

**CITY OF MILWAUKIE
CITY COUNCIL MEETING
APRIL 2, 2002**

Call to Order

The 1883rd meeting of the Milwaukie City Council was called to order by Mayor Bernard at 6:00 p.m. in the City Hall Council Chambers. The following Councilors were present:

Mary King
Larry Lancaster

Jeff Marshall
Brian Newman

Staff present:

Tim Ramis,
City Attorney
Gary Firestone,
City Attorney
Alice Rouyer,
Community Development
Director

Roosevelt Carter,
Program Specialist
JoAnn Herrigel,
Program Specialist

PLEDGE OF ALLEGIANCE**PROCLAMATIONS, COMMENDATIONS, AND SPECIAL REPORTS****Centennial Planning Update**

Herrigel provided an update on the 2003 Centennial planning activities. Input has been solicited from the community and city staff. The consultant, hired by the city to assist in planning the event, will present a draft plan to the Centennial Planning Committee at its April 7 meeting in preparation for a Budget Committee presentation.

CONSENT AGENDA

It was moved by Councilor King and seconded by Councilor Marshall to consider "Other Business" item A -- Neighborhood District Association Park Land Use Fee Waivers -- Resolution, and item C -- Local Contract Review Board Rules -- Resolution, as "Consent Agenda" items. Motion passed unanimously.

It was moved by Councilor Marshall and seconded by Councilor Newman to adopt the consent agenda which consisted of the following items:

1. City Council minutes of March 18 & 19, 2002;
2. Resolution 7-2002: A Resolution of the City Council of the City of Milwaukie, Oregon, Extending Fee Waivers to All Neighborhood District Association Sponsored Park Land Use Applications; and

3. **Resolution 8-2002: A Resolution of the City Council of the City of Milwaukie, Oregon, Repealing Resolution 35-1994, The Local Contract Review Board Administrative Rules and Adopting New Administrative Rules.**

Motion passed unanimously.

AUDIENCE PARTICIPATION

None.

PUBLIC HEARING

None scheduled.

OTHER BUSINESS

South Corridor Intergovernmental Agreement -- Resolution

Rouyer presented the staff report in which the City Council was requested to adopt a resolution authorizing the Mayor to sign an intergovernmental agreement (IGA) with Metro for the South Corridor Study. As one of the partner agencies, Milwaukie is working with Metro to jointly accomplish special study of the environmental impacts of transportation alternatives in the project area. Milwaukie will submit monthly invoices to Metro for reimbursement for city staff time and any subcontractor work done on the South Corridor project. She noted the payment date on page 3 of the IGA was changed from December 2, 2001, to June 1, 2002.

Councilor Lancaster noted the short-term fiscal impact was anticipated to be neutral and asked what could be anticipated in the long-term. It is important to be able to anticipate large magnitude projects in the budget process.

Rouyer said the long-term fiscal impact depends on the options selected and results of any ballot measures. She discussed the North Industrial Area study grant and redevelopment and public improvements which may tie into the South Corridor Project.

Councilor Marshall noted the considerable staff time that went into the previous light rail project and asked if there was a cost estimate for the next fiscal year's budget.

Rouyer believes the estimated reimbursement for the term of the agreement is accurate. There is no specific South Corridor line item in the budget at this time.

Councilor King requested a copy of the Metro monthly billing. She additionally asked for more frequent updates on the North Industrial and North Main Street projects.

It was moved by Councilor King and seconded by Councilor Marshall to adopt the resolution authorizing the Mayor to sign an intergovernmental agreement between the City and Metro for participation in the South Corridor Study with changed payment date described by staff. Motion passed unanimously.

RESOLUTION NO. 9-2002:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, AUTHORIZING THE MAYOR TO SIGN AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF MILWAUKIE AND THE REGIONAL GOVERNMENT OF METRO FOR MILWAUKIE'S PARTICIPATION IN THE SOUTH CORRIDOR STUDY.

Other

1. **Councilor King** announced the Russian Easter Event at Hillside Manor.
2. **Mayor Bernard** announced the Rotary/Milwaukie Downtown Development Association waterfront cleanup on April 6.
3. **Mayor Bernard**, with consensus of Council, re-appointed **Mike Miller** to the Planning Commission and **Patty Wisner** to the Design and Landmarks Commission.

Mayor Bernard announced the City Council would meet in executive session pursuant to ORS 192.660 to consult with legal counsel.

ADJOURNMENT

It was moved by **Councilor Marshall** and seconded by **Councilor Newman** to adjourn the meeting. Motion passed unanimously.

Mayor Bernard adjourned the meeting at 6:15 p.m.



Pat DuVal, Recorder

**CITY OF MILWAUKIE
CITY COUNCIL AGENDA
APRIL 2, 2002**

MILWAUKIE CITY HALL
10722 SE Main Street

1883RD MEETING

REGULAR SESSION - 6:00 p.m.

I. CALL TO ORDER
Pledge of Allegiance

II. PROCLAMATIONS, COMMENDATIONS, SPECIAL REPORTS, AND AWARDS

Centennial Planning Update (Herrigel)

III. CONSENT AGENDA *(These items are considered to be routine, and therefore, will not be allotted Council discussion time on the agenda. The items may be passed by the Council in one blanket motion. Any Council member may remove an item from the "Consent" portion of the agenda for discussion or questions by requesting such action prior to consideration of that portion of the agenda.)*
City Council Minutes of March 18 & 19, 2002

IV. AUDIENCE PARTICIPATION *(The Mayor will call for statements from citizens regarding issues relating to the City. It is the intention that this portion of the agenda shall be limited to items of City business which are properly the object of Council consideration. Persons wishing to speak shall be allowed to do so only after registering on the comment card provided. The Council may limit the time allowed for presentation.)*

V. PUBLIC HEARING *(Public Comment will be allowed on items appearing on this portion of the agenda following a brief staff report presenting the item and action requested. The Mayor may limit testimony.)*

None scheduled

VI. OTHER BUSINESS *(These items will be presented individually by staff or other appropriate individuals. A synopsis of each item together with a brief statement of the action being requested shall be made by those appearing on behalf of an agenda item.)*

A. Neighborhood District Association Park Land Use Fee Waivers -- Resolution (Carter)

B. South Corridor Intergovernmental Agreement (Rouyer)

C. Local Contract Review Board Rules -- Resolution (Firestone)

VII. INFORMATION

A. Johnson Creek Watershed Re-vegetation Program (Bennett)

B. Center/Community Advisory Board Minutes, February 8, 2002

C. Ledding Library Board Minutes, February 25, 2002

D. Park and Recreation Board Minutes, January 2002

VIII. ADJOURNMENT

EXECUTIVE SESSION -- *At the end of the regular meeting, the Council may hold an Executive Session under the authority of Oregon Revised Statutes 192.660 as needed.*

For assistance/service per the Americans with Disabilities Act (ADA), dial TDD 786-7555.

The Council requests that all pagers and cell phones be either set on silent mode or turned off during the meeting.



To: Mayor and City Council

Through: Mike Swanson, City Manager

From: Michelle Gregory, Neighborhood Services Manager; Joanne Herrigel, Program Services Manager

Subject: Centennial Planning Efforts Update

Date: March 18th, 2002

Action Requested

Receive an update on the progress of the Centennial Planning Committee and provide feedback.

Background

The year 2003 will mark the 100th anniversary of Milwaukie's incorporation as a city in 1903. To honor our community's past while also turning attentions to our future, Council discussed strategies and priorities for initiating a Centennial Celebration at the October 1st work session. From that work session staff was directed to:

- Solicit Ideas from the Community for How to Celebrate
- Form a Coordinating Committee to focus on big picture/whole process.
- Use Budget Process to Initiate the Effort
- Enlist the Help of a Resource Development/Public Affairs Professional

At that work session Council also provided the following overall vision for the Centennial Planning Effort:

- Celebrate the Past with an Eye Toward the Future
- Foster Partnerships with a Broad Base of Community Groups and Private Sector Interests
- Incorporate Fundraising into the Effort
- Establish Region-wide Visibility for Milwaukie
- Integrate Long Term Community Goals
- Cultivate Volunteerism and Community Involvement that will be Sustained After the Centennial

With these parameters, staff initiated a call for ideas and participation through the *PILOT*, the local media, the City's web-site and some targeted mailings. As suggestions were flowing in, Council made appointments to a Centennial Committee during December and January. The group's charge:

To solicit, review and select community ideas for how to celebrate Milwaukie's Centennial. To develop a workplan and budget for a regionwide campaign that will be presented to the Council and Budget Committee for consideration as part of Milwaukie's 2002-3 fiscal process. To work with a fundraiser and community groups to generate private and civic sponsorship of Centennial events and projects throughout the process.

The committee has met three times to review community suggestions and formulate a plan. They have been working with the communications and resource development consulting firm of Metropolitan Group, a group with significant experience in community anniversary celebrations and a proven track record in events planning and resource development. By the time this staff report is reviewed, the Committee will have forwarded a draft Centennial plan and funding strategy to the Council for preview (their final planning session was to be March 21st.) A presentation of this plan by the committee is scheduled to take place as a part of the FY 2003 budget process.

As the committee has been developing the plan, individual ideas have continued to come forward from various groups within the community. The committee has been reviewing these proposals as they come up and has worked hard to incorporate them into the plan whenever the ideas support the goals of the celebration. The group has also realized that it will be important to build flexibility into the plan since good ideas and volunteer energies will continue to come forward after the plan has been developed.

Some criticisms and challenges of the Centennial planning effort have also emerged. Among these is the fact that several people have noted that Milwaukie was actually settled 150 years ago, regardless of when the formal incorporation occurred, and some folks remember "doing the Centennial Celebration" 50 years ago.

There has also been a concern raised that the effort will exclude faith-based organizations and non-profits organization if it too heavily geared toward encouraging business sponsorship and participation. The committee has worked hard to convey that the opportunities to participate will be all-inclusive and volunteer-driven.

Finally, the committee has struggled a bit to find and understand the best fit for Milwaukie Festival Days in terms of the Centennial Year celebration. And at their last meeting, all agreed that the Festival Days Committee needed to be more closely involved with the Centennial Committee if both efforts are to realize mutual gain. It was suggested that once Festival Days committee has this year's event "off the front burner", the two groups could meet to discuss events for the following year.

Concurrence

All departments, boards, and commission have been invited to participate in the development of ideas and projects for the Centennial. Letters soliciting participation were sent to each board and commission Chair as well as their staff liaison. Department heads were also asked to participate in the development of ideas and strategies for how the Centennial could achieve long term community goals during the January retreat to review the current Council/Community Goals. The Centennial Committee has incorporated this feedback also.

Fiscal Impact

The Centennial Plan and subsequent celebration strategy will necessitate some "seed money" from the City if it is to achieve the Council's vision for a Centennial. This is will be proposed as a request during the budget process. The Centennial Committee is well aware of the City's budgetary challenges this year and they recognize the importance of sponsorship for this effort. However, they also recognize that the Centennial will only come once, and this is the time for Milwaukians to leave a legacy for future generations.

The funding request is intended to compliment, rather than compete with other departmental budget s and community goals. The idea is to maximize this allocation and leverage it through additional fundraising.

To date, the City has committed \$15,000 in contractual services to the Centennial effort. This has come from the Neighborhood Services budget.

Work Load Impacts

The centennial planning effort has had workload impacts within Neighborhood Services for time spent staffing the committee and working with the consultant. Program Services Coordinator, Joanne Herrigel will be assuming this role while the Neighborhood Services Manager is on maternity leave.

Alternatives

Council can provide feedback and direction through staff.

Council can request additional information.

Council can schedule a work session with the Centennial Committee.

Timeline

Centennial Planning Project Timeline

Phase I _____

September 2001 - Work Session with Council: Direction on How to Begin planning for Centennial

October 2001 - Mailing to Community Leadership; PILOT; Staff Feedback

December 2001 - Mailing to Broader Group; Committee Interviews; PILOT; Consultant RFP

Last Council Update _____

January 2002 - Committee Interviews; Committee Selection; Consult Proposal Review and Selection; 1st Meeting of Committee.

February 2002 - Committee Planning Meetings; Continued PILOT; Budget Proposal Development; Council Update

March 2002 - Committee Planning Meeting; PILOT, Budget Proposal Refinement

April 2002 - Committee/Consultant Proposal to Budget Committee, PILOT, Phase II Plan Approval/Modification

May 2002 - Committee Meeting (if appropriate)

Phase II - Implementation of Centennial Plan _____

June 2002 - Dec/Feb 2003



We are Here

**MILWAUKIE CITY COUNCIL
WORK SESSION
MARCH 18, 2002**

The work session came to order at 5:30 p.m. in the City Hall Conference Room.

City Council present: Mayor Bernard and Councilors King and Newman.

Staff present: City Manager Swanson, Community Development/Public Works Director Rouyer, Police Chief Kanzler, Assistant Planner Nesbitt.

Information Sharing

The group discussed board and commission applicant interviews and scheduling regular meetings with the advisory groups to review issues and work plans.

Open Public Forum

Neighborhood District Association (NDA) Leadership representatives Dolly Macken-Hambright and Edie Kerbaugh, Linwood; David Aschenbrenner, Hector Campbell; Art Ball, Lewelling; Teresa Bresaw, Lake Road; and Ed Zumwalt, Historic Milwaukie, were in attendance. The Leadership wished to reaffirm its support for the Community Goal of acquiring the Milwaukie Middle School property. Zumwalt added this site is the heart of Milwaukie and urged the Council to find a way to purchase the property when it becomes available for a much-needed community center. Aschenbrenner commented that the NDAs had recently returned a portion of their grant funds to carry over to the next budget cycle. He suggested citizens get involved with the process and let the Budget Committee know their priorities. Ball added the Leadership might be willing to make another donation in the future as long as the neighborhood grant program is not cut.

Swanson referred to a letter from the NDA Leadership to the Clackamas County Board of Commissioners regarding future library funding. He understands from the Board that allocations to city libraries may be reduced because of general fund shortfalls. Library allocations, however, will not be tapped to make up law enforcement shortfalls if the May levy fails.

Councilor King asked for suggestions on how to keep the Middle School acquisition a goal while maintaining a good working relationship with the Waldorf School.

Aschenbrenner thought giving the City first right of refusal was a step in the right direction and added Waldorf agrees to make the property available for community use.

Board and Commission Interviews

The City Council interviewed Jean Michel for the Budget Committee, Gary Klein for the Riverfront Board, Donald Hammang for the Planning Commission, and Ed Zumwalt for the Library Board.

Roadside Memorials

Rouyer explained a team was assembled to evaluate roadside memorial issues and prepare a proposal for Council direction.

Susan Stone, Traffic Safety Board (TSB), said the appointed advisory group discussed roadside memorials at its last meeting. The main concern is memorial sign placement since there are many signs drawing drivers' attention. She felt the sign could serve both as a remembrance of a loved one and as a safety reminder to motorists. The Board recommends researching how other jurisdictions in the region are addressing this type of community request. It further suggests the City be responsible for making the signs so they will be uniform and charging the person ordering the sign a fee to recover expenses. The group also feels plantings would be a suitable memorial. The Board would like to review any refined proposal before the Council makes its final decision.

Mayor Bernard commented the Portland City Council has not considered roadside memorials.

Barbara Cartmill, Planning Commissioner, offered Ms. Magee-Gonzales her condolences and explained her comments were general and not related specifically to this incident. She said safety is the foremost issue, and spontaneous memorials with balloons and signs can cause pedestrians and drivers to stop and inadvertently disregard safety. If the right-of-way were changed in the future, these memorials could be displaced. Cartmill feels grieving is a very personal process, and the right-of-way may not be the appropriate place to display one's grief. As a resident, she has concerns with ongoing roadside memorials. She thinks the proposal could be more specific as to when memorials are appropriate and should address mutual consent in accidents involving more than one person. Cartmill believes 90-days is adequate for a temporary memorial.

Donna and Danielle Harris, owner and resident of the property at 45th Avenue and Railroad Avenue, spoke on the issue from the perspective of the adjacent property owner and resident. She urges that the adjacent property owner be considered in placement of a permanent memorial and that ongoing access and maintenance responsibilities be addressed. Others who have lost loved ones may not wish to be reminded on a daily basis of their own losses. If Magee-Gonzales decides on a permanent memorial, Harris suggests it be placed on the south side of Railroad Avenue. Personally, she is not against honoring a person and reminding others to drive safely, but she finds the current memorial distracting and difficult for the residents on the corner.

Denise Magee-Gonzales believes Railroad Avenue is unsafe and needs improvements.

Mayor Bernard asked Magee-Gonzales how she felt about Hector Campbell School's offer to plant a tree and put a memorial on the school grounds in her son's memory.

Magee-Gonzales said the corner of 45th Avenue and Railroad Avenue is the spot she lost her son. She does not feel a sign is a good alternative for this type of road. She showed photos of the types of flat, stone memorials allowed in Lake Oswego.

Councilor Newman said the City Council needs a solution that can be applied throughout the community. It is important to remember the needs of adjacent neighbors while memorializing a loss in either a temporary or permanent manner. He noted the ongoing maintenance obligation and felt the tree planting and memorial on the Hector Campbell School grounds would be appropriate.

Stone said the Traffic Safety Board had talked about marking a place of memory with simple plantings such as spring bulbs. She supported the idea of a tree and marker at the school.

Harris commented that the ground in the public right-of-way in that area is very uneven, so trimming the grass around the marker presents some problems for the property owner. She noted curfew violations related to the memorial.

Magee-Gonzales thought the tree at Hector Campbell sounded nice.

Rouyer added, when road improvements are made, some vegetation might be removed to make the road safe. She offered to work with Hector Campbell School on the tree planting and memorial. She also advised the neighbors to call the police department when they notice curfew violations.

Councilor Newman believed the temporary memorial policy should address pedestrian obstructions. Standards for permanent memorials should address Harris's comments on adjacent property owner's needs and Cartmill's comments on mutual consent.

Councilor King believed temporary memorials should be limited to 3 months and understood the Traffic Safety Board would review the final proposal as would the Planning Commission if it is a sign code amendment. She had some concerns with the use of religious symbols on permanent memorials.

Councilor Newman thought Stone's comments about sign uniformity and full cost recovery by the City were good.

III. 4

Magee-Gonzales suggested lowering the speed limit on Railroad Avenue and increasing traffic enforcement.

Stone has concerns about drivers passing on Railroad Avenue and felt the road should be double-striped. The City would probably have to petition the state in order to lower the speed limit.

Council Direction: finalize the proposal based on discussion and remove temporary memorial immediately.

Intergovernmental Agreement with Clackamas County District Attorney

Kanzler discussed an upcoming consent agenda item which proposed entering into an intergovernmental agreement with the District Attorney's office to provide legal services to seize assets derived from criminal enterprise. Last year's legislature enacted uniform statutory schemes to provide the procedural and logistical framework for all non-federally based civil and criminal forfeiture actions in the state.

Proposed Parks District 2002 - 2003 Budget and Master Plan

Mike Henley, North Clackamas Parks District (NCPRD) Director, discussed the upcoming budget and master plan process. The District budget looks extremely tight, so it will probably put a bond measure or local option levy for operations and maintenance on a future ballot. Each department is developing a 3% turn back budget, and the only new funding requests are for a park planner position and vandalism repair. Among other revenue enhancing strategies, the District is considering a parks system development charge increase. The ultimate impact of the state budget on the Milwaukie Center operations is, as yet, unknown.

Henley reviewed the District vision and desired outcomes which will drive future program and service recommendations. Discussion paper #5 provides an overview of current programs and services offered by the District and other public and private providers. The goal is to develop service strategies and plan on how to fund operations and improvements. Discussion paper #6 makes recommendations for future parks and facilities needs. He reviewed these elements and proposed implementation strategies in detail for the City Council and audience.

Discussion paper #7 should be ready for Citizen Advisory Committee (CAC) study on April 23. District budget meetings will begin in April.

Mayor Bernard adjourned the work session at 8:45 p.m.

Pat DuVal, Recorder

III. 6

Swanson understands the feared cuts to city libraries will not materialize; however, library funding will be part of the County's across the board reductions.

Councilor King supports the law enforcement levy. Mayor Bernard does not support the levy at this point because the County did not make an effort to contact the cities to discuss their needs.

Detloff asked the City Council to consider a resolution of support for the law enforcement levy.

Board and Commission Appointments

Mayor Bernard, with Council consensus, made the following advisory board appointments: Jean Michel to the Budget Committee, Ed Zumwalt to the Library Board (re-appointment), Gary Klein to the Riverfront Board, and Donald Hammang to the Planning Commission (re-appointment).

Citizen Appreciation

Mayor Bernard thanked Denise Magee-Gonzales, Susan Stone, Barbara Cartmill, and Donna Harris for sharing their thoughts on roadside memorials at the previous night's work session.

CONSENT AGENDA

It was moved by Councilor King and seconded by Councilor Newman to adopt the consent agenda consisting of:

- A. City Council Minutes of March 3 & 4, 2002;**
- B. Resolution 5-2002: A Resolution of the City Council of the City of Milwaukie, Oregon, Amending Fees for Services; Establishing One- and Two-Family Fire Suppression Systems Fees and Classifying the Fees Imposed by this Resolution As Not Subject to Article XI, Section 11B of the Oregon Constitution**
- C. 2001 - 2002 Waterline Improvements -- Phase 1 Bid Award;**
- D. Approve Engineering Design for Lava Drive Booster Pump Replacement;**
- E. Resolution 6-2002: A Resolution of the City Council of the City of Milwaukie, Oregon, Authorizing the Mayor to Sign an Intergovernmental Agreement (IGA) between the City of Milwaukie with Clackamas County District Attorney to Provide Legal Service to Seize Assets Derived from Criminal Enterprise Pursuant to ORS Chapter 190, and for the Dispersal of Assets and Property Subject to Chapter 666, Oregon Laws (2001) Relating to Criminal Forfeitures; and**
- F. Authorize Staff to Negotiate a Contract for Management Information System Software**

Motion passed unanimously among the members present.

AUDIENCE PARTICIPATION

None.

PUBLIC HEARING -- None scheduled

OTHER BUSINESS

On behalf of the Milwaukie City Council, Councilor King extended condolences to the family of Vince Kohler.

ADJOURNMENT

It was moved by Councilor Newman and seconded by Councilor King to adjourn the meeting. Motion passed unanimously among the members present.

Mayor Bernard adjourned the meeting at 6:30 p.m.

Pat DuVal, Recorder



To: Mayor and City Council

Through: Mike Swanson, City Manager

From: Michelle Gregory, Neighborhood Services Manager

Subject: South Corridor Study Intergovernmental Agreement

Date: March 14th, 2002

Action Requested

Adopt a resolution authorizing the Mayor to sign an intergovernmental agreement (IGA) between the City of Milwaukie and Metro for work that Milwaukie staff or its subcontracted consultants have performed or will perform on the South Corridor Study between July of 2001 and June of 2003.

Background

The South Corridor Study began in January of 2000. It is a region-wide transportation study being led by Metro and supported by several partner agencies. The project seeks to identify a locally preferred alternative to solving transportation problems in the South Corridor. The goal of the project is to qualify for Federal Transit Administration funding of the locally preferred alternative. FTA funds will have to be met with a local match that comes from the region.

