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AGENDA

Board of Directors

Mid-Willamette Valley Council of Governments

Tuesday, September 20, 2022

3:30 P.M. – 5:30 P.M.

COG Conference Room, 100 High Street SE, Suite 200/Zoom (see above)

CONTACT: Scott Dadson, Executive Director; 503-540-1601
CHAIR: Sal Peralta, City of McMinnville
VICE CHAIR: Lisa Leno, Confederated Tribes of Grand Ronde

A. CALL TO ORDER – *Sal Peralta, Chair*

B. INTRODUCTIONS – *Sal Peralta, Chair*

C. PUBLIC COMMENT (*This time is reserved for questions or comments from persons in the audience*)

D. CONSENT CALENDAR (*All items on the Consent Calendar will be approved by one vote unless an item is withdrawn for discussion at the request of a Board member. Members may have an item withdrawn by notifying the Chair at the meeting. The item will be removed by the Chair for discussion and a separate motion will be required to take action on the item in question.*)

- 1. Minutes of June 21, 2022, Meeting of the Board of Directors** **pg. 3-7**
Requested Action: Approve minutes
- 2. Bank Signature Update; Resolution 2022-12** **pg. 8**
Requested Action: Approve Resolution No. 2022-12 updating the authorized signers on the COG bank accounts.

E. INFORMATIONAL ITEMS

- 1. Financial Report** **pg. 9-12**
Information only.

2. **Department Activity Reports** pg. 13-20
Information only. Includes reports from the Community Development Department and Transportation Department. Will also include introductions of new staff.

3. **Presentation: Report out of Legislative Gathering – Scott Dadson** pg. 21-23

F. ACTION ITEMS

1. **Credit Card Policy Changes; Resolution 2022-11** pg. 24-29
Requested Action: Approve Resolution No. 2022-11 authorizing changes in the credit card policy.

2. **Appointment of Annual Dinner Planning Committee** pg. 30
Requested Action: Motion to appoint the Annual Dinner Planning Committee for the 2022 Annual Dinner.

3. **Loan Servicing Agreement** pg. 31-36
Requested Action: Authorize the Executive Director to sign the Loan Servicing Agreement with our partner organizations.

4. **Acceptance for DEQ Grant Award** pg. 37-70
Requested Action: Authorize the Executive Director to accept the grant and sign the related agreement.

G. EXECUTIVE DIRECTOR'S REPORT

H. BOARD DISCUSSION/ROUNDTABLE *(This is an opportunity for Board members to introduce subjects not on the agenda and report on happenings in their respective jurisdictions.)*

I. ADJOURNMENT

NEXT MEETING:
Tuesday, December 13, 2022
3:30 p.m.

Location/Media: COG Conference Room/Zoom

**New Board Member orientation will take place
immediately prior to the December meeting.**

The Mid-Willamette Valley Council of Governments is pleased to comply with the Americans with Disabilities Act (ADA). If you need special accommodations to attend this meeting, please contact Denise VanDyke at (503) 588-6177 at least 48 hours prior to the meeting. Hearing impaired, please call Oregon Telecommunications Relay Service, 7-1-1. Thank you

MINUTES OF JUNE 21, 2022

**MID-WILLAMETTE VALLEY
COUNCIL OF GOVERNMENTS
BOARD OF DIRECTORS**

**Hybrid meeting -
COG Conference Room/Zoom Webinar**

MEMBERS PRESENT

CHAIR: Councilor Sal Peralta, City of McMinnville (Zoom)

VICE CHAIR: Lisa Leno, Tribal Council Member, Confederated Tribes of Grand Ronde

Mayor Brian Dalton, City of Dallas

Mayor Cathy Clark, City of Keizer

Councilor Roxanne Beltz, City of Monmouth (Zoom)

Mayor Chuck Bennett, City of Salem

Commissioner Jeremy Gordon, Polk County (Zoom)

Mayor John McArdle, Independence, representing Small Cities of Polk County

Mayor Linda Watkins, Carlton, representing Small Cities of Yamhill County (Zoom)

Betsy Earls, Member, Chemeketa Community College Board of Education

Maria Hinojos Pressey, Member, Salem-Keizer School District Board of Directors (Zoom)

Ian Davidson, Salem-Keizer Transit District Board

Frank W. Pender, Jr., Board Member, Willamette Education Service District (WESD)

MEMBERS ABSENT

Commissioner Danielle Bethell, Marion County

Commissioner Casey Kulla, Yamhill County

Mayor Rick Rogers, City of Newberg

Mayor Eric Swenson, City of Woodburn

Mayor Jim Kingsbury, representing Small Cities of Marion County

Lisa Rogers, Board Member, Chehalem Park and Recreation District

Terry Hsu, Director, Marion Soil & Water Conservation District

OTHERS PRESENT

Scott Dadson, Executive Director

Renata Wakeley, Outgoing Community Development Director

McRae Carmichael, Incoming Community Development Director

Amber Mathiesen, Finance Director (Zoom)

Mike Jaffe, Transportation Director

Denise VanDyke, Admin. Specialist II

Jeff Hilderbrand, Loan Program Manager (Zoom)

Silas Lobnibe, Grant Administration Specialist

Scott Whyte, Associate Planner

Karen Odenthal, Senior Transportation Planner

Sarah Allaben, RARE Participant (Zoom)

Allan Pollock, General Manager, Cherriots (Zoom)

Cooper Whitman, Pacific Power (Zoom)

Adam Franco

Elijah Heindricks

Jackie Franke, Chemeketa Community College Board of Education

CALL TO ORDER & INTRODUCTIONS

Chair Peralta called the meeting to order at 3:31 p.m. The presence of a quorum was noted. Attendance was noted. Chair Peralta announced that the action items will be moved on the agenda to before the informational items.

PUBLIC COMMENT

None.

CONSENT CALENDAR

MOTION by Mayor McArdle, **SECONDED** by Councilor Beltz, **TO APPROVE THE CONSENT CALENDAR, AS PRESENTED.**

1. *MINUTES OF MARCH 15, 2022, MEETING OF THE BOARD OF DIRECTORS*
2. *AUTHORIZATION TO RENEW INSURANCE POLICIES AND EXTENDING MWVCOG WORKER'S COMPENSATION COVERAGE TO VOLUNTEERS; RESOLUTION 2022-08*
3. *CYBERSECURITY POLICY; RESOLUTION 2022-10*
4. *RENEWAL OF ANNUAL AGREEMENTS BETWEEN MWVCOG AND VDI*
5. *AMENDMENT #2 TO THE INTERGOVERNMENTAL AGREEMENT MADE BETWEEN THE ORS 190 ENTITY AND MWVCOG CONCERNING THE MID-WILLAMETTE VALLEY HOMELESS ALLIANCE (MWVHA)*

Discussion: None.

Motion carried.

IN FAVOR: Peralta, Leno, Dalton, Clark, Beltz, Bennett, Gordon, McArdle, Watkins, Earls, Hinojos Pressey, Davidson, Pender. **OPPOSED:** None. **ABSTAINED:** None.

BUDGET HEARING

Chair Peralta opened the public hearing at 3:31 p.m. Roll was called to confirm that a quorum was present. He asked Mr. Dadson to present the budget message.

Mr. Dadson shared a PowerPoint to illustrate his presentation. This budget provides for the continuation of COG programs and activities and is our best estimate. There will be an approximate 24 percent carryover, which is closer to the target than previous years. Mr. Dadson discussed and defined the types of revenue categories shown in the budget document. The organizational chart is very similar to before in shape and in general. We have filled our lending and grant writing positions. There will be a couple of positions in the Transportation Department to fill in the foreseeable future due to expansion and retirements. The 5.3 percent Cost of Living Adjustment (COLA) was approved at a previous Board meeting and is included in this budget. Having found that a majority of our employees were 'topped out' in their salary ranges, some for three or more years, we have added four steps to the top of each range and eliminated the bottom three steps from each range. This will allow for some growth potential for everyone. He touched on the costs of overhead, which includes rent, utilities, etc. We continue to work with our membership to help with the services they need. He praised Marion County as a partner in the wildfire recovery. Currently, we have more than 20 loans out with a few more in the works. The amount shown as available to lend is a hopeful target. We may not manage to lend it all, in fact we still have CARES Act funds to lend out before the end of September. We are continuing to work with our partner COGs and CCD for processing and back office support in the loan department. We are anticipating future

loan funds, but first we need to get our current funds lent out. We will need to watch for rising health care costs as things bounce back, and inflation in general is a factor as well.

Chair Peralta stated that the Budget Committee met and approved the budget with a recommendation to the Board that they adopt the budget as presented.

Public Testimony - None.

Discussion – None.

Amendments - None.

Chair Peralta closed the hearing at 3:58 p.m.

MOTION by Mr. Pender, **SECONDED** by Mr. Davidson, to **APPROVE RESOLUTION 2020-09: PROPOSED BUDGET FOR FISCAL YEAR 2022-23, AS PRESENTED.**

Motion carried.

IN FAVOR: Peralta, Leno, Dalton, Clark, Beltz, Bennett, Gordon, McArdle, Watkins, Earls, Hinojos Pressey, Davidson, Pender. **OPPOSED:** None. **ABSTAINED:** None.

INFORMATIONAL ITEMS

Ms. Mathiesen reported on the financial software transition. We are at the point of having the majority of data in QuickBooks, and are doing a bit of clean up. We are also documenting our processes for succession planning purposes, and for information. She went over the financial report briefly.

Mr. Jaffe touched on several items included in the written report provided in the agenda packet.

Ms. Wakeley introduced new staff in the Community Development Department – Scott Whyte, Associate Planner; Silas Lobnibe, Grants Administration Specialist; Jeff Hilderbrand, Loan Program Manager; and McRae Carmichael, who will be stepping up as Community Development Director on Ms. Wakeley's leaving.

Chair Peralta recognized the service provided by Ms. Wakeley as Acting Executive Director, as well as before and since as Community Development Director. Ms. Franke asked to address the Board, and welcomed Betsy Earls as the new Chemeketa Community College representative on the Board, as well as thanking Ms. Wakeley for her work, particularly in her role as Acting Executive Director.

Mayor Clark took the opportunity to present Ms. Franke with an award from the COG Board recognizing her time on the Board. Ms. Franke spoke about all she learned while serving on the Board, her appreciation of the COG, and the great things that always happen that are directed by the Board but implemented by the staff.

Mr. Dadson presented a recognition award to Ms. Wakeley, expressing that while sorry to see her go, we are glad that she will stay in the region.

PRESENTATION: RESOURCE ASSISTANCE FOR RURAL ENVIRONMENTS (RARE) WILDFIRE RECOVERY COORDINATOR

Ms. Wakeley introduced Sarah Allaben, who came to the COG as a RARE Participant. Ms. Allaben shared a PowerPoint to recap her work during her service term. She explained the RARE Program. She

started at the COG in September, 2021, and her term will end in July, 2022. Her time at the COG involved a great deal of working to assist with the wildfire recovery in the Santiam Canyon including planning support for the cities of Gates and Detroit, downtown development support, renewable energy and hazard mitigation, as well as working with the North Santiam Sewer Authority (NSSA). She will make her PowerPoint presentation available, and videos and other resources are available through the MWVCOG website (www.mwvcog.org), as well as from the NSSA website (www.northsantiamsewer.net). She thanked everyone involved for helping with this work – Pacific Power, Renata Wakeley and MWVCOG staff, Marion County, Santiam Canyon partners including Gates and Detroit elected officials and staff, and RARE Program staff.

