</i>	<u>Yes</u>	<i>Councilor Vileisis</i>	<u>Yes</u>	<i>Councilor Webb</i>	<u>No</u>
<i>Councilor Rask</i>	<u>Yes</u>	<i>Councilor Tidey</i>	<u>No</u>	<i>Councilor Pogwizd</i>	<u>No</u>
<i>Mayor Cox</i>	<u>Yes</u>				

e. **Short Term Rental Ordinance Review and Suggestions:** Topics outlined were submitted by the Planning Commission:

1. Residential Cap: Currently the Planning Commission is at 40. Would Council like it to be less or more? A **motion** is made and seconded to set the limit of 33 short term rentals in residential zones. **Motion carried 6-0.**

Discussion: The purpose of a cap is discussed. Ordinance enforcement is discussed.

<i>Councilor Burns</i>	<u>Yes</u>	<i>Councilor Vileisis</i>	<u>Yes</u>	<i>Councilor Webb</i>	<u>Yes</u>
<i>Councilor Rask</i>	<u>Yes</u>	<i>Councilor Tidey</i>	<u>Yes</u>	<i>Councilor Pogwizd</i>	<u>Yes</u>

2. Parking: Should the City give residents five years to comply with the parking restrictions? C. Pogwizd is concerned about parking restrictions that do not apply to other businesses. Options were discussed in length regrading parking in Residential Zone and 10MU Zone. City of Port Orford does not have a prior parking ordinance. Legal Counsel Kudlac cautions against special parking permits. Mayor Cox suggested sending parking back to Planning Commission to review the problem areas of parking in both 10MU and Commercial zones.

3. Density of 300 feet; Should the City grandfather in all the STRs that are currently licensed and closer than 300 feet in distance? Council would like Planning Commission to research and justify the 300-foot distance.

4. Building Inspection: Should the City require a health and safety inspection? If so, by who? Council would like Planning Commissioners to justify the need for STR inspections and response time.

**8. New Business:**

a. **Resolution 2023-02 Authorization for New Bank Account – Parks Fundraising Account:**

Parks is asking to see funds from fundraising clearly. Parks would also like citizens to be able to deposit donations. C. Burns moved to pass resolution 2023-02 with a second. **Motion carried 6-0.**

Discussion: CA Ginsburg clarified how the financials are transferred and listed. C. Webb is concerned that City Council will not have access or approval of spending the donation funds. CA Ginsburg clarified the purpose and use. An Account Detail was provided by CA Ginsburg at this meeting. Park Commissioners have not been provided the detail statement in the past six months.

<i>Councilor Burns</i>	<u>Yes</u>	<i>Councilor Vileisis</i>	<u>Yes</u>	<i>Councilor Webb</i>	<u>Yes</u>
<i>Councilor Rask</i>	<u>Yes</u>	<i>Councilor Tidey</i>	<u>Yes</u>	<i>Councilor Pogwizd</i>	<u>Yes</u>

b. **Water Moratorium:** Meter boxes in the Talus subdivision were damaged while the contractor was cleaning off the property and had to be replaced. The contractor has been advised of where the city is on the water moratorium. New developments who have paid the fees and have been approved can continue with development. Connection to city water is not allowed; however, well water is allowed. CA Ginsburg will contact Planner Shoji for further information on this subdivision. Permit process was reviewed.

c. **Shoji Planning Contract Approval:** C. Webb moved to approve the Scope of Work provided from Shoji Planning and Development with C. Pogwizd as second. **Motion carried 6-0.**

Discussion: Ms. Shoji will assist in training the new employee.

**Councilor Burns**    Yes    **Councilor Vileisis**    Yes    **Councilor Webb**    Yes  
**Councilor Rask**    Yes    **Councilor Tidey**    Yes    **Councilor Pogwizd**    Yes

- d.                    **Letter of Support Curry County:** C. Burns moved to send a letter of support for Curry County Health and have Mayor sign on behalf of Port Orford with C. Tidey as second.

**Motion carried 6-0.**

Discussion: Clarification given.

**Councilor Burns**    Yes    **Councilor Vileisis**    Yes    **Councilor Webb**    Yes  
**Councilor Rask**    Yes    **Councilor Tidey**    Yes    **Councilor Pogwizd**    Yes

## 9. Continuing action Items.

- Priority workshop
- Union negotiations needing executive session
- Website
- Wetland walkway
- Short-Term Rentals
- Roof
- Watershed
- Off-site Backup-Comp-U-Serve
- Rotary Club
- New Hire
- Skating Club

## 10. Considerations:

**Citizen:** Citizen asking for clarification of what to expect with the Lindberg house. Mayor Cox advised Historical Society will give a recommendation next month.

**Staff:** None.

**Councilor:** C. Pogwizd asked about moving Citizen Considerations below Citizen Concerns. Citizens can speak about the agenda items and then speak about any item. This would prevent the citizens from having to wait hours to speak and encourage citizen participation. Council rules will have to be changed to accommodate the order. Public comment can be held at the end of the meeting.

**Mayor:** Mayor Cox acknowledged John Roorbach's contribution to the city, volunteer time and assistance.

## 11. Future Meetings:

**Executive Session to be held February, 23, 2023 at 5:30 p.m. in Chambers.**

**Goal Setting Session Workshop to be held February 28, 2023. Councilor goal lists due February 24, 2023.**

**Thursday, March 16, 2023, Regular Council Meeting 5:30, hybrid.**

**Adjourn:** There being no further business, Mayor Cox Adjourned the meeting at 9:30 p.m.

Attest:

\_\_\_\_\_  
Mayor, Pat Cox

\_\_\_\_\_  
City Recorder, Jessica Ginsburg

**City of Port Orford**  
**Budget Committee Meeting**  
**In the Gable Chambers / Virtual participants**  
**Thursday, May 31, 2023 at 5:30 P.M.**

<b>Mayor and Council</b>	<b>Present</b>	<b>City Staff</b>	<b>Present</b>
<i>Pat Cox, Mayor</i>	X	<i>City Administrator (CA) John Huttl</i>	X
<i>Brett Webb</i>	X	<i>Dave Johnson, Financial Director</i>	X
<i>Gary Burns</i>	Absent	<i>John Isadore, Public Works</i>	X
<i>Perri Rask</i>	Absent	<i>Joseph Harrison, City Recorder Pro Tem</i>	X
<i>Ann Vileisis</i>	Absent		
<i>Greg Tidey</i>	X		
<i>Tim Pogwizd</i>	X		
<i>Barbra Wright</i>	X		
<i>Cory Aschauer</i>	X		

*The minutes were prepared to the best of our ability considering the challenging quality of the audio for those attending in the Gable Chambers.*

Others Present: Commissioners Barbra Wright and Cory Aschauer of the Budget Committee, Nancy Fraser.

**12. Roll Call: (5:40)**

- a. Mayor Cox called to order this First Meeting of the Budget Committee on May 31<sup>th</sup>, 2023, at 5:40 pm.

**13. Appointment of Members**

- a. Nancy Fraser appointment
- b. Discussion: none
- c. **Vote:**

*Councilor Burns*      Yes      *Councilor Pogwizd*      Yes      *Councilor Tidey*      Yes  
*Mayor Cox*              Yes

- d. Vote passes unanimously. (5:44)

**14. Meeting Transition**

- a. **With no further business to discussion, Mayor Cox closed this meeting of the Common Council**
- b. **Mayor Cox opened the meeting of the Budget Committee (5:46)**

**15. Budget Message**

- i. This will be a financially conservative budget with few to little changes from the previous year's budget. City Administrator Huttl wants to draw attention to just a few items that require more discussion.

- a. Grants are not being approved as resources because they can't be reasonably estimated.
- b. Water Enterprise Fund does not fund itself at the current rate, there is a proposed loan from the Sewer Enterprise Fund. City Admin Huttl and Finance Director Johnson recommend increasing the rate.
- c. The Cities Primary source of income is Property Tax, which has maximum permanent rate of \$2.2688/\$1000 of assessed value.
- d. Local Option for Public Safety is another source of revenue, it is currently at \$1.80/\$1000. This does not cover the cost of Public Safety and it is recommended to increase the levy.
- e. All the items on the "Wishlist" from the departments have been funded in the proposed budget except Water Project Engineering. Part of this can be covered by re-allocating some of the funds for "Wishlist" items.

## 16. State Revenue Sharing

- a. Mayor Cox begins by reading [Intro Script] and opening this portion of the meeting to the public.
- b. No Comments from Public or Staff
- c. Mayor Cox closes the public portion of the meeting. **(6:05)**

## 17. Budget Document Presentation

- a. City Administrator Huttl and Financial Director Johnson explained the proposed budget and answered Councilor and Committee Member Questions.
  - i. Johnson mentions that the council previously voted to have no citations receivable.
  - ii. Personnel Costs are split between funds.
  - iii. Emergency Management, Planning, Administration and Court are not funds, they are departments.
  - iv. The Server upgrades will help prevent us from being hacked and we have an insurance policy to cover potential ransoms.
  - v. Just because funds have been budgeted for an item, doesn't mean that the funds need to be spent.
  - vi. Johnson stated that we've received \$163,000 in citations, but that only accounts for \$22,000 of revenue for the Public Safety Fund and that for every \$0.10/\$1,000 increase in the Public Safety Levy is \$15,000 more for the Public Safety. We either need to double the Levy or increase the number of citations. **(6:50)**
  - vii. Water Enterprise Fund Spent \$141,000 more than what it had. This is being covered by a loan from the Sewer Enterprise Fund and City Admin Huttl recommends increasing the rate so that revenue can cover the payback. There is also a proposed meter cost increase, this is to upgrade our meters and will be passing on costs.
  - viii. Mayor Cox requested clarity on the \$14,000 increase in the Fire District Contract; City Administrator Huttl explained that contract goes off assessed value of properties within the city and that both the value of the assessed value as well as the percentage that the Fire District receives increased leading to a compounded increase in overall dollar value.
  - ix. With the majority of items discussed; the Council and Committee agreed by consensus to have a 5-minute recess from **(7:05)** to **(7:10)**.
  - x. The only item on the Wishlist that was not incorporated into the proposed budget was the contract for Water Engineering Services; this cost could be partially covered by



reallocating some of the other funds. Superintendent Isadore stated he believes the funds allocated for repairing the City Hall Roof could be spent on the Water Engineering Contract and that the roof on city hall could go another few years without repair.

- xi. The City Council wants to set aside funds for the Jubilee so they have funding other than TLT. This is reflected in the Jubilee line item under the parks fund. This required clarification on if Jubilee would get these funds in addition or as a replacement of the funds, they requested from the TLT grant.

**18. Deliberations on Resolutions**

- a. City Administrator HuttI motions to approve the City Of Port Orford FY 2023-2024 budget as presented at the amount of \$6,120,232 with the alteration of taking the \$85,000 from the General Fund for City Hall Roof Repairs and transferring it to the Water Enterprise Fund for the Water Engineering Contract and increasing the revenue from Citations in Public Safety.
- b. Mayor Cox Seconds the motion.
- c. Vote unanimously passed. (7:53)
  - i. Discussion: City Admin HuttI clarified that there would be 2 additional motions that needed to be voted on; Permanent Tax Rate change and Public Safety Levy rate change.

<i>Councilor Burns</i>	<u>Yes</u>	<i>Councilor Pogwizd</i>	<u>Yes</u>	<i>Councilor Tidey</i>	<u>Yes</u>
<i>Mayor Cox</i>	<u>Yes</u>	<i>Comm. Aschauer</i>	<u>Yes</u>	<i>Comm. Wright</i>	<u>Yes</u>
<i>Comm. Fraser</i>	<u>Yes</u>				

- d. Councilor Burns Motion to impose a Permanent Tax Rate of \$2.2688/\$1000
- e. Mayor Cox seconds
- f. Vote unanimously passed with no further discussion (7:55)

<i>Councilor Burns</i>	<u>Yes</u>	<i>Councilor Pogwizd</i>	<u>Yes</u>	<i>Councilor Tidey</i>	<u>Yes</u>
<i>Mayor Cox</i>	<u>Yes</u>	<i>Comm. Aschauer</i>	<u>Yes</u>	<i>Comm. Wright</i>	<u>Yes</u>
<i>Comm. Fraser</i>	<u>Yes</u>				

- g. Committee Member Fraser motions to propose a Public Safety Levy of \$2.00/\$1000
- h. Councilor Burns Seconds.
- i. Vote passes 6-1 with no further discussion (8:05)

<i>Councilor Burns</i>	<u>Yes</u>	<i>Councilor Pogwizd</i>	<u>Yes</u>	<i>Councilor Tidey</i>	<u>No</u>
<i>Mayor Cox</i>	<u>Yes</u>	<i>Comm. Aschauer</i>	<u>Yes</u>	<i>Comm. Wright</i>	<u>Yes</u>
<i>Comm. Fraser</i>	<u>Yes</u>				

**19. Adjournment (8:08)**

There being no further business, Mayor Cox Adjourned the City Council Meeting at 8:08 pm.  
Attest:

\_\_\_\_\_  
Mayor, Pat Cox

\_\_\_\_\_  
City Admin, John HuttI

CITY OF PORT ORFORD  
SIGN PERMIT APPLICATION FORM

FOR OFFICE USE ONLY

Date Received: 06/14/23  
Required Fee: \$ 25.00  
Fee Receipt #: \_\_\_\_\_

APPLICANT:

Name ST JOHN'S CHURCH  
Address 1746 Oregon St  
Port Orford OR 97465  
Telephone (541) 621 6590 Fax ( ) N/A

PROPERTY OWNER:

Name ST JOHN'S CHURCH / HOLY TRINITY CHURCH  
Address 355 Oregon Ave  
Bandon OR 97411  
Telephone (541) 329 0677 Fax ( ) \_\_\_\_\_

APPLICANT SIGNATURE: [Signature] Date 06/13/23

APPROVED \_\_\_\_\_ DENIED \_\_\_\_\_

CITY ADMINISTRATOR SIGNATURE: \_\_\_\_\_  
Date \_\_\_\_\_





## *City of Port Orford*

---

**TO:** Mayor and City Council

**FROM:** John Huttel, City Administrator

**DATE:** June 29, 2023

**SUBJECT:** Public Hearing on Community Development Block Grant Opportunities

### Summary

City Administrator and Council President Veleisis met by phone with representatives from the State of Oregon Business Oregon and CCD grant administration regarding applying for a grant to remodel and upgrade the Community Building and Legion Hall.