The project partners include the cities of Portland, Milwaukie and Oregon City, Clackamas County, ODOT, and TriMet. Milwaukie's participation in this project, in terms of resource allocation, has been governed by an IGA that Council authorized in May of 2000 for a term that began in January of 2000 and expired in July of 2001. This IGA updates Milwaukie's contractual role in the project.

The main terms of the agreement include:

- A contract period that would apply retroactively from July of 2001 to June of 2003.

VI. B. 2 Report -- South Corridor IGA

- An upper limit on reimbursements from Metro to Milwaukie of \$55,000 to be paid as monthly invoices are submitted. \$15,000.00 of this is earmarked for technical work on the project and \$40,000.00 would be earmarked for public involvement work.
- There is no reimbursement for Local Advisory Group participation or representation on the Policy Group. (The Neighborhood Associations are Milwaukie's LAG and Brian Newman is our Policy Group rep.)
- A local match toward the FTA grant for the study that supports the project budget is to be paid from Milwaukie to Metro in the amount of \$5000.00
- A scope of work that details the responsibilities of each partner agency working on the project is organized by project task and attached in full. The project is structured according to the following tasks and Milwaukie has a role in each of them. Though listed here sequentially, several of these tasks run concurrently during the course of the project:
 1. Project Administration
 2. The Definition of Study Alternatives
 3. Preparation of Methods Reports
 4. Transit and Traffic Impact Analysis
 5. Physical and Social Environmental Impact Analysis
 6. Public Involvement
 7. Selection of a Locally Preferred Alternative
- The agreement is jointly-modifiable and jointly-severable at any time.
- The agreement is bound by a set of federal requirements because the project is seeking federal funding.

Concurrence

The agreement has been reviewed by the City Manager, Neighborhood Services Manager, Community Development Director and the City Attorney.

Fiscal Impact

In the short term, the agreement is fiscally neutral as it reimburses the city for most of the staff or consultant time spent on the project.

In the long term, it can aid in the successful procurement of federal funds for transportation infrastructure improvements within Milwaukie.

Work Load Impacts

The South Corridor project has an impact on work load in several areas of the organization. The City Manager is designated as the project manager from Milwaukie and his participation in monthly project meetings is required. Neighborhood Services is tapped for public involvement, technical work, and

administrative support. The project also impacts Community Development for technical work, especially within the engineering department for work on traffic and transportation. There is also an impact on Program Services for participation of the physical environmental impact analysis work. Finance is also required to support the project through tracking of time spent and billing information. Since the beginning of this fiscal year, the City's overall workload impact has averaged around 25 staff hours per month.

Alternatives

The Council can authorize the Mayor to sign a resolution adopting the IGA.

The Council can request modifications to the terms of the agreement.

The Council can reject the IGA and the resolution to adopt it.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, AUTHORIZING THE MAYOR TO SIGN AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF MILWAUKIE AND THE REGIONAL GOVERNMENT OF METRO FOR MILWAUKIE'S PARTICIPATION IN THE SOUTH CORRIDOR STUDY.

WHEREAS, The City of Milwaukie understands and recognizes the importance of collaborative intergovernmental partnerships and a formal agreement to facilitate the study of regional transportation problems and their solutions in the South Corridor; and

WHEREAS, The City fo Milwaukie and Metro desire to cooperate to ensure effective technical review and feedback by Milwaukie staff and ample opportunities for public involvement by Milwaukie citizens in the South Corridor Study process; and

WHEREAS, Metro will reimburse the City of Milwaukie for eligible staff time spent on the project and Milwaukie will benefit from the potential transportation plans and capital improvements that will emerge from the South Corridor Study to solve congestion problems and provide more transit options for citizens within its environs;

NOW, THEREFORE, BE IT RESOLVED that the Mayor is authorized to sign an Intergovernmental Agreement with Metro to provide for the terms of this South Corridor Study agreement, its associated attachments and project workplan.

Introduced and adopted by the City Council of the City of Milwaukie, Oregon, on April 2, 2002.

This resolution is effective on April 2, 2002.

James Bernard, Mayor

ATTEST:

APPROVED AS TO FORM:
Ramis, Crew, Corrigan & Bachrach, LLP

Pat DuVal, City Recorder

City Attorney

**INTERGOVERNMENTAL AGREEMENT FOR THE
SOUTH CORRIDOR SUPPLEMENTAL DRAFT ENVIRONMENTAL IMPACT
STATEMENT**

THIS AGREEMENT is entered into between Metro, a metropolitan service district organized under the laws of the State of Oregon and the 1992 Metro Charter, located at 600 N.E. Grand Avenue, Portland, Oregon 97232-2736, hereinafter referred to as METRO; and the City of Milwaukie, located at 6101 SE Johnson Creek Boulevard, Milwaukie, OR 97206, hereinafter referred to as the CITY OF MILWAUKIE.

Recitals:

WHEREAS, METRO and CITY OF MILWAUKIE desire to jointly accomplish a special study of the environmental impacts of transportation alternatives in the South Corridor between CITY OF MILWAUKIE, Oregon and the Portland Central Business District, a study hereinafter known as the South Corridor Study; and

WHEREAS, METRO is empowered by ORS 268.330(2) to contract with any public agency to plan for the environmental assessment, construction, preservation, improvement, operation or maintenance of any mass transit system having significant impact upon the development of the metropolitan area; and

WHEREAS, CITY OF MILWAUKIE has the authority under ORS Chapter 190 to enter into agreements with units of local government for the performance of any or all functions and activities that a party to the agreement, its officers, or agents have the authority to perform; and

WHEREAS, The participating jurisdictions include METRO, Tri-Met, the Oregon Department of Transportation (ODOT), Clackamas County, the City of Portland, the City of Milwaukie and the City of Oregon City; and

WHEREAS, Funding for the Supplemental Draft Environmental Impact Statement (SDEIS) is intended to consist of contributions from the Federal Transit Administration (FTA) and other local participant(s); and

VI. B.

WHEREAS, The Joint Policy Advisory Committee on Transportation (JPACT) recommended and the Metro Council adopted a work plan for the South Corridor Transportation Alternatives Study; and

WHEREAS, The Policy Group and public involvement efforts have narrowed the alternatives and design options, and have indicated which alternatives will continue to be studied in the SDEIS phase; and

WHEREAS, The SDEIS is planned for completion in October 2002, and the Locally Preferred Alternative (LPA) is to be selected by early 2003; and

WHEREAS, The Final Environmental Impact Statement (FEIS) would then be prepared, documenting the impacts of the LPA along with the Baseline Alternative, the Preliminary Engineering would begin, and the South Corridor would be the region's top priority for a transit authorization in the next federal reauthorization bill in October 2003.

NOW, THEREFORE, BE IT RESOLVED that in consideration of the mutual covenants herein set forth, METRO and CITY OF MILWAUKIE agree as follows:

1. Scope of Work

CITY OF MILWAUKIE shall perform the responsibilities and deliver the products indicated for each Task assigned to it in the Scope of Work which is attached hereto as Exhibit "A" and incorporated by reference as part of this Agreement.

2. Term of Agreement

The term of the Agreement shall commence upon execution by both parties, and terminate on June 30, 2003, unless terminated earlier under the provisions of the Agreement.

3. Obligations of METRO

- A. METRO is the lead agency and project manager for the South Corridor Supplemental Draft Environmental Impact Statement (SDEIS) and shall serve as liaison with the Federal Transit Administration (FTA), State of Oregon, and other participating jurisdictions in all substantive and procedural matters relating to the study.
- B. METRO shall administer funding, including the local match component for the South Corridor SDEIS, including all revenues and expenditures and ensure prompt payment of all invoices upon approval as outlined in the method of payment section of this Agreement.

- C. METRO shall promptly respond to requests by CITY OF MILWAUKIE for information and consultation regarding CITY OF MILWAUKIE's Scope of Work for the South Corridor SDEIS.
- D. METRO shall reimburse CITY OF MILWAUKIE for grant-eligible expenses incurred in the performance of South Corridor SDEIS for consultant and staff activities in accordance with the Scope of Work, budget and payment sections of this Agreement to the extent permitted by appropriate state and federal law.
- E. Metro shall inform CITY OF MILWAUKIE of any anticipated lack of funds which may prevent reimbursement of any expenses incurred in accordance with the Scope of Work.

4. Obligations of CITY OF MILWAUKIE

- A. CITY OF MILWAUKIE shall provide \$5,000 (Five Thousand and No/100ths Dollars) for local match on the South Corridor Study. Payment shall be due no later than December 1, 2001 to Metro.
- B. CITY OF MILWAUKIE shall perform those tasks identified and assigned to CITY OF MILWAUKIE within the Scope of Work (Exhibit A).
- C. CITY OF MILWAUKIE shall participate as required in the project's public involvement activities as outlined in the Scope of Work, and actively participate in the Public Involvement Team.
- D. CITY OF MILWAUKIE shall participate as outlined in the Scope of Work in the study's advisory committees, including the Technical Advisory Committee, Project Committee and Policy Committee.
- E. CITY OF MILWAUKIE shall maintain detailed and accurate records of all funds expended and all work performed with regard to this Agreement, and shall make such records available to METRO for inspection at any reasonable time, as specified in section 6.A. and 6.B, and in accordance with FTA grant requirements.
- F. CITY OF MILWAUKIE shall submit monthly invoices and progress reports describing progress and work completed. Reports will be in a format as prescribed by METRO.
- G. CITY OF MILWAUKIE shall perform all project activities in accordance with Federal requirements and include appropriate clauses in third party contractor responsibilities under Federal law, regulation or directive, including any necessary provisions requiring the contractor to impose applicable Federal requirements to its subcontractors to the lowest tier necessary.

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5. Compensation to CITY OF MILWAUKIE

- A. Total amount of this contract shall not exceed FIFTY FIVE THOUSAND AND NO/100TH DOLLARS (\$55,000.00) subject to the availability of revenue from Federal funding sources and annual appropriations by METRO. CITY OF MILWAUKIE shall be compensated for 100% of actual work performed as defined in the Scope of Work.
- B. The South Corridor SDEIS Budget, attached and incorporated herein as Exhibit B, prescribes the amounts that CITY OF MILWAUKIE shall be reimbursed for actual work performed.

6. Method of Payment

- A. For work completed, CITY OF MILWAUKIE shall send METRO monthly invoices accompanied with the description of the work performed totaling one hundred percent (100%) of the actual costs CITY OF MILWAUKIE has incurred up to the limits specified in Section 5 above. CITY OF MILWAUKIE shall submit the invoice in a format specified by METRO. These invoices shall document services provided by CITY OF MILWAUKIE itemized by task as specified in the Scope of Work and supported by documentation for reimbursable costs. METRO will review invoices for consistency with the Scope of Work, this Agreement and Federal regulations.
- B. All costs charged to the project shall be supported by properly executed payrolls, time records, invoices, contracts or vouchers evidencing the nature and relationship Scope of Work for any such charges as further detailed herein. For direct salary costs and fringe benefits, invoice documentation must consist of time sheets listing hours worked and a calculation of the applicable hourly payroll rate and fringe benefits earned based on actual time worked. Time sheets and other applicable fringe benefit information must be retained for inspection.

For direct non-salary costs, invoice documentation must consist of copies of invoices of costs, including but not limited to services performed by contractors, reproduction, computer and communication expense, postage, telephone, supplies and transportation. Major items of equipment required for the tasks identified in the Scope of Work cannot be reimbursed through this planning grant without advance written approval by FTA.

Direct costs will also include reasonable travel expenses that are directly related to production of a specific product in the Scope of Work, including meals, lodging, transportation, and incidental expenses for personnel while away from their headquarters overnight. Reimbursement for travel expenses shall be made in conformance with the established reimbursement policy of the agency claiming such

expenses. Reimbursement of consultant travel expenses shall be in accordance with the contract with the consultant and FTA grant eligibility requirements.

If CITY OF MILWAUKIE uses a project allocation system, CITY OF MILWAUKIE may submit project reports in lieu of time sheets and invoices, provided that the project allocation report consists of, at a minimum, the following elements: date, description (vendor name, employee name), reference number and cost.

An overhead rate may be used for portions of direct costs provided that the overhead rate is adjusted to the actual costs at least annually, and provided that no costs billed as part of the overhead rate are also billed directly. The overhead rate adjustment shall be reflected in an invoice at least annually.

CITY OF MILWAUKIE's invoice shall contain a statement signed by CITY OF MILWAUKIE's Project Manager certifying that the costs have been incurred in the performance of the Scope of Work.

- C. METRO will compensate CITY OF MILWAUKIE directly for each invoice after METRO has received reimbursement from funding sources consistent with section 5, above. METRO shall coordinate reimbursement requests and payments.

7. Project Managers

Overall coordination and the direction of the Project shall be provided by METRO's Project Manager. METRO's Project Manager is Ross Roberts. CITY OF MILWAUKIE's Project Manager is Mike Swanson. Any change of Project Manager by METRO or CITY OF MILWAUKIE shall be noticed in writing to the other party. Both parties will make a good faith effort to provide 30 days notice of a change in Project Managers.

8. Notices

All notices provided for hereunder shall be in writing and sufficient if deposited in the United States mail, postage prepaid, to the parties addressed as indicated below:

METRO
 Ross Roberts
 Metro Transportation Department
 600 NE Grand Avenue
 Portland, OR 97232-2736

CITY of MILWAUKIE
 Mike Swanson
 City Manager, City Hall
 10722 SE Main Street
 Milwaukie, OR 97222

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9. Liability and Indemnity

CITY OF MILWAUKIE shall indemnify METRO for and hold METRO harmless from all claims arising out of the negligent acts or omissions caused by CITY OF MILWAUKIE or CITY OF MILWAUKIE's officers, employees, or agents, subject to the provisions of the Oregon Tort Claims Act and the Oregon Constitution. CITY OF MILWAUKIE shall be liable to METRO for any damage to METRO's property or injury to METRO's officers, employees, or agents caused by CITY OF MILWAUKIE, subject to the provisions of the Oregon Tort Claims Act and the Oregon Constitution.

METRO shall indemnify CITY OF MILWAUKIE for, and hold CITY OF MILWAUKIE harmless from, all claims arising out of the negligent acts or omissions caused by METRO or METRO's officers, employees, or agents, subject to the provisions of the Oregon Tort Claims Act and the Oregon Constitution. METRO shall be liable to CITY OF MILWAUKIE for any damage to CITY OF MILWAUKIE's property or injury to CITY OF MILWAUKIE's officers, employees, or agents caused by METRO subject to the provisions of the Oregon Tort Claims Act and the Oregon Constitution.

10. Termination for Default

CITY OF MILWAUKIE shall be deemed to be in material breach if it fails to comply with any provisions of this Agreement or if its progress in performance of its obligations is so unsatisfactory that contract performance of the Scope of Work of this Agreement is seriously impaired. Prior to termination under this provision, METRO shall provide CITY OF MILWAUKIE with written notice of default and allow CITY OF MILWAUKIE thirty (30) days within which to cure the defect. In the event CITY OF MILWAUKIE does not cure the defect within thirty (30) days, METRO may terminate all or any part of this Agreement for default. CITY OF MILWAUKIE shall be paid the contract price only for services performed in accordance with the manner of performance set forth in this Agreement.

If, after notice of termination, the parties agree or a court finds that CITY OF MILWAUKIE was not in default or that the default was excusable, such as a strike, fire, flood, or other event that is not the fault of, or is beyond the control of CITY OF MILWAUKIE, METRO may allow CITY OF MILWAUKIE to continue work, or may treat the termination as a termination for convenience, in which case the rights of the parties shall be the same as if the termination had been for METRO's convenience.

11. Termination for Convenience

METRO or CITY OF MILWAUKIE may terminate all or part of this contract upon determining that termination is in the public interest. Termination under this paragraph shall be effective upon delivery of written notice of termination to METRO or CITY OF MILWAUKIE. Upon termination under this paragraph, CITY OF MILWAUKIE shall be

entitled to payment in accordance with the terms of the contract for contract work completed before termination, and to payment for all reasonable contract close-out costs. Within thirty (30) days after termination pursuant to this paragraph, CITY OF MILWAUKIE shall submit itemized invoice for all unreimbursed work within the Scope of Work of this Agreement completed before termination and all closeout costs actually incurred by CITY OF MILWAUKIE. METRO shall not be liable for any costs invoiced later than thirty (30) days after termination unless CITY OF MILWAUKIE can show good cause beyond its control for the delay.

12. Applicable Laws

This Agreement shall be governed by the laws of the State of Oregon. All applicable provisions of ORS chapters 187 and 279, and all other terms and conditions necessary to be inserted into public contracts in the State of Oregon, are hereby incorporated as if such provision were a part of this Agreement, including but not limited to ORS 279.015 to 279.320 and 279.555.

Specifically, it is a condition of this Agreement that contractor and all employers working under this Agreement are subject to employers under the Oregon Worker's Compensation Law and shall comply with ORS 656.017 which requires them to provide worker's compensation for all their subject workers.

13. Documents are Public Property

All records, reports, data, documents, systems and concepts, whether in the form of writings, figures, graphs, or models which are prepared or developed in connection with the South Corridor Supplemental Draft Environmental Impact Statement shall become public property. All work products provided by METRO pursuant to this Agreement shall be made available to CITY OF MILWAUKIE, and all work products provided by CITY OF MILWAUKIE pursuant to this Agreement shall be made available to METRO.

14. Project Records

Comprehensive records and documentation relating to the Scope of Work for this study shall be maintained by METRO, CITY OF MILWAUKIE and all of their contractors.

Each party shall establish and maintain books, records, documents, and other evidence of accounting procedures and practices, sufficient to properly reflect all direct and indirect costs of whatever nature claimed to have been incurred and anticipated to be incurred for the performance of this Agreement. To facilitate the administration of the project, separate accounts shall be established and maintained within METRO's existing accounting system or set up independently. Such accounts are referred to herein collectively as the "Project Account." CITY OF MILWAUKIE shall charge to a Project Account all eligible costs of the

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project. Costs in excess of the latest approved budget, not performed in accordance with the Scope of Work or attributable to actions which have not received the required approval of METRO, shall not be considered eligible costs.

15. Consultant Selection

CITY OF MILWAUKIE shall include a representative appointed by METRO on the Selection Committee for all consultant contracts or other agreements related to this agreement. CITY OF MILWAUKIE shall notify METRO of its intent to contract in a timely manner. Notification of such agreement opportunities shall be made to:

Mr. Ross Roberts
Metro Transportation Department
600 NE Grand Avenue
Portland, Oregon 97232-2736
(503) 797-1752

16. Audits, Inspections, and Retention of Records

METRO, the State of Oregon Secretary of State, the Oregon Department of Transportation the Federal Transit Administration and any of their representatives, shall have full access to and the right to examine, during normal business hours and as often as they deem necessary, all of CITY OF MILWAUKIE's and METRO's records with respect to all matters covered by this Agreement. Such representatives shall be permitted to audit, examine and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls and other matters covered by this Agreement. All documents, papers, time sheets, accounting records and other materials pertaining to costs incurred in connection with the study shall be retained by CITY OF MILWAUKIE and METRO and all of their contractors for three years from the date of completion of the project, or expiration of the grant agreement, whichever is later, to facilitate any audits or inspection.

A final determination of the allowability of costs charged to the study may be made on the basis of an audit or other review. METRO shall notify CITY OF MILWAUKIE of any disallowed amounts stating the reasons therefor. Any funds paid to CITY OF MILWAUKIE in excess of the amount to which CITY OF MILWAUKIE is finally determined to be entitled under the terms of this Agreement constitute a debt to METRO, and shall be returned by CITY OF MILWAUKIE to METRO. Disputes regarding eligible costs shall be resolved as detailed in the attached Exhibit C, Federal Requirements under item No.17, Dispute Resolution.

17. Sub-Recipient

A sub-recipient is a non-federal entity that expends federal funds received from a pass-through entity to carry out a federally funded program. Sub-recipients of federal funds are subject to compliance requirements of the federal program. The parties acknowledge and hereby agree that CITY OF MILWAUKIE shall be deemed a sub-recipient of Federal Transit Administration (FTA) Funds received through this Intergovernmental Agreement.

18. Compliance With Laws and Regulations

METRO and CITY OF MILWAUKIE shall adhere to all applicable federal, state, and local laws, regulations and policies including, but not limited to those included in "Exhibit C, Federal Requirements," and those related to Workers' Compensation, those in FTA's regulation called the "common rule" and its attachments, those of the Contract Work Hours and Safety Standards Act, and those relating to equal employment opportunity, nondiscrimination, and affirmative action including, but not limited to, those regulations implementing Executive Order No. 11246 of the President of the United States and Section 402 of the Vietnam Readjustment Act of 1973. METRO and CITY OF MILWAUKIE shall adhere to all safety standards and regulations established by METRO for work performed on its premises or under its auspices.

19. Subcontract Inclusions

CITY OF MILWAUKIE shall include language substantially similar to the language contained in Exhibit C, Federal Requirements, in all subcontracts entered into pursuant to this Agreement.

20. Copyright, Patent Rights, Trademarks, and Trade Secrets

CITY OF MILWAUKIE shall hold METRO harmless, indemnify and pay the entire cost of defending any claim or suit brought against METRO for alleged infringement of a copyright, patent, trademark, or trade secret based on work products supplied by CITY OF MILWAUKIE or infringements caused by CITY OF MILWAUKIE subject to the limits of the Oregon Tort Claims Act and the Oregon Constitution.

METRO shall hold CITY OF MILWAUKIE harmless, indemnify and pay the entire cost of defending any claim or suit brought against CITY OF MILWAUKIE for alleged infringement of a copyright, patent, trademark, or trade secret based on work products supplied by METRO or infringements caused by METRO subject to the limits of the Oregon Tort Claims Act and the Oregon Constitution.

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21. Subcontractors and Assignments

Neither METRO nor CITY OF MILWAUKIE shall assign any of their respective rights acquired hereunder without obtaining prior written approval from the other party. Any attempted assignment of this Agreement without the written consent of both parties shall be void. Neither CITY OF MILWAUKIE nor METRO by this Agreement incurs any liability to third persons for payment of any compensation provided herein to METRO or CITY OF MILWAUKIE except as provided under the terms of this Agreement.

22. Quality of Work

CITY OF MILWAUKIE and METRO agree that all work shall be completed in a manner consistent with common standards for similar work. In this regard, CITY OF MILWAUKIE and METRO will make every effort to respect to the quality of work expected for this project, and to undertake their work accordingly. Time of performance will be a critical factor in the success of this effort. CITY OF MILWAUKIE and METRO shall make every effort to comply with their obligations during the performance of activities under the study.

23. Reports

Publication of all reports shall give credit to the funding parties (the Federal Transit Administration and Metro). The following statement will be included in each report:

"Preparation of report has been funded in part by the Federal Transit Administration and Metro. The opinions, findings and conclusions expressed in this report are those of the authors and are not necessarily those of the Federal Transit Administration or Metro."

24. Labor and Material

CITY OF MILWAUKIE shall provide and pay for all labor, materials, equipment, tools, water, heat, utilities, transportation, and other facilities and services necessary for the proper execution and completion of all tasks identified in the Scope of Work, all at no cost to METRO other than the compensation provided in this Agreement.