Mayor Clark thanked Ms. Allaben for her fantastic work. She asked if the Detroit downtown information is available, as the Detroit Lake Foundation group will be interested. She will share the final report with them.

Ms. Wakeley stated that Ms. Allaben was an amazing RARE Participant and has been a delight to work with.

SUPPLEMENTAL BUDGET HEARING

Ms. VanDyke shared the Supplemental Budget Resolution 22-11. Chair Peralta opened the public hearing at 4:50 p.m.

Mr. Dadson reported that some items are new funds and some are adjustments. Unfortunately, this was not included in the agenda packet that was provided prior to the meeting. He quickly reviewed the information presented.

Public Testimony - None.

Discussion – None.

Amendments - None.

Chair Peralta closed the hearing at 4:51 p.m.

MOTION by Mr. Pender, **SECONDED** by Mayor Clark, to **APPROVE RESOLUTION 2020-09: PROPOSED BUDGET FOR FISCAL YEAR 2022-23, AS PRESENTED.**

Motion carried.

IN FAVOR: Peralta, Leno, Dalton, Clark, Beltz, Gordon, McArdle, Watkins, Earls, Hinojos Pressey, Davidson, Pender. **OPPOSED:** None. **ABSTAINED:** None.

EXECUTIVE DIRECTOR'S REPORT

Mr. Dadson announced summer events being planned:

- A Board and Staff summer gathering – Mayor Clark volunteered Volcanoes Stadium as a venue – date is to be determined.
- Legislative Committee gathering with candidates and incumbents – Confederated Tribes of Grand Ronde will be sponsoring and hosting the event – date to be determined.

Details will be provided for both events as they become available.

BOARD DISCUSSION/ROUNDTABLE

Mayor Dalton announced that he will be hosting the Mayors Coalition on July 20th at 6 p.m.

Mr. Pender said he is glad to be back after two years of COVID restrictions.

Councilor Beltz reported that it is “Make Music Day” so go listen to some live music.

Mr. Davidson announced that the pilot K-12 bus passes program will be in place this Fall in partnership with the cities of Salem and Keizer, Salem-Keizer School District, and Marion County.

Ms. Franke stated that Chemeketa Community College would love to host events for the COG. Mr. Dadson suggested the next COG Board meeting in September.

ADJOURNMENT

Hearing no further business, Chair Peralta thanked everyone for attending and adjourned the meeting at 4:56 p.m.

Scott Dadson, Executive Director

RESOLUTION 2022-12
BANKING SERVICES AUTHORIZATION

Resolution authorizing Wells Fargo Bank to provide banking services for the Mid-Willamette Valley Council of Governments and authorizing the Executive Director and Finance Director to sign required Treasury Management Agreements.

WHEREAS, it is necessary for the Mid-Willamette Valley Council of Governments, hereinafter called MWVCOG, to engage financial institutions to provide banking services;

WHEREAS, the MWVCOG received proposals from interested banking institutions desiring to provide banking services;

WHEREAS, Wells Fargo Bank was judged to be the bank best suited to meet the needs of the MWVCOG;

WHEREAS, the MWVCOG established the following accounts at Wells Fargo Bank:

Mid-Willamette Valley Council of Governments – Checking
Mid-Willamette Valley Council of Governments – Savings
MWVCOG – Revolving Loan Fund – Checking
MWVCOG – Revolving Loan Fund – Savings
MWVCOG – Regional Strategies Fund – Checking
MWVCOG – Regional Strategies Fund - Savings; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Mid-Willamette Valley Council of Governments:

THAT withdrawals from the above listed accounts require the approval/signature of any two authorized signers; and

THAT the MWVCOG Acting Executive Director and the Finance Director be authorized to sign any required Treasury Management Agreements associated with the above accounts; and

THAT the following shall be designated as authorized signers on the above accounts:

Scott Dadson	Executive Director
Amber Mathiesen	Finance Director
Mike Jaffe	Program Director
McRae Carmichael	Community Development Director

ADOPTED by the Board of Directors of the Mid-Willamette Valley Council of Governments at Salem, Oregon this 20th day of September 2022.

Sal Peralta, Chair
COG Board of Directors

ATTEST

Scott Dadson, Executive Director



MEMORANDUM

TO: Board of Directors
Mid-Willamette Valley Council of Governments

DATE: September 20, 2022

THRU: Scott Dadson
Executive Director

FROM: Amber Mathiesen
Finance Director

SUBJECT: Finance Report

New Employee

Finance has hired a new Financial Analyst - Ghassan AlAriqi. He comes to MWVCOG with a variety of experience including banking, medical billing, auditing, and financial analysis, and reporting. Ghassan will be introduced at the meeting and will be prepared speak more about his background.

Financial Software Transition Update

At the September 2021 Board meeting the COG Board requested an update on the transition of financial systems from GMS software to QuickBooks. The transition of data is complete, including transitioning payroll. Staff training has been provided on time keeping, we have already seen efficiency in entering billing related information to the accounting system for the first time. While the data has been entered to the system, some clean up and refinement in preparation for the annual audit process. Procedures are being further refined and documented as staff become more familiar with QuickBooks. The documentation of procedures will allow for better staff training and understanding of processes, creating consistency and resiliency.

Revenue and Expense

COG's activities related to the budget are shown in Attachment A, an un-audited COG wide Budget versus actuals report through June 30, 2022. At the end of June 100% of the budget year has elapsed. Overall expenses are at approximately 63.77% of budget.

The revenue (income) section of the report demonstrates that COG has received 71.94%. The original budget was amended with Supplemental Budget #1 to recognize \$2,430,892 in new revenues and amended a second time with Supplemental Budget #2 to recognize and additional \$716,536 in additional revenue and anticipated expenditures. While COG generally recognizes all new revenue, not all the funds were received or spent in the fiscal year due to projects spanning fiscal years so some revenue and expenses are carried over to the next fiscal year.

Budget

As new grants applications have been written, and notices of intent to award have been received we will plan to present a supplemental budget at the December board meeting to recognize and allocate the funds for expenditure.

Mid-Willamette Valley Council of Governments

Budget vs. Actuals: FY2021-22 Budget by Department - FY22 P&L Departments

July 2021 - June 2022

	TOTAL		
	ACTUAL	BUDGET	% OF BUDGET
Income			
4100 Federal	712,460.78	1,658,499.00	42.96 %
4110 Direct Federal Funds	275,000.00	103,010.00	266.96 %
4120 Federal Pass Through Funds	213,366.06		
Total 4100 Federal	1,200,826.84	1,761,509.00	68.17 %
4200 State	2,021,081.34	328,306.00	615.61 %
4201 State Pass Through Funds	57,965.37	2,430,892.00	2.38 %
4202 State Direct	5,046.22		
Total 4200 State	2,084,092.93	2,759,198.00	75.53 %
4300 County	323,870.61	85,274.00	379.80 %
4400 Local	997,896.59	1,911,493.00	52.21 %
4410 Bank Interest	10,930.29		
4420 Equipment Rent	895.77		
4430 Interest Earned	759.89		
4460 Loan Revenue	132,640.66	220,084.00	60.27 %
4440 Loan Administration		17,863.00	
4450 Loan Interest	113,284.59		
4462 Loan Packaging		143,595.00	
4464 Loan Servicing	13,225.15	25,553.00	51.76 %
4466 Principal	61,613.69		
Total 4460 Loan Revenue	320,764.09	407,095.00	78.79 %
4465 Grant Revenue	179,923.89		
4470 Non - Member Services	2,229.00		
4480 Other Miscellaneous Revenue	4,415.31		
4490 Services	78,565.85		
4500 Transfers In	3,460.04	402,209.00	0.86 %
4501 Transfers In - Indirect	19,205.22		
Total 4500 Transfers In	22,665.26	402,209.00	5.64 %
4600 VDI Contract Revenue	153,924.78	154,000.00	99.95 %
4700 Unearned Revenues	0.00		
Total Income	\$5,381,761.10	\$7,480,778.00	71.94 %
GROSS PROFIT	\$5,381,761.10	\$7,480,778.00	71.94 %
Expenses			
5100 Payroll Expenses			
5120 Wages	1,648,928.19	1,762,540.00	93.55 %
5130 Fringe Benefits	253,770.57	753,775.00	33.67 %
5135 Payroll Indirect Allocation	27,946.47		
5140 Taxes	99,607.75		
5160 Company Contributions	0.00		
Health Insurance	149,660.11		
Retirement	81,814.73		

Mid-Willamette Valley Council of Governments

Budget vs. Actuals: FY2021-22 Budget by Department - FY22 P&L Departments

July 2021 - June 2022

	ACTUAL	TOTAL	
		BUDGET	% OF BUDGET
Total 5160 Company Contributions	231,474.84		
Total 5130 Fringe Benefits	612,799.63	753,775.00	81.30 %
5150 Leave	0.00		
Total 5100 Payroll Expenses	2,261,727.82	2,516,315.00	89.88 %
5102W Payroll Expense	-35,023.35		
5200 Materials and Services	37.64		
5201 Legal & Professional Services	644.09		
5210 Legal Services	24,851.14	35,680.00	69.65 %
5220 Lobbyist	17,486.00	19,800.00	88.31 %
5230 Audit Services	24,798.50	30,000.00	82.66 %
5240 Loan Packaging	6,043.10	1,041.00	580.51 %
5250 Loan Program Administration	15,474.84		
5260 Loan Servicing	45.00		
5290 Other Professional Services	329,661.82	364,446.00	90.46 %
Total 5201 Legal & Professional Services	419,004.49	450,967.00	92.91 %
5310 Bad Debts	80.43		
5320 Communication, Printing	11,981.79	15,984.00	74.96 %
5330 Computer Support, Supplies & Upgrades	82,648.65	40,179.00	205.70 %
5340 Dues & subscriptions	11,374.14	6,539.00	173.94 %
5350 Entertainment Meals	3,736.71	6,800.00	54.95 %
5360 Equipment Rent		5,403.00	
5370 Equipment Repair & Maintenance	21.96	100.00	21.96 %
5390 Insurance	38,359.96	12,330.00	311.11 %
5400 Legal Notices	3,897.36	580.00	671.96 %
5410 Loans		455,000.00	
5420 Meals - Taxed	-12.49	700.00	-1.78 %
5430 Mileage	8,273.11	6,190.00	133.65 %
5440 Occupancy Expense	193,602.48	186,584.00	103.76 %
5450 Office Supplies	10,897.75	8,875.00	122.79 %
5460 Other Misc Expense	61,112.34	3,042.00	2,008.95 %
5470 Pass Through Payments	1,734,032.04	2,962,992.00	58.52 %
5480 Photocopying and Printing	23,263.64	6,716.00	346.39 %
5500 Postage	5,415.66	4,869.00	111.23 %
5510 Travel, Training and Meetings	7,151.95	18,873.00	37.90 %
5520 Vehicle Repair & Maintenance	3,269.47	15,494.00	21.10 %
Office Equipment Rent		12,511.00	
Total 5200 Materials and Services	2,618,149.08	4,220,728.00	62.03 %
5530 Grant Administration Expense	3,119.50		
5540 Indirect Cost	22,665.26	487,318.00	4.65 %
5600 Capital Outlay		25,500.00	
5700 D - Transfers Out		390,211.00	
5805 Reimbursements	1,347.04		