The first step of the process is to advertise for and hold a public hearing “to obtain citizen views and to respond to questions and comments about community development and housing needs, especially the needs of low- and moderate-income persons, as well as other needs in the community that might be assisted with a Community Development Block Grant project, and the proposed project.”

Public notice of a public hearing was posted in the Port Orford News, the City’s Newspaper of Public Record, on June 21, 2023. The hearing was noticed to occur on June 20, 2023 at 5:30pm.

### Recommendation

Staff recommends opening the public hearing, and taking questions and comments per the above. Then, depending on the comments and questions, directing staff to submit application.

RESOLUTION 2023 – 12

A RESOLUTION ACKNOWLEDGING PUBLIC COMMENT OPPORTUNITY ON CDBG GRANT APPLICATION

WHEREAS, The Common Council of the City of Port Orford and

WHEREAS, the City of Port Orford; and

WHEREAS, the City of Port Orford does; and

WHEREAS, the City of Port Orford realizes that Port Orford; and

WHEREAS, the City of Port Orford desires to;

NOW THEREFORE, the Common

FURTHER RESOLVES, the Common Council of the City of Port Orford ad

BE IT FURTHER RESOLVED that the

Dated this 15<sup>th</sup> day of June, 2023

---

Pat Cox, Mayor, City of Port Orford

---

Attest: Joseph Harrison, Recorder

**Gary**

---

**From:** Marlin Gochnour <Mgochnour@civilwest.net>  
**Sent:** Thursday, May 11, 2023 11:52 AM  
**To:** John Isadore; Gary  
**Subject:** FW: Small City Allotment Program: Call for Projects!

**Importance:** High

John,

I have reviewed your description below for the road work and to pull together a cost estimate can you please send me a little more information. What I would like is a map that outlines the corridor(s) that will be part of the project. A description of what needs to be done something like completed reconstruct of a 30-foot-wide AC road with gravel shoulders and borrow ditch. Also is there any ADA or drainage improvements that will need to be included. Do we get anyway near ODOT right-of-way on any of the proposed projects.

Feel free to give me a call if it would be easier to discuss the project. Once I hear from you I can pull together a preliminary cost estimate for use in the funding application.

Thanks,

**Marlin Gochnour, PE, SE, MBA** | President

Civil Licensed: OR, WA, ID, MT, WY, HI, KS, SC  
 Structural Licensed: UT  
 p 541.982.4136 | c 541.808.8169



**Civil West Engineering Services, Inc.**

PO Box 1589, Coos Bay, OR 97420  
 p 541.266.8601  
[www.civilwest.com](http://www.civilwest.com)

**From:** Gary <gmilliman@portorford.org>  
**Sent:** Thursday, May 11, 2023 11:33 AM  
**To:** Marlin Gochnour <Mgochnour@civilwest.net>  
**Cc:** 'John Isadore' <jisadore@portorford.org>  
**Subject:** FW: Small City Allotment Program: Call for Projects!  
**Importance:** High

Can you followup with John Isadore and provide an estimate for a project we can submit?

**Gary Milliman**

City Administrator Pro Tem

City of Port Orford

[gmilliman@portorford.org](mailto:gmilliman@portorford.org)

(541) 813-9267 (mobile)

**From:** jginsburg [<mailto:jginsburg@portorford.org>]

**Sent:** Thursday, May 11, 2023 11:32 AM

**To:** [gmilliman@portorford.org](mailto:gmilliman@portorford.org)

**Subject:** FW: Small City Allotment Program: Call for Projects!

**Importance:** High

**From:** John Isadore [<mailto:jisadore@portorford.org>]

**Sent:** Tuesday, May 9, 2023 10:53 AM

**To:** 'jginsburg' <[jginsburg@portorford.org](mailto:jginsburg@portorford.org)>

**Subject:** RE: Small City Allotment Program: Call for Projects!

**Importance:** High

Not that I'm aware of but there's a need for street repairs on 18<sup>th</sup> St. to the country / city boundary. This section the road base has failed and there's multiple repairs and still has lots of pothole. Also this section is chip-seal and not asphalt it has a lot traffic. This would be a great way project to get done and would alleviate a lot of complaints and safety concerns.

Thanks John Isadore

**From:** jginsburg [<mailto:jginsburg@portorford.org>]

**Sent:** Monday, May 8, 2023 8:24 AM

**To:** 'John Isadore' <[jisadore@portorford.org](mailto:jisadore@portorford.org)>

**Subject:** FW: Small City Allotment Program: Call for Projects!

Has the City ever applied for this? Any candidate projects?

**Gary Milliman**

City Administrator Pro Tem

City of Port Orford

[gmilliman@portorford.org](mailto:gmilliman@portorford.org)

(541) 813-9267 (mobile)

**From:** Oregon Department of Transportation [<mailto:odot@service.govdelivery.com>]

**Sent:** Thursday, May 4, 2023 4:46 PM

**jginsburg**

---

**From:** John Isadore <jisadore@portorford.org>  
**Sent:** Tuesday, May 9, 2023 10:53 AM  
**To:** 'jginsburg'  
**Subject:** RE: Small City Allotment Program: Call for Projects!

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Has the City ever applied for this? Any candidate projects?

**Gary Milliman**  
 City Administrator Pro Tem  
 City of Port Orford  
[gmilliman@portorford.org](mailto:gmilliman@portorford.org)  
 (541) 813-9267 (mobile)

---

**From:** Oregon Department of Transportation [mailto:odot@service.govdelivery.com]  
**Sent:** Thursday, May 4, 2023 4:46 PM  
**To:** [jginsburg@portorford.org](mailto:jginsburg@portorford.org)  
**Subject:** Small City Allotment Program: Call for Projects!

Having trouble viewing this email? [View it as a Web page.](#)



Oregon Department  
of Transportation

**Small City Allotment Program**



## 2023 Call for Projects!



### How much is available?

\$5 million each year, distributed annually through a competitive grant program.

### Maximum Funding Request is \$250,000.

### Who can apply?

Incorporated cities with populations of 5,000 or fewer; must have all previously awarded SCA projects completed prior to August 1, 2023.

### What kind of projects are eligible?

Project may be on a City Street or a County Road within the City limits but cannot be on a State Highway. Improvements may only be made upon streets that are inadequate for the capacity they serve or are in a condition detrimental to safety.

\*Special conditions apply to projects that include county road(s).

### What is the match requirement?

There is no match requirement and the ability to contribute funds to the project is not considered when scoring projects. Grant recipients are responsible for all project costs not covered by grant funds.

### Where and when can I apply?

The application form can be accessed here:

[2023 Small City Allotment Grant Application \(cognitofirms.com\)](https://cognitofirms.com)

Applications will be accepted June 1st through July 31st, 2023.

### What happens once I have submitted my application?

Regional ODOT personnel will conduct site evaluations for each project between August 1st and September 30th. Projects will be scored and placed in ranking order. After applying a funding distribution formula, the program manager determines the number of projects that can be funded in each region. The results are presented to the Small City Allotment Advisory Committee for approval and awards are typically announced mid-October.

### Questions or Comments?

Please contact Deanna Edgar at (503) 602-0494 or  
[SmallCityAllotments@odot.oregon.gov](mailto:SmallCityAllotments@odot.oregon.gov)

*\*\*Pictured is a 2023 Small City Allotments project in the City of Hubbard\*\**

Looking for a great job with a competitive salary and good benefits?  
Want to help your community every day? Apply now at [ODOTJobs.com](https://www.oregon.gov/odot/employment/ODOTJobs.com).  
Nothing quite fit? Check back often!

**Manage Account**

[Unsubscribe to All](#) | [Manage Preferences](#)  
[Contact Us](#) | [Help](#)



Oregon Department of Transportation  
355 Capitol Street NE, MS 11  
Salem, OR , 97301-3871 USA

This email was sent to [jginsburg@portforford.org](mailto:jginsburg@portforford.org) using GovDelivery Communications Cloud on behalf of: Oregon Department of Transportation · 355 Capitol Street NE · Salem, OR 97301 · 888-275-6368





## City of Port Orford

---

**TO:** Mayor and City Council

**FROM:** John Hutt, City Administrator

**DATE:** June 29, 2023

**SUBJECT:** Loan Agreement with Oregon Department of Environmental Quality

### Summary

This loan agreement will allow us to pay a third party who has been holding property until the City obtained funding.

### Background

The City has been involved in a three party process to acquire property in the City watershed. This document is a loan agreement between the City and the State DEQ to obtain funds. We will then transfer the funds to a third party through escrow. Then the City will own the 160-acre parcel.

The terms of the agreement are:

- City will borrow \$826,051
- Interest rate is 1.42%
- 50% of loan or \$413,008 whichever is less, will be forgiven if City completes project (land acquisition and watershed rehabilitation)
- City must make reasonable efforts to use Minority Business Enterprise, Women Business Enterprise or Small Business Rural Area on contracts awarded under grant
- First payment interest only \$13,261 due December 2025.
- After that, principal and interest payments are due per schedule A
- Loan has a 30 year term
- It is pledged by city's net revenues
- If city fails to pay, one consequence is DEQ may set utility rates

However, we have current debts with USDA on our treatment plant outfall. Those debt agreements have similar pledge of revenue and utility rate terms. The DEQ says it wants to be treated the same as USDA. There is a separate document for that, a parity agreement, that we will enter with the two agencies.

I have contacted outside legal counsel to negotiate those terms. Also, that same outside legal counsel will issue an opinion letter explaining that there is no legal impediment to the City's ability to make its loan payments.

Lastly, due to the timing of receipt of the document and other uncertainties regarding the transaction, this item was not included in the 2023-2024 budget, and there will likely be a revised budget amendment forthcoming. That will occur in the next fiscal period.

Recommendation

Adopt Resolution approving loan agreement with DEQ to acquire watershed property and partially rehabilitate same; authorizing City Administrator to execute parity agreement, as necessary.

**CLEAN WATER STATE REVOLVING FUND  
LOAN AGREEMENT  
No. R74101**

**BETWEEN**

**THE STATE OF OREGON**

**ACTING BY AND THROUGH ITS  
DEPARTMENT OF ENVIRONMENTAL QUALITY**

**AND**

**CITY OF PORT ORFORD**

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**THIS LOAN AGREEMENT (“Agreement”)** is made and entered into as of the date (“**Effective Date**”) it is fully executed by both parties (and in the case of the State, approved by the Attorney General's Office, if required) and is by and between the **State of Oregon, acting by and through its Department of Environmental Quality (“DEQ”)**, and the **Borrower** (as defined below). Unless the context requires otherwise, capitalized terms not defined below shall have the meanings assigned to them by ARTICLE 9 of this Loan Agreement. The reference number for the Loan made pursuant to this Loan Agreement is Loan No. R74101.

DEQ agrees to make, and Borrower agrees to accept, the Loan on the terms and subject to the conditions set forth below.

#### **ARTICLE 1: THE LOAN - SPECIFIC TERMS**

DEQ agrees to make the Loan on the following terms and conditions:

- (A) BORROWER:** City of Port Orford
- (B) BORROWER'S ADDRESS:** 555 W. 20th Street (PO Box 310)  
Port Orford, OR 97465
- (C) LOAN AMOUNT:** \$826,015
- (D) TYPE AND PURPOSE OF LOAN.** The Loan is a "Revenue Secured Loan" made by DEQ pursuant to OAR Section 340-054-0065(2) for the purpose of financing the Project.
- (E) PROJECT TITLE:** Land Acquisition in the North Fork Hubbard Creek Watershed Drinking Water Supply

- (F) DESCRIPTION OF THE PROJECT:** The City will purchase a forested parcel of 160 acre parcel that is in the City's drinking water source area. The City is purchasing the land from a conservation organization, who is temporarily holding the land while the City secures funds to make the purchase. A commercial timber company previously held the land. The land will be managed under the City's forest stewardship plan with a primary objective of protecting water quality. Management activities that will support this objective can include tree harvest and road maintenance, but with the primary goal of achieving forest health, reducing erosion and sediment input into streams.
- (G) INTEREST RATE:** One and 42/100 (1.42%) per annum. Calculation of interest is also discussed in ARTICLE 2(E) and in ARTICLE 2(F)(4) of this Agreement.
- (H) REPAYMENT PERIOD:** Ending no later than (a) thirty (30) years after the Completion Date or (b) thirty (30) years after the estimated Completion Date set forth in ARTICLE 3(A)(10), whichever date is earlier.
- (I) TERMS OF REPAYMENT:** An interest-only payment within six months after the estimated Project Completion Date set forth in ARTICLE 3(A)(10) and thereafter semi-annual payments of principal and interest in accordance with APPENDIX A and ARTICLE 2(F) of this Agreement.
- (J) PLEDGE:** The Borrower hereby grants DEQ a security interest in and irrevocably pledges its Net Revenues to secure payment of and to pay the amounts due under this Loan Agreement. The Net Revenues so pledged and hereafter received by the Borrower shall immediately be subject to the lien of such pledge without physical delivery or further act, and the lien of the pledge shall be superior to all other claims and liens whatsoever, to the fullest extent permitted by ORS 287A.310. The Borrower represents and warrants that the pledge of Net Revenues hereby made by the Borrower complies with, and shall be valid and binding from the date of this Agreement pursuant to, ORS 287A.310. The Borrower covenants with DEQ and any assignee of this Agreement that except as otherwise expressly provided herein, the Borrower shall not issue any other obligations which have a pledge or lien on the Net Revenues superior to or on a parity with the pledge herein granted without the written permission of DEQ. The lien of this pledge is on a parity with the liens securing all other CWSRF loans between DEQ and the Borrower; provided, however, that this provision shall not affect the priority that prior CWSRF loans are entitled to in relation to any loans between Borrower and any third parties
- (K) ANNUAL FEE:** An annual fee of 0.5% of the Outstanding Loan Amount (as determined prior to the posting of the payment due on that date) is due during the Repayment Period commencing with the second payment date hereunder and annually thereafter.
- (L) LOAN FORGIVENESS:** If the Borrower completes the Project, and provided there is no default of any of the terms hereof, DEQ shall forgive fifty percent (50%) of the Loan or \$413,008, whichever is less (the portion of the Loan that is forgiven being referred to as the "Forgivable Loan"), on the date the first repayment is due hereunder. The amount of the Loan forgiveness will be determined when the Final Loan Amount is calculated.