25. Agreement Modifications

Either party may request changes in these provisions. Such changes which are mutually agreed upon shall be incorporated as written amendments to this Agreement. No variation or alteration of the terms of this Agreement shall be valid unless made in writing and signed by authorized representatives of the parties hereto.

26. Severability

If any covenant or provision in this Agreement shall be adjudged void, such adjudication shall not affect the validity, obligation, or performance of any other covenant or provision which in itself is valid, if such remainder would then continue to conform with the terms and requirements of applicable law and the intent of this contract.

IN WITNESS THEREOF, the parties have executed this Agreement on the last day, month and year of the signatures below.

METRO:

CITY OF MILWAUKIE:

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

APPROVED AS TO FORM:

By: _____

Name: _____

Title: _____

Date: _____

EXHIBITS:

- A: Scope of Work
- B. South Corridor SDEIS Budget
- C: Federal Requirements

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To: Mayor and City Council

Through: Mike Swanson, City Manager
Alice Rouyer, Community Development Director

From: Roosevelt Carter, Program Services Coordinator

Subject: NDA Park Land Use Fee Waivers

Date: April 2, 2002 City Council Meeting

Recommendation/Action Requested

Adopt a resolution waiving fees for NDA park land use applications.

Background

City of Milwaukie Resolution No. 15 - 1997 directed " . . . staff to collect all development permit fees due to the City." Resolution No. 26 - 1999 provided a waiver of "appeal fees for administrative and quasi-judicial land use decisions for City-recognized Neighborhood District Associations."

The proposed resolution will extend fee waivers to all NDA sponsored park land-use applications for the following reasons:

1. NDA citizens generally contribute a great deal of volunteer labor toward maintaining and enhancing land banked parcels;
2. NDA's use various funding sources available to them to fund land use processes related to park site design and even development. These sources of funding have included:
 - Neighborhood Services Grants
(The City revenue source for the grant program is the general fund. Land use application fees provide revenue to the general fund, effectively resulting in no net change to the general fund and reducing the NDA's ability to fund other community projects.)
 - Community events like garage sales and raffles
 - Solicitations from other neighborhood groups.
 - Donations from local businesses.

Since most application fees will be funded from the NDA grant program and neighborhood leaders and members provide a great deal of financial support and volunteer labor toward planning, designing and development of new City parks, staff recommends that the fees normally charged for land use actions related to parks be waived when submitted by NDAs.

Concurrence

JoAnn Herrigel, project manager for Parks' projects in the City has requested this amendment on behalf of the NDAs.

Fiscal Impact

Fees charged by the planning department for land use action applications are intended to cover the staff time and materials involved in staff review, mailings to adjacent property owners and interested parties, reports to planning commission and public notice signs.

Finalizing designs for parks typically involves the following land use applications:

Master Plan adoption into the Comprehensive plan	
Comprehensive Plan/Map amendment	\$3,210
Community service overlay	<u>1,430</u>
Total land use and application cost	\$4,640

Although the total planning fees lost with the passage of this resolution is significant, funds for the above land use projects would have to come from the neighborhood grant funds provided to the NDAs by the City. The NDAs would, in effect, be paying the City with City funds.

Work Load Impacts

This resolution would not impact workloads of planning staff or the Program Services Coordinator.

Attachment "A": NDA Fee Waiver Resolution

EXHIBIT A

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON,
EXTENDING FEE WAIVERS TO ALL NEIGHBORHOOD DISTRICT ASSOCIATION
SPONSORED PARK LAND USE APPLICATIONS.**

WHEREAS, Resolution No. 15-1997 directed City staff to collect the full permit fee due on every application from every applicant; and

WHEREAS, Resolution No. 26-1999 waived appeal fees for administrative and quasi-judicial land use decisions for City recognized neighborhood district associations; and

WHEREAS, The City supports Neighborhood District Associations if efforts to develop neighborhood parks;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MILWAUKIE THAT:

The staff shall extend fee waivers to all City-recognized Neighborhood District Association sponsored park land use applications.

Introduced and adopted by the City Council of the City of Milwaukie, Oregon, on March 5, 2002.

Effective Date: April 1, 2002

James Bernard, Mayor



To: Mayor and City Council

Through: Mike Swanson, City Manager

From: Steve Smith, Finance Director
Pat DuVal, City Recorder

Subject: Adopt Local Contract Review Board Rules

Date: March 11, 2002

Action Requested

Approve a resolution adopting Local Contract Review Board Rules and repealing Resolution 35-1994.

Background

Milwaukie Municipal Code Chapter 3.05 (Ordinance. 1771 § 2, 1994) designates the City Council as the Local Contract Review Board for contractual matters relating to the City. In addition to the Board's powers granted by state law, it also has the authority to adopt rules governing the awarding of public contracts.

In the course of reviewing recent City requests for proposals and bids, the City Attorney pointed out some needed updates to the current Local Contract Review Board Rules. The proposed resolution repeals Resolution 35-1994, adopted August 16, 1994, and adopts current rules that apply to all contracting, purchasing, and disposing of property by the City of Milwaukie.

The proposed rule changes are numerous from those adopted in 1994; however, they can generally be described as clarifying and updating the procedures City staff must go through when expending public funds. The amendments more accurately reflect Milwaukie's current internal structure and the way it does business, and the rule can be more readily updated if the need arises in the future.

Concurrence

The City Attorney recommended the proposed Local Contract Review Board Rule amendments which were reviewed by the Finance Department and Office of the City Recorder. Human Resources will coordinate training sessions for staff.

Fiscal Impact

Adoption of these rules is essentially revenue neutral. Some expense will be incurred as staff updates the City's existing financial procedures, and training is planned for all employees involved in public contracting. These expenses, however, will likely be offset by more efficient internal operations.

Work Load Impacts

Employees involved with public contracting will attend training during which the City Attorney will provide general information relating to state law. City staff involved with contract administration will review updated internal financial procedures.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, REPEALING RESOLUTION 35-1994, THE LOCAL CONTRACT REVIEW BOARD ADMINISTRATIVE RULES AND ADOPTING NEW ADMINISTRATIVE RULES.

WHEREAS, the City of Milwaukie has found it beneficial to update its Local Contract Review Board's Administrative Rules; and

WHEREAS, the City of Milwaukie finds that there will be future need for the City to enter into public contracts;

NOW, THEREFORE, BE IT RESOLVED by the City of Milwaukie, Oregon:

Section 1: Resolution 35-1994, Administrative Rules, adopted August 16, 1994, is hereby repealed and replaced by this resolution.

Section 2: Adoption of Rules. The City Council, as the Local Contract Review Board hereby adopts rules attached as Exhibit A pursuant to the authority granted the Board by Milwaukie Municipal Code Chapter 3.05, Local Contract Review Board (Ord 1771 § 2, 1994). These rules shall apply to all contracting, purchasing, and disposing of property by the City of Milwaukie.

Introduced and adopted by the City Council of the City of Milwaukie, Oregon, on April 2, 2002.

This resolution becomes effective April 2, 2002.

James Bernard, Mayor

ATTEST:

Pat DuVal, City Recorder

APPROVED AS TO FORM:

Ramis, Crew, Corrigan & Bachrach, LLP

EXHIBIT A

City of Milwaukie

Local Contract Review Board Rules

If you would like a copy of this exhibit please contact Tim Salyers (503-786-7409) or Barb Kwapich (503-786-7504) in the Office of City Recorder. If you are a City employee and would like a copy it is located on the 'S' drive under Financial Procedures/Contract Rules.

"EXHIBIT A"

CITY OF MILWAUKIE

LOCAL CONTRACT REVIEW BOARD RULES

The following Public Contracting Rules (PCR) have been adopted by the City Council acting as the Local Contract Review Board pursuant to the authority granted to the Board by Municipal Code Section 3.05.030C. The rules apply to all contracting, purchasing, and disposing of personal property by the City of Milwaukie but do not apply to acquisition, sale or other transfer of real property.

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MILWAUKIE LOCAL CONTRACT REVIEW BOARD

ADMINISTRATIVE RULES

PCR 10.000 Contracts Exempt from Competitive Process**10.010 Exemptions and Definitions.**

All public contracts shall be based upon competitive bidding or a competitive proposal process except the following:

- a. Contracts made with other public agencies.
- b. Contracts which are exclusively for personal services as determined by application of PCR 70.010. Such contracts may include incidental materials such as written reports, architectural or engineering renderings, and similar supplemental materials.
- c. Contracts specifically exempt under these rules:

- | | |
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d. As used in this Section:

- (1) "Board" means the City of Milwaukie Local Contract Review Board.
- (2) "City" or "The City" means Milwaukie, Oregon.
- (3) "Competitive bidding" means the competitive bidding procedure set forth in PCR 30.002 through 30.155.
- (4) "Competitive quotes" means the solicitation of offers by the City from competing vendors. The solicitation may be by advertisement or by the City initiating a request to vendors to make an offer. The solicitation and the offer may be written or oral.
- (5) "Invitation to bid" means the solicitation of competitive bids in which price among those bidders meeting specifications will be the predominant award criterion.
- (6) "Personal property" means everything subject to ownership which is not real property and has exchangeable value.
- (7) "Public agency" means any federal, state or local government, or any department of any federal, state or local government, including any local school or education district or any special district.
- (8) "Request for Proposal" means the solicitation of competitive proposals to be used as a basis for making an acquisition or entering into contract when price will not necessarily be the primary award criterion.
- (9) "Requirements contract" means an agreement in which the vendor agrees to supply all goods or services of a particular type ordered by the City within a specified time period on terms specified in the requirements contract.
- (10) "Service" means work performed to meet a demand, especially work that is not connected with manufacturing a product.
- (11) "Service contract" means a contract that calls primarily for a contractor's time and effort rather than an end product.
- (12) "Telecommunications Services" means the lease or rental of the use of voice and data transmission facilities or services, or of central office services, but does not include acquisition of switch or station equipment or acquisition or installation of wire and cable.

10.015 Exemption of Contracts under Certain Dollar Amounts

Public Contracts

The City may, in its discretion, let public contracts not to exceed \$25,000 without competitive bidding, if the following conditions are complied with:

- a. The contract is for a single project and is not a component of or related to any other project.
- b. When the amount of the contract does not exceed \$2,500, the City should, where feasible, obtain competitive quotes.
- c. When the amount of the contract is more than \$2,500, but less than \$25,000, the City shall obtain a minimum of three competitive quotes. The City shall keep a written record of the source and amount of the quotes received. If three quotes are not available, a lesser number will suffice provided that a written record is made of the effort to obtain the quotes.

10.020 Contracts for Price Regulated Items

The City may, without competitive bidding, contract for the purchase of the goods or services where the rate or price for the goods or services being purchased is established by federal, state, or local regulatory authority.

10.025 Copyrighted Materials

If the contract is for the purchase of copyrighted materials and there is only one supplier available for such goods, the City may contract for the purchase of the goods without competitive bidding.

10.030 Library Aggregate Purchases – Library Periodicals

1. Purchases of library materials for the City library pursuant to the exception rule, PCR 10.015 (1), are exempt from the \$25,000 aggregate restriction of that rule.
2. Purchases for the library of subscriptions for periodicals including journals, magazines, and similar publications may be made without competitive bidding.

10.035 Advertising Contracts

The City may purchase advertising without competitive bidding.

10.040 Equipment Maintenance, Repair, and Overhaul

Contracts for equipment maintenance, repair, or overhaul may be let without competitive bidding, subject to the following conditions:

- a. The services and/or parts required are unknown and the cost cannot be determined without extensive preliminary dismantling or testing; or

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b. The services and/or parts required are for sophisticated equipment for which specially trained personnel are required and such personnel are available from only one source.

10.045 Purchases of Used Personal Property

Subject to the provisions of this rule, the City may purchase used personal property without competitive bidding and without obtaining competitive quotes if the City Manager or a City Department Head has determined the purchase will result in cost savings and will not diminish competition or encourage favoritism. "Used personal property or equipment" is property or equipment which has been placed in use by a previous owner or user for a period of time recognized in the relevant trade or industry as "used" at the time of the purchase. "Used personal property or equipment" generally does not include property or equipment if the City was the previous user, whether under a lease, as part of a demonstration, trial project, or similar arrangement.

a. For purchases of used property or equipment, the City shall obtain three competitive quotes.

b. If three quotes are not available, a written record must be made of the attempt to obtain quotes.

c. If the total purchase is estimated to exceed the maximum dollar limitation stated in PCR 10.015, the Department shall submit a written request for written approval from that City Manager prior to making the purchase.

10.050 Purchases Under Established Requirements Contracts

When the price of goods and services has been established requirements contract, the City may purchase goods and services from the supplier without subsequent competitive bidding.

10.055 Gasoline, Diesel Fuel, Heating Oil, Lubricants and Asphalt

1. The City may, without competitive bidding, purchase gasoline, heating oil, lubricants, and asphalt subject to the following:

a. Prior to selection of the contractor, the City gets quotes from at least three vendors in the area;

b. The City makes its purchase from the least expensive source of those providing quotes; and

c. The City retains written justification for the purchase made.

10.065 Investment Contracts

The City may, without competitive bidding, contract for the purpose of the investment of public funds or the borrowing of funds by the City when such investment or borrowing is contracted pursuant to duly enacted statute, ordinance, charter, or constitution.

10.070 Insurance Contracts

Contracts for insurance where either the annual or aggregate premium exceeds \$5,000 must be let by formal competitive bidding or by one of the following procedures:

a. Agent of Record.

The City may appoint a licensed insurance agent ("agent of record") to perform insurance services in connection with more than one insurance contract. Among the services to be provided is the securing of competitive proposals from insurance carriers for all coverages for which the agent of record is given responsibility. Proposals for coverage are presented to the City Manager or designee for approval:

(1) Prior to the selection of an agent of record, the City shall make reasonable efforts to inform known insurance agents in the competitive market area that it is considering such selection. These efforts shall include a public advertisement in at least one newspaper of general circulation in the area. The advertisement shall generally describe the nature of the insurance that the City will require. If the amount of the annual premium for insurance other than employee benefits insurance is likely to exceed \$10,000 per year, such notice shall also include a public advertisement in at least one insurance trade publication of general circulation in the state.

(2) An agent's appointment shall not exceed a period of 3 years, but the same agent(s) may be selected in a subsequent period. Agents must qualify the appointments prior to each period as if each appointment period were the first.

(3) In selecting an agent of record, the City shall select the agent(s) most likely to perform the most cost effective services.

b. Specific Proposals for Insurance Contracts. The City may solicit proposals from licensed insurance agents for the purpose of acquiring specific insurance contracts subject to the following conditions:

(1) The City shall make reasonable efforts to inform known insurance agents in the competitive market area of the subject matter of the contract and to solicit proposals for providing the services required in connection with that contract. Such efforts shall include public advertisements in at least one newspaper of general circulation in the area. If the amount of annual premium for insurance other than employee benefits insurance is likely to exceed \$10,000 per year, such notice shall also include a public investment in at least one insurance trade publication of general circulation in the state.

(2) The City shall select an agent on the basis of the most competitive offer considering coverage, premium cost, and service to be provided.

10.075 Employee Benefit Insurance

The City may purchase employee benefit insurance without competitive bidding.

10.080 Data, Word Processing, and Telecommunications Contracts

Contracts for acquisition of data and word processing hardware and system software and for telecommunications system hardware and software may be let using alternative competitive procurement methods subject to the following conditions:

- a. If the contract amount does not exceed \$25,000, the City shall, at a minimum, solicit proposals from three or more vendors. Justification of award shall be documented.
- b. If the contract amount exceeds \$25,000, the City shall either use competitive bidding or the request for proposal process.

10.083 Office Copier Purchases

- 1. The City may enter into one or more requirements contracts for the purchase or lease of photocopiers.
- 2. In exercising this exemption, the City shall consider the operating capabilities, limitations, and cost of each brand or model as well as cost and select the brand and vendor that will produce the best combination of performance and cost per copy for each application.

10.085 Single Seller of Product or Service

1. General

Subject to all requirements of PCR 10.085, the City may purchase without competitive bidding if there is only one seller of a product or service of the quality required, or if the efficient utilization of existing equipment or supplies requires specification of a compatible product for which there is only one seller.

2. Telecommunications Services

a The City may award a contract for telecommunications services without competitive bidding if it determines that no competition exists among services suppliers. In determining whether competition exists, the City may consider the following factors:

c. The extent to which alternative providers exist in the relevant geographic and service market. The relevant market will vary from service category to service category and cannot be predetermined in advance.

d.

c. The extent to which alternative services offered are comparable or substitutable in technology, service provided, and performance. For example, if the City's requirement is for digital services, analog services are not comparable or substitutable.

d. The extent to which alternative providers can respond to the City's interests in consistency and continuity of services throughout its service area, volume discounts, and centralized management. The City must document for the record its findings on these factors or any other factors used in determining whether competition exists. In developing its findings, the City may solicit information either through formal telephone or written contacts through a formal Request for Information.

10.090 Contract Amendments (Including Change Orders and Extra Work)

Any contract amendment for additional work including change orders, extra work, field orders, or other change in the original specifications which increases the original contract price, may be made with the contractor without competitive bidding subject to the following conditions:

- a. The original contract was let by competitive bidding, unit prices or bid alternates were provided that established the cost for additional work, and a binding obligation exists on the parties covering the terms and conditions of the additional work; or
- b. The amount of the aggregate cost increase resulting from all amendments does not exceed 20% of the initial contract. Amendments made pursuant to section (a) of this rule are not included in computing the aggregate amount under this section.

10.100 Affirmative Action Contracts

1. Public contracts may be awarded without competitive bidding pursuant to a specific Affirmative Action plan. Affirmative Action is a program designed to insure equal opportunity in employment and business for persons otherwise disadvantaged by reason of race, color, religion, sex, national origin, age, or physical or mental handicap, including but not limited to, personnel practices of contractors, "set-aside" programs, and minority business enterprises.
2. No provisions contained in Chapter 771, Oregon Law 1975, shall be construed to prohibit the City from engaging in bidding and contracting practices designed to accomplish affirmative action goals for disadvantaged or minority groups.
3. In carrying out the affirmative action policy, by appropriate ordinance, resolution or administrative rule, the City may limit competitive bidding on a public contract for procurement of goods and services or on any other public contract estimated to cost \$50,000 or less to contracting entities owned or controlled by persons described in subsection (1) of this section.

10.115 Purchase Off Contract by Other Public Agencies

1. The City may purchase any good or service without competitive bidding if the good or service is purchased from a bidder that has been awarded a contract for the same

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good or service, whether by a requirements contract or by individual contract by another public agency through its public contract purchasing procedures if:

- a. The original contract met the requirements of ORS Chapter 279;
 - b. The contract allows other public agency usage of the contract;
 - c. The original contracting public agency agrees to the use of the original contract; and
 - d. The purchase is on the same terms, or terms which are no less favorable to the purchase in all material respects, as the contract awarded by the public agency.
2. A purchase under the Oregon Cooperative Purchasing Program shall be considered an exempt purchase under this exemption.

10.120 Oil or Hazardous Material Removal

1. The City may enter into public contracts without competitive bidding when ordered to clean up oil or hazardous waste pursuant to the authority granted the Department of Environmental Quality (DEQ) under ORS Chapter 466, especially ORS 466.605 through 466.680, and this order necessitates the prompt establishment and performance of the contract in order to comply with the statutes regarding spill or release of oil or hazardous material that has created an emergency condition. Comprehensive cleanup rules are set forth in OAR 340-122-205 to 340-122-360. In exercising its authority under this exemption, the City shall:

- a. To the extent reasonable under the circumstances, encourage competition by attempting to make informal solicitations or to obtain informal quotes from potential suppliers of good or service.
- b. Make written findings describing the circumstances requiring cleanup or a copy of the DEQ order ordering such cleanup.
- c. Record the measures taken under subsection (a) of this section to encourage competition, the amount of the quotes or proposals obtained, if any, and the reason for selection the contractor selected.

2. The City shall not contract pursuant to this exemption in the absence of an order from DEQ to clean up a site with a time limitation that would not permit hiring a contractor under the usual competitive bidding procedures.

10.130 Individual Exemptions

1. The Board may exempt individual contracts under ORS 279.015 (2). Before adoption of findings to support an individual exemption, the City shall hold a public hearing.

a. Notification of the public hearing shall be published in at least one trade newspaper of general statewide circulation a minimum of 14 days prior to the hearing.

b. The notice shall state that the public hearing is for the purpose of taking comments on the City's draft findings for an exemption from the competitive bidding requirement. At the time of the notice, copies of the draft findings shall be made available to the public. At the option of the City, the notice may describe the process by which the findings are finally adopted and may indicate the opportunity for any further public comment.

c. At the public hearing, the City shall offer an opportunity for any interested party to appear and present comment.

d. If the City is required to act promptly due to circumstances beyond its control that do not constitute an emergency, notification of the public hearing can be published simultaneously with the City's solicitation of contractors for the alternative public contracting method, as long as responses to the solicitation are due at least five days after the meeting and approval of the findings.

2. Upon completion of and final payment for any public improvement contract in excess of \$1,000,000 for which the City did not use the competitive bidding or competitive proposal process, the City shall prepare and deliver to the Local Contract Review Board an evaluation of the public improvement project. The evaluation shall include but not be limited to:

a. The actual project cost as compared with original project estimates.

b. The amount of any guaranteed maximum price, the number of project change orders issued.

c. A narrative description of successes and failures during the design, engineering and construction of the project.

d. An objective assessment of the use of the alternative contracting process as compared to the findings required by ORS 270.015.

3. Evaluations required by this section shall be made available for public inspection.

10.140 Neighborhood District Association (NDA) Contracts

The City's Neighborhood District Associations (NDA) function independently of the City without the support of City staff. Contracts entered into by NDAs are totally exempt from these rules. The City is not responsible for any debt incurred by an NDA.

PCR 15.000 REQUIREMENTS CONTRACTS

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15.010 Requirements Contracts

The City may enter into requirements contracts providing the following conditions are met:

- a. The contract is awarded by competitive bidding or a request for proposals.
- b. The term of the contract including renewals does not exceed 5 years.

PCR 20.000 BRAND NAMES OR MARKS

20.010 Specification of Particular Brand Names or Products

1. Specifications for public contracts shall not expressly or implicitly require any product of any particular manufacturer or seller except pursuant to an exemption under PCR 20.020 (Copyrighted Materials), 20.030 (Single Manufacturer or Compatible Products), 20.040 (Product Pre-qualification), or 20.050 (Brand Name or Mark Exemption Applications).
2. If there is no other practical method of specification, the City may designate a particular brand name, make or product "or equal", but this practice should be avoided whenever possible.

20.020 Copyrighted Materials

The City may specify a specific copyrighted product. This exemption does not include patented or trade mark goods.