Mid-Willamette Valley Council of Governments

Budget vs. Actuals: FY2021-22 Budget by Department - FY22 P&L Departments

July 2021 - June 2022

		TOTAL	
	ACTUAL	BUDGET	% OF BUDGET
Other Miscellaneous Expense	0.00		
Total Expenses	\$4,871,985.35	\$7,640,072.00	63.77 %
NET OPERATING INCOME	\$509,775.75	\$ -159,294.00	-320.02 %
Other Income			
Beginning Balance		2,725,469.00	
Total Other Income	\$0.00	\$2,725,469.00	0.00%
Other Expenses			
5820 Reconciliation Discrepancies-1	-23.85		
9010 Designated Reserves		2,132,516.00	
9020 Undesignated Reserves		808,171.00	
9500 Contingency		507,049.00	
Total Other Expenses	\$ -23.85	\$3,447,736.00	-0.00 %
NET OTHER INCOME	\$23.85	\$ -722,267.00	-0.00 %
NET INCOME	\$509,799.60	\$ -881,561.00	-57.83 %



MEMORANDUM

TO: Board of Directors **DATE:** September 20, 2022

THRU: Scott Dadson
Executive Director

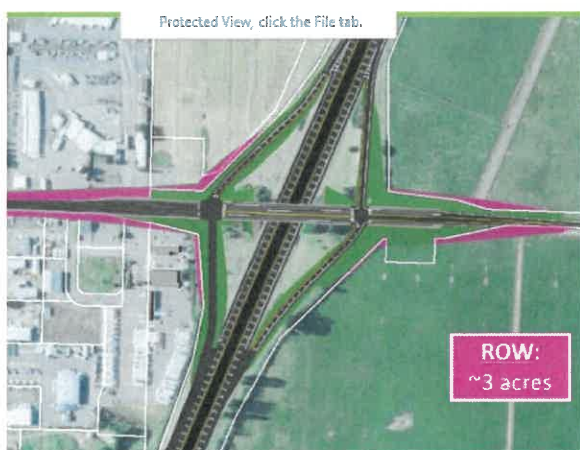
FROM: Mike Jaffe
Transportation Program Director

SUBJECT: Transportation, Safe Routes to School, and GIS Programs Update

Mid-Willamette Area Commission on Transportation (MWACT)

MWACT had one meeting in August, with meetings canceled for July and September. At the August 4 meeting:

ODOT provided their latest evaluations of the alternative design options being considered for the interchange of **I-5 at Brooklake Rd.** An open house and stakeholder meeting was conducted on July 21, 2022. Of the six (6) initial design concepts studied, two continue to be considered: the Tight Diamond Interchange and the “Dog bone” design. These two design concepts have the lowest cost estimates (\$57 or \$59 million, respectively) of the 6 design options and both will address system performance issues at this location.



Tight Diamond Interchange



“Dog bone” Interchange

Members also received a presentation regarding tolling issues, specifically, about the *Low-Income Toll Report – Addressing Impacts to Drivers Experiencing Lower Incomes*. The Oregon Transportation

Commission (OTC), along with the Oregon Legislature, directed ODOT staff to seek equitable solutions for those that have less ability to pay tolls. The focus of this report was for the proposed a toll system in the Portland Metro area, recognizing the tolling impacts on low-income individuals, and developing options for implementation. People with low-income may not have access to alternative modes of transportation and/or may have less flexibility regarding travel times. Options include discounts or certification process. The tolling presentation also provided an overview of the logistics and an implementation timeframe.

Other presentations included information about USDOT's **Federal Lands Access Program (FLAP) needs assessment in Oregon** and an update on **ODOT's "Great Streets" Program**, which the OTC provided \$50 million in funding (from the federal Infrastructure Investment and Jobs Act of 2021) to be used to upgrade state arterials in urban areas to make them safer for people walking on, or near, these roads. The Great Streets Program is intended to reflect the situation that many of ODOT-managed streets also act as "main streets" in many communities and need to accommodate all modes of travel and protect vulnerable users.

Salem Keizer Area Transportation Study (SKATS)

- **Metropolitan Transportation Plan Update**

The SKATS Metropolitan Planning Organization (MPOs) is required to periodically update its 20+ years long-range plan every four years. Transportation needs, finances, and projects are currently being updated for the **SKATS 2050 Metropolitan Transportation Plan (MTP)**. SKATS Policy Committee members and their advisory group, the Technical Advisory Committee (TAC), are reviewing and discussing the MTP's goals, objectives, and project-selection criteria. A performance-based transportation planning approach is a primary consideration of the MTP as it is required by federal regulations for all MPO plans.

The SKATS' Policy Committee members engaged in robust discussions related to transportation evaluation criteria to use to evaluate projects for scoring projects proposed for MTP. Those scores will help to rank the projects; however, the Policy Committee has the latitude to consider other factors when choosing projects to include in the 2050 MTP.

The Policy Committee also discussed federal performance measures - and selecting targets for those measures - that need to be submitted to ODOT and the Federal Highway Administration. Two new federal performance measures (see below) were introduced this quarter, and staff presented information about potential targets for these two measures.

- **SKATS Transportation Improvement Plan (TIP)**

The SKATS TIP lists the regional significant transportation projects and programs that are to be funded primarily with federal and state funds in the SKATS MPO area. For the adopted 2021-26 SKATS TIP, the SKATS Policy Committee adopted the following resolutions this quarter to amend the TIP:

- **22-11** – Adding funding (\$2.0 million federal (from SKATS) and \$600,000 local funds) to fully fund the Hayesville Drive NE project that went to bid in the Spring.
- **22-12** – ODOT adding \$14,500,000 in funding to the I-5 widening project (Kuebler Boulevard to Delaney Road) along with revising the project description to add broadband to the whole project.

- **22-13** – Adding \$143,749 in Transit Urban 5310 Formula funding to match the actual amount of funding received.
- **22-14** – Reducing the Transit Urban 5339 Formula funding by \$496,584 to match the actual amount of funding received.
- **22-15** – Canceling the right-of way (ROW) phase for the Delaney Rd: Battlecreek Bridge project. The ROW and construction phases of this project will be included in the Illustrative section of the FY 2024-2029 TIP update.
- **22-16** – Canceling the River Rd at Manzanita/McNary Estates project.
- **22-17** – Adjusting the funding for the Salem-Keizer MPO Planning for FY 2023 by \$41,895 to match the actual federal PL and 5303 funding received.

SKATS is also working on the next update of the TIP, for the years 2024-2029. In late 2021, local jurisdictions began preparing project proposals and applications for federal funds from SKATS. However, due to the substantial cost escalation of projects in 2022 – as illustrated in the Hayesville Road project noted above -- the Policy Committee decided, for the time being, to only provide funding to projects already included in the adopted TIP and that need additional funding to complete them and not to fund any new projects at this time. A draft of the 2024-2029 TIP is in preparation with public review and public hearing scheduled in the first half of 2023.

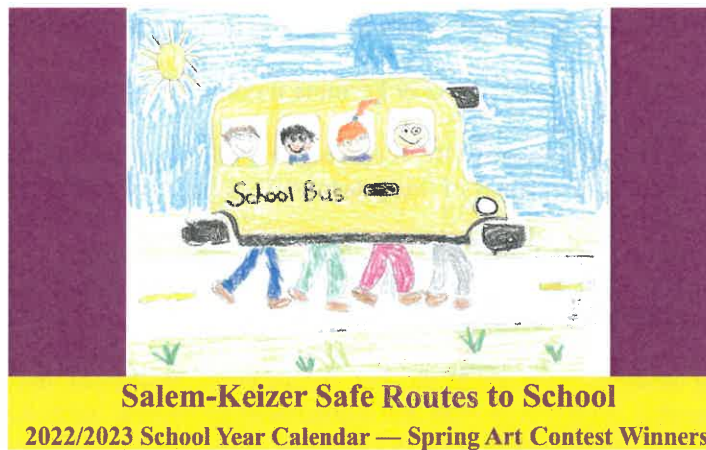
Safe Routes to School Program (SRTS) (MWVCOG and Salem-Keizer School District)

In July, McRae Carmichael accepted the position of the MWVCOG's Community Development Director. We are currently recruiting for a new SRTS Coordinator.

Over the summer, we created [a printed desk calendar](#) featuring the artwork of Salem-Keizer elementary students who submitted original art pieces on the theme "Human-Powered Transportation." Desk calendars are being distributed to the students whose art are featured on the calendar, as well as to school principals, school administrators, and elected/appointed officials on the MWVCOG Board, Salem-Keizer School Board, and the SKATS MPO Policy Committee. Go to <https://www.sksaferoutes.org/art-gallery> to see all of the submitted student artwork organized by elementary school.

Also, over the summer, Emily Loberg – the COG's SRTS Program Assistant - did bicycle repair at two "Fun Friday" events in Salem's Northgate Park and at two Thursday Farmers Markets. Emily also assisted at a "bicycle rodeo" at Trinity Covenant Church to teach bicycle skills to children.

For the upcoming school year, staff is coordinating multiple educational and encouragement events. Nine elementary schools in Salem-Keizer have signed up for our **two-day pedestrian safety classes for elementary students**, and other schools have contacted us for more information about the classes. The first district-wide event will be the **International Walk + Roll to School Day 2022**, on October 12th, to encourage kids to walk/bike/roll to school. Other events are planned for the remainder of the school calendar year.



Census and Geographic Information Systems (GIS) Group

Below is a list of GIS projects completed over the summer:

- Zoning and comprehensive plan map updates for the **city of Dayton**.
- An online map indicating **historic sites in Dayton**.
- A **fire district map** for the **city of Dundee**.
- Updates were made to the **Salem-Keizer School District** SchoolFinder website. The attendance school district's boundary maps were also updated.
- GIS staff members produced three (3) notification mailing lists for the **city of Turner**.
- GIS staff completed the semi-annual Street File update along with producing and distributing the 2nd quarter 2022 Building Permit report.
- The **Yamhill County Enterprise GIS system** was deployed. This project was one of the first in the state to develop an enterprise GIS system on remote servers for a county assessor's office. It is expected that every county will need to make this transition to an enterprise system, preferably on remote servers.



MEMORANDUM

TO: Board of Directors
Mid-Willamette Valley Council of Governments

DATE: September 20, 2022

THRU: Scott Dadson
Executive Director

FROM: McRae Carmichael
Community Development Director

SUBJECT: Community Development Update

The following summary highlights new and continuing Community Development activities completed by COG staff over the past three (3) months:

Economic Development

The **Latino Business Alliance (LBA)**, based upon recommendations by **SEDCOR**, has engaged with COG to discuss technical assistance and potential future staffing of a newly awarded Technical Assistance grant from Business Oregon. The majority of grant funds will be allocated toward the **SBDC** and **SEDCOR** to develop and conduct linguistically and culturally appropriate Latinx/a/o business development training and technical assistance curriculum developed but a small grant allocation is dedicated toward COG's small business lending program to assist the LBA in development of a Latinx/a/o microenterprise loan fund for area businesses that COG has also been asked to provide loan servicing for. The **Business Oregon** TA grant was matched with \$100,000 the LBA has already set aside to start the microenterprise loan program.

Oregon Economic Development Districts, in partnership with **Link Oregon** and **The Ford Family Foundation (TFFF)**, are working to market and help with outreach to all residents and service providers in our region to ensure sufficient response rates on an upcoming statewide mapping initiative on broadband access and connectivity. The survey is now open at www.FasterInternetOregon.org

In partnership with Business Oregon and the Ford Family Foundation, we have increased our grant writing and administration FTE to support our members as well. We currently have several contracts in place supporting our members with Grant Writing and Grant Administration services for **Sheridan, Monmouth, Dallas, and Aumsville** and several additional contracts are in review, including public infrastructure project of ARPA dollars throughout **Marion County**. This is a limited duration contract to support our members in Grant writing and Administration.