**ARTICLE 2: GENERAL LOAN PROVISIONS**

- (A) **AGREEMENT OF DEQ TO LOAN.** DEQ agrees to loan the Borrower an amount not to exceed the Loan Amount, subject to the terms and conditions of this Loan Agreement, but solely from funds available to DEQ in the Water Pollution Control Revolving Fund for its Clean Water State Revolving Fund program. This Loan Agreement is given as evidence of a Loan to the Borrower made by DEQ pursuant to ORS Chapters 190, 286A, 287A, and 468, and OAR Chapter 340, all as amended from time to time, consistent with the express provisions hereof.
- (B) **AVAILABILITY OF FUNDS.** DEQ's obligation to make the Loan described in this Agreement is subject to the availability of funds in the Water Pollution Control Revolving Fund for its CWSRF program, and DEQ shall have no liability to the Borrower or any other party if such funds are not available or are not available in amounts sufficient to fund the entire Loan described herein, as determined by DEQ in the reasonable exercise of its administrative discretion. Funds may not be available ahead of the estimated schedule of disbursements submitted by the Borrower, which is attached as APPENDIX B. This schedule may be revised from time to time by the parties without the necessity of an amendment by replacing the then current APPENDIX B with an updated APPENDIX B which is dated and signed by both parties. Furthermore, DEQ's obligation to make any disbursement hereunder shall terminate on October 31, 2023.
- (C) **DISBURSEMENT OF LOAN PROCEEDS.**
- (1) Project Account(s). Loan proceeds (as and when disbursed by DEQ to the Borrower) shall be deposited in a Project account(s). The Borrower shall maintain Project account(s) as segregated account(s). Funds in the Project account(s) shall only be used to pay for Project costs, and all earnings on the Project account(s) shall be credited to the account(s).
- (2) Documentation of Expenditures. The Borrower shall provide DEQ with written evidence of materials and labor furnished to and performed upon the Project, including, without limitation, invoices, verified contractor's pay requests, receipts, and other evidence that DEQ may require in its sole discretion (collectively, "Cost Documentation"). DEQ will disburse funds to pay Project costs only after the Borrower has provided Cost Documentation satisfactory to DEQ that such Project costs have been incurred (whether or not already paid by Borrower) and qualify for reimbursement under this Agreement and CWSRF Program Rules.
- (3) Adjustments and Corrections. DEQ may at any time review and audit requests for disbursement and make adjustments for, among other things, ineligible expenditures, mathematical errors, items not built or bought, unacceptable work and other discrepancies. Nothing in this Agreement requires DEQ to pay any amount for labor or materials unless DEQ is satisfied that the claim therefor is reasonable and that the Borrower actually expended and used such labor or materials in the Project. In addition, DEQ shall not be required to make any

disbursement which would cause the total of all disbursements made hereunder (including the requested disbursement) to be greater than the total estimated cost of the work completed at the time of the disbursement, as determined by DEQ.

(4) Contract Retainage Disbursement. DEQ will not disburse Loan proceeds to cover contractor retainage unless the Borrower is disbursing retainage to an escrow account and provides proof of the deposit, or until the Borrower provides proof that it paid retained funds to the contractor.

(D) **AGREEMENT OF BORROWER TO REPAY.** The Borrower agrees to repay all amounts owed on this Loan as described in ARTICLE 1(I) and ARTICLE 2(F) in U.S. Dollars in immediately available funds at the place listed for DEQ in ARTICLE 10(A). In any case, the Borrower agrees to repay all amounts owed on this Loan within the Repayment Period.

(E) **INTEREST.** Interest will accrue at the rate specified in ARTICLE 1(G) from the date that a disbursement hereunder is mailed or delivered to the Borrower or deposited into an account of the Borrower. Interest will accrue using a 365/366 day year and actual days elapsed.

(F) **LOAN REPAYMENT.**

(1) Preliminary Repayment Schedule; Interim Payments. The attached APPENDIX A is a preliminary repayment schedule based on the estimated date of the first disbursement hereunder and Loan Amount. Until the final repayment schedule is effective, the Borrower shall make the payments set forth in the preliminary repayment schedule.

(2) Final Repayment Schedule. After the Borrower has submitted its final request for Loan proceeds and DEQ has made all required disbursements hereunder, DEQ will determine the Final Loan Amount and prepare a final payment schedule that provides for level semi-annual installment payments of principal and interest (commencing on the next semi-annual payment date), each in an amount sufficient to pay accrued interest to the date of payment and to pay so much of the principal balance as to fully amortize the then Outstanding Loan Amount over the remaining Repayment Period.

(3) Crediting of Scheduled Payments. A scheduled payment received before the scheduled repayment date will be applied to interest and principal on the scheduled repayment date, rather than on the day such payment is received. Scheduled payments will be applied first to fees due, if any, and then to interest, according to the applicable repayment schedule, and then to principal.

(4) Crediting of Unscheduled Payments. All unscheduled payments, including any prepayments and partial payments, will be applied first to fees due, if any, and then to accrued unpaid interest (which will be computed as otherwise provided in this Agreement, except that interest from the last payment date will be calculated using a 365/366 day year and actual days elapsed), and then to principal. In the case of a Loan prepayment that does not prepay all of the principal of the Loan, DEQ will determine, in its sole discretion, how it will

apply such Loan prepayment to the Outstanding Loan Amount. After a partial payment, DEQ may, in its sole and absolute discretion, reamortize the Outstanding Loan Amount at the same interest rate for the same number of payments to decrease the Loan payment amount; provided, however, that nothing in this Agreement requires DEQ to accept any partial payment, except as otherwise expressly provided herein, or to reamortize the Outstanding Loan Amount if it accepts a partial payment.

(5) Final Payment. The Outstanding Loan Amount, all accrued and unpaid interest, and all unpaid fees and charges due hereunder are due and payable no later than (a) thirty (30) years after the Completion Date or (b) thirty (30) years after the estimated Completion Date set forth in ARTICLE 3(A)(10), whichever date is earlier.

**(G) PREPAYMENT.**

(1) Optional Prepayment. The Borrower may prepay any amount owed on this Loan without penalty on any business day upon 30 days prior written notice. Any prepayment made hereunder will be applied in accordance with ARTICLE 2(F)(4).

(2) Refinancing of Loan by the Borrower. If the Borrower refinances the portion of the Project financed by this Loan or obtains an additional grant or loan that is intended to finance the portion of the Project financed by this Loan, it will prepay the portion of the Loan being refinanced by the additional grant or loan. Any mandatory prepayment under this ARTICLE 2(G)(2) will be applied in accordance with ARTICLE 2(F)(4).

(3) Ineligible Uses of the Project. If the Borrower uses the Project for uses that are other than those described in ARTICLE 1(F) ("ineligible uses"), the Borrower shall, upon demand by DEQ, prepay an amount equal to the Outstanding Loan Amount multiplied by the percentage (as determined by DEQ) of ineligible use of the Project. Such prepayment shall be applied against the most remotely maturing principal installments and shall not postpone the due date of any payment(s) hereunder.

**(H) LATE PAYMENT FEE.** The Borrower agrees to pay immediately upon DEQ's demand a late fee equal to five percent (5%) of any payment (including any loan fee) that is not received by DEQ on or before the tenth (10<sup>th</sup>) calendar day after such payment is due hereunder.

**(I) TERMINATION OF LOAN AGREEMENT.** Upon performance by the Borrower of all of its obligations under this Loan Agreement, including payment in full of the Final Loan Amount, all accrued interest and all fees, charges and other amounts due hereunder, this Loan Agreement will terminate, and DEQ will release its interest in any collateral given as security under this Loan Agreement.

**ARTICLE 3: GENERAL REPRESENTATIONS, WARRANTIES AND COVENANTS**

**(A) REPRESENTATIONS AND WARRANTIES OF THE BORROWER.** The Borrower represents and warrants to DEQ that:

(1) It is a duly formed and existing public agency (as defined in ORS 468.423(4)) and has full power and authority to enter into this Loan Agreement.

(2) This Agreement has been duly authorized and executed and delivered by an authorized officer of the Borrower and constitutes the legal, valid and binding obligation of the Borrower enforceable in accordance with its terms.

(3) All acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Agreement have existed, have happened, and have been performed in due time, form and manner as required by law.

(4) Neither the execution of this Loan Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with any of the terms and conditions of this Loan Agreement will violate any provision of law, or any order of any court or other agency of government, or any agreement or other instrument to which the Borrower is now a party or by which the Borrower or any of its properties or assets is bound. Nor will this Loan Agreement be in conflict with, result in a breach of, or constitute a default under, any such agreement or other instrument, or, except as provided hereunder, result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Borrower.

(5) This Loan Agreement does not create any unconstitutional indebtedness. The Loan Amount together with all of the Borrower's other obligations does not, and will not, exceed any limits prescribed by the Constitution, any of the statutes of the State of Oregon, the Borrower's charter, or any other authority.

(6) The Project is a project which the Borrower may undertake pursuant to Oregon law and for which the Borrower is authorized by law to borrow money.

(7) The Borrower has full legal right and authority and all necessary licenses and permits required as of the date hereof to own, operate and maintain the Facility and the Project, other than licenses and permits relating to the Facility or the Project which the Borrower expects to and shall receive in the ordinary course of business, to carry on its activities relating thereto, to execute and deliver this Agreement, to undertake and complete the Project, and to carry out and consummate all transactions contemplated by this Agreement.

(8) The information contained herein which was provided by the Borrower is true and accurate in all respects, and there is no material adverse information relating to the Project or the Loan, known to the Borrower, that has not been disclosed in writing to DEQ.

(9) No litigation exists or has been threatened that would cast doubt on the enforceability of the Borrower's obligations under this Loan Agreement.

(10) The estimated Completion Date of the Project is July 1, 2025. The Borrower agrees to complete the Project by the estimated Completion Date.

(11) The estimated total Costs of the Project are \$826,015

(12) The Borrower is in compliance with all laws, ordinances, and governmental rules and regulations to which it is subject, the failure to comply with which would materially adversely affect the ability of the Borrower to conduct its activities or undertake or complete the Project or the condition (financial or otherwise) of the Borrower or the Project.

**(B) CONTINUING REPRESENTATIONS OF THE BORROWER.** The representations of the Borrower contained herein shall be true on the closing date for the Loan and at all times during the term of this Agreement.

**(C) REPRESENTATIONS AND WARRANTIES OF DEQ.** DEQ represents and warrants that the Director has power under ORS Chapter 468 and OAR Chapter 340, Division 54, to enter into the transactions contemplated by this Loan Agreement and to carry out DEQ's obligations thereunder and that the Director is authorized to execute and deliver this Loan Agreement and to make the Loan as contemplated hereby.

#### **ARTICLE 4: CONDITIONS TO LOAN**

**(A) CONDITIONS TO CLOSING.** DEQ's obligations hereunder are subject to the condition that on or prior to August 1, 2023, the Borrower will duly execute and deliver to DEQ the following items, each in form and substance satisfactory to DEQ and its counsel:

(1) this Agreement duly executed and delivered by an authorized officer of the Borrower;

(2) a copy of the ordinance, order or resolution of the governing body of the Borrower authorizing the execution and delivery of this Agreement, certified by an authorized officer of the Borrower;

(3) Certification Regarding Lobbying, substantially in the form of APPENDIX G, duly executed and delivered by an authorized officer of the Borrower;

(4) an opinion of the legal counsel to the Borrower to the effect that:

**(a)** The Borrower has the power and authority to execute and deliver and perform its obligations under this Loan Agreement;

**(b)** This Loan Agreement has been duly executed and acknowledged where necessary by the Borrower's authorized representative(s), all required approvals have been obtained, and all other necessary actions have been taken, so that this Loan Agreement is valid, binding, and enforceable against the Borrower in accordance with its

terms, except as such enforcement is affected by bankruptcy, insolvency, moratorium, or other laws affecting creditors rights generally;

(c) To such counsel's knowledge, this Loan Agreement does not violate any other agreement, statute, court order, or law to which the Borrower is a party or by which it or any of its property or assets is bound; and

(d) The Gross Revenues from which the Net Revenues are derived and that are used as security for the Loan will not constitute taxes that are limited by Section 11b, Article XI of the Oregon Constitution; and

(5) such other documents, certificates, opinions and information as DEQ or its counsel may reasonably require.

**(B) CONDITIONS TO DISBURSEMENTS.** Notwithstanding anything in this Agreement to the contrary, DEQ shall have no obligation to make any disbursement to the Borrower under this Agreement unless:

(1) No Event of Default and no event, omission or failure of a condition which would constitute an Event of Default after notice or lapse of time or both has occurred and is continuing;

(2) All of the Borrower's representations and warranties in this Agreement are true and correct on the date of disbursement with the same effect as if made on such date; and

(3) The Borrower submits a disbursement request to DEQ that complies with the requirements of ARTICLE 2(C);

provided, however, DEQ shall be under no obligation to make any disbursement if:

(x) DEQ determines, in the reasonable exercise of its administrative discretion, there is insufficient money available in the CWSRF for the Project; or

(y) there has been a change in any applicable state or federal law, statute, rule or regulation so that the Project is no longer eligible for the Loan.

## **ARTICLE 5: COVENANTS OF BORROWER**

**(A) GENERAL COVENANTS OF THE BORROWER.** Until the Loan is paid in full, the Borrower covenants with DEQ that:

(1) The Borrower shall use the Loan funds only for payment or reimbursement of the Costs of the Project in accordance with this Loan Agreement. The Borrower acknowledges and agrees that the Costs of the Project do NOT include any Lobbying costs or expenses incurred by Borrower or any person on behalf of Borrower and that Borrower will not request payment or reimbursement for Lobbying costs and expenses.

(2) If the Loan proceeds are insufficient to pay for the Costs of the Project in full, the Borrower shall pay from its own funds and without any right of reimbursement from DEQ all such Costs of the Project in excess of the Loan proceeds.

(3) The Borrower is and will be the owner of the Facility and the Project and shall defend them against the claims and demands of all other persons at any time claiming the same or any interest therein.