20.030 Single Manufacturer or Compatible Products

1. If there is only one manufacturer or seller of a product of the quality required, or if the required product is data processing equipment which will be used for research where there are requirements for exchange of software and data with other research establishments, or if the efficient utilization of the existing equipment or supplies requires a compatible product of a particular manufacturer or seller, the City may specify such particular product subject to the following conditions:
 - a. The product is selected on the basis of the most competitive offer considering quality and cost. The term "cost" includes not only the product price, but also other items of expense such as costs related to quality of conversion.
 - b. Prior to awarding the contract, the City has made reasonable effort to notify known vendors of competing or comparable products of the intended specifications and invited such vendors to submit competing proposals.
 - c. If the purchase does not exceed \$25,000, such notice and invitation may be informal.

d. If the amount of the purchase exceeds \$25,000, such notice shall include advertisement in at least one newspaper of general circulation in the area where the contract is to be performed and shall be timely to allow competing vendors a reasonable opportunity to make proposals.

2. If the amount of the purchase exceeds \$25,000 and is not also pursuant to the data, word processing, and telecommunications exemption (PCR 10.080), the City shall document its actions in the bid file. Such documentation shall include:

a. A brief description of the proposed contract or contracts.

b. A detailed description of the reasons why the product and/or seller was selected and any competing products and/or sellers that were rejected. The description shall also include the efforts taken by the City to notify and invite proposals from competing vendors.

3. If the City intends to make several purchases of the product of a particular manufacturer or seller for a period not to exceed 2 years, it may so state in the documentation required by subsection (1)(b) and (2) of this rule, and such documentation shall be sufficient notice as to subsequent purchases.

20.040 Product Pre-qualification

1. When it is impractical to create specific design or performance specification for a type of product to be purchased, the City may specify a list of approved products by reference to particular manufacturers or sellers according to the following product pre-qualification procedure:

a. The City has made reasonable efforts to notify known manufacturers or vendors of competitive products of its intention to accept applications for inclusion in its list of pre-qualified products. Notification shall include advertisement in a trade journal of statewide distribution when possible. In lieu of advertising, the City may notify vendors and manufacturers appearing on the appropriate list maintained by the Department of General Services of the State of Oregon.

b. The City permits application for pre-qualification of similar products up to 15 days prior to advertisement for bids on the product.

2. If an application for inclusion in a list of pre-qualified products is denied, or an existing pre-qualification revoked, the City shall notify the applicant in writing. The applicant may appeal to the Board for a review of the denial or revocation in the same manner as an appeal of disqualification or denial provided in PCR 30.110(5).

20.050 Brand Name or Mark Exemption Applications

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1. The City may apply for and receive a brand name or mark exemption ruling from the Board for current and contemplated future purchases. Applications shall contain the following information:

- a. A brief description of the contract or contracts to be covered. The description should include contemplated future purchases.
- b. The brand name, mark or product to be specified.
- c. The reasons the City is seeking the exemption.

20.060 Conditions of Brand Name Exemptions

The Board may grant exemptions if any of the following conditions are met:

- a. The exemption is not likely to encourage favoritism in public contracts or substantially diminish competition and will result in cost savings.
- b. There is only one manufacturer or seller of the product of the quality required, or efficient utilization of existing equipment or supplies requires acquisition of compatible equipment or supplies.

PCR 25.000 EMERGING SMALL BUSINESSES

25.010 Emerging Small Businesses

The City shall pursue a policy of providing opportunities for available contracts to emerging small business and shall cooperate with the Advocate for Minority, Women and Emerging Small Business to determine the best means by which to make such opportunities available.

PCR 30.000 COMPETITIVE BIDDING AND REQUEST FOR PROPOSAL PROCEDURES

30.002 Definitions

For purposes of PCR 30.002 through 30.999, the following definitions apply:

1. "Addenda to the Bid Documents" means additions or changes to the bid documents defined as addenda shall be labeled as such and distributed according to these rules.
2. "Bid" means an offer submitted in response to an invitation to bid.
3. "Bid Closing" means the date and time announced as the deadline for the receipt of bids.
4. "Bid Opening" means the date, time and place set for opening of bids.

5. "Bid Sample" means a representative specimen of the item that will be available in response to the bid.
6. "Bidder" is a person who submits a bid in response to the City's invitation to bid.
7. "Bidding Period" means the span of time between the date of the invitation to bid and the time and date set for receipt of bids. A minimum of 14 calendar days shall be provided, unless a shorter time is deemed necessary in the public interest for a particular procurement.
8. "Contract" means the written agreement, including the City's solicitation document and the accepted portions of a bid or proposal, between the City and the contractor describing the work to be done and the obligations of the parties. Depending upon the goods and services being procured, the City may use "contract" as meaning a purchase order, price agreement, or other contract document in addition to the City's solicitation document and the accepted portions of a bid or proposal. If the contract is for a public improvement, the "contract" may consist of the City's solicitation document, including any addenda, the general and special conditions governing the work, the accepted portions of the bid or proposal, the performance and payment bond (if required), plans, technical specifications, approved show drawings, and any contract amendments, including approved change orders.
9. "Contract Price" means the total of the awarded bid or proposal amount, including any approved alternates and any fully executed change orders or amendments.
10. "Contract Release Order" means the document authorizing an additional purchase on an existing requirement contract.
11. "Contractor" means the individual, firm, or corporation awarded the public contract to furnish the City the goods, services, or work procured in the City's solicitation.
12. "Descriptive Literature" means materials submitted by prospective vendors to provide information concerning the products available in response to the bid.
13. "Facsimile" or "fax" means the electronic equipment that communicates and reproduces both printed and handwritten material. If used in conjunction with a reference to a document; i.e., facsimile bid, the term refers to a document (in the example given, a bid) that has been transmitted to and received by the City via facsimile.
14. "Lowest Responsible Bidder" means the lowest bidder who has substantially complied with all prescribed public bidding procedures and requirements and who has not been disqualified by the public contracting agency under ORS 279.037(ORS 279.029(1)).
15. "Proposer" is a person who submits a proposal in response to the City's Request for Proposals.

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16. "Solicitation Document" means an Invitation to Bid or Request for Proposals which included all documents, whether attached or incorporated by reference, utilized for soliciting bids or proposals.

17. "Specifications" means any description of the physical or functional characteristics or of the nature of a supply, service, or construction item. Specifications may include a description of any requirement for inspecting, testing, or preparing a supply, service, or construction item for delivery and the quantities or qualities of materials to be furnished under the contract. Specifications generally will state the result to be obtained and may, on occasion, describe the method and manner of doing the work to be performed. Specifications may be incorporated by reference and/or through attachment to the contract.

30.005 Competitive Bidding

1. Contracts issued by the City shall be awarded by competitive bidding or proposals except as otherwise exempted under the provisions of ORS 279.015(1)(a)-(h), (2)(3)(4) or (5), 279.029(2), 279.053, 279.056, 279.059(2), 279.096, 279.570, 279.850, 282.210 or under PCR 10.000 of these rules.

2. It is the policy of the City to encourage public contracting competition that supports openness and impartiality in the maximum extent possible.

3. The City finds that:

a. Competition exists not only in prices, but in the technical competence of suppliers, in their ability to make timely deliveries, and in the quality and performance of their products and services and that a balance must exist between performance competition and price competition.

b. The nature of effective competition varies with the product or service being procured and, that while competitive sealed bids are a common method of procurement, it is not always the most advantageous and practical method of source selection.

c. Meaningful competition can be achieved through a variety of methods when procuring products or services. The methods include but are not limited to:

(1) Price competition as represented by the initial or acquisition price;

(2) Competition as represented by price and performance evaluations of the competing items and suppliers;

(3) Competition as represented by the evaluation of the capabilities of bidders or proposers to perform needed services;

(4) Competition as represented by evaluation of the capabilities of the bidders and proposers to perform the services followed by a negotiation on price; or

(5) Competition as represented by another method of procurement that is reasonably calculated to satisfy the City's needs.

4. All public contracts shall be made under conditions that foster competition among a sufficient number of potential suppliers that offer a wide spectrum of products and services and that represent a broad marketplace. Fostering competition shall be reflected in:

a. Writing specifications and procurement documents in a simple and easy to read format;

b. Searching for new sources of supply;

c. Attempting to make solicitation documents simple and inviting;

d. Everyday courtesy shown to prospective suppliers and contractors; and

e. The way information on contracting opportunities is provided to suppliers including but not limited to advertisement in publications of general circulation and any other reasonable methods that encourage competition and that are consistent with ORS 279.025.

5. The City may evaluate every aspect of competition in its efforts to purchase products or services, choose the appropriate solicitation process, or award contracts according to the criteria described herein and arrive at offers that represent optimal value to the City.

6. Public improvement contracts shall not be subject to subsections 2 through 5 of this rule.

30.008 Eligibility to Bid on Construction Contracts

A person shall not submit a bid or proposal to work as a construction "contractor" as defined in ORS 701-005(2) unless that person is first registered with the Construction Contractors Board or licensed by the State Landscape Contractor's Board as required by ORS 671.530. Bids from persons who fail to comply with this requirement shall be deemed non-responsive and be rejected, unless contrary to federal law.

30.010 Solicitation Documents

Solicitation documents shall include the following:

a. Instructions and information to bidders or proposers concerning the submission requirements, including the time and date set for opening, the address of the office to

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which bids or proposals are to be delivered, a statement the bid or proposal must be physically received by the City by the deadline and any other special information;

b. Where applicable, the purchase description, specifications, delivery or performance schedule, inspection and acceptance requirements, and special evaluation factors;

c. The contract terms and conditions, including warranty and bonding or other security requirements, as applicable; and

d. All addenda issued by the City.

30.012 Bids and Proposals Are Offers

1. Bids and proposals constitute an offer to enter into a contract which, if accepted by the City, shall bind the bidder or proposer to a contract unless the bid or proposal is withdrawn prior to opening.

2. The bid or proposal shall constitute a "firm offer" unless bidders or proposers are specifically authorized to take exceptions or to leave terms open to negotiation by the invitation to bid or request for proposals. However, nothing in this provision prohibits the City from negotiating with a bidder or proposer to the full extent allowed by state law. Unless expressly authorized by the solicitation documents, bidders or proposers shall not make their bids or proposals contingent upon the City's acceptance of specifications or contractual terms that conflict with or are in addition to those advertised in the solicitation documents.

30.015 Public Notice

1. Distribution

Solicitation documents or notices of the availability of bid documents shall be mailed, placed on the Oregon Department of Administrative Service's electronic procurement system known as the "Vendor Information Program," or otherwise furnished to a sufficient number of bidders for the purpose of security competition. Notice of availability shall indicate where, when, and for how long the bid documents may be obtained. The solicitation documents generally describe the supply, service or construction desired; and may contain other appropriate information. The City may charge a fee for the bid documents.

2. Advertising

a. Every formal solicitation of bids or proposals shall be advertised. An advertisement for bids or proposals shall be published at least once in at least one newspaper of general circulation in the area where the contract is to be performed and in as many additional issues and publications as the City may determine to be necessary or desirable to ensure competition.

b. All advertisements for bids or proposals shall state:

- (1) The date and time after which bids will not be received, which date shall not be less than five (5) days after the date of the last publication of the advertisement;
- (2) The date that pre-qualification applications must be filed if pre-qualification is a requirement;
- (3) The character of the work to be done or the items to be purchased;
- (4) The office where contract terms, conditions, and specifications may be seen;
- (5) The name, title, and address of the person designated to receive bids;
- (6) The date, time, and place that bids or proposals will be opened;
- (7) That the bid or proposal may be rejected for not complying with all prescribed procedures and requirements;
- (8) That any or all bids or proposals may be rejected for good cause upon a finding that is in the public interest to do so;
- (9) If a bid, that the bid must include a statement concerning whether bidder is a "resident bidder," as defined in ORS 279.029;
- (10) Whether or not a contractor or subcontractor must be licensed, under ORS 468.883, to work with asbestos-containing materials; and
- (11) That no bid or proposal for construction contract shall be received or considered by the City unless the bidder or proposer is registered with the Construction Contractors Board, as required by ORS 701.035 et seq., or licensed by the State Landscape Contractors Board, as required by ORS 671.530.

3. Posting of bid or proposal advertisement.

A copy of each bid or proposal advertisement shall be posted at the business office of the City. Bidders or proposers may obtain a copy upon request.

30.020 Bid Preparation

Bid and Proposal Preparation Instructions:

1. Except as otherwise allowed, as applicable, bids and proposals shall be typed or prepared in ink and shall be signed in ink by the submitter or an authorized representative. The City will not accept facsimile bids or signatures.
2. Bids and proposals shall be made on the bid form provided unless otherwise instructed in the solicitation document.
3. Except as otherwise allowed, as applicable, alterations or erasures, if any, shall be initialed in ink by the person signing the bid.
4. Bids and proposals shall include all required documents and descriptive literature.

30.025 Bidder Pre-qualification

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The City may require mandatory pre-qualification of bidders on forms prescribed in the bid document. When pre-qualification is required by the bid documents as a condition for bidding, the City shall not consider the bid(s) of any prospective bidder who is not pre-qualified in accordance with the City's adopted rules and regulations.

If a bidder is currently pre-qualified by either the State Department of Transportation or the State Department of Administrative Services to perform contracts, the bidder shall be equitably presumed qualified to perform similar work for the City.

30.030 Bidder Submissions

1. Samples and Descriptive Literature.

Samples or descriptive literature may be required when it is necessary to evaluate required characteristics of an item. Samples may be returned in accordance with provisions contained in the bid documents.

2. Identification of Bids and Proposals.

Bids and proposals shall be submitted in a sealed envelope appropriately marked to ensure proper identification and special handling. The City shall not be responsible for the proper identification and handling of any bid not submitted in the designated manner or format to the required delivery point. The City may refuse to accept or may reject any bid or proposal not properly sealed or marked.

3. Receipt of Bid or Proposal.

It is the submitter's responsibility to ensure that bids or proposals are received by the City at the required delivery point prior to the stated bid or proposal closing time regardless of the method used to submit or transmit them.

30.035 Bid Security

(Also see PCR 50.000)

1. Public Improvement Contracts.

Bid security not to exceed 10 percent of the base bid(s) shall be required for public improvement contracts where the amount of the contract exceeds \$10,000 (ORS 279.027(3); 279.033). The bid security shall be forfeited if the bidder fails to execute the contract promptly and properly if awarded (ORS 279.031).

2. Other Public Contracts.

Bid security not to exceed 10 percent of the bid may be required by the City for other contracts in order to guarantee acceptance of the award. This requirement shall be stated in the bid documents.

3. Contracts Under \$10,000.

Bid security for contracts of less than \$10,000 shall be required only in critical circumstances so as not to discourage competition.

4. Form of Bid Security.

The following forms of bid security will be accepted by the City:

- a. Surety bond from surety company authorized to do business in the State of Oregon;
- b. Cashier's check, certified check, or savings and loan secured check; or
- b. Annual surety bond filed with the City (except for public improvement contracts).

5. Return of Bid Security

The bid security of all unsuccessful bidders shall be returned after a contract has been executed or all bids have been rejected. The City may return the bid security of unsuccessful bidders after bid opening but prior to award if the return does not prejudice bid award and provided that the security of at least the three lowest bidders is retained pending the execution of a contract.

30.040 Pre-Bid or Pre-Proposal Conferences

Pre-bid or pre-proposal conferences may be held by the City to explain the City's requirements, conduct site inspections, or otherwise supplement or clarify information. The City may require attendance at the conference as a condition for bidding or submitting a proposal. The conferences shall be announced in the solicitation documents. The conference shall be held within a reasonable time after the solicitation documents have been issued but sufficiently before bid closing to allow consideration of the conference results in preparing submittals. Statements at the conference shall not change the solicitation documents unless confirmed to all prospective bidders or proposers by means of a written addendum to the solicitation documents.

30.050 Protest of Bid or Proposal Specifications

1. Time for Submission of Protest.

Unless a different deadline is specified in the solicitation documents, requests for change or protests of specifications or contract terms shall be presented to the City in writing in accordance with the following timelines:

- a. Public Improvement Contract – ten (10) calendar days prior to bid closing.
- b. Other Public Contracts – five (5) calendar days prior to bid closing.

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c. Such protest or request for change shall include the reasons for protest or request and any proposed changes to specifications or terms. No protest against award because of the content of specifications or contract terms shall be considered if submitted after the deadline established for submitting such protest.

2. Extension of Opening Date.

If any specification protest is received in accordance with section (1) above, the opening date may be extended if necessary to allow consideration for the protest and issuance of any addenda to the solicitation documents.

3. Identification of Protest.

Envelopes containing protests of solicitation specifications shall be marked as follows:

*Specification Protest
Bid or Proposal Number or Other Identification*

30.055 Addenda to Bid Documents

1. Form.

Changes to solicitation documents shall be accomplished by addenda. The bidder or proposer shall acknowledge receipt of all addenda issued, either with the bid or proposal or separately prior to opening.

2. Distribution.

Addenda shall be sent to all prospective bidders or proposers known to have obtained the solicitation documents or attended any mandatory conferences.

3. Timeliness.

a. Addenda shall be issued within a reasonable time prior to bid closing to allow consideration prior to submittal of the bid or proposal, but in no case less than 72 hours before the submittal deadline. If necessary, the City may notify prospective bidders or proposers by telegram, telephonic facsimile (fax), or telephone. If telephone is used, the City shall confirm the oral notice with a written addendum.

b. In its discretion, the City may extend the closing date and time to allow prospective bidders or proposers to analyze and adjust to changes made by Addenda. The City shall notify prospective bidders or proposers of new closing date and time either in the Addendum or in writing accompanying the Addendum.

30.600 Pre-Opening Modification or Withdrawal of Bids

1. Modifications.

Bids or proposals once submitted may be modified in writing prior to the time and date set for bid closing. Any modifications shall be prepared on the company letterhead, signed by an authorized officer, and state that the new document supersedes or modifies the prior bid or proposal. To ensure the integrity of the process, the envelope containing any modifications to a bid or proposal shall be marked as follows:

Bid (or Proposal) Modification
Bid Number or Other Identification

2. Withdrawals.

a. Bids or proposals may be withdrawn by written notification on company letterhead signed by an authorized person and received prior to the time and date set for closing. Bids or proposals also may be withdrawn in person prior to the scheduled closing upon presentation of appropriate identification.

b. Unopened bids or proposals withdrawn under subsection (a) above may be released to the bidder after voiding any date and time stamp used.

c. Requests to withdraw mailed bids or proposals shall be marked as follows:

Bid (or Proposal) Withdrawal
Bid (or Proposal) Number or Other Identification

3. Documentation.

All documents relating to the modification or withdrawal of bids or proposals shall be made a part of the appropriate bid file.

30.065 Receipt, Opening, and Recording of Bids and Proposals

1. Receipt.

Upon its receipt, each bid, proposal, and modification shall be time-stamped or marked by hand but not opened and shall be stored in a secure place until opening. If bids, proposals, or modifications are opened inadvertently or are opened prior to the time and date set for opening because they were improperly identified, the bids, proposals, or authorized modification documents shall be resealed and stored for opening at the correct time. When this occurs, documentation of the procedure shall be placed in the file.

2. Opening and Recording.

Bids and modifications shall be opened publicly, at the time, date, and place designated in the bid documents. If witnesses are present at the bid opening, and to the extent practicable, the name of each bidder, the bid price(s), and such other information as

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considered appropriate, shall be read aloud. On voluminous bids the City may advise bidders as part of the bid documents that the bid items and prices will not be read aloud.

Proposals may be opened at any time after the deadline for submittal of proposals. A summary sheet providing basic information about each proposal shall be prepared.

3. Availability.

Opened bids shall be available for public inspection prior to award except to the extent the bidder designates trade secrets or other proprietary data to be confidential (ORS 192.501(2)). Proposals shall not be available for public inspection until after any interviews with proposers are completed. The City shall verify and determine that the confidential information claimed to be exempt is in fact exempt from disclosure under the Oregon Public Records Law. Material so designated shall accompany the bid and shall be readily separable from the bid or proposal in order to facilitate public inspection of the non-confidential portion of the bid or proposal. Prices, makes, model, or catalog number of items offered, scheduled delivery dates, and terms of payment shall be publicly available regardless of any designation to the contrary.

30.070 Late Bids, Proposals, Withdrawals, and Modifications

Any bid, proposal, withdrawal, or modification received after the deadline for submission set in the solicitation documents is late and shall not be considered. The City may use any watch or clock to determine the time and the determination of the City employee or officer receiving the bids as to whether a bid, proposal, withdrawal, or modification is late shall be final and not subject to challenge.

30.075 Mistakes

1. General.

Under extraordinary circumstances, a bid or proposal may be withdrawn after the deadline for submittal because of an inadvertent nonjudgmental mistake. If the mistake is attributable to an error in judgment, the bid or proposal may not be withdrawn or corrected. Correction or withdrawal by reason of nonjudgmental mistake is permissible but only to the extent it is not contrary to the interest of the City or the fair treatment of other bidders or proposers.

2. Mistakes Discovered after Bid Closing but before Award.

This section applies to situations where mistakes in bids are discovered after the submission deadline but before award.

a. Minor Informalities.

Minor informalities are matters of form rather than substance that are evident from the bid documents, or insignificant mistakes that can be waived or corrected promptly without prejudice to other bidders or the City; that is, the informality does not affect price, quantity, quality, delivery, or contractual conditions except in the case of informalities involving unit prices. Examples include, but are not limited to, the failure of a bidder to:

- (1) Return the number of signed bids or number of other documents required by the bid documents
- (2) Sign the bid form in the designated block so long as a signature appears in the bid documents evidencing an intent to be bound; or
- (3) Acknowledge receipt of an addendum to the bid documents, but only if:
 - (a) It is clear from the bid that the bidder received the addendum and intended to be bound by its terms; or
 - (b) The addendum involved did not affect price, quantity, quality, or delivery.

b. Mistakes Where Intended Correct Bid is Evident.

If the mistake and the intended correct bid are clearly on the face of the bid form, or can be substantiated from accompanying documents, the City may accept the bid. Examples of mistakes that may be clearly evident on the face of the bid form are typographical errors, errors in extending unit prices, transposition errors, and arithmetical errors. Mistakes that are clearly evident on the face of the bid form or proposal document also may include instances in which the intended correct bid or proposal item is made clearly evident by simple arithmetic calculations. For example, a missing unit price may be established by dividing the total bid or proposal item by the quantity of units for that item, and a missing or incorrect total bid or proposal price for an item may be established by multiplying the unit price by the quantity when those figures are available on the bid or proposal. For discrepancies between unit prices and extended prices, unit prices shall prevail.

c. Mistakes Where Intended Correct Bid is Not Evident.

The City may not accept a bid in which a mistake is clearly evident on the face of the bid form but the intended correct bid is not clearly evident or cannot be substantiated from accompanying documents.

d. Mistakes in Proposals.

Proposals may be clarified as part of the interview process, but the City shall not accept any proposal if the price or essential details of the proposal cannot be determined from the written proposal.

30.080 Time for Acceptance

Bids shall be valid and binding offers for 30 days from the deadline to submit bids unless otherwise specified in the bid documents. Proposals shall be binding and valid offers for 60 days from the date of the submittal deadline.

30.085 Extension of Time for Acceptance of Bid

Notwithstanding PCR 30.080, after opening bids, the City may request orally or in writing that bidders or proposers extend the time in which the City may accept their offers.