COG continues to support **Marion County** and the **Santiam Canyon** communities with wildfire response and recovery, including supporting land use planning applications and code updates to respond to immediate fire recovery and rebuilding. Other milestones include:

- Award of a **DLCD Planning Assistance (PA)** grant for \$50,100 to hire a surveyor to complete Letter of Map Amendments (LOMA's) to correct the FEMA maps for any properties documented to not be within the floodway in order to further remove barriers to rebuilding/redevelopment. The survey contract has begun. The survey work has been completed for Detroit and LOMA's are being prepared for submittal. The survey work for Gates is currently being done in the field.
- Award to the cities of **Detroit** and **Gates** of a **DLCD Technical Assistance (TA)** grant to conduct development code updates to incorporate recent visioning work and processes and offer sample model code development code ordinances for review by both communities. Staff kicked off the 18-month program work in February 2022. Detroit and Gates both continue to work with their Technical Advisory Committees to review the Code. Gates has a public hearing for a portion of the code review on September 15, 2022. Detroit will be hosting a joint work session with the Planning Commission and City Council this October. Both communities are interested in incorporating language into their code for fire protection and defensible spaces.
- **North Santiam Sewer Authority (NSSA)** is currently reviewing an IGA for the COG to provide staffing and project management services to the NSSA. The NSSA received \$150,000 from Marion County to assist with administrative services, project management, grant writing and other services as requested by NSSA.

Land Use Planning

Our planners continue to support communities through draft code amendments, zone and comprehensive plan map updates, and new overlay zones and design standards, in addition to a large number of new development and subdivision applications in the area. COG currently provides contract planning services to 22 cities.

Over the past six plus (6+) months, COG staff has provided interim planning services to the cities of **Dundee** and **McMinnville** as they worked through some staffing transitions. Newberg continues to recruit for a new planner to assist with the Dundee contractual work.

COG planners also assisted the following communities with submission of **Planning Assistance (PA)** funding applications to DLCD for continued long-range planning work, specifically directed at addressing needed housing in our region: **Aumsville**, **Carlton**, **Falls City**, and **Mt. Angel**. These works involved:

- **Falls City** - Code amendment to reduce restrictive dimensional standards, allow tiny homes, add cottage cluster design standards.
- **Carlton** - Full Comprehensive Plan and Development Code update with a focus on housing and downtown development. Consultant-led.
- **Mt. Angel** - Housing needs analysis. Consultant-led.
- **Aumsville** - BLI/HNA/Parks Plan/UGB Expansion.

A COG planner also submitted for a ODOT/TGM grant for a TSP update for **Aurora**. We will learn in late Fall if we are awarded this contract.

COG staff is has engaged with the City of **Dallas** on administration assistance related to development of an updated Master Plan for the La Creole. COG staff will assist with an RFP for a consultant for this work. Staff are also assisting the City of **Dallas** with planning and project management for a TSP update being funded by ODOT.

The City of **Monmouth** has asked COG for assistance with Current Planning applications. COG has assigned a planner and has begun processing applications to support the Community Development staff in Monmouth.

Grant Administration

In early September, we were selected to be awarded **\$2 million** from the Oregon Department of Environmental Quality for septic repair and replacement projects to improve public health and water quality in areas affected by the devastating 2020 wildfires. DEQ's new [Onsite Financial Aid Program](#) is able to award the grants using funds from the federal [American Rescue Plan Act](#) and at the direction of the Oregon legislature. These funds will be distributed to property owners who were impacted by the Beachie Creek and Lions Head fire in September 2020. Impacted communities include **Gates, Detroit, Mill City, Idanha** and **unincorporated Marion County**. More than 620 septic tanks were damaged or destroyed by the fire and this money will be administered by COG as grant awards.

DEQ selected proposals that will provide financial support in the form of grants to homeowners who have completed or are engaged in the process of repairing or replacing their septic systems. The projects will assist Oregonians in rebuilding and returning to communities while decreasing potential environmental pollutants from aging septic systems.

We continue to assist **Amity** with their water improvements project and Davis-Bacon and BOLI wage monitoring requirements for the Salt Creek Bridge Water Line Project; the City of **Falls City** with a \$493,000 Community Development Block Grant (CDBG) to aid in final design engineering related to a future wastewater improvements project; the cities of **Jefferson** and **Independence** on Davis-Bacon and BOLI wage monitoring requirements related to a Oregon funded infrastructure project; and the City of **Willamina** on their successful CDBG award for \$873,912, Safe Drinking Water Revolving Loan Fund, and Water/Wastewater award for \$6,114,660 to relocate their water intake.

We continue to support the City of **Independence** with Davis-Bacon wage monitoring assistance on Phase II of their Water Improvement project.

We also are in the process of applying for three CDBG grants for **Fall City, Amity, and Sheridan**. These applications are due on September 30th and staff continue to work with these Cities to prepare these applications. We are also assisting the City of **Aumsville** with a USDA Rural Assistance application for their wastewater treatment plant upgrades.

Housing Rehabilitation

The City of **Silverton**, in partnership with the cities of **Hubbard** and **Stayton**, received their award announcement for \$450,000 in CDBG-CV-2 (Coronavirus funding) funding to assist with rehabilitation of eligible structures in manufactured home parks. COG staff assisted with the funding application and will provide grant administration, environmental, and program management assistance with this new

funding award from Business Oregon. As of June 2022, we have assisted four (4) homeowners in **Silverton**, four (4) homeowners in **Hubbard** and four (4) homeowners in **Stayton**.

COG staff is also assisting property owners with Valley Development Initiative (VDI) housing rehabilitation loans in **Aumsville** (2), **Aurora** (2), **Santiam Canyon** (3), **Stayton** (5), **Marion County** (1) and **Turner** (1).

With approved flexibility for the use of our Santiam Canyon funds by the VDI Board, we have been able to assist five (5) eligible fire impacted, income-qualifying persons wishing to rebuild in the **Santiam Canyon**.



2022 Legislative Gathering

WHAT IS THE PURPOSE OF THE COG

The Mid-Willamette Valley Council of Governments (MWVCOG) advocates for regional cooperation as the most effective way to address a variety of community planning and development opportunities and issues. Both from the local governments position and the State of Oregon's position. We are locally owned and serve to enable elected officials of our member governments to jointly identify issues and needs which are regional in scope; achieve concurrence for cooperative actions; plan and recommend potential action to address areas of intergovernmental concern such as health, safety, welfare, and growth.

The MWVCOG, your Regional Council, functions by convening elected officials and leaders from member communities to develop solutions to challenges extending beyond individual jurisdictions. We plan transportation, land use, economic development, environmental, and community development projects and services. And we deliver projects and programs by providing technical assistance to our members and can serve in roles such as Metropolitan Planning Agencies (Federally Designated Transportation Planning areas to include the Salem Keizer Area Transportation System), Area Agencies on Aging, Economic Development Districts, and can include other regional services such as 911 operators, and more, depending on the needs of the membership.

THE REGIONAL APPROACH

Regional Councils have the unique ability to efficiently coordinate and plan across jurisdictional boundaries. It was for this reason the MWVCOG was created in 1957. Our organizations, which function in diverse political, economic, geographic, and demographic areas, bring a wide range of stakeholders to the table to better serve their communities. Regional councils have the capacity to formulate community plans in a holistic manner that connects transportation, housing, health, environmental and public safety concerns, and economic and community development. These plans help communities provide more effective services, prioritize projects, and increase the efficiency of the distribution of federal, state, and local funds.

COORDINATION BETWEEN DIFFERENT LEVELS OF GOVERNMENT

Regional councils work to develop solutions for issues that cross jurisdictional boundaries, including those of municipal, county, tribal, and state governments. To benefit from the potential efficiencies and increased effectiveness of these solutions, coordination is required at all levels of government from the federal to local level.

MWVCOG TOP 3 REGIONAL ISSUES

1. REGIONAL CAPACITY BUILDING THROUGH THE COG(S) TO ASSIST IN THE EQUITABLE DISTRIBUTION OF OPPORTUNITIES AFFORDED BY ARPA AND IIJA TO THE MEMBER LOCAL GOVERNMENTS
2. SECURE STABLE FUNDING FOR REGIONAL TRANSPORTATION PROJECTS INCLUDING REGIONAL PUBLIC TRANSIT AND TARGETED HIGHWAY INTERCHANGES AND REFORM ROLE OF AREA COMMISSIONS ON TRANSPORTATION.
3. INCREASE THE AMOUNT OF AND ACCESS TO AFFORDABLE AND AVAILABLE HOUSING THROUGH REGIONAL APPROACHES TO ASSIST MEMBER LOCAL GOVERNMENTS

PROVIDE DIVERSE, EQUITABLE, AND SUSTAINABLE HOUSING THROUGHOUT OREGON.

TOP THREE ISSUES EXPLAINED

The issues of Housing, Infrastructure, Broadband, by building Regional Capacity Building through the COG to assist the members (Counties, Cities, and Special Districts) in achieving these important Community and Economic Development Goals. Further, Many regional councils approach long-term planning projects and programmatic activities using equity as a primary consideration to ensure that community development, infrastructure, and economic opportunities serve those most in need. Regional councils should be supported in their efforts to work with stakeholders to increase awareness of inequity in their communities and develop collaborative action steps to provide adequate resources and access to opportunities for all residents.

Issue #1: Building Regional Capacity on behalf of the Membership to help achieve access to State and Federal Funds for Infrastructure necessary to help manage growth and resources. The MWVCOG has asked for State Funding, on behalf of the 6 Regional COGS in Oregon, for funding to assist the membership in accessing ARPA and IIJA Funds, compliance with funding requirements and administration of grants, and strategic planning for prioritization of funding opportunities.

Increase Capacity for Rural Communities through Regional approaches. Rural communities often lack staff to identify and apply for federal and state programs that would foster workforce development, build infrastructure, and enhance economic and community development. To provide this capacity, MWVCOG supports statewide efforts to aid local governments in applying for federal and state resources. To maximize efficiencies and take advantage of existing capacity, MWVCOG supports using existing Councils of Government to perform this function.

Issue #2: Regional transportation connections impact everything from the economy to the quality of life we cherish in the mid-valley. As such, we believe that state transportation investments should prioritize securing stable funding to maintain existing transportation assets.

We have identified the following projects as priorities for state funding: (Newberg-Dundee Bypass (Yamhill County); IOR22 @ OR51 (Polk County, near West Salem); and, OR18 @ OR22 “Valley Junction” (Polk County, near Grand Ronde).

We also support robust regional public transit which connects our cities and rural communities. Current state funding for regional public transit through the STIF program is a lifeline but not robust enough to meet the needs of our rural communities.

We support the reformation and increase the relevance of the Area Commissions on Transportations and their role to advise ODOT, the Oregon Transportation Commissions, and legislators on issues of statewide transportation policy. Empowering the ACTs to prioritize projects through the allocation of state transportation funds, as they did in the past, on the state highway system and other multimodal facilities of regional importance will serve to balance the economic needs of the region, the safety of all transportation users, and the need to reduce pollution and greenhouse gas emissions.

Issue #3: Housing. MWVCOG encourages federal and state participation and expert assistance in regional and local policy making, where appropriate. To Advocate for the equitable allocation of state and federal resources across all regional governments based on a variety of factors to include need, service demands, economic indicators, and not just population, to promote equity in the state and ensure no one area receives a disproportionate share of resources; to Support locally driven planning initiatives;

and, to Support holistic approaches to planning which connect transportation, housing, health, environmental concerns, and economic and community development.