(4) The Borrower shall not sell, lease, transfer, or encumber or enter into any management agreement or special use agreement with respect to the Facility or any financial or fixed asset of the utility system that produces the Net Revenues without DEQ's prior written approval, which approval may be withheld for any reason. Upon sale, transfer or encumbrance of the Facility or the Project, in whole or in part, to a private person or entity, this Loan shall be immediately due and payable in full.

(5) Concurrent with the execution and delivery of this Loan Agreement, or as soon thereafter as practicable, the Borrower shall take all steps necessary to cause the Project to be completed in a timely manner in accordance with all applicable DEQ requirements.

(6) The Borrower shall take no action that would adversely affect the eligibility of the Project as a CWSRF project or cause a violation of any Loan covenant in this Agreement.

(7) The Borrower shall undertake the Project, request disbursements under this Loan Agreement, and use the Loan proceeds in full compliance with all applicable laws and regulations of the State of Oregon, including but not limited to ORS Chapter 468 and Oregon Administrative Rules Sections 340-054-0005 to 340-054-0065, as they may be amended from time to time, and all applicable federal authorities and laws and regulations of the United States, including but not limited to Title VI of the Clean Water Act as amended by the Water Quality Act of 1987, Public Law 100-4, the federal cross-cutters listed at APPENDIX D, the equal employment opportunity provisions in APPENDIX F, and the regulations of the U.S. Environmental Protection Agency, all as they may be amended from time to time.

(8) The Borrower shall keep the Facility in good repair and working order at all times and operate the Facility in an efficient and economical manner. The Borrower shall provide the necessary resources for adequate operation, maintenance and replacement of the Project and retain sufficient personnel to operate the Facility.

(9) Interest paid on this Loan Agreement is *not* excludable from gross income under Section 103(a) of the Internal Revenue Code of 1986, as amended (the "Code"). However, DEQ may have funded this Loan with the proceeds of State bonds that bear interest that is excludable from gross income under Section 103(a) of the Code. Section 141 of the Code requires that the State not allow the proceeds of the State bonds to be used by private entities (including the federal government) in such a way that the State bonds would become "private activity bonds" as defined in Section 141 of the Code. To protect the State bonds the Borrower agrees that it shall not use the Loan proceeds or lease, transfer or otherwise permit the use of the Project by any private person or entity in any way that that would

cause this Loan Agreement or the State bonds to be treated as "private activity bonds" under Section 141 of the Code and the regulations promulgated under that Section of the Code.

**(B) DEBT SERVICE COVERAGE REQUIREMENT; WASTEWATER RATE COVENANT; REPORTING.**

(1) Debt Service Coverage Requirement. The Borrower shall maintain wastewater rates and charge fees in connection with the operation of the Facility that are adequate to generate Net Revenues in each fiscal year sufficient to pay (i) all debt service (excluding debt service on the Loan), (ii) all other financial obligations imposed in connection with prior lien obligations of the Borrower, and (iii) an amount equal to the debt service coverage factor of 105% multiplied by the debt service payments due under this Loan Agreement in that fiscal year.

(2) Wastewater Rate Adjustments. The Borrower shall review its wastewater rates and fees at least annually. If, in any fiscal year, the Borrower fails to collect fees sufficient to meet the debt service coverage requirement described in ARTICLE 5(B)(1), the Borrower shall promptly adjust its wastewater rates and fees to assure future compliance with such coverage requirement. The Borrower's adjustment of the wastewater rates and fees does not constitute a cure of any default by the Borrower of the debt service coverage requirement set forth in ARTICLE 5(B)(1). The Borrower's failure to adjust rates shall not, at the discretion of DEQ, constitute a default if the Borrower transfers to the fund that holds the Net Revenues unencumbered resources in an amount equal to the revenue deficiency from the Facility that produces the Net Revenues.

(3) Reporting Requirement. By December 31 of each year the Borrower shall provide DEQ with a report that demonstrates the Borrower's compliance with the requirements of this ARTICLE 5(B). If the audit report described in ARTICLE 5(F) identifies the Net Revenues and contains a calculation demonstrating the Borrower's satisfaction of the requirements of this ARTICLE 5(B), that audit will satisfy the requirements of this ARTICLE 5(B)(3).

**(C) LOAN RESERVE REQUIREMENT; LOAN RESERVE ACCOUNT.**

(1) Loan Reserve Requirement. The Loan reserve requirement equals one-half of the average annual debt service based on the final Payment Schedule. Until the Final Loan Amount is calculated, the Loan reserve requirement is \$8,761. The Borrower shall deposit the Loan reserve requirement amount into the Loan Reserve Account no later than the date the first payment is due hereunder.

(2) Loan Reserve Account. The Borrower shall create a segregated Loan Reserve Account that shall be held in trust for the benefit of DEQ. The Borrower hereby grants DEQ a security interest in and irrevocably pledges amounts in the Loan Reserve Account to pay the amounts due under this Loan Agreement. The funds in Loan Reserve Account so pledged and hereafter received by the Borrower shall immediately be subject to the lien of such pledge



without physical delivery or further act, and the lien of the pledge shall be superior to all other claims and liens whatsoever, to the fullest extent permitted by ORS 287A.310. The Borrower represents and warrants that the pledge of the Loan Reserve Account hereby made by the Borrower complies with, and shall be valid and binding from the date of this Agreement pursuant to, ORS 287A.310. The Borrower shall use the funds in the Loan Reserve Account solely to pay amounts due hereunder until the principal, interest, fees, and any other amounts due hereunder have been fully paid.

**(3) Additional Deposits.** If the balance in the Loan Reserve Account falls below the Loan reserve requirement, the Borrower shall promptly deposit from the first Net Revenues available after payment of the amounts due hereunder (unless the Borrower has previously made such deposit from other money of the Borrower) an amount sufficient to restore the balance up to the Loan reserve requirement.

**(D) INSURANCE.** At its own expense, the Borrower shall, during the term of this Agreement, procure and maintain insurance coverage (including, but not limited to, hazard, flood and general liability insurance) adequate to protect DEQ's interest and in such amounts and against such risks as are usually insurable in connection with similar projects and as is usually carried by entities operating similar facilities. The insurance shall be with an entity which is acceptable to DEQ. The Borrower shall provide evidence of such insurance to DEQ. Self-insurance maintained pursuant to a recognized municipal program of self-insurance will satisfy this requirement.

**(E) INDEMNIFICATION.** *The Borrower shall, to the extent permitted by law and the Oregon Constitution, indemnify, save and hold the State, its officers, agents and employees harmless from and (subject to ORS Chapter 180) defend each of them against any and all claims, suits, actions, losses, damages, liabilities, cost and expenses of any nature whatsoever resulting from, arising out of or relating to the acts or omissions of the Borrower or its officers, employees, subcontractors or agents in regard to this Agreement or the Project.*

**(F) THE BORROWER'S FINANCIAL RECORDS; FINANCIAL REPORTING REQUIREMENTS.**

**(1) Financial Records.** The Borrower shall keep proper and complete books of record and account and maintain all fiscal records related to this Agreement, the Project, and the Facility in accordance with generally accepted accounting principles, generally accepted government accounting standards, the requirements of the Governmental Accounting Standards Board, and state minimum standards for audits of municipal corporations. The Borrower must maintain separate Project accounts in accordance with generally accepted government accounting standards promulgated by the Governmental Accounting Standards Board. The Borrower will permit DEQ and the Oregon Secretary of State and their representatives to inspect its properties, and all work done, labor performed and materials furnished in and about the Project, and DEQ, the Oregon Secretary of State and the federal government and their duly authorized representatives shall have access to the Borrower's fiscal records and other books, documents, papers, plans and writings that are pertinent to this Agreement to perform examinations and audits and make excerpts and transcripts and take copies.

(2) Record Retention Period. The Borrower shall retain and keep accessible files and records relating to the Project for at least six (6) years (or such longer period as may be required by applicable law) after Project completion as determined by DEQ and financial files and records until all amounts due under this Loan Agreement are fully repaid, or until the conclusion of any audit, controversy, or litigation arising out of or related to this Agreement, whichever date is later.

(3) Accounting for Costs of the Project. Borrower shall provide to DEQ, as soon as possible, but in no event later than six (6) months following the Project Completion Date, a full and complete accounting of the Costs of the Project, including but not limited to documentation to support each cost element and a summary of the Costs of the Project and the sources of funding.

(4) Single Audit Requirements. The CWSRF Program receives capitalization grants through the Catalog of Federal Domestic Assistance (“CFDA”) No. 66.458: Capitalization Grants for State Revolving Funds and is subject to the regulations of the U.S. Environmental Protection Agency (“EPA”). Borrower is a sub-recipient.

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

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

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

(G) **DBE GOOD FAITH EFFORT.** Pursuant to the good faith efforts described in APPENDIX C, the Borrower shall make a good faith effort to promote fair share awards to Minority Business Enterprises (“MBE”), Women's Business Enterprises (“WBE”), and Small Businesses in Rural Areas (“SBRA”) on all contracts and subcontracts awarded as part of the Project. The Borrower agrees to

include, in its contract(s) with its prime contractor(s), the following language, which must not be altered in any way:

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

The Borrower also agrees to include, in its contract(s) with its prime contractor(s), and shall cause each contract awarded by its prime contractor(s) to include, language to the following effect (the exact language may vary):

- (1) A prime contractor must pay its subcontractor(s) no more than 30 days from the prime contractor’s receipt of payment from the Borrower.
- (2) The Borrower must be notified in writing by its prime contractor prior to any termination of a DBE subcontractor for convenience by the prime contractor.
- (3) If a DBE subcontractor fails to complete work under the subcontract for any reason, the prime contractor must employ the Six Good Faith Efforts as described in 40 C.F.R. 33.301 if soliciting a replacement subcontractor.
- (4) A prime contractor must employ the Six Good Faith Efforts even if the prime contractor has achieved its Fair Share Objectives under Subpart D of 40 C.F.R. Part 33.

**(H) CONTRACT LANGUAGE.** The Borrower shall include in all contracts (unless exempt) with its prime contractor(s) the language set forth in APPENDIX F. Further, the Borrower agrees to fully comply with Subpart C of 2 C.F.R. 180 and Subpart C of 2 C.F.R. 1532 regarding debarment and suspension and agrees to include or cause to be included in any contract at any tier the requirement that a contractor comply with Subpart C of 2 C.F.R. 180 and Subpart C of 2 C.F.R. 1532 if the contract is expected to equal or exceed \$25,000.

**(I) PROJECT ASSURANCES.** Nothing in this Loan Agreement prohibits the Borrower from requiring more assurances, guarantees, indemnity or other contractual requirements from any party performing Project work.

## **ARTICLE 6: REPRESENTATIONS, WARRANTIES, COVENANTS AND CONDITIONS RELATING TO CONSTRUCTION PROJECTS ONLY**

### **(A) THE BORROWER’S REPRESENTATION AND WARRANTY REGARDING COSTS ALREADY INCURRED.**

- (1) The Borrower represents and warrants to DEQ that, as of the date of this Loan Agreement, the Costs of the Project actually incurred by the Borrower do not exceed -zero-.

(2) The Borrower acknowledges that DEQ is relying upon the Borrower's representation regarding the amount of Costs of the Project incurred by the Borrower for construction prior to the date of this Loan Agreement as set forth in ARTICLE 6(A)(1) above to determine what portion of the Loan qualifies as a "refinancing" under the EPA's Clean Water State Revolving Fund regulations, 40 C.F.R. Part 35, that may be disbursed on a reimbursement basis.

(B) **CONDITION TO DISBURSEMENTS.** DEQ's obligation to make disbursements hereunder is further conditioned on the following:

- (1) The Borrower's plans, specifications and related documents for the Project shall be reviewed and approved by DEQ, as required by OAR Chapter 340, Division 054.
- (2) The Borrower has submitted documentation satisfactory to DEQ that the disbursement is for work that complies with plans, specifications, change orders and addenda approved by DEQ, in accordance with OAR Chapter 340, Division 054.
- (3) The Borrower has submitted a copy of the awarded contract and bid documents (including a tabulation of all bids received) to DEQ for the portion of the Project costs that will be funded with the disbursement.

(C) **GENERAL PROVISIONS.** The Borrower covenants with DEQ that:

- (1) Construction Manual. Unless stated otherwise in this Agreement, the Borrower shall comply with the requirements set forth in the Manual as in effect from time to time. DEQ will provide the Borrower with a copy of the Manual upon request.
- (2) Plans and Specifications. The Borrower shall obtain DEQ's review and approval of the Borrower's plans, specifications, and related documents for the Project, as required by OAR Chapter 340, Division 054, prior to any disbursement of Loan proceeds hereunder.
- (3) Change Orders. The Borrower shall submit all change orders to DEQ. The Borrower must submit prior to its execution any change order that exceeds \$100,000 or will alter Project performance. The Borrower shall not use any Loan proceeds to pay for costs of any change order that DEQ has not approved in writing. This ARTICLE 6(C)(3) shall not prevent the Borrower from using funds other than Loan proceeds to pay for a change order before DEQ approves it, but the Borrower bears the risk that DEQ will not approve the change order.
- (4) Inspections; Reports. The Borrower shall provide inspection reports during the construction of the Project as required by DEQ to ensure that the Project complies with approved plans and specifications. Qualified inspectors shall conduct these inspections under the direction of a registered civil, mechanical or electrical engineer, whichever is appropriate. DEQ or its representative(s) may enter property owned or controlled by the

Borrower to conduct interim inspections and require progress reports sufficient to determine compliance with approved plans and specifications and with the Loan Agreement, as appropriate.

- (5) Asbestos and Other Hazardous Materials. The Borrower shall ensure that only persons trained and qualified for removal of asbestos or other Hazardous Materials will remove any asbestos or Hazardous Materials, respectively, which may be part of this Project.
- (6) Operation and Maintenance Manual. The Borrower shall submit to DEQ a draft Facility operation and maintenance manual before the Project is fifty percent (50%) complete. The Borrower shall submit to DEQ a final Facility operation and maintenance manual that meets DEQ's approval before the Project is ninety percent (90%) complete.
- (7) Project Performance Certification. The Borrower shall submit to DEQ draft performance standards before the Project is fifty percent (50%) complete. The Borrower shall submit to DEQ final performance standards that meet DEQ's approval before the Project is ninety percent (90%) complete. The Borrower shall submit to DEQ the following done in accordance with the Manual: (i) no later than 10.5 months after the Initiation of Operation (as that term is defined in OAR 340-054-0010(26)), a performance evaluation report based on the approved performance standards; (ii) within one year after the Project's Initiation of Operation, Project performance certification statement; and (iii) within two (2) months of submission of such Project performance certification statement, a corrective action plan for any Project deficiencies noted in said statement.
- (8) Alterations After Completion. The Borrower shall not materially alter the design or structural character of the Project after completing the Project without DEQ's written approval.
- (9) Project Initiation of Operations.
- (a) The Borrower shall notify DEQ of the Initiation of Operation no more than thirty (30) days after the actual Project Completion Date.
- (b) If the Project is completed, or is completed except for minor items, and the Project is operable, but DEQ has not received a notice of Initiation of Operation from the Borrower, DEQ may assign an Initiation of Operation date.