30.090 Bid Evaluation and Award

1. General.

The contract, if awarded, is to be awarded to the lowest responsive and responsible bidder or the best responsive and responsible proposer. Consistent with the provisions of the solicitation documents and in the public interest as determined by the City, awards may be made by item, groups of items, or entire bid or proposal. The City reserves the right to reject any bid or proposal not in compliance with the solicitation documents or with state law, City Code, or these rules. The City reserves the right to reject any or all bids or proposals upon a finding by the City that it is in the public interest to do so (ORS 279.035).

2. Special Requirements.

a. Solicitation documents shall set forth any special requirements and criteria that will be used to determine the lowest responsible bidder. No bid shall be evaluated for any requirement or criterion that is not disclosed in the bid documents or City regulation.

b. In determining the lowest responsible bidder, the City shall, for the purpose of awarding the contract, add a percent increase on the bid of a non-resident bidder equal to the percent, if any, or of the preference give to that bidder in the state in which the bidder resides.

c. The City may rely on a list provided for by the Oregon Department of Administrative Services pursuant to ORS 279.029(3) for preference provided for by this section.

3. Product Acceptability.

a. The solicitation documents shall set forth the evaluation criteria to be used in determining product acceptability. The City may require the submission of samples, descriptive literature, technical data, or other material, and may also provide for accomplishing any of the following prior to award.

(1) Demonstration, inspection, or testing of a product prior to award for such characteristics as quality or workmanship;

(2) Examination of such elements as appearance, finish, taste, or feel; or

(3) Other examinations to determine whether the product conforms to specifications.

b. The acceptability evaluation is conducted only to determine that a bidder's offering is acceptable as provided in the bid documents. Any bidder's product, which does not meet the minimum requirements shall be rejected. Product rejections are not considered bidder disqualification and are not grounds for appeal under ORS 279.043.

3. Determination of Lowest Responsive and Responsible Bidder.

Following determination of product acceptability as set forth in subsection (3) if any is required, bids will be evaluated to determine which bidder offers the lowest cost to the City in accordance with the evaluation criteria set forth in the bid documents. Only objectively measurable criteria, which are set forth in the bid documents, shall be applied in determining the lowest responsible bidder. Examples of such criteria include, but are not limited to, transportation cost, volume weighing, trade-in allowances, depreciation allowances, cartage penalties, and ownership or life cycle cost formulas. Evaluation factors need not be precise predictors of actual future costs, but to the extent possible, such evaluation factors:

a. Are reasonable estimates based upon information the City has available concerning future use;

b. Treat all bids equitably; and

c. Recognize that public policy requires acquisitions and public improvements to be accomplished at the least cost (ORS 279.023(1)).

5. Restrictions.

Nothing in this section shall be deemed to permit contract award to a bidder submitting a higher quality item than that which is designated in the bid documents if such bidder is not also the lowest responsible bidder as determined under subsection (4) of this section. Further, this section does not permit negotiations with any bidder, except as permitted by state law.

6. Determination of Best, Responsive, and Responsible Proposer.

Proposals will be evaluated to determine which proposer offers the best solution to the City in accordance with the evaluation criteria set forth in the solicitation documents. Only the criteria set forth in the solicitation documents shall be applied. The criteria shall be as objective as possible. Examples of evaluation criteria may include, but are not limited to, cost, quality, service, compatibility, product reliability, operating efficiency,

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expansion potential, performance history on other private and public contracts, experience of key personnel, adequacy of equipment and/or physical plan, financial wherewithal, sources of supply, references and warranty provisions. Evaluation factors need not be precise predictors of actual future costs and performance, but to the extent possible, such evaluation factors shall:

- a. Be reasonable estimates based on information available to the City;
- b. Treat all proposals equitably;
- c. To the extent that the proposal involves a public improvement, recognize that public policy requires public improvements to be accomplished at the least cost (ORS 279.023(1)).

To the extent that state law mandates a different standard or process for selecting among proposals, state law shall be followed.

6. No Assignment or Transfer of Contract Rights

Unless an express provision of the public contract otherwise provides, the contractor shall not assign, sell or transfer rights, nor delegate responsibilities, under public contract, either in whole or in part, without first obtaining the City's prior written consent. Unless otherwise agreed by the City in writing, such consent shall not relieve the contractor of any obligations under a public contract, and any assignee or transferee shall be considered the agent of the contract and bound to abide by all provisions of the public contract. Except in the event of a novation, if the City consents in writing to an assignment, sale, or transfer of the contractor's rights and responsibilities, the contractor and its surety, if any, shall remain ultimately liable to the City for complete performance of the public contract as if no such assignment, sale, or transfer had occurred.

30.091 Life Cycle Cost Analysis

1. In determining the lowest responsible bidder, in the award of a contract, the City may use the concept of life cycle costing if it complies with section (2) of this rule. As used in this rule, life cycle costing means determining the cost of a product for its useful life.

2. The City shall follow these procedures:

a. At the time of writing specifications for the product, the City shall identify those factors which will have cost implications over the life of the product and which, for evaluation purposes, will be used to adjust the bid or proposal price of the product.

b. The Invitation to Bid or Propose shall set out clearly the factors and methodology to be used in life cycle cost adjustments.

c. The results of life cycle costing adjustments shall be applied to the bid or proposal price of the product(s) offered. The bid or proposal that results in the lowest overall ownership cost, taking into account the life cycle costing adjustments, shall be considered the lowest bid or best proposal for purposes of bid or proposal price evaluation.

30.092 Responsibility

1. A responsible bidder or proposer is one who has:

a. Adequate financial resources to perform the contract, or the ability to obtain such resources. The City shall require acceptable evidence of the bidder's or proposer's ability to provide or obtain the required financial resources. Acceptable evidence normally consists of, but is not limited to, current and recent balance sheets; income statements; cash flow statements; and/or a performance bond from an acceptable surety in an amount equal to the bid or proposal price. Such evidence may also include a commitment of specific arrangement that will be in existence at the time of contract award to rent, purchase, or otherwise acquire the needed facilities, equipment, or other resources;

b. The ability to comply with the required or proposed delivery or performing schedule, taking into consideration all existing commercial and public business commitments;

c. A satisfactory performance record. A bidder or proposer who is, or recently has been, seriously deficient in contract performance shall be presumed to be non-responsible, unless the City determines that the circumstances were properly beyond the contractor's control or that the contractor has taken appropriate corrective action. Record of failure to perform acceptably is strong evidence of non-responsibility. The City shall consider the number of contracts involved and the extent of the deficiency of each in making this evaluation. In addition, the City may consider whether the bidder's performance history demonstrates responsibility as defined in ORS 200.005(11) and 200.045(3);

d. Key personnel available of sufficient experience, as determined by the City, to perform the contracts;

e. The necessary organization, experience, accounting and operational controls, and technical skills, or the ability to obtain these skills and abilities as required to satisfactorily perform the contract. These may include, as appropriate, such elements as production control procedures, property control systems, and quality assurance measures applicable to materials to be produced or services to be performed by the bidder and its proposed subcontractor(s);

f. The necessary production, construction, and technical equipment and facilities, or the ability to obtain them; and

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g. Is otherwise qualified and eligible to receive award under applicable laws and regulations.

2. The City has the right, prior to awarding any public contract, to make such investigation as is necessary to determine whether a bidder or proposer is responsible. This investigation may include, but is not limited to:

a. An inquiry into the responsibility of proposed subcontractors and suppliers

b. Requiring a bidder or proposer to demonstrate its financial ability to perform the contract as provided in subsection (1) (a) of this rule. In exercising this right, the City shall notify the apparent successful bidder or proposer in writing to submit such documentation as the City deems necessary to complete a thorough evaluation of financial ability.

c. By submitting a bid or proposal, a bidder or proposer authorizes the City to request any credit report information the City deems necessary to investigate and evaluate financial responsibility to perform the contract(s).

3. Failure of a bidder or proposer to promptly supply information requested by the City during its responsibility investigation shall be grounds for a finding of non-responsibility.

4. Only bids and proposals from responsible bidders or proposers, as defined in this rule, shall be eligible for contract award. Bid or proposals from non-responsible bidders or proposers shall be rejected as provided in PCR 30.100.

30.093 Responsive and Non-responsive Bids or Proposals; Acceptance and Rejection

1. A "responsive bid or proposal" is one that complies in all material aspects with the solicitation documents and with all prescribed public bidding procedures and requirements.

2. A "non-responsive bid or proposal" is one which:

a. Omits, or is unclear as to the price and the price cannot be determined in the bid or proposal documents;

b. Offers goods or services of a quality or quantity inferior to that requested in the solicitation documents;

c. Does not meet the delivery date requirements specified in the solicitation documents;

d. Takes exception to the terms and conditions of the solicitation documents other than as allowed by these Rules;

e. Is conditional upon the City's acceptance of terms and conditions difference from those contained in solicitation documents, except as allowed by these rules; or

f. Contains a deviation which, if the bid or proposal were accepted, would give the bidder or proposer a substantial advantage or benefit not shared by other bidders or proposers to the solicitation documents.

3. The City shall accept, and consider for award, only those bids or proposals, which are responsive as defined in this rule. Non-responsive bids or proposals shall be rejected, as outlined in PCR 30.100.

30.096 Low Tie Bids

1. Definition.

Low tie bids are low responsive bids from responsible bidders that are identical in price, fitness, availability and quality and which meet all the requirements and criteria set forth in the bid documents.

2. Award.

a. Low tie bids are subject to the Oregon preference contained in ORS 279.021 (1).

"In all public contracts, the public contracting agency shall prefer goods or services that have been manufactured or produced in this state if price, fitness, availability, and quality are otherwise equal."

b. Low tie bids that remain tied after application of the statutory Oregon preference shall be awarded according to the following sequence:

(1) Preference shall be given to the bidder whose principal offices or headquarters are located in Oregon.

(2) If a tie still remains after applying (1) above, award shall be made by drawing lots among any tied Oregon bidders. Such bidders shall be given notice and an opportunity to be present when the lots are drawn.

(3) If none of the tied bidders are located in Oregon, award of the contract shall be made by drawing lots.

Commentary

Pursuant to ORS 279.021, public contract agencies are required to prefer goods or services that have been manufactured or produced in this state if price, fitness, availability, and quality are otherwise equal. This means that the Oregon Preference Law applies only when there is a tie bid.

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Note that this preference statute only applies to goods or services that are manufactured in this state. Thus, the application of the statute sometimes can result in some interesting disparities and perceived unequal treatment. For example, a firm may have headquarters in Oregon and have all of its plants in Oregon except one, which is located in another state, and the goods offered pursuant to the solicitation might be from the out-of-state plant. Those goods would not qualify for the Oregon Preference Law.

See also the reciprocal preference requirements of ORS 279.029(2) and (3). The Oregon Department of Administrative Services maintains a list of states providing for in-state preference.

30.100 Rejection of Individual Bids or Proposals

1. General.

This section applies to rejections, in whole or in part, of individual bids or proposals. In accordance with ORS 279.035, the City may reject in whole or in part, any bid not in compliance with all prescribed bidding procedures and requirements, and may reject for good cause any bid or proposal upon a written finding of the City that it is in the public interest to do so. No bid shall be considered unless the bid security, properly executed, has been submitted with the bid as required by the bid documents.

2. Reasons for Rejection.

Reasons for rejecting a bid or proposal include but are not limited to:

- a. The submitter has not pre-qualified when pre-qualification is required or has been disqualified;
- b. The submitter has been declared ineligible by the Commissioner of the Bureau of Labor and Industries under ORS 279.361;
- c. The bid or proposal is non-responsive, that it does not conform in all material respects to bid documents or requirements, including all prescribed public procurement procedures and requirements;
- d. The supply, service, or construction item offered in the bid or proposal is unacceptable by reason of its failure to meet the requirements of the solicitation documents or permissible alternates or other acceptability criteria set forth in the solicitation documents;
- e. The submitter is not capable of satisfying the terms and conditions of the public contract in a timely manner due to financial incapacity; inability to obtain bonding, loss of license, or other objective cause;

- f. The submitter within the last 5 years has been found, in a civil, criminal, or administrative proceeding, to have committed fraud, misrepresentation, price-rigging, unlawful anti-competitive conduct, or similar behavior;
- g. The submitter has been determined responsible (i.e., adjudicated by a court, or as determined in writing by the City agency in the case of a public contract) for more than one breach of a public or private contract or contracts in the last 3 calendar years before the scheduled date of the bid opening;
- h. The security has not been submitted or properly executed as required by the solicitation documents;
- i. When applicable, the bidder has not met the emerging small business, disadvantaged business, minority business, and women business enterprise requirements, if any, established by the City, and has not made a good faith effort in accordance with ORS 200.075 and 279.059 to comply with the requirements prior to the time bids are opened;
- j. The submitter failed to certify in accordance with section 4 of this rule; or
- k. Other circumstances of the particular bid, proposal, or submitter indicate that acceptance of the bid or proposal would impair the integrity of the selection process or result in an imprudent contract by the City.

3. Form of Business Entity.

The corporate or business form of bidders or proposers shall be subject to scrutiny, so that previously disqualified bidders or proposers, or their officers and directors, may not by subterfuge, change of apparent ownership, or other adjustments in formal appearance, avoid application of this rule or of the disqualification provisions of ORS 279.037 to 279.045.

4. The bidder or proposer shall certify as part of the bid that the contractor has not discriminated against minority, women, or emerging small business enterprises in obtaining any required subcontracts.

30.102 Rejection of All Bids or Proposals

1. Bid Rejection.

All bids or proposals may be rejected for good cause upon a written finding by the City that it is in the public interest to do so. Notification of rejection of all bids or proposals, along with the good cause justification and finding of public interest shall be sent to all that submitted a bid or proposal.

2. Rejection Criteria.

Reasons for rejecting all bids or proposals include but are not limited to finding that:

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- a. An error in the solicitation documents, including its terms, conditions, or specifications that unnecessarily restricted competition for the public contract;
- b. The price, quality, or performance presented by the lowest or best responsible bidder or proposer is, in the City's opinion, too costly or of insufficient quality to justify acceptance of the bid or proposal. This criterion may be satisfied evidence that the same goods or services can be obtained otherwise for less cost;
- c. Misconduct, error, or ambiguous or misleading provisions in the bid documents threaten the fairness and integrity of the competitive process; or
- d. Causes other than legitimate market forces threaten the integrity of the competitive procurement process. These causes include, but are not limited to, those that tend to limit competition such as restrictions on competition, collusion, corruption, unlawful anti-competitive conduct, and inadvertent or intentional errors in the bid documents.

30.104 Protest of Award

1. Purpose.

Adversely affected or aggrieved bidders or proposers must exhaust all avenues of administrative review and relief before seeking judicial review of the City's contractor selection or contract award decision.

2. Notice of Award.

The written notice of award of the contract shall constitute a final decision by the City to award the contract if no written protest of the notice of award is filed with the City within 14 calendar days of the notice of award or such other period as provided in the City's solicitation. If a protest is timely filed, the notice of award is a final decision of the City upon issuance of a written decision denying the protest and affirming the award. The notice of award and any written decision denying protest shall be sent to every bidder or proposer who provided an address.

3. Right to Protest.

Any actual bidder or proposer who is adversely affected or aggrieved by the City's notice of award of the contract to another bidder or proposer on the same solicitation shall have 14 calendar days after notice of award to submit to the City a written protest of the notice of award. The written protest shall specify the grounds upon which the protest is based. The period of 14 calendar days in which to submit a written protest may be shortened or lengthened by the City, as provided in the City's solicitation. In order to be adversely affected or aggrieved, bidder or proposer with a right to submit a written protest, a bidder or proposer must itself claim to be eligible for award of the contract as the lowest responsible bidder or best proposer and must be next in line for award; i.e., the protester must claim that all lower bidders or better proposers are

ineligible for award because they are non-responsive or non-responsible. The City shall not entertain a protest submitted after the time period established in this rule or such different period as may be provided in the City's solicitation.

4. Authority to Resolve Protests.

The City Manager, or designee, shall have the authority to settle or resolve a written protest submitted under section (5) of this rule.

5. Decision.

If the protest is not settled or resolved by mutual agreement, the City Manager, or designee, shall promptly issue a written opinion on the protest. If the opinion denies the protest, judicial review of this decision will be available if provided for by statute. If the City Manager or designee determines that there is good cause for the protest, the matter shall be submitted to the Board for further action. The decision of the Board on a protest shall be final. Both the protestor and the person to whom the contract was awarded shall have a right to present arguments to the Board.

30.105 Negotiation with Bidders

If a project is competitively bid and all responsive bids from responsible bidders exceed the City's cost estimate, the City, in accordance with ORS 279.015 may negotiate with the lowest responsive, responsible bidder, prior to awarding the contract, in order to solicit value engineering and other options to attempt to bring the project with the agency's cost estimate.

a. A negotiation with the lowest responsive, responsible bidder pursuant to this paragraph shall not result in the award of the contract to that bidder if the scope of the project is significantly changed from the original bid proposal.

b. Notwithstanding any other provision of law, the records of a bidder used in contract negotiation pursuant to this paragraph are not subject to public inspection until after the negotiated contract has been awarded or the negotiation process has been terminated.

30.110 Bidder Disqualification

1. Definitions. As used in this rule:

a. "Disqualification" means the debarment, exclusion or suspension of a person from right to submit bids or proposals in response to the City's solicitations for a reasonable, specified period of time named in the order of disqualification. A contractor or vendor so debarred, excluded or suspended, is disqualified.

b. "Person" means an individual, partnership, or corporation. Disqualification attaches to and follows the individual, so that an individual who is a partner in a partnership or an

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officer or principal in a corporation which is disqualified may not re-form the business entity as a way of avoiding the disqualification.

2. Grounds for Disqualification. As provided in ORS 279.037, the following are grounds for bidder disqualification:

a. The person does not have sufficient financial ability to perform the contract. If a bond is required to ensure performance of a contract, evidence that the person can acquire a surety bond in the amount and type required shall be sufficient to establish financial ability;

b. The person does not have equipment available to perform the contract;

c. The person does not have key personnel available of sufficient experience to perform the contract; or

d. The person has repeatedly breached contractual obligations to public and private contracting agencies.

3. Prohibited Conduct. As provided in ORS 200.075, the following are grounds for suspension of a bidder's, proposer's, contractor's, or subcontractor's right to bid, propose, or participate in a public contract.

a. If the person has entered into any agreement representing that a disadvantaged, minority, women or emerging small business enterprise, certified pursuant to ORS 200.055, will be performing or supplying materials under a public improvement contract without the knowledge and consent of the certified enterprise;

b. If the person exercises management and decision making control over the internal operations, as defined by ORS 200.075(1)(b), of any certified disadvantaged, minority, women or emerging small business enterprise;

c. If the person uses a disadvantaged, minority, women or emerging small business enterprise to perform contracting services or provide supplies under a public improvement contract to meet an established DBE/MBE/WBE/ESB goal, when the enterprise does not perform a commercially useful function, as defined by ORS 200.075(3), in performing its obligations under the contract

4. Investigation.

The City may make such investigation as is necessary to determine whether a person is qualified. If a bidder or prospective bidder fails to supply information promptly as requested by the City, such failure is grounds for disqualification.

5. Trade Secret.

Any information voluntarily submitted by a bidder or prospective bidder pursuant to an investigation under subsection (2) of this section or in a pre-qualification statement required by ORS 279.039 or in a pre-qualification request submitted pursuant to ORS 279.041 shall be deemed a trade secret pursuant to ORS 192.501(2) to 192.505 if requested by the person submitting the information.

6. Notice of Disqualification.

The bidder or prospective bidder will be notified in writing by personal service or certified mail of the City's decision to disqualify the person from bidding with the City. The notice shall contain:

- a. The effective date of the disqualification and the effective period of disqualification;
- b. The grounds for disqualification from bidding; and
- c. A statement of the contractor's appeal rights and applicable appeal deadlines.

7. Appeal of Disqualification.

If a contractor wishes to appeal the City's decision to disqualify, the contractor must notify the City in writing within three (3) business days after receipt of the notification, as provided in ORS 279.043. The City shall mail its notice to the contractor by Certified Mail Return Receipt Requested, if not personally served.

30.115 Cancellation of Invitations to Bid or Requests for Proposals

1. Cancellation in the Public Interest

An invitation to bid or request for proposal may be canceled, in whole or in part, and all bids received may be rejected when it is in the public interest as determined by the City. The reasons therefore shall be made part of the file.

3. Notice of Cancellation.

When an invitation to bid or request for proposal is canceled prior to the submission deadline, notice of cancellation shall be sent to all known holders of the documents. When an invitation to bid or request for proposals is canceled after deadline for submission, notice shall be sent to those who submitted a bid or proposal. The notice of cancellation shall:

- a. Identify the specification documents;
- b. Briefly explain the reason for cancellation; and
- c. Where appropriate, explain that an opportunity will be given to compete on any re-solicitation. (ORS 279.035).

30.120 Disposition of Bids or Proposals in Event of Cancellation

1. Prior to Bid Opening.

When an invitation for bids or request for proposals is canceled prior to opening of the bids or proposals, all submissions will be returned unopened, if submitted in a hard copy format with a clearly visible return address. If there is no return address on the envelope, the submissions will be opened to determine the source and then returned to sender.

2. After Opening.

When all bids or proposals are rejected, those received shall be retained and become part of the City's permanent file.

30.125 Documentation of Award

1. Basis of Award

Following award, a record showing the basis for determining the successful bidder shall be made a part of the file.

2. Contents of Award Record.

The record shall consist of:

- a. Completed bid tabulation sheet; or
- b. Completed proposal evaluations; and
- c. Written justification of any rejection of lower bids; or
- d. Written explanation for any rejection of proposals for failing to meet mandatory requirements of the Request for Proposals.

30.130 Foreign Contractor (ORS 279.021)

If the amount of the contract exceeds \$10,000 and the contractor is a "foreign contractor", the contractor shall promptly report to the Oregon Department of Revenue on forms to be provided by the Department of Revenue the total contract price, terms of payment, length of contract and such other information as the Department of Revenue may require before final payment can be received on the contract. A copy of the report shall be forwarded to the City. The City shall satisfy itself that the above requirements have been complied with before it issues final payment on the contract. For the purposes of this rule, a foreign contractor is one who is not domiciled in or registered to do business in the State of Oregon.