Support the Optional Use of Regional (vs. Local) Housing Needs Assessments and Economic Opportunity Analysis - The MWVCOG supports rule changes to OAR 660-024-0045 (Regional Large Lot Industrial Land) to provide a framework for local governments to work on the employment land supply at a more regional scale. The MWVCOG supports removing restrictions on Housing Needs Assessments (HNAs) and Economic Opportunity Analysis (EOAs) that limit such analysis to areas within city limits (allowing counties and other cities in a region to participate, should they choose to do so). MWVCOG opposed the division of resources by the legislature or state agencies by prioritizing larger population cities or counties, the Metro area; or Eastern Oregon in the establishment of renewed or new funding programs and resources and instead encourages the equitable allocation of state and federal resources across all regional governments based on a variety of factors to include need, service demands, economic indicators, and population, to ensure no one area receives a disproportionate share of resources.



MEMORANDUM

TO: Board of Directors
Mid-Willamette Valley Council of Governments

DATE: July 12, 2022

THRU: Scott Dadson *SD*
Executive Director

FROM: Amber Mathiesen
Finance Director

SUBJECT: Credit Card Changes

New Credit Card Policy

MWVCOG has a need for a documented Credit Card Policy and supporting processes. The proposed Credit Card Policy and Credit Card Agreement to be signed by staff are attached.

Finance is recommending a \$35,000 credit limit for credit card account up from the current limit of \$15,000. There is an average of \$20,000 monthly expenses that have the potential of being applied to a credit card. Since there is a delay in payment after the credit card statement is received, we think we will need a \$35,000 limit to cover the overlap.

Also attached is a Wells Fargo Small Business Lending form with the card request. This application must be signed by two people who will not be card holders, such as board members.

Mid-Willamette Valley Council of Governments Credit Card Policy

Introduction.

Businesses use company credit cards to manage small to medium-size expenses relating to the maintenance and development of the company. Due to the financial implications and risks associated with company credit cards, Mid-Willamette Valley Council of Governments (MWVCOG) created this policy to clearly define the protocols, limitations, and conditions of use.

Purpose.

The purpose of this company credit card policy is to (a) outline the eligibility and authorization procedures, (b) state the terms and conditions of the company credit card, (c) define the limitations and exceptions, and (d) to explain the card violations and disciplinary action process.

Scope.

This policy applies to all MWVCOG employees that are authorized to use the company credit card.

Authorization.

The MWVCOG credit card is only available to authorized personnel. Director and Finance Manager reserve the right to release the company credit card to any MWVCOG employee(s), depending on the circumstances, necessary documentation, and company-related expenses.

Employee Credit Card Application.

Each employee must complete an Employee Credit Card Application 30 days before requiring access to the credit card's funds. In the application., an employee sign that he/she understands the risks associated with taking responsibility for the card. The finance department is responsible for issuing the Employee Credit Card Application form but only the Finance Manager and/or Executive Director have the authority to approve the application.

Employee Credit Card Agreement.

Once an employee's credit card application is approved by the Finance Manager and/or Executive Director, he/she must sign and abide by an Employee Credit Card Agreement. In this agreement, the employee will sign that he/she recognizes that the company credit card belongs to MWVCOG and management has the right to investigate charges, with or without cause.

Mid-Willamette Valley Council of Governments Credit Card Policy

The credit card agreement is issued and filed by the finance department and the human resource (HR) department.

Conditions of Use.

- MWVCOG reserves the right to release and withdraw the company credit card any time, with or without cause.
- The MWVCOG credit card should only be used for company-related expenses and for purposes relating to the employee's job commitments.
- The company credit card cannot be used to receive cash advances, bank checks, traveler's checks, and/or electronic cash transfers.
- An employee in possession of the company credit card must take full responsibility for all purchases made on the card.
- An employee in possession of the company credit card is prohibited from giving the card to unauthorized individuals and/or employees, including fellow MWVCOG employees.
- Employees that are required to attend business trips are allowed to use the company credit card for accommodation, transportation, and/or meals, if each purchase adheres to the MWVCOG policies
- The MWVCOG credit card cannot be used for personal expenses.
- MWVCOG Finance Director and/or Executive Director reserves the right to view monthly credit card statements, with or without cause.
- Each transaction made with the company credit card must be reported to the finance department within 3 days after the purchase.
- Violation of this policy can lead to disciplinary action, up to and including termination.

Limitations.

The credit card's limitations are based on each employee's position in the company. See Attachment A.

Exceptions.

MWVCOG recognizes that each case is different, and an employee may require additional fees, depending on his/her department, frequency of use, and case-specific circumstances. Therefore, employees have the right to apply for an exception but will need to motivate the reasoning for the additional purchase. Each purchase that exceeds the limit must be first approved by the Finance Manager and/or Executive Director.

Disputed Transactions.

Mid-Willamette Valley Council of Governments Credit Card Policy

In the event that an employee disputes a charge made on the company credit card while in his/her possession, the issue must be brought to management's attention immediately. All disputed transactions must be resolved by the supplier, finance department, and bank. It is the cardholder's responsibility to obtain and file all proof of payment documentation with the finance department.

Disciplinary Action.

If an employee violates the terms and conditions of this policy, he/she will be subject to disciplinary action, up to and including termination. Violations of this policy include:

- Using the company credit card for personal, illegal, and/or unauthorized expenses.
- Failure to complete an Employee Credit Card Application and/or an Employee Credit Card Agreement before using the card.
- Giving the company credit card to unauthorized personnel without notifying management.
- Failure to report expenses in a timely manner.

Depending on the severity and frequency of each employee's policy violation, he/she could face a written warning, possible suspension, and/or termination. Each violation must be thoroughly investigated by the finance department and human resource (HR) department.

Approved: 
Scott Dadson – Executive Director

Date: 7-18-22

Mid-Willamette Council Of Governments (MWVCOG)
Agreement to Accept a Wells Fargo Credit Card

MWVCOG is pleased to present to you this Purchase Card. It represents the City's trust in you and your empowerment as a responsible employee of MWVCOG to safeguard and protect our assets and the members' money.

I, _____, hereby acknowledge receipt of a MWVCOG Credit Card, Card Number _____. As a Cardholder, I agree to comply with the terms and conditions of this Agreement and the applicable provisions of the Wells Fargo Credit Card Program and MWVCOG Credit Card Policy which may subsequently be revised. I acknowledge receipt of Policy and confirm that I have read and understood its terms and conditions. I understand MWVCOG is liable to Bank of America for all charges made by me.

As the holder of this Credit Card, I agree to accept responsibility for the protection and proper use of this Card as outlined in this Agreement and the Policy. I understand that MWVCOG will audit the use of this Credit Card. I understand that I shall not use the Credit Card for uses listed in the Policy.

I further understand that improper use of this Card may result in disciplinary action, up to and including TERMINATION of employment. If MWVCOG initiates legal proceedings to recover amounts owed by me under this Agreement, I agree to pay all legal fees incurred by the MWVCOG in such proceedings.

I understand the MWVCOG may terminate my rights to use this Card at any time for any reason. I agree to return the Card to the MWVCOG immediately upon request or upon termination of employment.

CARDHOLDER:
Signature: _____ Date: _____
Name (Print): _____

BEFORE THE BOARD OF DIRECTORS

FOR THE MID-WILLAMETTE VALLEY COUNCIL OF GOVERNMENTS

In the matter of Establishing and Authorizing the MWVCOG Credit Card Policy

RESOLUTION 2022-11

WHEREAS, the Mid-Willamette Valley Council of Governments (MWVCOG) has a need for a documented Credit Card Policy and supporting processes; and

WHEREAS the staff of the MWVCOG has recommended a ceiling of \$35k total per month; and

NOW, THEREFORE, THE MWVCOG BOARD OF DIRECTORS RESOLVES AS FOLLOWS:

1. The Board establishes and authorizes the Credit Card Policy to be used as a control on processes related to the issuance and use of credit cards on the behalf of MWVCOG for business purposes; and
2. Authorizes the appropriate staff to sign the Credit Card Agreement; and
3. Authorizes two Board members to sign the Wells Fargo Small Business Lending form.

Adopted, signed and approved this 20th day of September 2022.

Sal Peralta, Chair
COG Board of Directors

ATTEST

Scott Dadson, Executive Director



MEMORANDUM

TO: Board of Directors
Mid-Willamette Valley Council of Governments

DATE: September 20, 2022

THRU: Scott Dadson
Executive Director

FROM: COG Executive Committee

SUBJECT: Annual Dinner Planning and Awards Committee for 2023

REQUEST

- a) Seeking volunteers and/or nominees to serve on the MWVCOG Annual Dinner Planning and Awards Committee, and
- b) Board feedback related to planning for the 2022 MWVCOG Annual Dinner.

BACKGROUND

The COG Board traditionally solicits volunteers for the Annual Dinner Planning and Awards Committee to start making arrangements for venue, catering, etc. and to solicit nominees for our four (4) award categories.

Pursuant to Section X of the MWVCOG ORS 190 Agreement:

3. Annually the Chair shall call a general meeting at which meeting the Council shall review the status of the region with respect to all regional matters with which it is concerned.

The Executive Committee wishes to proceed with establishment of the Annual Dinner Planning and Awards Committee to provide guidance on venue and format, and to proceed with solicitation of nominees for the MWVCOG annual award categories.

ISSUES

Considerations for the Annual Dinner Planning and Awards Committee include but are not limited to:

- Changes to timeline, venue, and/or and format for the 2023 Annual event?
- Alternative plans or options to fulfill Section X.3. of the ORS 190 Agreement?



MEMORANDUM

TO: Board of Directors
Mid-Willamette Valley Council of Governments

DATE: September 20, 2022

FROM: Scott Dadson
Executive Director

SUBJECT: Loan Portfolio Servicing

Please find attached to this memo, a draft of an Intergovernmental Agreement and the Work Plan for same, regarding the establishment of back of the house loan portfolio servicing for the COG Lending Programs Revolving Loan Funds and their SBA 504 Loan Portfolios. The “Unity Lending” partners of CCD, MWVCOG, LCOG, and OCWCOG have determined the need to enter into such an agreement with the purpose of streamlining and supporting the servicing portion of our loan programs.

The agreement has been negotiated between the Lending staffs of the organizations party to the agreement and has been reviewed by the COG’s legal counsel.

The cost of this agreement is estimated to be \$28,750 per fiscal year. The COG currently does not have staff to perform this work in the Lending division and has estimated that the cost to hire such staff is approximately \$98,500 per year with salary, benefits and overhead costs per our indirect plan.

I am recommending the approval of this agreement and would be happy to answer any questions regarding these documents, the lending program, and our partners.

INTERGOVERNMENTAL AGREEMENT

This Intergovernmental Agreement (Agreement) is entered into pursuant to the authority found in ORS 190.010, *et seq.*, by and between CCD BUSINESS DEVELOPMENT CORPORATION, hereinafter referred to as “CCD”, MID-WILLAMETTE VALLEY COUNCIL OF GOVERNMENTS, hereinafter referred to as “MWVCOG”, LANE COUNCIL OF GOVERNMENTS, hereinafter referred to as “LCOG”, and OREGON CASCADES WEST COUNCIL OF GOVERNMENTS, hereinafter referred to as “OCWCOG”. Each of the agencies is an Oregon Intergovernmental Agency created under ORS Chapter 190. All of the above listed organizations willingly participate in a “Unity Lending” program.