**(D) PROVISION APPLICABLE TO CONTRACTS AND SUBCONTRACTS AWARDED FOR THE PROJECT**

(1) Davis-Bacon Requirements. All contracts and subcontracts awarded as part of the Project shall comply with (1) the wage requirements of the Davis-Bacon Act, as amended, 40 U.S.C. §§3141 to 3144, 3146 and 3147 (2002), and (2) the requirements of the *Prevailing Wage Rates for Public Works Projects in Oregon* established under ORS 279C.800 through 279C.870 and OAR 839-025-0000 through 839-025-0540. The Borrower agrees that it

will insert into any contract in excess of \$2,000 for construction, and will cause its subcontractors to insert in any sub-contract in excess of \$2,000 for construction, the Davis-Bacon language set forth in Part 1 of APPENDIX E and Part 2 of APPENDIX E as applicable.

(2) Retainage. The Borrower shall require a five percent (5%) retainage in all of its contracts related to the Project for an amount greater than One Hundred Thousand Dollars (\$100,000).

**(E) AMERICAN IRON AND STEEL**

The Borrower shall:

(1) Comply with all federal requirements applicable to the Loan (including those imposed by the Consolidated Appropriations Act, 2014, P.L. 113-76 (“CAA”), and related CWSRF Policy Guidelines) which the Borrower understands includes, among other, requirements that all of the iron and steel products used in the Project are to be produced in the United States (“American Iron and Steel Requirement”) unless (i) the Borrower has requested and obtained a waiver from the EPA pertaining to the Project or (ii) DEQ has otherwise advised the Borrower in writing that the American Iron and Steel Requirement is not applicable to the Project.

(2) Comply with all record keeping and reporting requirements under the Clean Water Act, 33 U.S.C. 1251 et seq. (1972) (“Clean Water Act”), including any reports required by a Federal agency or DEQ such as performance indicators of program deliverables, information on costs and Project progress. The Borrower understands that (i) each contract and subcontract related to the Project is subject to audit by appropriate federal and state entities and (ii) failure to comply with the Clean Water Act and this Agreement may be a default hereunder that results in a repayment of the Loan in advance of the maturity thereof and/or other remedial actions.

(3) Include in all contracts for the Project the language set forth in APPENDIX H. All contracts and subcontracts of Borrower for the Project must have a provision requiring compliance with the American Iron and Steel Requirement. APPENDIX H is an example provided by the EPA of what could be included in all contracts in projects that use CWSRF funds. Neither the EPA nor DEQ makes any claims regarding the legality of this clause with respect to state or local law.

(4) Requirement. All of the iron and steel products used in the Project must be produced in the United States if the Project is for the construction, alteration, maintenance, or repair of a “treatment works” as defined in the federal Water Pollution Control Act, 33 U.S.C. §1381 et seq.

(5) Definition. “Iron and steel products” means the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials.

(6) Applicability. As to loan agreements fully executed on or after October 1, 2014, the requirement set forth in ARTICLE 6(E)(1) above does not apply if the engineering plans and specifications for the Project were approved by DEQ prior to June 10, 2014.

(7) Waiver. The requirement set forth in ARTICLE 6(E)(1) above does not apply if: (a) application would be inconsistent with the public interest; (2) iron and steel products are not produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality; or (3) inclusion of iron and steel products produced in the United States will increase the cost of the overall project by more than 25 percent. Borrower may apply for a waiver of the requirement set forth in ARTICLE 6(E)(1) above by sending a waiver request directly to EPA with a copy to DEQ or by sending its waiver request to DEQ who will then forward it on to EPA.

#### **ARTICLE 7: DISCLAIMERS BY DEQ; LIMITATION OF DEQ'S LIABILITY**

**(A) DISCLAIMER OF ANY WARRANTY.** DEQ EXPRESSLY DISCLAIMS ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, REGARDING THE PROJECT, THE QUALITY OF MATERIALS SUPPLIED TO AND THAT BECOME A PART OF THE PROJECT, THE QUALITY OF THE WORKMANSHIP PERFORMED UPON THE PROJECT, OR THE EXTENT AND STAGE OF COMPLETION OF THE PROJECT. No such warranty or guarantee shall be implied by virtue of any inspection or disbursement made by DEQ. Any inspection done by DEQ shall be for its sole benefit.

**(B) DISCLAIMER OF LIABILITY OF DEQ.** DEQ EXPRESSLY DISCLAIMS LIABILITY OF ANY KIND OR CHARACTER WHATSOEVER FOR PAYMENT OF LABOR OR MATERIALS OR OTHERWISE IN CONNECTION WITH THE COMPLETION OF THE PROJECT OR CONTRACTS ENTERED INTO BY THE BORROWER WITH THIRD PARTIES FOR THE COMPLETION OF THE PROJECT. All Project costs of labor, materials and construction, including any indirect costs, shall be the responsibility of and shall be paid by the Borrower.

**(C) NONLIABILITY OF STATE.**

(1) The State and its officers, agents and employees shall not be liable to the Borrower or to any other party for any death, injury, damage, or loss that may result to any person or property by or from any cause whatsoever, arising out of any defects in the plans, design drawings and specifications for the Project, any agreements or documents between the Borrower and third parties related to the Project or any activities related to the Project. DEQ shall not be responsible for verifying cost-effectiveness of the Project, doing cost comparisons or reviewing or monitoring compliance by the Borrower or any other party with state procurement laws and regulations.

(2) The Borrower hereby expressly releases and discharges DEQ, its officers, agents and employees from all liabilities, obligations and claims arising out of the Project work or under the Loan, subject only to exceptions previously agreed upon in writing by the parties.

(3) Any findings by DEQ concerning the Project and any inspections or analyses of the Project by DEQ are for determining eligibility for the Loan and disbursement of Loan proceeds only. Such findings do not constitute an endorsement of the feasibility of the Project or its components or an assurance of any kind for any other purpose.

(4) Review and approval of Facilities plans, design drawings and specifications or other documents by or for DEQ does not relieve the Borrower of its responsibility to properly plan, design, build and effectively operate and maintain the Facility as required by law, regulations, permits and good management practices.

### **ARTICLE 8: DEFAULT AND REMEDIES**

**(A) EVENTS OF DEFAULT.** The occurrence of one or more of the following events constitutes an event of default (“Event of Default”), whether occurring voluntarily or involuntarily, by operation of law or pursuant to any order of any court or governmental agency:

(1) The Borrower fails to make any Loan payment within thirty (30) days after the payment is scheduled to be made according to the repayment schedule;

(2) Any representation or warranty made by the Borrower hereunder was untrue in any material respect as of the date it was made;

(3) The Borrower becomes insolvent or admits in writing an inability to pay its debts as they mature or applies for, consents to, or acquiesces in the appointment of a trustee or receiver for the Borrower or a substantial part of its property; or in the absence of such application, consent, or acquiescence, a trustee or receiver is appointed for the Borrower or a substantial part of its property and is not discharged within sixty (60) days; or any bankruptcy, reorganization, debt arrangement or moratorium or any dissolution or liquidation proceeding is instituted by or against the Borrower and, if instituted against the Borrower, is consented to or acquiesced in by the Borrower or is not dismissed within twenty (20) days;

(4) As a result of any changes in the United States Constitution or the Oregon Constitution or as a result of any legislative, judicial, or administrative action, any part of this Loan Agreement becomes void, unenforceable or impossible to perform in accordance with the intent and purposes of the parties hereto or is declared unlawful;

(5) The Borrower defaults in the performance or observance of any covenants or agreements contained in any loan documents between itself and any lender or lenders, and the default remains uncured upon the expiration of any cure period provided by said loan documents; or



(6) A “land use decision” (as that term is defined by ORS 197.015), a LUCS (as that term is defined under Oregon Administrative Rules Chapter 340, Division 18) or any other permit or approval of any kind that is necessary for the Borrower to either complete the Project or operate the Project is denied, revoked, rescinded or otherwise terminated at any time during the Repayment Period identified in Article 1(H) (in each case, a “Permit Revocation”); or

(7) The Borrower fails to cure non-compliance in any material respect with any other covenant, condition, or agreement of the Borrower hereunder, other than as set forth in (1) through (5) above within a period of thirty (30) days after DEQ provides notice of the noncompliance.

**(B) REMEDIES.** If DEQ determines that an Event of Default has occurred, DEQ may, without further notice:

(1) Declare the Outstanding Loan Amount plus any unpaid accrued interest, fees and any other amounts due hereunder immediately due and payable;

(2) Cease making disbursement of Loan proceeds or make some disbursements of Loan proceeds and withhold or refuse to make other disbursements;

(3) Appoint a receiver, at the Borrower’s expense, to operate the Facility that produces the Net Revenues and collect the Gross Revenues;

(4) Set and collect utility rates and charges;

(5) Pay, compromise or settle any liens on the Facility or the Project or pay other sums required to be paid by the Borrower in connection with the Project, at DEQ's discretion, using the Loan proceeds and such additional money as may be required. If DEQ pays any encumbrance, lien, claim, or demand, it shall be subrogated, to the extent of the amount of such payment, to all the rights, powers, privileges, and remedies of the holder of the encumbrance, lien, claim, or demand, as the case may be. Any such subrogation rights shall be additional cumulative security for the amounts due under this Loan Agreement;

(6) Direct the State Treasurer to withhold any amounts otherwise due to the Borrower from the State of Oregon and, to the extent permitted by law, direct that such funds be applied to the amounts due DEQ under this Loan Agreement and be deposited into the CWSRF; and

(7) Pursue any other legal or equitable remedy it may have.

#### ARTICLE 9: DEFINITIONS

**(A) “BORROWER”** means the public agency or agencies (as defined in ORS

468.423(4)) shown as the “Borrower” in Article 1(A) of this Agreement.

**(B) “COMPLETION DATE”** means the date on which the Project is completed. If the Project is a planning project, the Completion Date is the date on which DEQ accepts the planning project. If the Project is a design project, the Completion Date is the date on which the design project is ready for the contractor bid process. If the Project is a construction project, the Completion Date is the date on which the construction project is substantially complete and ready for Initiation of Operation.

**(C) “COSTS OF THE PROJECT”** means expenditures approved by DEQ that are necessary to complete the Project in compliance with DEQ’s requirements and may include but are not limited to the following items:

**(1)** Cost of labor and materials and all costs the Borrower is required to pay under the terms of any contract for the design, acquisition, construction or installation of the Project;

**(2)** Engineering fees for the design and construction of the Project.

**(3)** The costs of surety bonds and insurance of all kinds that may be required or necessary during the course of completion of the Project;

**(4)** The legal, financing and administrative costs of obtaining the Loan and completing the Project; and

**(5)** Any other costs approved in writing by DEQ.

**(D) “CWSRF PROGRAM” or “CWSRF”** means the Clean Water State Revolving Fund and the Clean Water State Revolving Fund Loan Program, a fund and loan program administered by DEQ under ORS 468.423 to 468.440.

**(E) “DEQ”** means the Oregon Department of Environmental Quality.

**(F) “DIRECTOR”** means the Director of DEQ or the Director's authorized representative.

**(G) “FACILITY”** means all property owned or used by the Borrower to provide wastewater collection, treatment and disposal services.

**(H) “FINAL LOAN AMOUNT”** means the total of all Loan proceeds disbursed to the Borrower under the Loan Agreement, determined on the date on which the Borrower indicates that no further Loan funds will be requested, all eligible expenditures have been reimbursed from the Loan proceeds, or all Loan proceeds have been disbursed hereunder, whichever occurs first.

**(I) “GROSS REVENUES”** means all fees and charges resulting from operation of the Facility and any interest earnings thereon; provided however, Gross Revenues does not include: the proceeds of any grants; the proceeds of any borrowings for capital improvements; the proceeds of any

liability insurance; or the proceeds of any casualty insurance which the Borrower intends to and does utilize for repair or replacement of the Facility or a part thereof.

- (J) **“HAZARDOUS MATERIALS”** means and includes flammable explosives, radioactive materials, asbestos and substances defined as hazardous materials, hazardous substances or hazardous wastes in the Comprehensive Environmental Response, Compensation, and Liability Act, as amended by the Superfund Amendments and Reauthorization Act (42 U.S.C. Section 9601, et seq.), the Hazardous Materials Transportation Act (49 U.S.C. Section 1801, et seq.) and the Resource Conservation and Recovery Act (42 U.S.C. Section 6901, et seq.), and regulations promulgated thereunder.
- (K) **“LOAN”** means the loan made pursuant to this Loan Agreement.
- (L) **“LOAN AGREEMENT”** or **“AGREEMENT”** means this loan agreement and its exhibits, appendices, schedules and attachments (which are by this reference incorporated herein), and any amendments thereto.
- (M) **“LOAN AMOUNT”** means the maximum amount DEQ agrees to loan the Borrower hereunder.
- (N) **“LOAN RESERVE ACCOUNT”** means the account described in ARTICLE 5(c)(2).
- (O) **“LOBBYING”** means influencing or attempting to influence a member, officer or employee of a governmental agency or legislature in connection with the awarding of a government contract, the making of a government grant or loan or the entering into of a cooperative agreement with such governmental entity or the extension, continuation, renewal, amendment or modification of any of the above.
- (P) **“MANUAL”** means the CWSRF Manual for Construction Projects.
- (Q) **“NET REVENUES”** means the Gross Revenues less the Operating Expenses for the Facility.
- (R) **“OPERATING EXPENSES”** means all direct and indirect expenses incurred for operation, maintenance and repair of the Facility, including but is not limited to administrative expenses, legal, financial and accounting expenses, insurance premiums, claims (to the extent that monies are not available from insurance proceeds), taxes, engineering expenses relating to operation and maintenance, payments and reserves for pension, retirement, health, hospitalization, and sick leave benefits, and any other similar expenses to be paid to the extent properly and directly attributable to operations of the Facility. Operating expenses include an appropriate amount for reserves for repair and replacement of the Facility based on the expected life of the collection, treatment and disposal facilities.
- (S) **“OUTSTANDING LOAN AMOUNT”** means, as of any date, the sum of all disbursements to the Borrower hereunder less the sum of all Loan principal payments received by DEQ.
- (T) **“PROJECT”** means the facilities, activities or documents described in ARTICLE 1(E) and (F).