30.135 Contract Terms and Conditions

1. The City is authorized to establish the contract provisions and terms consistent with applicable law.

2. Terms and Conditions Applicable to Public Contracts.

a. In addition to the Oregon preference requirement in ORS 279.021(1), and the reciprocal preference requirements of 279.029(2) and (3), the City shall establish standard terms and conditions for contracts including those applicable as prescribed by ORS 279.310 to ORS 279.650:

(1) Payment of laborers and material men; contributions to Industrial Accident Fund; liens and withholding taxes (ORS 279.312);

(2) Payment of claims by public officers (ORS 279.314);

(3) Hours of labor (ORS 279.316 and 279.338);

(4) Environmental and natural resources regulations (ORS 279.318);

(5) Payment for medical care and attention to employees (ORS 279.320);

(6) Voluntary termination of the contract (ORS 279.326);

(7) Suspension of the work (ORS 279.328 – 279.333);

(8) Maximum hours and overtime (ORS 279.334);

(9) Claims for overtime (ORS 279.336);

(10) Overtime requirement for local governments (ORS 279.340 and 279.342);

(11) Prevailing wage rates (ORS 279.348 – 279.365);

(12) Retainage (ORS 279.400 – 279.435);

(13) Contractor's bond (ORS 279.526 and 279.536);

(14) Notice of Claim (ORS 279.528);

(15) Labor and material liens (ORS 279.538 and 279.540);

(16) Liability in absence of bond (ORS 279.542);

(17) Progress payments (ORS 279.435);

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- (18) Subcontractors (ORS 279.445);
- (19) Use of recovered resources and recycled materials (ORS 279.545 to 279.555);
- (20) Paper conservation guidelines (ORS 279.565);
- (21) Preference for recycled materials (ORS 279.570);
- (22) Recycled oil use and preference (ORS 279.580 and 279.596);
- (23) Re-treaded tires use and preference (ORS 279.605 to 279.617);
- (24) Preference to paper products that reduce waste or are recycled (ORS 279.621 and 279.650).

b. Other terms, conditions, and requirements applicable to public contracts include:

- (1) Certification by contractor of compliance with the Oregon tax laws according to ORS 305.385.
- (2) Certification by contractor of nondiscrimination in obtaining required subcontractors according to ORS 279.11 (see OAR 137-30-100(4)).
- (3) A provision substantially providing that: "The Contractor, its subcontractors, if any, and all employers working under this agreement/contract are subject employers under the Oregon Workers' Compensation Law and shall comply with ORS 656.017, which requires them to provide Workers' Compensation coverage for all their subject workers." (ORS 279.320(2)).
- (4) In cases where the contract calls for work as described in ORS 701.005(2) (i.e.; construction work), certification by the "contractor" that the contractor is registered with the Construction Contractors Board according to ORS 701.035 to 701.055. (Federal regulations may prohibit this requirement when federal funds are involved.)
- (5) Certification by the contractor that all subcontractors performing work as described in ORS 701.005(2) will be registered with the Construction Contractors Board according to ORS 701.035 to 701.055 before the subcontractors commence work under this contractor.
- (6) A condition requiring the use of certified inmate work force according to ORS 279.319, if the contract is in the removal, abatement or demolition of asbestos.
- (7) Any other requirement imposed by federal or state law, regulation, rule or ordinance, which is applicable to the contract. ORS 279.056 provides that where federal funds are involved, federal laws, rules and regulations shall govern in case of conflict with any of the provisions of ORS 270.011 to 279.063.

3. Special Terms and Conditions.

The City may also establish special terms and conditions applicable to specified categories of contracts. Any special terms and conditions shall be included in the bid documents and become an integral part of those contracts.

4. Compliance and Exceptions to Terms and Conditions.

a. Bidders shall be responsible for noting the terms and conditions included applicable to each set of bid documents.

b. By submitting a bid or proposal, the bidder or proposer acknowledges acceptance of and the intent to abide by the terms and conditions specified in the invitation to bid or request for proposals and agrees to enter into a contract consistent with state public contracting law requirements.

c. The City has the right to reject any bid or proposal that takes exception to specifications or to contract terms unless the right to take exception is expressly granted in the Invitation to Bid or Request for Proposals. Bids or proposals which take exception to the specifications or contract terms, or which are made contingent upon the City's acceptance of different or additional specifications or terms, may be rejected because they are not responsible to the Invitation to Bid or the Request for Proposals.

d. Any exceptions to any proposed terms and conditions must be clearly stated in writing by the bidder or proposer in the signed bid or proposal. The City reserves the right to reject any bid or proposal that takes exception to the terms and conditions. Exceptions to the terms and conditions become contractual obligations only upon written acceptance by the City.

Commentary

In compliance with the provisions of ORS 279.318 and this section, the following is a list of federal, state, and local agencies of which the City has knowledge that have enacted ordinances or regulations dealing with the prevention of environmental pollution and the preservation of natural resources that may affect the performance of the contract:

Federal Agencies:

Agriculture, Department of Forest Service
Soil Conservation Service

Defense, Department of Army Corps of Engineers

Energy, Department of Federal Energy Regulatory Commission
Environmental Protection Agency

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Department of Health and Human Services

Housing and Urban Development, Department of Solar Energy Conservation Bank

Interior, Department of

Bureau of Sports Fisheries and Wildlife

Bureau of Outdoor Recreation

Bureau of Land Management

Bureau of Mines

Bureau of Indian Affairs

Bureau of Reclamation

Geological Survey

Minerals Management Service

Labor, Department of

Mine Safety and Health Administration

Occupational Safety and Health Administration

Transportation, Department of

Coast Guard

Federal Highway Administration

Water Resources Council

State Agencies:

Administrative Services, Department of

Agriculture, Department of

Columbia River Gorge Commission

Consumer & Business Services, Department of Oregon Occupational Safety & Health Division

Energy, Department of

Environmental Quality, Department of

Fish and Wildlife, Department of

Forestry, Department of

Geology and Mineral Industries, Department of

Human Resources, Department of

Land Conservation and Development Commission

Parks and Recreation, Department of

Soil and Water Conservation Commission

State Engineer

State Land Board

Water Resources Board

Local Agencies:

City Council

County Court

County Commissioners, Board of
Port Districts
Metropolitan Services Districts
County Service Districts
Sanitary Districts
Water Districts
Fire Protection Districts

30.138 Availability of Award Decisions – Contract Retention

1. Contract Documents.

A signed purchase order, price agreement, or contract document, as applicable, shall be sent to the successful bidder.

2. Notification to Unsuccessful Bidders.

Except for the notice of award, unsuccessful bidders need not be notified. Tabulations of awarded bids may be obtained for a nominal charge in person or by submitting to the City a written request stating the bid number and a self-addressed, stamped envelope.

3. Availability of Files.

Completed files shall be available for public review at the City.

4. Copies from Files.

Copies of material from files, other than previously described tabulation sheets, may be obtained upon payment of a reasonable copying charge.

5. Contract Retention.

The following requirements on retention of contract documents after award shall apply:

- a. For all service contracts the original must be kept for six (6) years after the contract has been completely executed;
- b. Capital improvement contracts must be kept a minimum of 10 years after substantial completion;
- c. Goods contracts must be kept for six (6) years after maturity;
- d. Intergovernmental and interagency agreements must be kept a minimum of 10 years after substantial completion; and
- e. Other purchasing related documents should be retained according to City retention schedules;

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Any copies of the originals must be kept for two (2) years after maturity in all of the categories listed above.

30.140 Requests for Proposals

1. The City may use the request for proposal process for any contract for which price is not the sole factor for awarding the contract. When the City uses a request for proposal, the solicitation document shall state:
 - a. The necessary contract terms;
 - b. The evaluation criteria to be applied in awarding the contract and the role of an evaluation committee, if any;
 - c. The criteria for awarding the contract, which may include but are not limited to cost, quality, service, compatibility, product reliability, operating efficiency, and expansion potential.
 - d. Complaint processes and remedies available.
 - e. The provisions made for vendors to comment on any specifications that they believe limit competition.
 - e. The location where sealed written proposals are to be submitted and the date and deadline for submittal.
2. The selection process shall not inhibit competition or encourage favoritism and will result in cost savings to the City. The above shall be documented as findings in the contract administration record.
3. All requests for proposals shall be published at least once in a newspaper, journal, trade publication or similar periodical. In deciding where to advertise, the City shall consider what publication is most likely to be read by qualified proposers.
4. The City may establish an ad hoc proposal review committee to evaluate any proposal and may provide for an interview of selected proposers as part of the evaluation process. Any use of a proposal review committee or interview process shall be detailed in the request for proposals.

30.143 Performance Security

2. Public Improvements Contract.

Except in emergencies, when the requirement may be waived pursuant to ORS 279.029(5) or unless the requirement is exempted pursuant to ORS 279.033, a

performance bond in a sum equal to the contract price shall be required for all public improvement contracts in excess of \$10,000.

2. Other Public Contracts.

The City may require performance security for other public contracts. Such requirements shall be stated in the solicitation documents.

3. Contracts Under \$10,000.

Performance bonds for a contract under \$10,000 shall be utilized only in critical circumstances, so as not to discourage competition.

4. Requirement for Surety Bond.

A surety bond furnished by a surety company authorized to do business in Oregon is the only acceptable form of performance security unless otherwise specified in the solicitation documents.

5. Time for Submission.

Upon request by the City, the apparent successful bidder or proposer must furnish the required performance bond within ten (10) days. Prompt submittal of the performance bond is required to ensure timely project initiation. Failure to furnish the bond prior to the deadline shall result in rejection of the bid or proposal, forfeiture of bid security, and award to the next lowest responsible bidder or next highest-scoring proposer.

30.145 Right to Audit Records

1. Records Maintenance; Access.

Contractors and subcontractors shall maintain all fiscal records relating to public contracts in accordance with generally accepted accounting principles. In addition, contractors and subcontractors shall maintain any other records necessary to clearly document (i) their performance and (ii) any claims arising from or relating to their performance under a public contract. Contractors and subcontractors shall make all records pertaining to their performance and any claims under a public contract accessible to the City at reasonable times and places, regardless whether litigation has been filed as to such claims.

2. Audit of Cost or Pricing Data.

The City may, at reasonable times and places, audit the books and records of any person who has submitted cost or pricing data according to the terms of a contract to the extent that such books and records relate to such cost or pricing data. Any person who receives a contract, for which cost or pricing data are required, shall maintain such books and records that relate to such cost or pricing data for three (3) years from the

date of final payment under the contract, unless a shorter period is otherwise authorized in writing.

3. Contract Audit

The City shall be entitled to inspect, examine, copy, and audit the books and records of a contractor or any subcontractor under any contract or subcontract to the extent that such books and records relate to the performance of such contract or subcontract. Such books and records shall be maintained by the contractor for a period of three (3) years from the date of final payment under the prime contract and by the subcontractor for a period of three (3) years from the date of final payment under the subcontract, or until the conclusion of any audit, controversy or litigation arising out of or related to the contract, whichever date is later, unless a shorter period is otherwise authorized in writing.

30.150 Right to Inspect Plant

1. Time for Inspection.

The City may, at reasonable times, inspect the part of the plant or place of business of a contractor or any subcontractor that is related to the performance of any contract awarded.

2. Access to Plant or Place of Business.

As a condition of bidding, bidders agree that the City may enter a contractor's or subcontractor's plant or place of business during normal business hours for the following purposes:

- a. Inspect and/or test supplies or services for acceptance by the City pursuant to the terms of the bid; or
- b. Investigate in connection with a bidder's application, a minority business certification, or bidder disqualification.

3. Contractual Provisions.

Contracts may provide that the City may inspect supplies and services at the contractor's or subcontractor's facility and perform tests to determine whether they conform to the bid documents, or, after award, to contract requirements, and are therefore acceptable. Such inspections and tests shall be conducted in accordance with the terms of the contract.

4. Procedures for Trial Use and Testing.

The City may establish operational procedures governing the testing and trial use of equipment, materials, and the application of resulting information and data to specifications or procurements.

5. Conduct of Inspections.

a. Inspectors.

Inspections or tests shall be performed so as not to unduly delay the work of the contractor or subcontractor. No change of any provision of the specifications or the contract may be required by the inspector without written authorization of the City, unless otherwise specified in the solicitation documents. The presence or absence of an inspector shall not relieve the contractor or subcontractor from any requirement of the contract.

b. Location.

When an inspection is made in the plant or place of business of a contractor or subcontractor, such contractor or subcontractor shall provide without charge all reasonable facilities and assistance for the safety and convenience of the person performing the inspection or testing.

c. Time of Testing or Inspection.

Inspection or testing of supplies and services performed at the plant or place of business of any contractor or subcontractor shall be performed at reasonable times during normal business hours.

6. Inspection of Construction Projects.

On-site inspection of construction shall be performed in accordance with the terms of the contract.

30.155 Contract Cancellation Procedures

1. Grounds for Cancellation.

A contract may be canceled by the City for any violation of the provisions of the contract

2. No cancellation of a public contract shall, unless limited by the terms of the particular contract, restrict or abrogate any other remedy available to the City that is provided either by law or under the particular contract.

3. The City shall provide the contractor written notice of the grounds for cancellation or termination and of its intention to cancel the contract or terminate the contractor's performance. If the contractor provided a performance and payment bond, the surety shall also be provided with a copy of the notice of contract cancellation or contractor

termination. The notice shall include the effective date of the intended cancellation or termination, the grounds for cancellation or termination and notice of the amount of time (if any) in which the City will permit the contractor to correct the failure to perform. The public contract may provide contract cancellation or contractor termination procedures that are different from or in addition to, those provided in this rule.

4. If the contractor has provided a performance and payment bond, the City may afford the contractor's surety the opportunity, upon the surety's receipt of a contractor termination notice, to provide a substitute contractor to complete performance of the contract. Performance by the substitute contractor shall be rendered pursuant to all material provisions of the original contract, including the provisions of the performance and payment bond. Such substitute performance does not involve the award of a new public contract and shall not be subject to the competitive procurement provisions of ORS 279.005 to 279.111 or of these rules.

PCR 40.000 PUBLIC IMPROVEMENT CONTRACTS

40.000 Application

In addition to the requirements set forth in Section 30 of these rules, the following rules apply to public improvement contracts. The requirements in Section 40 are intended to be complimentary to those in Section 30, with the rules in Section 40 supplementing the Section 30 requirements, where necessary, to meet the City's needs when administering contracts for public improvements.

40.005 Competitive Bidding

Public improvement contracts shall normally be awarded by the City by competitive bidding. If the public improvement contract includes design aspects, the City may award the contract by a competitive proposal process.

40.010 Public Notice

1. Trade Newspaper Advertisement.

In addition to the requirements of PCR 30.015, public improvements having an estimated cost in excess of \$50,000 shall be advertised for bids in at least one trade newspaper of general statewide circulation.

2. In addition to the requirements of ORS 279.025, 468A.760 and PCR 30.015(2)(b)(10), when the City requests bids for a public works project, it shall first determine whether the project requires a contractor licensed under ORS 468A.720 to work with asbestos or asbestos-containing material. The City shall include in the bid advertisement a statement whether the performance of the contract requires a contractor licensed to do asbestos abatement work under ORS 468A.720.

3. Prevailing Wage Rate Notice.

If the following conditions apply, the City shall include in the public notice a statement that the bidder shall comply with the requirements of the prevailing wage law in ORS 279.348 to 279.365:

- a. The bid must be for public works as defined in ORS 279.348 (3) which includes construction, reconstruction, major renovation or painting roads, highways, buildings, structures, and improvements of all types which are carried on or contracted by the City to serve the public interest but do not include the reconstruction or renovation of privately owned property which is leased by the City.
- b. The solicitation is for a public improvement that is being constructed, reconstructed or renovated for use by the City under a lease-purchase agreement or under any other agreement whereby ultimate state ownership is contemplated or expected (ORS 276.971); and
- c. The contract price for the project exceeds \$10,000; and
- d. The project is not regulated under the David-Bacon Act (40 USC276a). (ORS 279.357).

4. First Tier Subcontractor Notice.

If the public contract may be for more than \$75,000, the solicitation documents must provide notice that the contractors must disclose first-tier subcontractors who will furnish labor or materials greater than five percent of the total bid or \$15,000, whichever is greater, or \$350,000 regardless of the percentage of the total bid within four working hours after the deadline for bid submission. The disclosure must state the name of each subcontractor and the category of work the subcontractor will perform.

40.012 First Tier Subcontractor Disclosure

1. Bidders and proposers for public contracts with a value of more than \$75,000 must submit a first-tier contractor disclosure sheet within 4 hours of the deadline for submitting a bid or proposal. The disclosure sheet must list all first-tier subcontractors who will furnish labor or materials greater than five percent of the total bid or \$15,000, whichever is greater, or \$350,000 regardless of the percentage of the total bid. The disclosure must state the name of each subcontractor and the category of work the subcontractor will perform. If no first tier subcontractor meets the threshold level for disclosure and the bid or proposal price is more than \$75,000, the disclosure sheet must still be submitted with the information that no subcontractors meet the threshold level for disclosure.

2. Bid and proposals for public improvement contracts with a value of greater than \$75,000 for which a first-tier subcontractor disclosure is not submitted within four hours of the submittal deadline shall be considered non-responsive.

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3. First tier subcontractors may be substituted if only in compliance with ORS 279.322.

40.015 Bid Evaluation and Award

1. General.

A public improvement contract, if awarded, is to be awarded to the lowest, responsive and responsible bidder or the best, responsive and responsible proposer. (See PCR 30.090.

2. Special Requirements.

The solicitation documents shall set forth any special requirements and criteria, which will be used to determine the lowest, responsive and responsible bidder or best responsive and responsible proposer. No bid or proposal shall be evaluated for any requirement or criterion that is not disclosed in the solicitation documents or City regulation.

3. Bid Evaluation and Award.

The evaluation format for competitive bid pricing can be lump sum, unit price, or a combination of the two.

- a. Lump sum. If the bid form includes a lump sum base bid, plus additive or deductive alternates, the total bid price, for the purpose of comparing bids, shall be the total sum computed from adding or deducting alternates, as selected by the City, to the base bid. If the alternates, or if the City has selected no additive or deductive alternates for award, bids shall be compared on the basis of lump sum prices, or lump sum base bid prices, as applicable.

- b. Unit Price. If the bid includes unit prices and extensions for estimated quantities, the total bid price, for the purpose of comparing bids, will be the total sum computed from multiplying the bidder, with due adjustments being made for additive or deductive alternates, if any, selected for award. Note: In case of a conflict between a unit price and the corresponding extended amount, the unit price shall govern, as provided in PCR 30.075(2)(b).

- c. Combination lump sum and unit price. The City shall select a combination of factors for purposes of bid evaluation and contract award and use the methods described in (a) and (b) to compute and compare bids.

4. Proposal Evaluation and Award.

If an alternate selection method is approved by the City's public contract review authority pursuant to ORS 279.015(2) for use in procuring a public improvement, proposals will be evaluated to determine which proposer offers the best solution to the City in accordance with the evaluation criteria set forth in the solicitation documents and

in the City's rules. Only the criteria, which are set for in the solicitation documents and in the City's rules, shall be applied. The solicitation evaluation criteria shall include, but are not limited to, cost, quality, relevant experience, service, performance history on other private and public contracts, experience and availability of key personnel, adequacy of equipment and physical plant, financial wherewithal, sources of supply, and references. Evaluation factors need not be precise predictors of actual future costs and performance, but, to the extent possible, such evaluation factors shall:

- a. Be reasonable estimates based on information available to the City;
- b. Treat all proposals equitably;
- c. Recognize that public policy requires acquisitions and public improvements to be accomplished at the least cost. ORS 279.023(1).

5. Restrictions.

Nothing in this section shall be deemed to permit contract award to a proposer offering a higher quality solution than that required in the solicitation documents if such proposer is not also the best, responsive and responsible proposer as determined under section (4) of this rule.

6. Negotiations.

a. The City may negotiate with the apparent best, responsive and responsible proposer to establish the details of contract performance (e.g., to reach agreement on project scheduling or on a final guaranteed maximum price where the City is procuring the services of a construction manager/general contractor) or as provided in PCR 30.105.

7. No assignment or transfer of contract rights.

A contractor shall not assign, sell, or transfer rights, nor delegate responsibilities under a public contract either in whole or in part, without first obtaining the City's prior written consent. Such written consent shall not relieve a contractor of any obligations under a public contract, and any transferee shall be considered the agent of the contractor and bound to abide by all provisions of the public contract. Except in the event of a novation, if the City consents in writing to an assignment, sale, or transfer of the contractor's rights and responsibilities, the contractor shall remain ultimately liable to the City for complete performance of the public contract as if on such assignment, sale, or transfer had occurred.

40.020 Contract Cancellation Procedures

1. Termination Due to Circumstances Beyond the Control of the Contractor (ORS 279.324,279.326,279.328,279.330,279.332).

a. Reasons for Termination.

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The City may, in its sole discretion, by written order or upon written request from the contractor, terminate the contract or a portion thereof if any of the following occur:

- (1) The contractor is prevented from completing the work for reasons beyond the control of the City;
- (2) Completion of the project is beyond the control of the contractor;
- (3) Or for any reason considered by the City to be in the public interest (other than a labor dispute or reason of any third party judicial proceeding relating to the work other than a suit or action filed in regards to a labor dispute). These reasons may include, but are not necessarily limited to, non-availability of materials, phenomenon of nature of catastrophic proportions or intensity, executive orders of the President related to national defense, congressional or state acts related to funding;
- (4) Any third party judicial proceeding relating to the work other than a suit or action filed in regards to a labor dispute; and
- (5) If the circumstances or conditions are such that it is impracticable within a reasonable time to proceed with a substantial portion of the public works.

b. Payment When Contract is Terminated.

When the contract, or any portion thereof, is terminated before completion of all items of work in the contract, payment will be made for the actual items of work completed under the contract, or by mutual agreement, for items of work partially completed. No claim for loss of anticipated profits will be allowed.

c. Responsibility for Completed Work if Contract Terminated.

Termination of the contract or a portion thereof shall not relieve the contractor of responsibility for the work completed, nor shall it relieve the surety of its obligation for any claims arising from the work performed.

2. Termination of Contract for Default (ORS 279.333).

a. Declaration of Default. The City may, after giving the contractor or the surety seven (7) days' written notice and an opportunity to cure deficient performance, terminate the contractor's performance for any reasonable cause, including but not limited to those set forth in subsection 2(a)(1) to (6) of this rule. Upon such termination, the City may immediately take possession of the premises and of all materials, tools and appliances thereon as well as all other materials, whether on the premises or not, on which the contractor has received partial payment. The agency may finish the work by whatever method it may deem expedient.

- (1) If the contractor should persistently or repeatedly refuse to or fail to supply an adequate number of properly skilled workers or proper materials for the efficient execution of the project; or
- (2) If the contractor should fail to make prompt payment to subcontractors for material or labor, or persistently disregard laws, ordinances, or the instruction of the City, or otherwise be guilty of a substantial violation of any provision of the contract; or
- (3) If the Contractor should voluntarily or involuntarily seek protection under the U.S. Bankruptcy Code and its Debtor in Possession or Trustee for the estate fails to assume the contract within a reasonable time; or
- (4) If the contractor should make a general assignment for the benefit of the contractor's creditors; or
- (5) If a receiver should be appointed on account of the contractor's insolvency; or
- (6) If the contractor is otherwise in material breach of any part of the contract.

b. Required Response to Declaration of Default.

If the above action is taken, the contractor or the surety shall provide the City with immediate and peaceful possession of all of the materials, tools, and appliances located on the premises, as well as all other materials whether on the premises or not, on which contractor has received any progress payment. Further, the contractor shall not be entitled to receive any further payment until the work is completed. On the completion of the work, determination shall be made by the City of the total amount under the terms of the contract, had the contractor completed the work. If the difference between said total amount and the sum of all amounts previously paid to the contractor, which difference will hereinafter be called the "unpaid balance," exceeds the expense incurred by the City in completing the work, including expense for additional managerial and administrative services, such excess will be paid to the contractor, with the consent of the surety. If, instead, the expense incurred by the City exceeds the unpaid balance, the amount of the excess shall be paid to the City by the contractor or the surety.

c. Expense of Completion.