RECITALS

WHEREAS, the “Unity Lending” partners of CCD, MWVCOG, LCOG, and OCWCOG have determined the need to establish back of the house loan portfolio servicing for their Revolving Loan Funds and their SBA 504 Loan Portfolios with the purpose of streamlining and supporting the servicing portion of their loan programs, and

WHEREAS, CCD desires to be the organization to provide professional commercial loan servicing services for the “Unity Lending” partners of MWVCOG, LCOG, and OCWCOG, and

Whereas, each of the other partners have determined that CCD has professional staff and expertise sufficient to perform professional commercial loan services at the levels required to meet their individual needs, and

WHEREAS, the attached Exhibit A, “Scope of Work”, specifies in detail what services will be provided to the “Unity Lending” partners of MWVCOG, LCOG, and OCWCOG by CCD and the costs for service.

NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. To create a “Unity Lending” Loan Portfolio Servicing Program, with CCD as the provider that will administer and service the “Unity Lending” Loan Portfolio Servicing Program.
2. CCD intends to implement a “Unity Lending” Loan Portfolio Servicing Program by providing assistance as described below:
 - Provide Loan Portfolio Servicing to MWVCOG (*based on the attached “Scope of Work”*)
 - Provide Loan Portfolio Servicing to LCOG (*based on the attached “Scope of Work”*)
 - Provide Loan Portfolio Servicing to OCWCOG (*based on the attached “Scope of Work”*)
3. The attached “Scope of Work” contains the necessary details to serve each “Unity Lending” partner in the Loan Portfolio Servicing Program and each partner is satisfied that the Scope of Services demonstrates how implementation will comply with their loan program(s) requirements.
4. The Agreement is intended to define the parties’ responsibilities including the distribution of program costs.
5. Any substantive changes to the attached “Scope of Work” must be approved by the parties in writing.

INDEMNITY

6. Each of the parties agrees to defend, indemnify, and hold the other harmless from and against all claims, suits, actions, losses, damages, liabilities, costs and expenses, resulting from or arising out of any negligent performance or failure to perform on the part of the indemnifying party, its officers, employees or agents. The parties' indemnity and hold harmless obligations are subject to the limitations of the Oregon Tort Claims Act and any applicable limitations of the Oregon Constitution.

ASSIGNMENT

7. Any party may assign this Agreement, but only with the written consent of the other parties.

NOTICES

8. Notices required by this Agreement shall be in writing, emailed and mailed by first class mail. Until otherwise notified in writing, notices shall be directed to the following representatives:

	CCD	MWVCOG	LCOG	OCWCOG
Name	Theresa Haga	Scott Dadson	Brenda Wilson	Ryan Vogt
Title	Executive Director	Executive Director	Executive Director	Executive Director
Address	PO Box 1938	100 High Street SE, Suite 200	859 Willamette Street, Ste. 500	1400 Queen Ave. SE, Suite 201
City, State, Zip Code	Roseburg, OR 97470	Salem, OR 97301	Eugene, OR 97401	Albany, OR 97322
Telephone	541-672-6728	503-540-1601	541-682-4395	541-924-8465
Email	t.haga@ccdbusiness.com	SDadson@mwvcog.org	BWILSON@Lcog.org	rvogt@ocwcog.org
Name	Michele Laid	Jeff Hilderbrand	Sandra Easdale	Jenny Glass
Title	Business Finance Manager	Loan Manager	Loan Program Manager	Community and Economic Development Director
Address	540 Anderson Ave.	100 High Street SE, Suite 200	859 Willamette Street, Ste. 500	1400 SE Queen Ave., Suite 205
City, State, Zip Code	Coos Bay, OR 97420	Salem, OR 97301	Eugene, OR 97401	Albany, OR 97322
Telephone	541-756-4101	503-540-1613	541-682-3359	541-924-8474
Email	m.laird@ccdbusiness.com	jhilderbrand@mwvcog.org	seasdale@lcog.org	jglass@ocwcog.org

TERM AND TERMINATION

9. This agreement shall be effective, July 1, 2022, and upon execution shall continue in force for the twenty-four (24) months period ending on June 30, 2024.
10. This agreement may be terminated by any party provided written notice is given to the other parties at least thirty (30) days prior to the termination date. Upon the receipt of notice of termination, the parties shall commence negotiations to coordinate an orderly conclusion of the program, negotiate the equitable disposition of the improvements made, and any account for outstanding fees and revenues.

AMENDMENTS

11. No amendment to this agreement shall be effective unless made in writing and signed by all parties.

SEVERABILITY

12. If any provisions of this Agreement are held invalid by a court of competent jurisdiction, the remainder of this Agreement shall not be affected thereby if such remainder would continue to serve the purposes and objectives originally contemplated by the Parties.

CCD BUSINESS DEVELOPMENT CORPORATION

By: _____
Theresa Haga

Title: Executive Director

Date: _____

MID-WILLAMETTE VALLEY COUNCIL OF GOVERNMENTS

By: _____
Scott Dadson

Title: Executive Director

Date: _____

LANE COUNCIL OF GOVERNMENTS

By: _____
Brenda Wilson

Title: Executive Director

Date: _____

OREGON CASCADES WEST COUNCIL OF GOVERNMENTS

By: _____
Ryan Vogt

Title: Executive Director

Date: _____

LIST OF EXHIBITS

- | | |
|------------|------------------------------------|
| Exhibit A. | Scope of Work |
| Exhibit B. | Certificate of Liability Insurance |

SCOPE OF WORK
UNITY LENDING LOAN PORTFOLIO SERVICING PROGRAM

BETWEEN
CCD BUSINESS DEVELOPMENT CORPORATION (CCD)
AND
MID-WILLAMETTE VALLEY COUNCIL OF GOVERNMENTS (MWVCOG)
LANE COUNCIL OF GOVERNMENTS (LCOG), OREGON CASCADE WEST COUNCIL OF
GOVERNMENTS (OCWCOG)

The Scope of Work for this agreement is for CCD to provide back of the house loan portfolio servicing with the purpose of streamlining and supporting LCOG, OCWCOG and MWVCOG to allow them to focus on marketing and packaging to grow their loan programs by assisting small businesses in their regions.

The Scope of Work for this Unity Lending Loan Portfolio Servicing Program is outlined as follows:

1. Initial Conversion: One Time Activity

- Import and/or input of Loan Portfolios into Ventures loan tracking

2. Loan Processing: Day to Day Ongoing Activity

a. Application:

- Assist with SAM searches, OFAC searches, CAIVRS, credit checks, UCC lien searches, entity documents, etc.

b. Closing/Funding:

- Assist with obtaining title reports, title insurance, opening escrow accounts, obtaining flood reports, obtaining proof of insurance, etc.
- Assist with preparation of loan closing documentation including working with title company to facilitate loan closing
- UCC filings with Secretary of State

c. Servicing (Post Closing/Funding)

- Send monthly payment billing statements to borrowers
- Post of monthly loan payments
- Send Past Due/Delinquent payment letters to borrowers
- Monitor/maintain insurance conditions, addressing any insurance compliance issues
- Monitor all property tax payments, addressing past due/delinquent property taxes
- Monitor all UCC filings, complete UCC renewals as necessary
- Monitor all Site Visits for completion
- Request, analyze annual financials
- Request annual Third-Party Lender (TPL) statements
- Request Job Creation/Retention Certifications
- Perform Loan Grading/Risk Rating
- Process Year-end Statements and Form 1098 Mortgage Interest Statements
- Service Requests (i.e., modifications, subordinations, collateral releases, etc.)
- Process loan payoff requests and reconveyance documents

- Monitor and make recommendations on loan liquidation activities
- Perform other services as needed that are requested by a unity lending partner within the parameters of servicing their loans

d. Reporting:

- Provide weekly reconciliation reports *(if applicable)*
- Provide monthly reconciliation reports
- Provide quarterly financial reports concerning status of loans in portfolio
- Complete and submit reports on behalf of each unity lending partner to various agencies EDA, USDA, SBA, etc.

3. Records, Fees, Expenses and Billing:

- Maintain records of time and expenses associated with administrative activities as appropriate for MWVCOG, LCOG and OCWCOG
- Maintain records of expenses incurred by CCD related to the administration of the MWVCOG, LCOG and OCWCOG loan portfolios, i.e., UCC renewals/terminations, costs associated with recordings including release/reconveyance, insurance, mailing/shipping. Expenses will be billed to each unity lending partner on a quarterly basis along with the quarterly servicing invoice

4. Expense Distribution to the Unity Lending Partners:

a. Initial Conversion: One Time Expense

- The total estimated conversion cost for all Unity Lending Partners based on five-week conversion timeline is \$5,800, with the actual cost for each partner based upon the actual cost of converting its portfolio:
 - CCD will track hours worked per Unity Lending Partner to ensure equitable allocation of costs based on partner portfolio. CCD estimates that the hourly rate \$29.
 - Each Unity Lending Partner will have the option of paying conversion fees in full at the completion of conversion or have the fees paid quarterly over the first year of this program to be billed in conjunction with regular quarterly fee invoice.

b. Annual Service Cost: Ongoing Activity

- Each Unity Lending Partner will be responsible for an equal share of CCD's cost of operating the program to service portfolios:
 - MWVCOG, LCOG and OCWCOG will be billed on a quarterly basis for CCD's servicing of their portfolios
 - The estimated annual cost of Unity Lending Portfolio Services performed by CCD is \$115,000; with each of the four Unity Lending Partners responsible to pay one-fourth of the program cost (estimated to cost \$28,750 annually per partner).

Additional Comments:

All Unity Lending Partners will continue to operate and receive their earned SBA 504 servicing income as per their current SBA approved Packaging and Servicing Professional Service Agreement with CCD.



MEMORANDUM

TO: Board of Directors
Mid-Willamette Valley Council of Governments

FROM: Scott Dadson
Executive Director

SUBJECT: DEQ Grant for Septic Systems in Santiam Canyon

DATE: September 20, 2022

The COG is the recipient of a \$2.5 million dollar grant for Septic Systems in the Santiam Canyon. Shout out to McRae and staff who put this together with help from Marion County Community Development Team. The Board of Directors will need to do two things to affect this contract, first being the adoption of a Resolution accepting the grant. The second will be a budget amendment which will happen later this year.

We asked our COG Attorney, Bill Monahan to review the documents and he has done that. His thoughts are found below:

I do not have any concerns that might lead me to suggest modifications to the language of the agreement. If I did, it is usually difficult to obtain changes.

All provisions must be met, but I should point out some items of the agreement that require additional attention within the COG:

- 1. section 5 requires verification of the facts about the COG. The COG is a public agency so that is easy, but the Board will need to pass a resolution to authorize participation in the program.*
- 2. section 5.C. on page 4 notes that if federal funds exceed \$750,000 in a fiscal year the COG will need to fund an audit. Obviously, Amber will be tracking this and will take appropriate action.*
- 3. section 6.H.2. on page 5 requires recipients of sub agreements to indemnify the state. This may apply to contractors, but maybe not. Any agreements with applicable recipients of sub agreements must include the same indemnification language. They must also have the same insurance coverage as the grant requires the COG to carry.*
- 4. page 27 - insurance requirements. Amber will need to verify that the COG has proper coverage. The general liability limits appear to be standard but the professional liability appears high - \$4 million. This should be checked to be sure the COG has the coverage needed.*
- 5. page 28 - Directors' insurance must be \$2 million and Crime Prevention also \$2 million. As noted on page 29, the COG must provide certification of insurance before any delivery of service under the grant. So, you should send these pages about insurance to CIS and obtain a certificate from the insurer to compare it to the required coverage limits.*
- 6. page 31 - here there are requirements that the COG will need to make sure that any contractor is licensed. A program should be set up to document this throughout the project.*

I have sent this document to the insurance carrier for the COG, CIS/Huggins, for a review of all requirements, a Certificate of Insurance for compliance and any other costs that we may need to do for this grant. These additional costs will be borne by the administrative oversight revenues that the COG will use to administer the program.