- (U) **“REPAYMENT PERIOD”** means the repayment period ending on the date specified in ARTICLE 1(H) which date shall not in any event be later than thirty (30) years after the Completion Date.
- (V) **“STATE”** means the State of Oregon.

#### **ARTICLE 10: MISCELLANEOUS**

- (B) **NOTICES.** All notices, payments, statements, demands, requests or other communications under this Loan Agreement by either party to the other shall be in writing and shall be sufficiently given and served upon the other party if delivered by personal delivery, by certified mail, return receipt requested, or by facsimile transmission, and, if to the Borrower, delivered, addressed or transmitted to the location or number listed in ARTICLE 1(B), and if to DEQ, delivered, addressed or transmitted to:

Clean Water State Revolving Fund Loan Program  
 Water Quality Division  
 Department of Environmental Quality  
 700 NE Multnomah St., #600  
 Portland, Oregon 97235  
 Fax (503) 229-6037

or to such other addresses or numbers as the parties may from time to time designate. Any notice or other communication so addressed and mailed shall be deemed to be given five (5) days after mailing. Any notice or other communication delivered by facsimile shall be deemed to be given when receipt of the transmission is generated by the transmitting machine. To be effective against DEQ, such facsimile transmission must be confirmed by telephone notice to DEQ's CWSRF Program Coordinator. Any notice or other communication by personal delivery shall be deemed to be given when actually delivered.

- (C) **WAIVERS AND RESERVATION OF RIGHTS.**

(1) DEQ's waiver of any breach by the Borrower of any term, covenant or condition of this Loan Agreement shall not operate as a waiver of any subsequent breach of the same or breach of any other term, covenant, or condition of this Loan Agreement. DEQ may pursue any of its remedies hereunder concurrently or consecutively without being deemed to have waived its right to pursue any other remedy.

(2) Nothing in this Loan Agreement affects DEQ's right to take remedial action, including, but not limited to, administrative enforcement action and action for breach of contract against the Borrower, if the Borrower fails to carry out its obligations under this Loan Agreement.

- (D) TIME IS OF THE ESSENCE.** The Borrower agrees that time is of the essence under this Loan Agreement.
- (E) RELATIONSHIP OF PARTIES.** The parties agree and acknowledge that their relationship is that of independent contracting parties, and neither party hereto shall be deemed an agent, partner, joint venturer or related entity of the other by reason of this Loan Agreement.
- (F) NO THIRD PARTY BENEFICIARIES.** DEQ and the Borrower are the only parties to this Loan Agreement and are the only parties entitled to enforce the terms of this Loan Agreement. Nothing in this Loan Agreement gives, is intended to give, or shall be construed to give or provide any benefit or right not held by or made generally available to the public, whether directly, indirectly or otherwise, to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this Loan Agreement. Any inspections, audits, reports or other assurances done or obtained, or approvals or consents given, by DEQ are for its benefit only for the purposes of administering this Loan and the CWSRF Program.
- (G) ASSIGNMENT.** DEQ shall have the right to transfer the Loan or any part thereof, or assign any or all of its rights under this Loan Agreement, at any time after execution of this Loan Agreement upon written notice to the Borrower. Provisions of this Loan Agreement shall inure to the benefit of DEQ's successors and assigns. This Loan Agreement or any interest therein may be assigned or transferred by the Borrower only with DEQ's prior written approval (which consent may be withheld for any reason), and any assignment or transfer by the Borrower in contravention of this ARTICLE 10(F) shall be null and void.
- (H) DEQ NOT REQUIRED TO ACT.** Nothing contained in this Loan Agreement requires DEQ to incur any expense or to take any action hereunder in regards to the Project.
- (I) FURTHER ASSURANCES.** The Borrower and DEQ agree to execute and deliver any written instruments necessary to carry out any agreement, term, condition or assurance in this Loan Agreement whenever a party makes a reasonable request to the other party for such instruments.
- (J) VALIDITY AND SEVERABILITY; SURVIVAL.** If any part, term, or provision of this Loan Agreement or of any other Loan document shall be held by a court of competent jurisdiction to be void, voidable, or unenforceable by either party, the validity of the remaining portions, terms and provisions shall not be affected, and all such remaining portions, terms and provisions shall remain in full force and effect. Any provision of this Agreement which by its nature or terms is intended to survive termination, including but not limited to ARTICLE 5(E), shall survive termination of this Agreement.
- (K) NO CONSTRUCTION AGAINST DRAFTER.** Both parties acknowledge that they are each represented by and have sought the advice of counsel in connection with this Loan Agreement and the transactions contemplated hereby and have read and understand the terms of this Loan Agreement. The terms of this Loan Agreement shall not be construed against either party as the drafter hereof.

**(L) HEADINGS.** All headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of this Loan Agreement.

**(M) ATTORNEYS' FEES AND EXPENSES.** In any action or suit to enforce any right or remedy under this Agreement, the prevailing party shall be entitled to recover its reasonable attorneys' fees and costs, to the extent permitted by law.

**(N) CHOICE OF LAW; DESIGNATION OF FORUM; FEDERAL FORUM.**

(1) The laws of the State of Oregon (without giving effect to its conflicts of law principles) govern all matters arising out of or relating to this Agreement, including, without limitation, its validity, interpretation, construction, performance, and enforcement.

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

(3) Notwithstanding ARTICLE 10(M)(2), if a claim must be brought in a federal forum, then it must be brought and adjudicated solely and exclusively within the United States District Court for the District of Oregon. This ARTICLE 10(M)(3) applies to a claim brought against the State of Oregon only to the extent Congress has appropriately abrogated the State of Oregon's sovereign immunity and is not consent by the State of Oregon to be sued in federal court. This ARTICLE 10(M)(3) is also not a waiver by the State of Oregon of any form of defense or immunity, including but not limited to sovereign immunity and immunity based on the Eleventh Amendment to the Constitution of the United States.

**(O) COUNTERPARTS.** This Loan Agreement may be executed in any number of counterparts, each of which is deemed to be an original, but all together constitute but one and the same instrument.

**(P) ENTIRE AGREEMENT; AMENDMENTS.** This Loan Agreement, including all appendices and attachments that are by this reference incorporated herein, constitutes the entire agreement between the Borrower and DEQ on the subject matter hereof, and it shall be binding on the parties thereto when executed by all the parties and when all approvals required to be obtained by DEQ have been obtained. This Loan Agreement, including all related Loan documents and instruments, may not be amended, changed, modified, or altered without the written consent of the parties.

**CITY OF PORT ORFORD**

By: \_\_\_\_\_  
 Authorized Officer Date

Typed Name: \_\_\_\_\_ Title:  
 \_\_\_\_\_

**STATE OF OREGON ACTING BY AND THROUGH ITS  
 DEPARTMENT OF ENVIRONMENTAL QUALITY**

By: \_\_\_\_\_  
 Michael E. Kucinski, Deputy Administrator  
 Water Quality Division

Date

**APPENDIX A: PRELIMINARY REPAYMENT SCHEDULE**

OREGON DEPARTMENT OF ENVIRONMENTAL QUALITY  
 CLEAN WATER STATE REVOLVING FUND LOAN PROGRAM  
**REPAYMENT SCHEDULE**

BORROWER:	Port Orford	INTEREST RATE:	1.42%
SRF LOAN NO.:	R74101	TERM IN YEARS:	30
LOAN AMOUNT:	\$ 826,015	PAYMENT AMOUNT:	\$ 8,593
		ANNUAL FEE:	0.50%

Due Date	Pmt#	Principal	PAYMENT			Principal Balance
			Interest	Fees	Total	
			PF Applied			413,008
12/1/2025	1	0	13,261	0	13,261	413,008
6/1/2026	2	5,661	2,932	2,065	10,658	407,347
12/1/2026	3	5,701	2,892	0	8,593	401,646
6/1/2027	4	5,741	2,852	2,008	10,601	395,905
12/1/2027	5	5,782	2,811	0	8,593	390,123
6/1/2028	6	5,823	2,770	1,951	10,544	384,300
12/1/2028	7	5,864	2,729	0	8,593	378,436
6/1/2029	8	5,906	2,687	1,892	10,485	372,530
12/1/2029	9	5,948	2,645	0	8,593	366,582
6/1/2030	10	5,990	2,603	1,833	10,426	360,592
12/1/2030	11	6,033	2,560	0	8,593	354,559
6/1/2031	12	6,076	2,517	1,773	10,366	348,483
12/1/2031	13	6,119	2,474	0	8,593	342,364
6/1/2032	14	6,162	2,431	1,712	10,305	336,202

12/1/2032	15	6,206	2,387	0	8,593	329,996
6/1/2033	16	6,250	2,343	1,650	10,243	323,746
12/1/2033	17	6,294	2,299	0	8,593	317,452
6/1/2034	18	6,339	2,254	1,587	10,180	311,113
12/1/2034	19	6,384	2,209	0	8,593	304,729
6/1/2035	20	6,429	2,164	1,524	10,117	298,300
12/1/2035	21	6,475	2,118	0	8,593	291,825
6/1/2036	22	6,521	2,072	1,459	10,052	285,304
12/1/2036	23	6,567	2,026	0	8,593	278,737
6/1/2037	24	6,614	1,979	1,394	9,987	272,123
12/1/2037	25	6,661	1,932	0	8,593	265,462
6/1/2038	26	6,708	1,885	1,327	9,920	258,754
12/1/2038	27	6,756	1,837	0	8,593	251,998
6/1/2039	28	6,804	1,789	1,260	9,853	245,194
12/1/2039	29	6,852	1,741	0	8,593	238,342
6/1/2040	30	6,901	1,692	1,192	9,785	231,441
12/1/2040	31	6,950	1,643	0	8,593	224,491
6/1/2041	32	6,999	1,594	1,122	9,715	217,492
12/1/2041	33	7,049	1,544	0	8,593	210,443
6/1/2042	34	7,099	1,494	1,052	9,645	203,344
12/1/2042	35	7,149	1,444	0	8,593	196,195
6/1/2043	36	7,200	1,393	981	9,574	188,995
12/1/2043	37	7,251	1,342	0	8,593	181,744
6/1/2044	38	7,303	1,290	909	9,502	174,441
12/1/2044	39	7,354	1,239	0	8,593	167,087
6/1/2045	40	7,407	1,186	835	9,428	159,680
12/1/2045	41	7,459	1,134	0	8,593	152,221
6/1/2046	42	7,512	1,081	761	9,354	144,709
12/1/2046	43	7,566	1,027	0	8,593	137,143

12/1/2050	51	8,006	587	0	8,593	74,652
6/1/2051	52	8,063	530	373	8,966	66,589
12/1/2051	53	8,120	473	0	8,593	58,469
6/1/2052	54	8,178	415	292	8,885	50,291

12/1/2054	59	8,472	121	0	8,593	8,523
6/1/2055	60	8,523	61	43	8,627	0

TOTALS		413,008	107,231	33,612	553,850						
6/1/2047	44	7,619	974	686	9,279	129,524					
12/1/2047	45	7,673		9200	8,593	121,851					
6/1/2048	46	7,728		865609	9,202	114,123					
12/1/2048	47	7,783		8100	8,593	106,340					
6/1/2049	48	7,838		755532	9,125	98,502					
12/1/2049	49	7,894		6990	8,593	90,608					
6/1/2050	50	7,950		643453	9,046	82,658					
12/1/2052	55	8,236		3570	8,593	42,055					
6/1/2053	56	8,294		299210	8,803	33,761					
12/1/2053	57	8,353	2400	8,593	25,408	6/1/2054	58	8,413	180127	8,720	16,995

REQUIRED LOAN RESERVE: \$ 8,671

APPENDIX B: ESTIMATED CWSRF LOAN DISBURSEMENT SCHEDULE



Loan funds are expected to be available based on the following Project schedule:

Borrower:		Port Orford					
Loan #:		R74101				12/31/2025	
Int. Rate:		1.42%				12/1/2025	
1st Pmt:		12/1/2025					
						Total:	13,261
<b>Disb.</b>	<b>Paid/</b>	<b>Gross Disb.</b>	<b>Principal Forg.</b>	<b>Net Amount</b>	<b>Disb.</b>	<b>Calendar</b>	<b>Interest</b>
<b>Number</b>	<b>Estimate</b>	<b>Amount</b>	<b>Applied</b>	<b>Disbursed</b>	<b>Date</b>	<b>Days</b>	<b>Amount</b>
1	Estimate	\$ 796,015	\$ 398,008	\$ 398,008	8/1/2023	853	13,171.87
2	Estimate	\$ 30,000	\$ 15,000	\$ 15,000	7/1/2025	153	89.04
<b>TOTAL:</b>		<b>\$ 826,015</b>	<b>\$ 413,008</b>	<b>\$ 413,008</b>			<b>13,261</b>

### **APPENDIX C: DBE GOOD FAITH EFFORTS**

At a minimum the Borrower or its prime contractor must take six affirmative steps (which apply to any procurement of construction, supplies, equipment or services) to demonstrate good faith effort to utilize minority (MBE), women-owned (WBE) and small (SBE) businesses. The six steps are:

- 1) To include qualified small, minority and women's businesses on solicitation lists;
- 2) To assure that small, minority and women's businesses are solicited whenever they are potential sources;
- 3) To divide total requirements, whenever economically feasible, into smaller tasks or quantities to permit maximum participation by small, minority or women's businesses;
- 4) To establish delivery schedules whenever the requirements of the work permit, which will encourage participation by small, minority and women's businesses;
- 5) To use the services and assistance of the Small Business Administration (<http://pro-net.sba.gov>) and the Office of Minority Business Enterprise of the U.S. Department of Commerce (<http://www.mdba.gov>) to identify appropriate small, minority and women businesses; and
- 6) To require subcontractors to take all of the affirmative action steps described above and set forth in 40 CFR 35.3145(d) in any contract awards or procurements.