The expense incurred by the City shall be as determined and certified by the City.

e. Substitution of Contractor.

As provided in PCR 30.155(4), termination of the contractor and substitution of another contractor to complete the work does not constitute the award of a new public contract and shall not be subject to the provisions of ORS 279.005 to 279.111.

e. Refusal to Perform.

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In addition to and apart from the above-mentioned right of the City to terminate the employment of the contractor, the contract may be canceled by the City for any willful failure or refusal on the part of the contractor to perform faithfully the contract according to all of its terms and conditions; however, in such event neither the contractor nor the surety shall be relieved from damages or losses suffered by the City on account of the contractor's breach of contract.

f. Remedies are Cumulative.

The City may, at its discretion, avail itself of any or all of the above rights or remedies without prejudice or preclude the City from subsequently invoking any other right or remedy set forth above or elsewhere in the contract.

40.025 Retainage (ORS 279.420.279.435)

1. Retainage of Five Percent.

The amount to be retained from any given progress payment will be such that added to the sum of amounts previously retained will equal not more than 5 percent of the value of completed work except if the contract work is 50 percent completed and the work is progressing satisfactorily, the retainage may be reduced or eliminated on the remaining progress payments. Any reduction or elimination of retainage shall be allowed only upon written application of the contractor, which application shall include written approval of the contractor's surety; except that when the contract work is 97-1/2 percent completed, the City may without application by the contractor, reduce the retained amount to 100 percent of the value of the contract work remaining to be done. If retainage has been reduced or eliminated, the City reserves the right in protecting its interests to reinstate at any time retainage from further progress payments.

2. Alternatives to Cash Retainage.

In lieu of cash retainage to be held by the City, the contractor may select one of the following options:

a. Deposit of Securities.

The contractor may deposit bonds or securities with the City or in any bank or trust company to be held for the benefit of the City. In such event, the City shall reduce the retainage in an amount equal to the value of the bonds and securities. This reduction in retainage will be made in the progress payments made subsequent to the time the contractor deposits the bonds and securities.

The value of the bonds and securities will be determined periodically by the City and the amount retained on progress payments will be adjusted accordingly. The bonds and securities deposited by the contractor shall be fully assigned to the City or be payable to the City on demand and shall be of a character approved by the Finance Director, including but not limited to the following:

- (1) Bills, certificates, notes or bonds of the United States.
- (2) Other obligations of the United States or its agencies.
- (3) Obligations of any corporation wholly owned by the Federal Government.
- (4) Indebtedness of the Federal National Mortgage Association.
- (5) Time certificates of deposit or savings account passbooks issued by a commercial bank, savings and loan association, or mutual savings bank, duly authorized to do business in Oregon.
- (6) Corporation bonds rated A or better by a recognized rating service.
- (7) General obligation bonds of the State of Oregon or any political subdivision thereof.
- (8) General obligation improvement warrants issued pursuant to ORS 287.502.
- (9) Irrevocable letters of credit from a bank doing business in Oregon.

At the time the City determines that all requirements for the protection of the City's interest has been fulfilled, all bonds and securities deposited as above provided will be released to the contractor.

b. Deposit in Interest-Bearing Accounts.

Upon written request of the contractor, the City shall deposit any amounts withheld as retainage in an interest-bearing account in a bank, savings bank, trust company, or savings association for the benefit of the City. Interest earned on such account shall accrue to the contractor.

c. The City may, at its discretion, allow the contractor to deposit a surety bond in a form acceptable to the City in lieu of all or a portion of funds retained, to be retained. The contractor shall accept like bonds from subcontractors and suppliers when the City allows surety bonds for retainage.

3. Recovery of Costs.

If the City incurs additional costs as a result of the exercise of any of the options for retainage described herein, the City may recover such costs from the contractor by reduction of the final payment. As work on the contract progresses, the City shall, upon request, inform the contractor of all accrued costs.

40.030 Progress Payments (ORS 279.435)

1. Request for Progress Payments.

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At a regular time each month, the contractor shall, if required by the contract documents, submit to the City a request for payment based upon an estimate of the amount of work completed and of the value of acceptable material to be incorporated in the completed work which has been delivered and acceptably stored. Upon verification and approval of the City, the sum of these values will be referred to the "value of completed work." With these estimates as a base, a progress payment will be made to the contractor, which shall be equal to the value of completed work, less such amounts as may have been previously paid, less such other amounts as may be deductible or as may be owing and due to the City for any cause, and less an amount to be retained in protection of the City's interests.

2. Progress Payments Do Not Mean Acceptance of Work.

Progress payments shall not be construed as an acceptance or approval of any part of the work covered thereby, and they shall in no manner relieve the contractor of responsibility for defective workmanship or material.

3. Estimates for Progress Payments.

The estimates upon which progress payments are based are not represented to be accurate estimates, and all quantities shown therein are subject to correction in the final estimate. If the contractor uses such estimates as a basis for making payments to subcontractors, this is at the contractor's own risk, and the contractor shall bear all loss that may result.

40.035 Final Inspection (ORS 279.435(7))

1. Notification of Completion.

When the contractor determines that all construction work on the project has been completed, the contractor shall so notify the City in writing. The City shall make an inspection of the project and project records within fifteen (15) days of receiving said notice. If, at such inspection, all construction provided for and ordered under the contract is complete and satisfactory to the City, and all certifications, bills, forms, and documents have been submitted properly, such inspection shall constitute the final inspection.

2. Instructions to Complete the Work.

If, however, at any inspection, and work in whole or in part is found unsatisfactory, or it is found that all certifications, bills, forms, and documents have not been submitted properly, the City shall within fifteen (15) days provide instructions to the contractor on outstanding requirements to complete the project. At such time as the contractor determines full compliance with, and the execution of such instructions, the contractor shall notify the City in writing. The City shall make another inspection within fifteen (15)

days after such notice, and this inspection shall constitute the final inspection provided construction work has been completed satisfactorily.

3. Acknowledgment of Acceptance.

Upon satisfactory completion of all work required under the contract, the City shall acknowledge acceptance of the work in writing.

40.040 Final Estimate and Final Payment (ORS 279.435)

1. Submission of Final Estimate.

As soon as practicable after final inspection of the work under the contract, if unit prices were applicable, the City shall prepare a final estimate of the quantities of the various classes of work performed. Following a determination of the total amount due the contractor, and following final acceptance of the work by the City, final payment shall be made to the contractor.

2. Set-off of Prior Payments.

All prior partial estimates and payments shall be subject to correction in the final estimate and payment.

3. Interest.

Beginning thirty (30) days after the date of final acceptance of the project by the City, the City shall pay to the contractor interest at the rate established by State statute on any money due and payable to the contractor. (ORS 279.435(7)).

40.045 Claims for Unpaid Labor or Supplies

1. Right of Action.

As provided in ORS 279.526, a person claiming to have supplied labor or materials for work on a public improvement contract led by the City for which the person has not been paid by the prime contractor or any subcontractor, has a right of action on the contractor's bond. This right arises if the person has not been paid in full and has given written notice of a claim pursuant to ORS 279.528 within 120 days of last providing labor or furnishing materials, or within 150 days of providing labor or furnishing materials if the claim is for a required contribution to a fund of any employee benefit plan.

2. Notice of Claim.

a. To initiate a claim against the contractor's bond, a person should file a Notice of Claim in the form and manner attached as Exhibit A. Such notice must be given to the contractor and the City .

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b. Any notice of claim should include the following information:

- (1) Name and address of the claimant;
- (2) Name of prime contractor;
- (3) Title of project and contract date;
- (4) Name of the City;
- (5) Name of bonding company (may be obtained from City); and
- (6) Name of contractor or subcontractor to whom labor or material supplied.

3. Response to Notice of Claim.

Upon receipt of such Notice of Claim, the City shall:

- a. Send acknowledgement to claimant;
- b. Send copy of notice to prime contractor; and
- c. File copy of Notice with bonding (surety) company.

4. Referral to Surety Company.

If the contract has been completed and all funds disbursed to the prime contractor, all claims shall be referred to the surety company for resolution. The City shall not arrange for second payments directly to subcontractors or suppliers for work already paid for by the City.

5. Discretionary Payment of Claim.

If the contract is still in force, the City may, in accordance with ORS 279.314, pay a valid claim to the person furnishing the labor or services and charge the amount of the payment against funds due or to become due to the contractor under the contract.

6. Liability of Claim

If the City chooses to make such a payment as provided in ORS 279.314, the contractor or the contractor's surety shall not be relieved from obligation with respect to any unpaid claims.

To: (insert name of the public body)

NOTICE IS HEREBY GIVEN that the undersigned, (insert name of subcontractor or supplier), a (corporation, partnership, sole proprietorship, etc.), as claimant, has a claim for (labor performed by the claimant, materials supplied by the claimant, etc.), generally consisting of (brief description) in the sum of \$_____ against the bond taken from (name of prime contractor), as principal, and (name of bonding company), as surety, for the construction of the (title of project) at (name of agency), (city), Oregon, said contract dated (insert date) by and between the public agency, as Agent of the State, and (name of prime contractor), as Contractor.

(Insert a brief description of the work concerning which the bond was taken.)

DATED this _____ day of _____, 20__.

By _____
(claimant's name and title)

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PCR 50.000 WAIVER OF SECURITY BID AND PERFORMANCE BOND (Also see PCR 30.035)

50.10 Bid Security Requirements

The City may, in its discretion, waive the bid security requirements of ORS 279.027 for contracts other than those for public improvements. (In its discretion, the City may accept blanket bid bonds.)

50.020 Contracts Under \$10,000

The City may, in its discretion, waive the bid security requirements of ORS 279.027 and performance bond requirements of ORS 279.029 if the amount of the contract if the public improvement is less than \$10,000.

50.030 Emerging Small Business Contracts Under \$100,000

1. The City may, in its discretion, pursuant to ORS 279.033 and this rule, waive the bid security requirements of ORS 279.027 and the performance bond requirements of ORS 279.029 when the public improvement project:

- a. Has estimated direct construction costs not exceeding \$100,000;
- b. Is being undertaken through a program where the bidders are drawn exclusively from a list of certified Emerging Small Businesses maintained by the Advocate of Minority, Women and Emerging Small Business; and
- c. The City has been provided funds by the legislature for the purpose of assisting Emerging Small Businesses.

2. The City may waive bid security requirements and/or the performance bond requirements pursuant to this rule under the following conditions:

- a. There exists an emerging small business account or like source of funds containing an unexpended and unobligated balance;
- b. The City has authority to encumber and make payments from the account; and
- c. The City encumbers an amount in the account to cover the total cost of each project wherein the bid security and/or the performance bond is waived.

PCR 60.000 PROPERTY DISPOSITION

60.005 Surplus Personal Property

1. Personal property owned by the City and under the dollar value of \$250 may be disposed of with the approval of any department head or the City Manager. Personal property that exceeds that dollar value may be disposed of only after being declared surplus by the City Manager. The method of disposal will be determined based on condition, value, demand, and/or use.

2. Personal property may be declared surplus by the City Manager or designee if it is scheduled for replacement in an adopted budget or it is no longer necessary to provide City services.

60.010 Auction Sales of Personal Property

Personal property may be sold at auction if the City Manager or designee determines that the auction contemplated will probably result in a higher net return than if the property were sold by competitive written bid.

60.015 Sales of Personal Property

The City may sell personal property, including recyclable or reclaimed materials, without competitive bidding if it has determined that a negotiated sale will result in increased net revenue and the following conditions are complied with:

1. When the current market value per item is deemed to be more than \$25,000, the personal property must be offered for competitive written bid and be advertised in accordance with ORS 279.025, or be offered for sale at public auction in accordance with PCR 60.010. If no bids are received or if a determination is made that the market value of the property exceeds the offer of the highest responsible bidder, all bids may be rejected, and the City may negotiate a sale subject to the following conditions:

a. An appraisal of the market value of the property is obtained and documented, and the negotiated sale price exceeds the market value; or

b. The sale amount exceeds the highest bid received through the bidding or auction process.

60.020 Liquidation Sales of Personal Property

The City may sell personal property through a commercially recognized third party liquidator if the City has determined that a liquidation sale will result in increased net revenue and the selection of the liquidator was conducted by the competitive request for proposal process governed by rule PCR 10.110.

60.025 Donations of Personal Property

1. The City may transfer personal property, including recyclable or reclaimed materials, without remuneration or only nominal remuneration without competitive bids to the following entities:

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- a. Another public agency;
 - b. Any sheltered workshop, work activity center or group care home which operates under contract or agreement with, or grant from, any state agency and which is certified to receive federal surplus property; or
 - c. Any recognized non-profit activity, which is certified to receive federal surplus property.
2. The City may donate or sell, without competitive bids, surplus personal property to recognized private, non-profit social or health service activities, subject to the following conditions:
- a. A determination has been made that the property is not needed for other public purposes; and
 - b. If the property has a current market value of \$250 or more, the donation or sale shall:
 - (1) Be approved by the city Manager or designee; and
 - (2) Be documented by the City to be clearly in the public interest.
3. The City shall maintain a record of all transfers, donations, or sales authorized by sections (1) and (2) of this rule.

60.030 Trade of Personal Property

The City may trade personal property owned by the City to other government agencies or to other vendors provided the following conditions apply:

1. Trades to other government agencies are exempt from public bidding by PCR 10.010(a); however, such trades must be approved by the City Manager.
2. Trades of personal property with parties other than government agencies must proceed as follows:
 - a. The market value of both the item to be traded and the item requested must be documented.
 - b. The proposal to trade an item for another item must be made available to an adequate number of potential vendors to encourage competition.
 - c. Such trades must be approved by the City Manager.

PCR 70.000 PERSONAL SERVICES CONTRACT

70.010 Personal Services Contracts

1. Personal service contracts are not, according to the definition of "public contract" in ORS 279.011(5), subject to the competitive bidding provisions of ORS Chapter 279. Pursuant to ORS 279.051 (2), this rule describes a method for distinguishing between personal service contracts and public contracts, particularly service contracts, and provides examples of contracts or classes of contracts which are or are not personal service contracts.

2. The City may, subject to an analysis and determination of appropriateness in accordance with subsection (2)(a) through (c) of this rule, enter into a personal services contract with an independent contractor without competitive bidding under ORS Chapter 279 when the City needs to have a service performed which requires the contractor to exercise a high degree of technical skill or professional judgement and expertise:

a. The nature of the tasks to be performed, the needs of the City, and the interests of the public form the basis for distinguishing between personal services contracts and public contracts. Hence, if:

(1) The City requires a product or service for which the City has developed or is reasonably able to develop, respectively adequate design and/or performance specifications; and

(2) Selecting a contractor on the basis of lowest price would be likely to meet the City's needs, then the tasks should be performed pursuant to a public contract let in accordance with competitive bidding provisions of ORS Chapter 279. Conversely, if the City is reasonably unable to develop adequate design and/or performance specifications but must instead have the assistance of the contractor's training, knowledge, and expertise to develop a scope of work statement and selecting the contractor on the basis of lowest price would be unlikely to meet the City's needs, then the tasks would most appropriately be performed under a personal service contract. Such a personal service contract should be entered into in accordance with the provisions, as the case may be, of ORS 291.021 or 279.712(2). In determining whether the City's needs will be met through award of a personal service contract rather than a public contract, the City should consider whether selecting the contractor on the basis of qualifications rather than lowest price will result in the City obtaining the best value for its money.

b. A personal service contract is appropriate where the contract is awarded primarily on the basis of the contractor's qualifications, including but not limited to, such criteria as experience, training, knowledge, and expertise, technical skill, creativity, artistic ability, performance history, and demonstrated ability to exercise sound professional judgement. Price will be a secondary criterion for awarding a personal service contract.

c. A personal service contract is not appropriate where price is or should be the primary or a major selection criterion.

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3. Personal service contracts may include, but are not limited to, the following:

- a. Contracts for services performed as an independent contractor in the professional capacity, including but not limited to the services of an accountant; attorney; architectural or land use planning consultant; physician or dentist; registered professional engineer; appraiser or surveyor; aerial photographer; timber cruiser; broadcaster; or data processing consultant.
- b. Contracts for such services as an artist in the performing of fine arts, including but not limited to photographer, filmmaker; painter; weaver; or sculptor.
- c. Contracts for services of a specialized creative and research oriented, noncommercial nature.
- d. Contracts for services of a specialized creative and research oriented, noncommercial nature.
- e. Contracts for educational and human custodial care services.

4. The following are NOT personal service contracts:

- a. Contracts, even though in a professional capacity, if predominately for a product, e.g., a contract with a landscape architect to design a garden is for personal services, but a contract to design a garden and supply all the shrubs and trees is predominately a tangible product.
- b. A service contract, including a contract with a temporary service or personnel agency, to supply labor which is of a type that can generally be done by any competent worker, e.g., data entry, key punch, janitorial, security guard, crowd management, crop spraying, laundry, and landscape maintenance service contracts
- c. Contracts for trade related activities considered to be labor and material contracts.
- d. Contracts for services of a trade-related activity, to accomplish routine, continuing, and necessary functions, even though a specific license is required to engage in the activity. Examples are repair and/or maintenance of all types of equipment or structures.

70.020 Screening and Selection Policy for Personal Services Contracts

It is the City's policy to select as expeditiously as possible the best qualified consultant available, consistent with financial considerations. The following selection procedures shall be used to select the personal services contractors, except where state law requires a different procedure:

1. Formal Selection Procedure.

This procedure will be used whenever professional services of the type governed by this rule are required and the estimated fee to the consultant exceeds \$25,000. Exceptions to this procedure, as specified under subsection (2), (3), and (4) of this section. The City may on smaller projects elect to use the Formal Selection Procedures whenever it determines that it would be prudent and advantageous to do so.

a. Announcement.

The City will make at least one public announcement of its need for personal services in an appropriate trade periodical or newspaper of general circulation. The announcement shall include a description of the proposed project, the scope of the services required, project completion dates, and a description of any special requirements, if present. The announcement shall invite qualified prospective contractors to indicate to the requesting department their interest in performing the services required. The announcement will specify a closing date by which the statement must be received by the appropriate department.

b. Application.

Prospective contractors must submit a statement which describes their capabilities, credentials, and performance data sufficient to establish their qualification for the project.

c. Initial Screening.

The Department Head or designee shall evaluate the qualifications of all applicants responding to the announcement by the closing date and select from among the respondents a minimum of three prospective contractors whose statements evidence the highest level of qualification. Should fewer than three (3) statements be received, then each prospective contractor submitting statements that meet the departments minimum qualifications will be interviewed.

d. Final Selection Procedure.

(a) Interviews.

(i) The department Head or designee will hold discussions with the three (3) finalists selected for initial screening. Applicant capability, experience, and compensation requirements shall determine the department's final selection.

(ii) Award of Contracts.

The Department Head or designee shall make the final selection and make a recommendation to the Board for award of the contract to the selected consultant.

2. Informal Selection Procedure.

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a. This procedure may be used when the estimated fee to the consultant does not exceed \$25,000.

b. Selection.

The department will contact a minimum of three (3) prospective contractors with which it has had previous successful experience or which are known by the department to be qualified to offer the sought-after services. A projected fee will be requested and a selection made by the Department Head or designee based upon the consultant's capability, experience, project approach, and compensation requirements.

3. Direct Appointment Procedure.

a. A qualified consultant may be appointed directly from the City's current list of consultants, another public contracting agency's current list of consultants pursuant to an interagency or intergovernmental agreement entered into in accordance with ORS Chapter 190; or from consultants offering the necessary services that the City reasonably can locate. Direct appointment procedure may be used when:

(1) The consultant's estimated fee does not exceed \$10,000; or

(2) When the project consists of work that has been substantially described, planned, or otherwise previously studied or rendered in an earlier departmental contract, provided that the original selection procedure used for the project was a formal procedure and the consultant's estimated fee does not exceed \$25,000.

b. A direct appointment pursuant to subsection 3(a) of this rule, shall be competitive to the extent practicable and may be based on the consultant's availability, capabilities, staffing experience, compensation requirements and the project's location.

4. Emergency Appointment Procedure.

Nothing in the rule shall be inferred to prohibit or otherwise impede the Department Head's or designee's right to make direct consultant appointments when conditions require a prompt action to protect life or property. In such instances, the recommended appointment and a written description of the conditions requiring the use of this appointment procedure shall be submitted by the Department Head or designee to the City Manager or designee for action. The City Manager or designee will determine if an emergency exists, declare the emergency, and when appropriate, approve the appointment.

5. Responsible Parties' Actions.

a. Professional Consultants.

Submit qualifications, credentials, and performance data relating to their capabilities to the appropriate division in response to project announcement.

b. Division/Department.

- (1) Determine that the work on a project requires the services of a consultant.
- (2) Announce project as required by this section.
- (3) Request the City Manager's approval of the required actions.
- (4) Determine appropriate selection/appointment procedure.
- (5) Select consultant/candidates as specified under this rule.
- (6) Interview the top candidates and make the final selection.
- (7) Execute contracts and awards to consultants, with the City Manager's prior approval.
- (8) Maintain a file on the selection process.
 - (i) The method and copy of the announcement.
 - (ii) The names of firms/individuals and cost estimates considered.
 - (iii) A justification of need for the contract.
 - (iv) The basis for selection.
 - (v) Rationale by which rates were established.
 - (vi) How reasonableness of price was determined.
 - (vii) A copy of the resulting contract.

c. City Manager

- (1) Approves each project's scope and budget as necessary.
- (2) Makes direct and emergency appointments as required.
- (3) Approves/disapproves Personal Services Contract and all subsequent amendments unless the amount of the contract requires the Board's approval.

**PCR 80.000 EMERGENCY CONTRACTS; SPECIFIC EXEMPTION
REQUIREMENTS; BOARD EXCEPTION; PROCEDURES; TEMPORARY
EXEMPTIONS**

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80.010 Emergency Contracts

1. Pursuant to ORS 279.015(4)(a) and (5), the City Manager or designee may, at the City Manager's or designee's discretion, authorize or let public contracts without competitive bidding if an emergency exists and the emergency consists of circumstances creating a substantial risk of loss, damage, interruption of service, or threat to public health or safety that could not have been reasonably foreseen and requires prompt execution of a contract to remedy the condition.
2. The City Manager or designee must declare the existence of an emergency, which shall authorize the City to enter into an emergency contract with a price under \$25,000 and make detailed written findings describing the emergency conditions necessitating prompt execution of the contract. A copy of the findings together with the amount of the contract and the name of the contractor shall be immediately forwarded by the City Manager to the Board.
3. Any contract awarded under this exemption shall be awarded within sixty (60) days following declaration of the emergency unless an extension is granted pursuant to ORS 279.015(5).