I have attached a copy of the agreement for your review.

**BEFORE THE BOARD OF DIRECTORS
FOR THE MID-WILLAMETTE VALLEY COUNCIL OF GOVERNMENTS**
In the matter for authorizing the acceptance of Oregon ARPA Financial Aid

RESOLUTION 2022-13

WHEREAS; the Oregon Department of Environmental Quality (DEQ) is authorized to distribute grant funds from fund received by the State of Oregon under the federal American Rescue Plan Act (ARPA) Coronavirus State Fiscal Recovery Fund for the purpose of providing financial assistance to public agencies or qualified institutions for the repair, replacement, upgrade or evaluation of residential or other on-site septic systems,

WHEREAS; the Mid-Willamette Valley Council of Governments (COG), an intergovernmental entity formed by agreement pursuant to ORS Chapter 190, has the authority to enter into intergovernmental agreements for the delivery of services to its member governments pursuant to both ORS 190.020 and the agreement establishing the COG; and

WHEREAS; The COG intends to use the Grant funds to provide financial assistance for the repair, replacement, upgrade, or evaluation of failing or damaged residential or other on-site septic systems, with a priority on recovery from the 2020 Oregon wildfires (the "Project"). The COG would then offer Financial Aid that includes grants and/or loans to approved applicants that meet Recipient's financing guidelines and are located within the designated 2020 Wildfire Recovery areas; and

WHEREAS; The COG agrees to be responsible for all aspects of Project administration, including Project development, outreach and marketing materials, origination, and servicing of grants and/or loans to Property owners to finance the evaluation, repair and replacement of on-site septic systems, including connection to available sewerage systems when available. Recipient also will share and coordinate outreach and marketing efforts with DEQ; and

WHEREAS; the Board of Directors for the COG must authorize contracts where the COG is the service provider:

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MID-WILLAMETTE VALLEY COUNCIL OF GOVERNMENTS:

1. That the Executive Director is authorized to execute a grant agreement with the Oregon Department of Environmental Quality anticipated for \$2,000,000 to the COG to provide financial assistance to qualified individuals, public agencies or qualified institutions for the repair, replacement, upgrade or evaluation of residential or other on-site septic systems,
2. That the Executive Director is authorized to execute all other agreements necessary to carry out the assistance program, and
3. That the COG Board will supplement its Fiscal Year Budget at the appropriate time in order to affect the receiving of and expending of funds

ADOPTED by the Board of Directors of the Mid-Willamette Valley Council of Governments at Salem, Oregon this 20th day of September 2022.

Sal Peralta, Chair
COG Board of Directors

ATTEST

Scott Dadson, Executive Director

**CORONAVIRUS STATE FISCAL RECOVERY FUND
GRANT AGREEMENT**

DEQ AGREEMENT No XXX-XX

OREGON ARPA FINANCIAL AID

This grant agreement (“Agreement”), dated as of the date the Agreement is fully executed, is between the State of Oregon, acting through its Oregon Department of Environmental Quality (“DEQ” or “State”), and **RECIPIENT** (“Recipient”), both individually without distinction as “Party” and collectively as the “Parties.” This Agreement becomes effective only when fully signed and approved as required by applicable law (“Effective Date”). Unless extended or terminated earlier in accordance with its terms, this Agreement shall expire **March 31, 2027** (“Expiration Date”).

This Agreement includes Exhibit A - Contact Information, Use of Funds/Project Description and Reporting Requirements, Exhibit B - Coronavirus State Fiscal Recovery Fund Federal Requirements, Exhibit C - Insurance Requirements, Exhibit D - Federal Award Identification, Exhibit E – Recipient Requirements. In the event of a conflict between two or more of the documents comprising this Agreement, the language in the document with the highest precedence shall control. The documents comprising this Agreement are listed in the first sentence of this paragraph from highest to lowest precedence.

Pursuant to Oregon Laws 2021, chapter 669, section 114, DEQ is authorized to distribute grant funds from funds received by the State of Oregon under the federal American Rescue Plan Act Coronavirus State Fiscal Recovery Fund (codified as 42 U.S.C. 802) for the purpose of providing financial assistance to public agencies or qualified institutions for the repair, replacement, upgrade or evaluation of residential or other on-site septic systems, as more particularly described in Exhibit A (the “Project”).

SECTION 1 - KEY GRANT TERMS

The following capitalized terms have the meanings assigned below.

Act: The federal American Rescue Plan Act Coronavirus State Fiscal Recovery Fund (codified as 42 U.S.C. 802), including all implementing regulations (31 CFR 35.1 *et seq.*) and other guidance promulgated by the U.S. Department of the Treasury.

Grant Amount: \$\$\$

Expenditure Deadline: December 31, 2026

Obligation Deadline: June 30, 2024

SECTION 2 - FINANCIAL ASSISTANCE

- A. DEQ shall provide Recipient, and Recipient shall accept from DEQ, a grant (the “Grant”) in an amount not to exceed the Grant Amount.
- B. DEQ’s obligations are subject to the receipt of the following items, in form and substance satisfactory to DEQ and its Counsel:

- (1) This Agreement duly signed by an authorized officer of Recipient; and
- (2) Such other certificates, documents, opinions and information as DEQ may reasonably require.

C. Obligation Deadline.

- 1) Pursuant to the Act, Recipient shall **obligate** Grant funds for Eligible Costs (as that term is defined in Section 4) no later than the Obligation Deadline. Funds are obligated on the date an order is placed for Project-related property or services, as well as the date Recipient contracts, subawards, or enters into similar transactions that require payment for Project activities.
 - 2) Grant funds may not be used for Project activities obligated after the Obligation Deadline, and any such activities are the sole responsibility of Recipient.
 - 3) Recipient shall use principal repayments received prior to December 31, 2024, only for Eligible Costs under this Agreement.
- D. Expenditure Deadline. Grant funds may not be expended for Project activities after the Expenditure Deadline. Project activities occurring after the Expenditure Deadline are the sole responsibility of Recipient.
- E. Return of Unobligated and Unexpended Grant Funds. Recipient must return to DEQ all Grant funds (i) not obligated by the Obligation Deadline (“Unobligated Funds”) and (ii) not expended by the Expenditure Deadline (even if such funds were obligated by the Obligation Deadline) (“Unexpended Funds”). Recipient must return all Unobligated Funds to DEQ no later than 30 days after the Obligation Deadline and must return all Unexpended Funds to DEQ no later 30 days after the earlier of the Agreement’s termination or the Expenditure Deadline.
- F. Return of Principal Repayments on Short Term Loans. Recipient must return to DEQ all principal repayments on Short Term Loans, as that capitalized term is defined in Section 3 of Exhibit A, within 30 days of receipt.

SECTION 3 - DISBURSEMENT

- A. Reimbursement-Based Disbursement. DEQ shall reimburse Recipient for Eligible Costs up to the Grant Amount as set forth in Exhibit A.
- B. Conditions to Disbursements. DEQ has no obligation to disburse Grant funds unless:
- (1) DEQ has sufficient funds currently available for this Agreement;
 - (2) DEQ has received appropriations, limitations, allotments or other expenditure authority sufficient to allow DEQ, in the exercise of its reasonable administrative discretion, to make payment, and notwithstanding anything in the Agreement, occurrence of such contingency does not constitute a default; and
 - (3) Recipient has satisfied all conditions for reimbursement as set forth in Exhibit A.
- C. Grant Availability. DEQ’s obligation to make, and Recipient’s right to request, disbursement under this Agreement terminate on the Expenditure Deadline.

SECTION 4 - USE OF GRANT

As more particularly described in Exhibit A, Recipient will use Grant funds to carry out the Project. Recipient may only use Grant funds to cover Eligible Costs, as that term is defined in Exhibit A, incurred during the period beginning March 3, 2021, and ending on the Obligation Deadline. Recipient must expend the entire Grant Amount on Eligible Costs no later than the Expenditure Deadline.

SECTION 5 - REPRESENTATIONS AND WARRANTIES OF RECIPIENT

Recipient represents and warrants to DEQ as follows:

A. Organization and Authority.

- (1) Recipient is a tribal government, public agency, or community development financial institution eligible to receive these funds and provide financial aid to Oregon property owners to repair, replace, or evaluate their septic systems.
- (2) Recipient has all necessary right, power and authority under its organizational documents and applicable Oregon law to execute and deliver this Agreement and incur and perform its obligations under this Agreement.
- (3) This Agreement has been authorized by an ordinance, order or resolution of Recipient's governing body if required by its organizational documents or applicable law.
- (4) This Agreement has been duly executed by Recipient, and when executed by DEQ, is legal, valid and binding, and enforceable in accordance with its terms.

B. Compliance with the Act. Recipient will comply with the terms, conditions and requirements of the Act.

C. Full Disclosure. Recipient has disclosed in writing to DEQ all facts that materially adversely affect the Grant, or the ability of Recipient to perform all obligations required by this Agreement. Recipient has made no false statements of fact, nor omitted information necessary to prevent any statements from being misleading. The information contained in this Agreement, including Exhibit A, is true and accurate in all respects.

D. Pending Litigation. Recipient has disclosed in writing to DEQ all proceedings pending (or to the knowledge of Recipient, threatened) against or affecting Recipient, in any court or before any governmental authority or arbitration board or tribunal, that, if adversely determined, would materially adversely affect the Grant or the ability of Recipient to perform all obligations required by this Agreement.

SECTION 6 - COVENANTS OF RECIPIENT

Recipient covenants as follows:

A. Notice of Adverse Change. Recipient shall promptly notify DEQ of any adverse change in the activities, prospects or condition (financial or otherwise) of Recipient related to the ability of Recipient to perform all obligations required by this Agreement.

B. Compliance with Laws.

- (1) Recipient will comply with the requirements of all applicable federal, state and local laws, rules, regulations, and orders of any governmental authority, except to the extent an order of a governmental authority is contested in good faith and by proper proceedings.

- (2) Recipient is responsible for all federal or state tax laws applicable to its implementation of the Project and its use of the Grant funds or compensation or payments paid with the Grant funds.
- C. Federal Audit Requirements. The Grant is federal financial assistance, and the associated Assistance Listings number is 21.027. Recipient is a subrecipient.
- (1) If Recipient receives federal funds in excess of \$750,000 in Recipient's fiscal year, it is subject to audit conducted in accordance with the provisions of 2 CFR part 200, subpart F. Recipient, if subject to this requirement, shall submit to DEQ a copy of, or electronic link to, its annual audit subject to this requirement covering the funds expended under this Agreement and shall submit or cause to be submitted to DEQ the annual audit of any subrecipient(s), contractor(s), or subcontractor(s) of Recipient responsible for the financial management of funds received under this Agreement. Recipient's audit costs are Eligible Costs payable from Grant funds to the extent allowed by 2 CFR 200.425.
 - (2) Audit costs for audits not required in accordance with 2 CFR part 200, subpart F are unallowable. If Recipient did not expend \$750,000 or more in Federal funds in its fiscal year but contracted with a certified public accountant to perform an audit, costs for performance of that audit shall not be charged to the funds received under this Agreement.
 - (3) Recipient shall save, protect and hold harmless DEQ from the cost of any audits or special investigations performed by the Federal awarding agency or any federal agency with respect to the funds expended under this Agreement. Recipient acknowledges and agrees that any audit costs incurred by Recipient as a result of allegations of fraud, waste or abuse are ineligible for reimbursement under this or any other agreement between Recipient and the State of Oregon.
 - (4) Recipient is authorized to use the Grant funds to pay itself for those administrative costs that are eligible costs under the Act to implement the Project. Recipient's use of Grant funds for administrative costs does not preclude the State of Oregon from later recovering costs from Recipient if the U.S. Department of the Treasury disallows certain costs after an audit.
- D. System for Award Management. Recipient must comply with applicable requirements regarding the federal System for Award Management (SAM), currently accessible at <https://www.sam.gov>. This includes applicable requirements regarding registration with SAM, as well as maintaining current information in SAM.
- E. Employee Whistleblower Protection. Recipient must comply, and ensure the compliance by subcontractors or subrecipients, with 41 U.S.C. 4712, Program for Enhancement of Employee Whistleblower Protection. Recipient must inform subrecipients, contractors and employees, in writing, in the predominant language of the workforce, of the employee whistleblower rights and protections under 41 U.S.C. 4712.
- F. Compliance with 2 CFR Part 200. Recipient must comply with all applicable provision of 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, including the Cost Principles and Single Audit Act requirements.
- G. Federal Employment. DEQ's payments to Recipient under this Grant will be paid by funds received from the United States Federal Government. Recipient, by signing this Agreement certifies neither it nor its employees, contractors, subcontractors or subrecipients who will administer this Agreement are currently employed by an agency or department of the federal government.
- H. Recipient Subagreements and Procurements.