The Borrower shall, and shall cause its contractors to, document compliance with the above requirements on forms found at Tab 6 of the Manual for Construction Projects.

Additional resources available to recipients and contractors include the following:

EPA Office of Small and Disadvantaged Business Utilization:

Phone: 206 – 553 – 2931

Web Site: [www.epa.gov/osdbu](http://www.epa.gov/osdbu)

Oregon Certification Office for Business Inclusion and Diversity

775 Summer Street N.E., Room 200

Salem, OR 97301-1280

Phone: 503 – 986 – 0123

Web Site: [www. http://www.oregon4biz.com/How-We-Can-Help/COBID/](http://www.oregon4biz.com/How-We-Can-Help/COBID/)

### **APPENDIX D: APPLICABLE FEDERAL AUTHORITIES AND LAWS (“CROSS-CUTTERS”)**

**ENVIRONMENTAL LEGISLATION:**

Archaeological and Historic Preservation Act of 1974, PL 93-291.  
 Clean Air Act, 42 U.S.C. 7506(c).  
 Coastal Barrier Resources Act, 16 U.S.C. 3501, et seq.  
 Coastal Zone Management Act of 1972, PL 92-583, as amended.  
 Endangered Species Act 16 U.S.C. 1531, et seq.  
 Executive Order 11593, Protection and Enhancement of the Cultural Environment.  
 Executive Order 11988, Floodplain Management.  
 Executive Order 11990, Protection of Wetlands.  
 Farmland Protection Policy Act, 7 U.S.C. 4201, et seq.  
 Fish and Wildlife Coordination Act, PL 85-624, as amended.  
 National Historic Preservation Act of 1966, PL 89-665, as amended.  
 Safe Drinking Water Act, Section 1424(e), PL 92-523, as amended.  
 Wild and Scenic Rivers Act, PL 90-542, as amended.  
 Federal Water Pollution Control Act Amendments of 1972, PL 92-500.  
 Migratory Bird Conservation Act, 16 U.S.C. 715, et seq.  
 Magnuson-Stevens Act – Essential Fish Habitat, 16 U.S.C. 1851, et seq.

**ECONOMIC LEGISLATION:**

Demonstration Cities and Metropolitan Development Act of 1966, PL 89-754, as amended.  
 Section 306 of the Clean Air Act and Section 508 of the Clean Water Act, including  
     Executive Order 11738, Administration of the Clean Air Act and the Federal Water Pollution  
     Control Act with Respect to Federal Contracts, Grants or Loans.

**SOCIAL LEGISLATION:**

The Age Discrimination Act of 1975, Pub. L. No. 94-135, 89 Stat. 713, 42 U.S.C. §6102 (1994).  
 Civil Rights Act of 1964, Pub. L. No. 88-352, 78 Stat. 252, 42 U.S.C. §2000d (1988).  
 Section 13 of PL 92-500; Prohibition against Sex Discrimination under the Federal Water Pollution  
     Control Act.  
 Rehabilitation Act of 1973, Pub. L. No. 93-1123, 87 Stat. 355, 29 U.S.C. §794 (1988), including  
     Executive Orders 11914 and 11250).  
 Executive Order 12898, Environmental Justice in Minority Populations  
 Exec. Order No. 11,246, 30 F.R. 12319 (1965), *as amended by* Exec. Order No. 11,375, 32 F.R. 14303  
     (1967), *reprinted in* 42 U.S.C. §2000e (1994), and its regulations at 41 C.F.R. §§601.1 to 60-  
     999.1.

**MISCELLANEOUS AUTHORITY:**

Uniform Relocation and Real Property Acquisition Policies Act of 1970, PL 92-646.  
 Executive Order 12549 and 40 CFR Part 32, Debarment and Suspension.  
 Disclosure of Lobbying Activities, Section 1352, Title 31, U.S. Code.

**APPENDIX E: DAVIS-BACON PROVISION****Part 1****(1) Minimum wages.**

(i) All laborers and mechanics employed or working upon the site of the work will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics.

Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph (a)(1)(iv) of this section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in § 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, that the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under paragraph (a)(1)(ii) of this section) and the DavisBacon poster (WH-1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

Subrecipients may obtain wage determinations from the U.S. Department of Labor's web site, [www.dol.gov](http://www.dol.gov).

(ii)(A) The subrecipient(s), on behalf of EPA, shall require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. The State award official shall approve a request for an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

- (1) The work to be performed by the classification requested is not performed by a classification in the wage determination; and
- (2) The classification is utilized in the area by the construction industry; and
- (3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(B) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the subrecipient(s) agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), documentation of the action taken and the request, including the local wage determination shall be sent by the subrecipient (s) to the State award official. The State award official will transmit the request, to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, DC 20210 and to the EPA DB Regional Coordinator concurrently. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification request within 30 days of receipt and so advise the State award official or will notify the State award official within the 30-day period that additional time is necessary.

(C) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the subrecipient(s) do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the award official shall refer the request and the local wage determination, including the views of all interested parties and the recommendation of the State award official, to the Administrator for determination. The request shall be sent to the EPA DB Regional Coordinator concurrently. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt of the request and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(D) The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs (a)(1)(ii)(B) or (C) of this section, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

(iii) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

(iv) If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

(2) Withholding. The subrecipient(s), shall upon written request of the EPA Award Official or an authorized representative of the Department of Labor, withhold or cause to be withheld from the contractor under this contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or

working on the site of the work, all or part of the wages required by the contract, the (Agency) may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

(3) Payrolls and basic records.

(i) Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

(ii)(A) The contractor shall submit weekly, for each week in which any contract work is performed, a copy of all payrolls to the subrecipient, that is, the entity that receives the sub-grant or loan from the State capitalization grant recipient. Such documentation shall be available on request of the State recipient or EPA. As to each payroll copy received, the subrecipient shall provide written confirmation in a form satisfactory to the State indicating whether or not the project is in compliance with the requirements of 29 CFR 5.5(a)(1) based on the most recent payroll copies for the specified week. The payrolls shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i), except that full social security numbers and home addresses shall not be included on the weekly payrolls. Instead the payrolls shall only need to include an individually identifying number for each employee (e.g., the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Web site at <https://www.dol.gov/whd/forms/wh347instr.htm> or its successor site. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and subcontractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to the subrecipient(s) for transmission to the State or EPA if requested by EPA, the State, the contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this section for a prime contractor to require a subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to the subrecipient(s).

(B) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(1) That the payroll for the payroll period contains the information required to be provided under § 5.5 (a)(3)(ii) of Regulations, 29 CFR part 5, the appropriate information is being maintained under § 5.5 (a)(3)(i) of Regulations, 29 CFR part 5, and that such information is correct and complete;

(2) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations, 29 CFR part 3;

(3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

(C) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph (a)(3)(ii)(B) of this section.

(D) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under section 1001 of title 18 and section 231 of title 31 of the United States Code.

(iii) The contractor or subcontractor shall make the records required under paragraph (a)(3)(i) of this section available for inspection, copying, or transcription by authorized representatives of the State, EPA or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, the Federal agency or State may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

(4) Apprentices and trainees--

(i) Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to

journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(ii) Trainees. Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(iii) Equal employment opportunity. The utilization of apprentices, trainees and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR part 30.



- (5) Compliance with Copeland Act requirements. The contractor shall comply with the requirements of 29 CFR part 3, which are incorporated by reference in this contract.
- (6) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses contained in 29 CFR 5.5(a)(1) through (10) and such other clauses as the EPA determines may be appropriate, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in 29 CFR 5.5.
- (7) Contract termination; debarment. A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.
- (8) Compliance with Davis-Bacon and Related Act requirements. All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR parts 1, 3, and 5 are herein incorporated by reference in this contract.
- (9) Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and Subrecipient(s), State, EPA, the U.S. Department of Labor, or the employees or their representatives.
- (10) Certification of eligibility.
  - (i) By entering into this contract, the contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).
  - (ii) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).
  - (iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

## Part 2

### **Contract Provision for Contracts in Excess of \$100,000.**

- (a) Contract Work Hours and Safety Standards Act. The subrecipient shall insert the following clauses set forth in paragraphs (a)(1), (2), (3), and (4) of this section in full in any contract in an amount in excess of \$100,000 and subject to the overtime provisions of the Contract Work Hours and Safety

Standards Act. These clauses shall be inserted in addition to the clauses required by Item 3, above or 29 CFR 4.6. As used in this paragraph, the terms laborers and mechanics include watchmen and guards.

(1) Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

(2) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (a)(1) of this section the contractor and any subcontractor responsible therefore shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (a)(1) of this section, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (a)(1) of this section.

(3) Withholding for unpaid wages and liquidated damages. The subrecipient upon the request of the EPA Award Official or an authorized representative of the Department of Labor, shall withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (a)(2) of this section.

(4) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (a)(1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (a)(1) through (4) of this section.

(b) In addition to the clauses contained in Item 3, above, in any contract subject only to the Contract Work Hours and Safety Standards Act and not to any of the other statutes cited in 29 CFR 5.1, the Subrecipient shall insert a clause requiring that the contractor or subcontractor shall maintain payrolls and basic payroll records during the course of the work and shall preserve them for a period of three years from the completion of the contract for all laborers and mechanics, including guards and watchmen, working on the contract. Such records shall contain the name and address of each such employee, social security number, correct classifications, hourly rates of wages paid, daily and weekly number of hours worked, deductions made, and actual wages paid. Further, the Subrecipient shall insert in any such contract a clause providing that the records to be maintained under this paragraph shall be made available by the contractor or subcontractor for inspection, copying, or

transcription by authorized representatives of the Oregon Department of Environmental Quality and the Department of Labor, and the contractor or subcontractor will permit such representatives to interview employees during working hours on the job.

## 5. Compliance Verification

- (a) The subrecipient shall periodically interview a sufficient number of employees entitled to DB prevailing wages (covered employees) to verify that contractors or subcontractors are paying the appropriate wage rates. As provided in 29 CFR 5.6(a)(6), all interviews must be conducted in confidence. The subrecipient must use Standard Form 1445 (SF 1445) or equivalent documentation to memorialize the interviews. Copies of the SF 1445 are available from EPA on request.
- (b) The subrecipient shall establish and follow an interview schedule based on its assessment of the risks of noncompliance with DB posed by contractors or subcontractors and the duration of the contract or subcontract. Subrecipients must conduct more frequent interviews if the initial interviews or other information indicates that there is a risk that the contractor or subcontractor is not complying with DB. Subrecipients shall immediately conduct necessary interviews in response to an alleged violation of the prevailing wage requirements. All interviews shall be conducted in confidence.
- (c) The subrecipient shall periodically conduct spot checks of a representative sample of weekly payroll data to verify that contractors or subcontractors are paying the appropriate wage rates. The subrecipient shall establish and follow a spot check schedule based on its assessment of the risks of noncompliance with DB posed by contractors or subcontractors and the duration of the contract or subcontract. At a minimum, if practicable, the subrecipient should spot check payroll data within two weeks of each contractor or subcontractor's submission of its initial payroll data and two weeks prior to the completion date the contract or subcontract. Subrecipients must conduct more frequent spot checks if the initial spot check or other information indicates that there is a risk that the contractor or subcontractor is not complying with DB. In addition, during the examinations the subrecipient shall verify evidence of fringe benefit plans and payments thereunder by contractors and subcontractors who claim credit for fringe benefit contributions.
- (d) The subrecipient shall periodically review contractors and subcontractors use of apprentices and trainees to verify registration and certification with respect to apprenticeship and training programs approved by either the U.S Department of Labor or a state, as appropriate, and that contractors and subcontractors are not using disproportionate numbers of, laborers, trainees and apprentices. These reviews shall be conducted in accordance with the schedules for spot checks and interviews described in Item 5(b) and (c) above.
- (e) Subrecipients must immediately report potential violations of the DB prevailing wage requirements to the EPA DB contact listed above and to the appropriate DOL Wage and Hour District Office listed at <https://www.dol.gov/whd/local/>.

**APPENDIX F**  
**EQUAL EMPLOYMENT OPPORTUNITY**

During the performance of this contract the contractor agrees as follows:

- (1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.
- (2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.
- (3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under Section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (4) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- (5) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.
- (6) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

- (7) The contractor will include the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: *Provided, however,* that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

**APPENDIX G: CERTIFICATION REGARDING LOBBYING  
(Contracts in Excess of \$100,000.00)**

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

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

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

Signed

---

Title

---

Date

---

Recipient

---

#### **APPENDIX H: AMERICAN IRON AND STEEL ("AIS") REQUIREMENT**

The Contractor acknowledges to and for the benefit of the City of Port Orford ("Purchaser") and the State of Oregon, acting by and through the Department of Environmental Quality Clean Water State Revolving Fund (the "State") that it understands the goods and services under this Agreement are being funded with monies made available by the Clean Water State Revolving Fund that have statutory requirements commonly known as "American Iron and Steel;" that requires all of the iron and steel products used in the project to be produced in the United States ("American Iron and Steel Requirement") including iron and steel products provided by the Contractor pursuant to this Agreement. The Contractor hereby represents and warrants to and for the benefit of the Purchaser and the State that (a) the Contractor has reviewed and understands the American Iron and Steel Requirement, (b) all of the iron and steel products used in the project will be and/or have been produced in the United States in a manner that complies with the American Iron and Steel Requirement, unless a waiver of the requirement is approved, and (c) the Contractor will provide any further verified information certification or assurance of compliance with this paragraph, or information necessary to support a waiver of the American Iron and Steel Requirement, as may be requested by the Purchaser or the State. Notwithstanding any other provision of this Agreement, any failure to comply with this paragraph by the Contractor shall permit the Purchaser or State to recover as damages against the Contractor any loss, expense, or cost (including without limitation attorney's fees) incurred by the Purchaser or State resulting from any such failure (including without limitation any impairment or loss of funding, whether in whole or in part, from the State or any damages owed to the State by the Purchaser). While the Contractor has no direct contractual privity with the State, as a lender to the Purchaser for the funding of its project, the Purchaser and the Contractor agree that the State is a third-party beneficiary and neither this paragraph (nor any other provision of this Agreement necessary to give this paragraph force or effect) shall be amended or waived without the prior written consent of the State.