80.012 Emergency Contracts Under ORS 279.015(2)

1. The City may enter into a public contract without competitive bidding when circumstances that could not reasonably be anticipated, require prompt establishment and performance of the contract in order to preserve public funds, property, or the uninterrupted provision of government services. In exercising its authority under this class exemption (ORS 279.015(2), the City shall:
 - a. To the extent reasonable under the circumstances, encourage competition by attempting to make informal solicitations or to obtain informal quotes from potential suppliers of goods or services;
 - b. Make written findings describing the circumstances that require the prompt performance of the contract and of the harm anticipated to result from failing to establish the contract on an expedited basis; and
 - c. Record the measures taken under subsection (a) of this section to encourage competition, the amounts of the quotes or proposals obtained, if any, and the reason for selecting the contractor.
2. The City shall not contract pursuant to the exemption in the absence of a substantial risk of loss, damage, or interruption of services that would occur if contract performance awaited the time necessary, given the complexity of the project, to solicit, receive and analyze bids or proposals.

80.015 Specific Exemptions

1. The City may apply to the Board for ruling under PCR 80.020 through 80.050 exempting a particular contract or contracts from competitive bidding requirements of ORS 279.015, which are not otherwise exempted under these rules. The application shall contain the following information:

- a. The nature of the project;
- b. Estimated cost of the project;
- c. A narrative description of the cost savings anticipated by the exemption from competitive bidding and the reasons competitive bidding would be inappropriate;
- d. Proposed alternative contracting and purchasing practices to be employed; and
- e. The estimated date by which it would be necessary to let the contract.

2. The Board may require such additional information as it deems necessary to determine whether a specific contract is to be exempt from competitive bidding.

3. Subject to ORS 279.015(6)(b), the Board may exempt certain public contracts or classes of public contracts from the competitive bidding requirements or PCR 30.005 upon approval of the following findings:

- a. It is unlikely that such exemption will encourage favoritism in the awarding of public contracts or substantially diminish competition for public contracts; and
- b. The awarding of public contracts pursuant to the exemption will result in substantial cost savings to the City. In making such findings, the Board may consider the type, cost, amount of the contract, number of persons available to bid, and such other factors as may be deemed appropriate.

4. In granting exemptions pursuant to subsection 3(a) and (b) of this section, the Board shall:

- a. Where appropriate direct the use of alternate contracting and purchasing practices that take account of market realities and modern or innovative contracting and purchasing methods, which are also consistent with the public policy of encouraging competition.

- b. Require and approve or disapprove written findings by the City that support the awarding of a particular public contract or class of public contracts without the competitive requirements of PCR 30.005. The findings must show that the exemption of a contract or class of contracts complies with the requirements of subsection 3(a) and (b) of this section.

80.020 Notice of Application

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Upon receipt of an application for an exemption ruling under PCR 80.015 or PCR 20.040, the Chairperson of the Board shall set the matter for public hearing to receive data, views, and arguments and shall cause a notice of intention to adopt an order to be posted in full public view in the City Hall and shall publish notice of the intention to adopt the order in a newspaper of general circulation at least seven (7) days prior to the hearing.

80.030 Board Hearing

The application will be placed on the Board's agenda for the next Board meeting and, in the exercise of discretion, the Chairperson may also set additional public meetings to receive data, views and arguments.

80.040 Temporary Rules Exemptions

In appropriate cases, the Chairperson of the Board may grant a temporary exemption from public bidding pending formal consideration of a specific exemption.

PCR 90.000 RECYCLABLE/RECYCLED PURCHASING GUIDELINES

90.010 Recycled Materials and Products Guidelines

The City shall make every effort to prefer, specify, and purchase recyclable items and materials with recycled content in accordance with ORS 279.545 and ORS 279.550.

Incentives, pursuant to ORS 279.555(1)(b), for recycled materials shall be applied whenever economically feasible.

A preference of 5% shall be applied for materials and supplies manufactured from recycled materials, as provided in PCR 90.011 with the exception of recycled paper and paper products, which receive a higher preference percentage stated in PCR 90.012.

The bidder or proposer shall indicate in its bid or proposal, the materials it considers relevant to the 5% preference. The 5% preference will only apply to the value of that portion of a bid or proposal that offers products containing verifiable recycled contents.

90.011 Recycled Materials Preference

1. Bidders and proposers, in their bids and proposals, shall certify the minimum, if not exact percentage of recycled product in all materials and supplies offered and both the post-consumer and secondary waste content thereof, regardless whether the products meet the percentage of recycled material specified for recycled products in ORS 279.545. Bidders and proposers may certify a zero percent recycled product content. This certification applies to public improvement products and all other procurements, except those, which are subject to the preference provisions of ORS 279.580 to 279.650.

2. To be eligible for a preference under ORS 279.570:
 - a. The bidder or proposer must indicate which materials and supplies contain verifiable recycled content; and
 - b. Such products must meet the requirements of ORS 279.570(a) through (d).
3. A preference under ORS 279.570 will only be applied to that portion of a bid or proposal, which offers products containing verifiable recycled content.
4. Bids that contain false information about the percentage of recycled product, post-consumer and secondary waste content, and verifiable recycled content shall be rejected as non-responsive, in accordance with PCR 30.093.
5. Contracts awarded as a result of a preference under ORS 279.570 are subject to such investigation, including but not limited to, audits, plant visitations, examination of invoices and other documents, etc., as the City deems necessary to confirm that the products supplied therein contain the percentages of recycled product, post-consumer and secondary waste stated in the bid or proposal.
6. Failure to provide products containing the percentages of recycled product, post-consumer and secondary waste stated in the bid may result in:
 - a. The contractor reimbursing the City for the portion of the contract price, which is attributable to the preference, applied under ORS 279.570, and;
 - b. Contract termination; or
 - c. Both (a) and (b) or such other remedies the City deems appropriate.

90.012 Recycled Materials and Products Purchasing Guidelines

1. Purchase of Paper Products.

The City promotes the use of recycled paper and paper products. Purchase of recycled paper and paper products is preferred even when the cost of the such recycled paper or paper products is up to seven percent (7%) higher than the cost of the same quality paper or paper products containing little or no recycled paper. "Recycled paper" shall be defined as a paper product with not less than fifty percent (50%) of its total weight consisting of secondary waste materials or twenty five percent (25%) of its total weight consisting of post-consumer waste.

- a. In the specification and purchase of City high speed copier and small offset press application paper and fine printing paper including book, bond, cover, gum, index, bristols, boards, ledger, and duplicator papers:

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- (1) The City shall use recycled paper wherever possible if available and compatible with existing printing and copying equipment;
- (2) The City shall try to eliminate excessive or unnecessary paper use, including but not limited to over-purchase of paper, over-printing of materials, purchases of too high a grade of paper, purchase of paper which is not recyclable; and purchase of virgin paper when recycled paper is available in the same grade;
- (3) Procurement specifications for the purchase of new printing and copying equipment shall require the acceptance and operational use of recycled paper and shall be capable of two-sided copying;
- (4) The procurement of unbleached, recycled paper is encouraged and the use of bright, hard to bleach colored or otherwise non-recyclable papers shall be discouraged; and
- (5) In the specification and purchase of other paper items including corrugated and fiberboard boxes, folding box board and cartons, stationery, envelopes, legal and scratch pads, manifold business forms (including computer paper), toilet tissue, paper towels, facial tissue, paper napkins and industrial wipes, and brown and coarse papers, the City shall actively solicit information from vendors with regard to the availability of other paper products (as listed above) with recycled paper content and promote its use.

2. Purchase of Composted Waste Materials.

In the specification and purchase of landscape cover, soil amendment, and fill materials:

- (1) The City shall eliminate from procurement specifications any exclusions or barriers to the purchase of recycled compost materials except for exclusions based upon plant or human health or safety; and
- (2) The City shall make every effort to utilize and specify functionally equivalent composted waste products in the place of products manufactured from virgin materials.

3. Purchase of Retread Tires.

In the specification and purchase of tires for vehicles and equipment in the City fleet:

- (1) The City shall make every reasonable effort to utilize retread tires in the place of tires manufactured from virgin materials where technical requirements will allow; and
- (2) The City shall give preference to the purchase of retread tires to the maximum extent possible within the intended use of the product taking the following into consideration:
 - (a) The product is unable to meet the City's specifications (e.g., emergency response vehicles and heavy equipment);

- (b) The product is not available within specified delivery schedules; and
- (c) The product is not price competitive.

4. Purchase of Re-refined Petroleum Products.

In the purchase of lubricating oils for vehicles and equipment in the City fleet:

(1) The City shall make every reasonable effort to utilize lubricating oils with re-refined oil content unless:

- (a) The product does not meet performance specifications recommended by the original equipment manufacturer and related warranties would be voided; and
- (b) The product is found to not be economically or technically feasible.

(2) The City shall review current procurement specifications in order to eliminate (wherever economically and technically feasible) an exclusion of lubricants refined from recycled waste materials.

5. Purchase of Building Insulation Products.

In the specification and purchase of building insulation products:

(1) The City shall make every effort to prefer, specify and purchase insulation products manufactured from recovered or recycled materials for maintenance and repair operations, building construction projects and work or projects which are let to private contractors; and

(2) A decision not to purchase insulation products with the highest percentage of recovered material content shall be based upon a determination that such products:

- (a) Are not available within a reasonable period of time;
- (b) Are not available at a reasonable price; and/or
- (c) Fail to meet reasonable performance standards set forth in applicable specifications.

6. Purchase of Recyclable Plastic Products.

In the specifications and purchase of disposable food service products and bags:

(1) The City shall specify and utilize products, which are exclusively recyclable where available and locally marketed. Preference shall be given to products manufactured from materials which are readily recyclable with developed recycling markets and processes; and

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(2) City employees in all departments shall use washable beverage cups and other food services ware in the place of disposable items wherever possible. Disposable cups and utensils shall be utilized primarily for meetings and department guests.

7. Recycling/Reuse

The City shall also recycle or reuse materials and supplies of purchases as much as possible. Following is a listing of some basic items which shall be recycled or reused: paper, cardboard, scrap metal, tires, lubricants, and solvents, lead acid batteries, roadside brush and chipped wood waste, plastic materials, and surplus property.



To: Mayor and City Council

Through: Mike Swanson, City Manager
Alice Rouyer, Director of Community Development and Public Works *ACR*
Dennis Lively, Director of Engineering *DL*

From: Ruthanne Bennett, Civil Engineer *R. B.*

Subject: Johnson Creek Watershed Revegetation Program Update

Date: March 18, 2002 for April 2, 2002 City Council Meeting

Action Requested

None. Information only.

Background

The restoration of Johnson Creek is included in the Milwaukie Downtown and Riverfront Land Use Framework Plan adopted by the Milwaukie City Council September 19, 2000. City Council members expressed support for the Johnson Creek Restoration Plan during the Work Session February 5, 2001. During that Work Session, Council members who spoke favored cooperation between the local jurisdictions in the restoration of Johnson Creek. All the cities and counties along the banks of Johnson Creek are participating in the Johnson Creek Watershed Revegetation Program, an important element in water quality improvement.

Discussion

The first Milwaukie site selected by the Johnson Creek Watershed Revegetation Program is between 17th Avenue and McLoughlin Boulevard just south of Highway 224. During the fall, blackberries were cut. Trees and shrubs were planted during March and will be mulched during April. This site is expected to look great this summer when the plants are leafed out and growing.

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t -- Johnson Creek Watershed Revegetation Program
April 2, 2002 City Council Meeting

Concurrence

Engineering and Operations employees are cooperating with staff of other cities and counties to obtain grants and enhance the restoration of the Johnson Creek watershed.

Fiscal Impact

Milwaukie currently contributes \$2000 each year from the Storm Fund for the Johnson Creek Watershed Revegetation Program. This matches grants from the National Fish and Wildlife Foundation and from the Oregon Watershed Enhancement Board totalling \$24,243.

Work Load Impacts

Staff is presently attending monthly Johnson Creek Interjurisdictional Committee meetings. Staff has reviewed the revegetation plan for this site.

North Clackamas Parks and Recreation District

Milwaukie Center

Center/Community Advisory Board

Minutes of Friday, February 8, 2002

Members Present: Eleanor Johnson, Alice Neely, Molly Hanthorn, Sharon Phillips, Ben Tabler, Janet Witter, Jim McCready, Joan Staley, Mary Siberz, Carol Storment

Excused: Marc Burnham, Kim Buchholz, Dolly Macken-Hambright

Guests: None

Staff Present: Joan Young, Cheryl Nally

Call to Order: Chair Eleanor Johnson called the meeting to order at 10:03 am.

Minutes: Molly Hanthorn corrected the January minutes regarding Eleanor Ribbon and Alice Neely's friendship from WW I to WW II. Minutes of January 11, 2002 were moved and approved by Alice Neely and Janet Witter.

Correspondence: Applications were received for Board re-appointments of Janet Witter and Molly Hanthorn. It was moved and seconded to recommend approval of the applications by the Board. The recommendation will be forwarded to the City of Milwaukie City Council.

Joan Young read letter of resignation from Dolly Machen-Hambright as of February 2, 2002. She expressed many positive feelings of time spent on the board with plans of future volunteer work with the Center.

The board received a letter from Michelle Gregory regarding the Milwaukie Center involvement into the celebration of the "Milwaukie Centennial." Michelle suggested a representative to represent the Center. She will contact us as to the date and time of the next meeting. Sharon Phillips agreed to represent the Center.

Board and Committee Reports:

North Clackamas Parks and Recreation Advisory Board (DAB) – No report.

Budget/Finance – Jim McCready reported the staff was working on the 2001-2002 year-end budget and 2002-2003 budget recommendations.

Programs and Services – Molly Hanthorn stated there was no meeting. She referred to the monthly report for January, 2002. She reminded the board of the Talent Show to be held on Wednesday, Feb 13, 2-4 pm.

Nutrition/Transportation – Ben Tabler stated they did not have a meeting.

Building Review – No report. Alice Neely states she is planning to volunteer as chair of the committee.

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History - Janet Witter stated the history book is nearing completion and they will look at the potential for publication.

Other Reports:

Friends of the Milwaukie Center, Inc. - Eleanor Johnson reported on the progress of the Spaghetti Dinner to be held on March 9, 2002. She passed out a sheet to volunteer at the event, as well as tickets for board members to sell or buy.

Director's Report:

Joan Young reported a \$10,000 endowment given for the Rose Garden. She reported Colleen Stinsel has been hired as Office Coordinator for the Friends of the Milwaukie Center, Inc.

There are three open positions for the Center/Community Advisory Board from the City of Milwaukie.

Information/Announcements: None.

Agenda for Next Meeting: Budget. Molly Hanthorn announced meeting of the Citizen Advisory Committee for the Parks District Master Plan on February 20, 2002 at 6:30 pm here at the Center.

Adjourn: Meeting adjourned at 10:45 am by Eleanor Johnson.

Submitted by: Mary Siberz, Secretary

North Clackamas Parks and Recreation District
MILWAUKIE CENTER DIVISION
Monthly Report for February 2002

Programs/Services:

Around 400 people from all over the metro area came to enjoy the Milwaukie Center's Senior Talent Show on February 13. With technical support from Northwest Senior Theater, auditions of the 30 entries were held prior to the event to build a program with the top 19 acts. Many thanks to Old Country Buffet and their mascot the "Bee" for providing fresh baked cookies for refreshments.

During Winter Term, 2002, forty-eight students under the age of 62 accounted for over 52% of total enrollments for classes co-sponsored by Clackamas Community College. Close to half of Winter Term students under age 62 enrolled in three Spanish classes. Other community college classes attracting significant numbers of "new seniors" and adults under 62 included watercolor and oil painting.

Ten volunteers who are trained by the Internal Revenue Service and the State Department of Revenue have descended on the Milwaukie Center to prepare tax returns for older and disabled adults as well as low-income families through our Tax Aide Program. So far this year, these volunteers have prepared 100 more returns than they did at this time last year, well on our way to the more than 1,200 returns completed each year.

The Friends of the Milwaukie Center Rose Garden Committee hosted their annual Rose Pruning Demonstration on February 23. Master Gardener George Hall shared his years of knowledge and expertise with forty gardening enthusiasts. After a demonstration, people practiced their new skills in the Sara Hite Memorial Rose Garden on the 450+ roses.

Fund-raising:

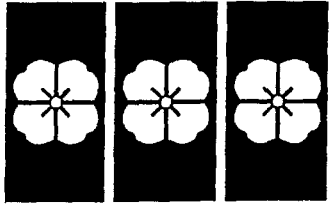
On Feb. 10th, 2002 the Nutrition Department held its quarterly Famous Family Sunday Dinner. The fund-raising event had a delicious roast beef entree. Thanks also to the donations from Columbia Meat Company and Food Services of America, this event, which benefits Meals On Wheels services, was a success!

The Transportation Department sold over \$2,400 worth of See's Candy during its annual Valentine's Day fund-raiser. This candy is sold by volunteers at the Center and out into the community. Volunteers put in approximately 75 hours of time on this event alone.

Staff:

The Friends of the Milwaukie Center have hired a new Office Coordinator, Colleen Sinsel. Colleen and her family have lived in the Oak Lodge community for years and she brings strong office management skills to the job, along with a number of great ideas for the future!

C I T Y O F



MILWAUKIE

Ledding Library Board February minutes

February 25, 2002, 6:30 PM
Ledding Library

Meeting called by: Sue Trotter

Attendees: Attendees: Mark Docken, Pat Healy, Shannon Scott, Sue Trotter, and Ed Zumwalt.

Absent : Tom Hogan, Anna O'Guinn.

Staff: Cynthia Sturgis

Agenda topics

Approval of minutes

Approved as written.

Librarian's report

1. Ledding Library Facility Planning Committee : Dallas Shaffer has received all requested information and plant to have the space needs report two week prior to the next meeting scheduled for April 18th . She also plans to have the outline for the public involvement process ready for that meeting.
2. LINCC budget for 2002-02 : The status of the funding from the county is still being discussed. We do not anticipate having a final figure until May or June. At this point the smallest cut for Ledding Library could be \$120,000. There will be an LNIB meeting on February 28th to discuss the final formula for distribution and also a request from Commissioner Jordan to discuss plans for location of libraries for optimum service. Also on the agenda is discussion of service districts vs. levie for the November ballot.
3. Cynthia provided copies of the Oregonian article about library plans for expansion and concerns about future from the county. Also, a copie of a memo to the Oregonian reporter from Sue Trotter outlining her concerns about mistakes in quoting her statements for the news article were also handed out. The letter from Carol Kay to the Review editor will be printed in The Oregonian.
- 4.

Action: The Board would like a report about the LNIB meeting on the March agenda.

Budget update

Copies of the first draft for the 2002-03 library budget and a narrative with justifications for proposed cuts were handed out to Board members. Because of the uncertainty of county reimbursement funding for the next fiscal year, a final budget may not be until late this spring. Discussions are continuing between the network board and county representatives.

The budget will be on the March agenda for comments from Board members and for further update from staff.

Waldorf School application for land use

Board members discussed possible impacts on Ledding Library if the Waldorf School moves into the Junior High building. The general consensus was that there would be no impact. There were concerns about increased traffic and the increased use of the library facility and services without additional sources for funding. Sue will draft a statement for members to review.

New business

Mark asked about the status of the inserts from the Friends for monthly water bills. Cynthia will contact Carol for an update



Park & Recreation Board PARB

Tuesday, January 2002
7:05 PM to 8:55 PM
City Hall, Conference Room

MINUTES

Attendees: Kathy Buss, Mart Hughes, Edie Kerbaugh, Joe Loomis, Suzanne Bader
Absent: Don McCarty, Sharon Van Horn,

Staff: JoAnn Herrigel

Meeting called to order at 7:05 PM

Minutes: Motion to approve minutes of November 27, 2001 meeting as amended by Bader. Motion passed 4-0.

OPEN PERIOD: Joe Loomis asked about the screens used for "Dive In" movies. He said he thought this type of movie event would be fun at the neighborhood Parks or at the Riverfront.

UPDATES:

Herrigel provided the following updates:

- Homewood Park Master Plan submitted to Planning Commission 1/22/02 for adoption into Comp Plan – tentative date for hearing = March 12
- Lewelling NDA has selected Greenworks to do final design for their Park (NDA funded)
- January 26 (9 to 12) – Riverfront Cleanup (Rotary/MDDA)
- February 2 – Johnson Creek Watershed Council work party at mouth of Johnson creek
- Kellogg Lake feasibility study to be considered by Council Feb 4 (Corp to fund 100%)
- Three PARB positions expire in March 2002 (Hughes, Van Horn, and vacant Position #4)
- Furnberg meeting – 10 people attended / safety and code issues need addressing

Kathy Buss reported that at the last NDA quarterly meeting, neighborhood leaders had suggested that PARB and City Council put pressure on the Parks District to have our parks be taken care of properly. She asked the group what they felt we should do?

A lively conversation ensued in which the following issues were raised:

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- Loomis said he felt that the parks were well maintained
- Hughes said he was concerned that out of District users were benefiting from the \$325,000 annual subsidy of the Aquatics Park by in-District taxpayers. He said he thought about 78% of the users were from out of District users. He noted that \$325,000 could be used for neighborhood Parks instead. He felt more information on revenues generated by In District and Out of District users would be helpful.
- Bader said she thought we needed to find a way to communicate better and to have issues raised directly with the District. She said she would provide usage numbers for both the Milwaukie Senior Center and the Aquatics Park .
- Loomis summed up the group's discussion by suggesting that we investigate the following:
 - 1) Define what the District is obligated to do under the IGA.
 - 2) Review whether or not they actually meet these obligations
 - 3) Determine what it is that the City wants (above and beyond what the District is obligated to provide), and
 - 4) Figure out how to get what it is we want either through working with the District or using City staff and resources.

District Update

Bader noted that there would be more open houses in April/May. She said they are still working on ways to increase attendance at workshops. She also noted that North Clackamas Park master planning might begin in March.

Buss asked if TV might be a good way to advertise open houses. Bader responded that TV slots are hard to get and that 30 seconds isn't long enough for their message. She said she found that the Oregonian was fairly effective. Loomis noted that he felt that the notices in the paper work well to remind people of meetings.

Hughes asked if the District was still in conversations with Happy Valley regarding joining the Parks District. Bader said she wasn't sure where they were in that process.

Kerbaugh asked what was happening with the District Park trail along the berm. Bader said that the funds may be held up until 2003. Kerbaugh noted that she has some concern that this property might be lost to transportation projects.

Bader said she was continuing to research the coyote issue and would be reporting to County Commission. She also noted that the water fountain at Century Park had been broken recently.

Park Design Review Process

The group approved the steps of the Park review process and had a lengthy discussion about whether the District should be asked to “comment” or “approve” Park designs for City Parks. The general consensus was to ask the District to review and make recommendations on Park designs the City sent to them. The intent of District review would be to assure that District standards were integrated into the City Parks and to make sure the Park designs did not preclude possible Parks District maintenance in the future (if requested by the City).

Buss made a motion to have staff write up the review policy, forward it to the District Advisory Board, bring comments back to PARB and then send it on to Council. Motion Seconded by Loomis and passed 4-0.

Walking Event

Herrigel noted that we missed the deadline for the February Pilot for an event in that month. She suggested focussing on an event in March. She said she'd call Mary King regarding meeting times and then coordinate a meeting with Edie, Mary, Joe and Jeff Milkus from the District.

Meeting adjourned at 8:57 pm.