RESOLUTION 2023 – 13

RESOLUTION APPROVING LOAN AGREEMENT WITH DEQ TO ACQUIRE WATERSHED PROPERTY AND PARTIALLY REHABILITATE SAME; AUTHORIZING CITY ADMINISTRATOR TO EXECUTE AS NECESSARY.

WHEREAS, the Common Council for the City of Port Orford determines it is in the best interest of the public to acquire 160-acre property in its watershed to improve water quality source; and

WHEREAS, the City of Port Orford desires to borrow \$826,051 from Oregon Department of Environmental Quality to acquire and partially rehabilitate such property; and

WHEREAS, Oregon Department of Environmental Quality desires to loan such funds to the City of Port Orford at 1.42% interest and forgiveness of \$413,008 upon successful completion of project, and other such terms and conditions the Common Council finds acceptable;

NOW THEREFORE, the Common Council for the City of Port Orford RESOLVES Clean Water State Revolving Fund Loan Agreement No R74101 between the State of Oregon and City of Port Orford is approved; and

FURTHER RESOLVES,

The City Administrator is authorized to carry out all acts necessary and proper to execute said agreement under the terms and conditions therein.

Dated this 29<sup>th</sup> day of June, 2023

\_\_\_\_\_  
Pat Cox, Mayor, City of Port Orford

\_\_\_\_\_  
Attest: Joseph Harrison, Recorder





## City of Port Orford

---

**TO:** Mayor and City Council

**FROM:** John Huttli, City Administrator

**DATE:** June 29, 2023

**SUBJECT:** Ratify Budget Amendment No 1 Forest Management Planning Hubbard Creek

### Summary

This action ratifies the Mayor's execution of a budget amendment and spending activities pursuant thereto for a pre-existing grant the City used to abate gorse in our watershed.

### Background

The City had an existing grant for gorse abatement in our watershed. At the end of the work, there was grant monies left over.

To spend these monies, we needed to amend the budget to include additional activities. The state prepared the amendment and has submitted to us for execution. Because the spending was required to occur before end of fiscal, the Mayor executed the amendment, we spent the funds, and submitted invoices for reimbursement to meet the time deadlines.

Staff believes that the above actions were within the Mayor's authority; however, in an abundance of caution, we have submitted the action to the Council for ratification, to the extent Council action is required.

### Recommendation

Motion to Adopt Resolution Ratifying Mayor's Execution of Budget Amendment on Grant for Project U22011

### Amendment Number 1

**Project Name:** City of Port Orford – Forest Management Planning in Hubbard Creek Watershed

This amendment is made and entered into by and between the State of Oregon, acting by and through the Oregon Infrastructure Finance Authority of the Oregon Business Development Department (“OBDD”), and the City of Port Orford, Oregon (“Recipient”), and amends the Contract between Recipient and OBDD, Project Number U22011, dated 10 October 2022, (“Contract”) for the above-named Project. Capitalized terms not defined in this amendment have the meanings assigned to them by the Contract.

**Recital:** The purpose of this amendment is to revise Exhibit C – Project Budget.

**The parties agree as follows:** Delete Exhibit C – Project Budget in its entirety and replace it with the following:

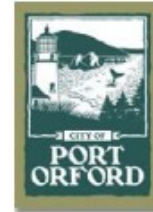
<b>Exhibit C - Project Budget</b>		
<b>Line Item Activity</b>	<b>OBDD Funds</b>	<b>Other / Matching Funds</b>
Forest Management Consultant	\$ 21,398	\$ 0
Public Outreach	\$ 2,419	\$ 0
Risk Reduction Equipment	\$ 4,183	\$ 0
<b>TOTAL</b>	<b>\$ 28,000</b>	<b>\$ 0</b>

OBDD will have no obligation under this amendment, unless within 60 days after receipt, the Recipient delivers to OBDD the following items, each in form and substance satisfactory to OBDD and its Counsel:

- (i) this amendment duly executed by an authorized officer of the Recipient; and
- (ii) such other certificates, documents, opinions and information as OBDD may reasonably require.

Signature page follows.

Except as specifically provided above, this amendment does not modify the Contract, and the Contract shall remain in full force and effect during the term thereof. This amendment is effective on the date it is fully executed and approved as required by applicable law.



**STATE OF OREGON**  
acting by and through its  
Oregon Infrastructure Finance Authority  
of the Oregon Business Development  
Department  
775 Summer Street NE, Suite 200  
Salem, OR 97301-1280

**CITY OF PORT ORFORD, OREGON**  
  
555 W. 20<sup>th</sup> Street, PO Box 310  
Port Orford, OR 97465

By: \_\_\_\_\_  
Edward Tabor, Infrastructure and Program  
Services Director

By: \_\_\_\_\_  
The Honorable Pat Cox, Mayor

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

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

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

\_\_\_\_\_  
Not required by OAR 137-045-0050

C & M Equipment, Inc.  
 29309 Ellensburg Ave.  
 Gold Beach, OR 97444  
 (541) 247-7512

C & M Equipment, Inc.  
 29309 Ellensburg Ave.  
 Gold Beach, OR 97444  
 (541) 247-7512

CITY OF PORT ORFORD  
 PO BOX 310  
 PORT ORFORD, OR 97465

CITY OF PORT ORFORD  
 PO BOX 310  
 PORT ORFORD, OR 97465

Auth: \_\_\_\_\_

GL Code:            Amount:

30-63010            3582.63

Check # \_\_\_\_\_

DATE	ACCOUNT	PAGE
5/25/23	1031	1

DATE	ACCOUNT	PAGE
5/25/23	1031	1

**THIS STATEMENT REFLECTS CREDITS AND CHARGES MADE THROUGH THE STATEMENT DATE**

**INDICATE (X) BEING PAID**

DATE	INV	DESCRIPTION	AMOUNT	FUTURE	CURRENT	PAST 30+	PAST 60+	PAST 90+
5/11/23	166072	PURCHASE	2753.93		2753.93			
5/11/23	166073	PURCHASE	828.70		828.70			

DATE	INV	AMOUNT
5/11/23	166072	2753.93
5/11/23	166073	828.70

*Hubbards Creek watershed grant*

**TOTALS**

ON ACCOUNT	FUTURE	CURRENT	PAST 30+	PAST 60+	PAST 90+
3582.63	0.00	3582.63	0.00	0.00	0.00

**TOTAL**

3582.63

**BALANCE DUE**

3582.63

**PAY THIS AMOUNT**

**BALANCE DUE**

3582.63

<b>DATE</b>
5/11/23
<b>TIME</b>
17:17:20
<b>SALESMAN</b>
001/001
<b>STORE</b>
1

Terminal 12

C & M Equipment, Inc.  
 29309 Ellensburg Ave.  
 Gold Beach, OR 97444  
 (541) 247-7512

<b>INVOICE</b>
166072
<b>P/O NUMBER</b>
<b>WORK ORDER</b>
<b>PAGE</b>
1 of 1

(541) 332-3681

<b>BILL TO ACCOUNT:</b> 1031
CITY OF PORT ORFORD
PO BOX 310
PORT ORFORD, OR 97465

(541) 332-3681

<b>SHIP TO ACCOUNT:</b> 1031
CITY OF PORT ORFORD
PO BOX 310
PORT ORFORD, OR 97465

Tax Exemption #: LARRY2538005

SHIPPED VIA: 0

ORD	SHIP	B/O	LINE	PART NUMBER	DESCRIPTION	LIST	NET	AMOUNT
2	2			HUQ535IFR SN-20205100260	BATTERY CLEARING SAW 1.		649.99	1299.98
2	2			HUQB LI300 SN-20180414670	BATTERY LI-ION 1.		349.99	699.98
2	2			HUQB LI300 SN-	BATTERY LI-ION 1.		349.99	699.98
2	2			HUQQC500 SN-20213073937	BATTERY CHARGER 1.		179.99	359.98

\*\*\* DUPLICATE COPY \*\*\*  
 CHARGE SALE

SUB TOTAL ---->	3059.92
MISC. ----->	305.99CR
LABOR ----->	0.00
TAX ----->	0.00
INVOICE TOTAL->	2753.93

Signature \_\_\_\_\_

<b>DATE</b>
5/11/23
<b>TIME</b>
17:17:30
<b>SALESMAN</b>
001/001
<b>STORE</b>
1

Terminal 12

C & M Equipment, Inc.  
 29309 Ellensburg Ave.  
 Gold Beach, OR 97444  
 (541) 247-7512

<b>INVOICE</b>
166073
<b>P/O NUMBER</b>
<b>WORK ORDER</b>
<b>PAGE</b>
1 of 1

(541) 332-3681

(541) 332-3681

<b>BILL TO ACCOUNT:</b> 1031
CITY OF PORT ORFORD
PO BOX 310
PORT ORFORD, OR 97465

<b>SHIP TO ACCOUNT:</b> 1031
CITY OF PORT ORFORD
PO BOX 310
PORT ORFORD, OR 97465

Tax Exemption #: LARRY2538005

SHIPPED VIA: 0

ORD	SHIP	B/O	LINE	PART NUMBER	DESCRIPTION	LIST	NET	AMOUNT
2	2			RICAT0404	SHRED BLADE 12X1X3MM	23.95	0.00	0.00
2	2			HUS587160701	HUS CHAPS CLASSIC		85.00	170.00
2	2			HUS592752701	HUS FUNCTIONAL HELMET		70.00	140.00
6	6			SIL22-405	1 LB 105 SQ MAG GATOR		18.50	111.00
1	1			STI0000-882-0703	PL 40 LOPPER 32 HAND		124.00	124.00
1	1			STI0000-882-0702	PL 30 LOPPER 28 HAND		112.00	112.00
1	1			RIC38P36	3.50 LB 36 IN PULASKI		47.70	47.70
1	1			STI0000-882-0703	PL 40 LOPPER 32 HAND		124.00	124.00

\*\*\* DUPLICATE COPY \*\*\*  
 CHARGE SALE

SUB TOTAL ----> 828.70  
 MISC. -----> 0.00  
 LABOR -----> 0.00  
 TAX -----> 0.00  
 INVOICE TOTAL-> 828.70

Signature \_\_\_\_\_

Check Request Form

Date 5/25/23

Requested by: LINDA TARR

Signature: *Linda Tarr*

Supervisor Approval: \_\_\_\_\_

Amount of Check: \$ 44.10

Check Payable to: LINDA TARR Vendor# \_\_\_\_\_

Address 92255 CEDAR HOLLOW DR.  
PORT ORFORD, OR 97465

**Purpose of Check (attach invoice, registration form w/copy, other supporting paper):**

REIMBURSE FOR POSTAGE. SENT OUT  
BROCHURES TO LANDOWNERS IN WATERSHED OF  
DRINKING WATER - HUBBARD CREEK

**Check Disbursement:**

Mail Directly: SEE ABOVE  
Mailing Address

Return Signed check to: \_\_\_\_\_ for mailing

**Expense Coding:**

Account 30-00-63010

Amount 44.10

Check # \_\_\_\_\_

Date Paid \_\_\_\_\_



PORT ORFORD  
311 7TH ST  
PORT ORFORD, OR 97465-9571  
(800)275-8777

05/25/2023 12:14 PM

Product	Qty	Unit Price	Price
US Flags Bklt/20	3	\$12.60	\$37.80
U.S. Flag	10	\$0.63	\$6.30
Grand Total:			\$44.10

Debit Card Remit \$44.10  
 Card Name: VISA  
 Account #: XXXXXXXXXXXX8980  
 Approval #: 400631  
 Transaction #: 802  
 Receipt #: 016592  
 Debit Card Purchase: \$44.10 Chip  
 AID: A000000980840  
 AL: US DEBIT  
 PIN: Verified

Preview your Mail  
 Track your Packages  
 Sign up for FREE @  
<https://informedelivery.usps.com>

All sales final on stamps and postage.  
 Refunds for guaranteed services only.  
 Thank you for your business.

Tell us about your experience.  
 Go to: <https://postalexperience.com/Pos>  
 or scan this code with your mobile device.



or call 1-800-410-7420.

UFN: 406800-0465  
 Receipt #: 840-59700002-1-3713069-3  
 Clerk: 03



RESOLUTION 2023 – 14  
RESOLUTION RATIFYING BUDGET AMENDMENT TO FOREST MANAGEMENT PLANNING  
GRANT AGREEMENT U22011

WHEREAS, the City of Port Orford entered into a funding agreement with the State of Oregon Infrastructure Finance Authority of the Oregon Business Development Department OBDD for Forest Management and Planning; and

WHEREAS, the work originally performed did not exhaust the grant funds thereby requiring a budget amendment to the Grant Agreement to allow expenditure of all funds; and

WHEREAS, the City obtained quotes and invoices for expenditure of funds for work to fulfill the grant budget and desires to amend the budget to qualify for reimbursement; and

WHEREAS, the budget amendment was required to be executed before the end of fiscal there being no time for the City Council to approve prior to spending the Mayor therefore executing the budget amendment; and

WHEREAS, the Common Council for the City of Port Orford believes that the Mayor's actions were authorized, but in an abundance of caution desires to ratify that action to eliminate any question; and

NOW THEREFORE, the Common Council for the City of Port Orford RESOLVES

Budget Amendment to the Grant Agreement and all other acts to carry out the Budget Amendment are ratified nunc pro tunc date of execution.

Dated this 29<sup>th</sup> day of June, 2023

---

Pat Cox, Mayor, City of Port Orford

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Attest: Joseph Harrison, Recorder

**PUBLIC: When you join the meeting (5-10 min. prior to the meeting)**

- **If you plan to speak/comment during the meeting (when permissible to do so), please announce your name and “how: you are joining the meeting (computer, phone, in person). Speak slowly and clearly so the organizer may “find” you and identify your “caller” location**
- **Please wait to be called on to speak, to avoid talking over someone**
- **When you are not speaking, please mute yourself (so the organizer doesn’t have to do this)**
- **Please limit side conversations and multitasking while you are in the meeting**
- **Be aware even if you are not on camera, sound can be heard over unmuted phones and will be distracting. And if you are on camera “absences” will be noticeable and distracting**
- **To minimize feedback noise, we will only have the meeting host, Mayor and one other speaker unmuted at any time during the meeting.**
- **Please be aware that if poor etiquette is being observed, it may be called out so you have an opportunity to fix the situation.**