Recipient may enter into agreements with sub-recipients, contractors or subcontractors (collectively, “subagreements”) for performance of the Project. If Recipient enters into a contract for performance of work under this Agreement, Recipient agrees to comply with the following:

(1) Subagreements.

- i. All subagreements must be in writing, executed by Recipient and must incorporate and pass through all of the applicable requirements of this Agreement to the other party or parties to the subagreement(s). Use of a subagreement does not relieve Recipient of its responsibilities under this Agreement.
- ii. Recipient shall require all of its contractors performing work under this Agreement to name DEQ as a third-party beneficiary of Recipient’s subagreement with the Contractor and to name DEQ as an additional or “dual” obligee on contractors’ payment and performance bonds.
- iii. Recipient shall provide DEQ with a copy of any signed subagreement, as well as any other purchasing or contracting documentation, upon DEQ’s request at any time. This paragraph shall survive expiration or termination of this Agreement.
- iv. Recipient must report to DEQ any material breach of a term or condition of a subagreement within ten (10) days of Recipient discovering the breach.

(2) Subagreement Indemnity.

- i. ***Recipient’s subagreement(s) shall require the other party to such subagreements(s) that is not a unit of local government as defined in ORS 190.003, if any, to indemnify, defend, save and hold harmless State of Oregon, the Environmental Quality Commission and its members, and the Department of Environmental Quality their officers, agents and employees from and against any and all claims, actions, liabilities, damages, losses, or expenses, including attorneys’ fees, arising from a tort, as now or hereafter defined in ORS 30.260, caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of the other party to Recipient’s subagreement or any of such party’s officers, agents, employees or subcontractors (“Claims”). It is the specific intention of the Parties that DEQ shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of DEQ, be indemnified by the other party to Recipient’s subagreement(s) from and against any and all Claims.***
- ii. Any such indemnification shall also provide that neither Recipient’s subrecipient(s), contractor(s) nor subcontractor(s), nor any attorney engaged by Recipient’s subrecipient(s), contractor(s) nor subcontractor(s) shall defend any claim in the name of DEQ or any agency of the State of Oregon, nor purport to act as legal representative of the State of Oregon or any of its agencies, without the prior written consent of the Oregon Attorney General. The State may, at any time at its election, assume its own defense and settlement in the event that it determines that Recipient’s subrecipient is prohibited from defending the State, or that Recipient’s subrecipient is not adequately defending the State’s interests, or that an important governmental principle is at issue or that it is in the best interests of the State to do so. The State reserves all rights to pursue claims it may have against Recipient’s subrecipient if the State of Oregon elects to assume its own defense.

(3) Subagreement Insurance.

- i. Recipient shall require its contractor(s) to meet the minimum insurance requirements provided in Exhibit C. Recipient may specify insurance requirements of its contractor(s) above the minimum insurance requirements specified in Exhibit C. Recipient shall verify its contractor(s) meet the insurance requirements in Exhibit C.
- ii. Recipient shall determine insurance requirements, insurance types and amounts, as deemed appropriate based on the risk of the work outlined within the subagreement. Recipient shall specify insurance requirements and require its contractor(s) to meet the insurance requirements. Recipient shall obtain proof of the required insurance coverages, as applicable, from any contractor providing services related to the subagreement.
- iii. Recipient shall require its contractor(s) to require and verify that all subcontractors carry insurance coverage that the contractor(s) deems appropriate based on the risks of the subcontracted work.

(4) Recipient shall include provisions in each of its subagreements requiring its contractor(s) to comply with the indemnification and insurance requirements in paragraphs H.(2) and H.(3).

(5) Procurements. Recipient shall make purchases of any equipment, materials, or services for the Project under procedures that comply with Oregon law, including all applicable provisions of the Oregon Public Contracting Code, Oregon Revised Statute (ORS) Chapters 279 A, B, and C, and rules, ensuring that:

- i. All applicable clauses required by federal statute, executive orders and their implementing regulations are included in each competitive procurement; and
- ii. All procurement transactions are conducted in a manner providing full and open competition.

(6) Conflicts of Interest. Recipient shall comply with the requirements of 2 CFR 200.318 governing conflicts of interest in the selection, award and administration of contracts for which it will seek reimbursement with Grant funds.

I. RESERVED.

J. Financial Records. Recipient will cooperate with DEQ to provide all necessary financial information and records to comply with the Act's reporting requirements, as well as provide DEQ the reporting required in Exhibit A. Recipient will keep proper books of account and records on all activities associated with the Agreement, including, but not limited to, invoices, cancelled checks, payroll records, instruments, agreements and other supporting financial records documenting the use of the Grant. Recipient will maintain these books of account and records in accordance with generally accepted accounting principles and will retain these books of account and records until five years after the Expenditure Deadline or the date that all disputes, if any, arising under this Agreement have been resolved, whichever is later.

K. Inspection.

Recipient shall permit DEQ, and any party designated by DEQ, the Oregon Secretary of State's Office, the federal government and their duly authorized representatives, at any reasonable time, to inspect

and make copies of any accounts, books and records related to the administration of this Agreement. Recipient shall supply any Agreement-related information as DEQ may reasonably require.

- L. Notice of Event of Default. Recipient shall give DEQ prompt written notice of any Event of Default, or any circumstance that with notice or the lapse of time, or both, may become an Event of Default as soon as Recipient becomes aware of its existence or reasonably believes an Event of Default is likely.

M. Contribution/Indemnification.

(Use if Recipient is a local public agency only; delete if Recipient is a CDFI)

(1) Contribution.

- i. If any third party makes any claim or brings any action, suit or proceeding alleging a tort as now or hereafter defined in ORS 30.260 ("Third Party Claim") against DEQ or Recipient with respect to which the other Party may have liability, the notified Party must promptly notify the other Party in writing of the Third Party Claim and deliver to the other Party a copy of the claim, process, and all legal pleadings with respect to the Third Party Claim. Each Party is entitled to participate in the defense of a Third Party Claim, and to defend a Third Party Claim with counsel of its own choosing. Receipt by a Party of the notice and copies required in this paragraph and meaningful opportunity for the Party to participate in the investigation, defense and settlement of the Third Party Claim with counsel of its own choosing are conditions precedent to that Party's liability with respect to the Third Party Claim.
- ii. Except as otherwise provided in Paragraph 6.M(2). below, with respect to a Third Party Claim for which DEQ is jointly liable with Recipient (or would be if joined in the Third Party Claim), DEQ shall contribute to the amount of expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by Recipient in such proportion as is appropriate to reflect the relative fault of DEQ on the one hand and of the Recipient on the other hand in connection with the events which resulted in such expenses, judgments, fines or settlement amounts, as well as any other relevant equitable considerations. The relative fault of DEQ on the one hand and of Recipient on the other hand shall be determined by reference to, among other things, the Parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines or settlement amounts. DEQ's contribution amount in any instance is capped to the same extent it would have been capped under Oregon law, including the Oregon Tort Claims Act, ORS 30.260 to 30.300, if DEQ had sole liability in the proceeding.
- iii. Except as otherwise provided in Paragraph 6.M(2) below, with respect to a Third Party Claim for which Recipient is jointly liable with DEQ (or would be if joined in the Third Party Claim), Recipient shall contribute to the amount of expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by DEQ in such proportion as is appropriate to reflect the relative fault of Recipient on the one hand and of DEQ on the other hand in connection with the events which resulted in such expenses, judgments, fines or settlement amounts, as well as any other relevant equitable considerations. The relative fault of Recipient on the one hand and of DEQ on the other hand shall be determined by reference to, among other things, the Parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines or settlement amounts. Recipient's contribution amount in any instance is capped to the same extent it would have been capped under Oregon law, including the Oregon Tort Claims Act, ORS 30.260 to 30.300, if it had sole liability in the proceeding.

(2) Indemnification. Subject to any limitations imposed by State law and the Oregon Constitution, Recipient agrees to the following contract-related indemnification for all projects authorized under this Agreement:

Where Recipient contracts for services or performs project management for a project, Recipient shall accept all responsibility, defend lawsuits, indemnify, and hold State harmless, for all contract-related claims and suits. This includes but is not limited to all contract claims or suits brought by any contractor, whether arising out of the contractor's work, Recipient's supervision of any individual project or contract, or Recipient's failure to comply with the terms of this Agreement.

(Use the following with CDFIs only; delete for local governments)

(1) RECIPIENT SHALL DEFEND, SAVE, HOLD HARMLESS, AND INDEMNIFY THE STATE OF OREGON AND ITS OFFICERS, EMPLOYEES AND AGENTS FROM AND AGAINST ALL CLAIMS, SUITS, ACTIONS, LOSSES, DAMAGES LIABILITIES, COSTS (INCLUDING ATTORNEYS' FEES) AND EXPENSES OF ANY NATURE WHATSOEVER RESULTING FROM, ARISING OUT OF, OR RELATING TO THE INTENTIONAL MISCONDUCT, OR RECKLESS OR NEGLIGENT ACTS OR OMISSIONS OF RECIPIENT OR ITS OFFICERS, EMPLOYEES, SUBCONTRACTORS, OR AGENTS UNDER THIS AGREEMENT.

(2) DEQ shall reasonably cooperate in good faith, at Recipient's reasonable expense, in the defense of a covered claim. Recipient shall select counsel reasonably acceptable to the Oregon Attorney General to defend such claim and all costs of such counsel shall be borne by Recipient. Counsel must accept appointment as a Special Assistant Attorney General under ORS Chapter 180 before such counsel may act in the name of, or represent the interests of, DEQ, its officers, employees or agents. DEQ may elect to assume its own defense with an attorney of its own choice and at its own expense at any time DEQ determines important governmental interests are at stake. DEQ agrees to promptly provide Recipient with written notice of any claim that may result in an indemnification obligation hereunder. Subject to the limitations noted above, Recipient may defend such claim with counsel of its own choosing provided that no settlement or compromise of any such claim shall occur without the consent of DEQ, which consent shall not be unreasonably withheld, conditioned or delayed.

(3) Recipient shall meet the insurance requirements within Exhibit C.

N. Representations and Covenants Regarding Prevailing Wage.

(1) The prevailing wage rate requirements that may apply to the Project are set forth in ORS 279C.800 through 279C.870, the administrative rules promulgated thereunder (OAR Chapter 839, Division 25) and Oregon Laws 2021, chapter 678, section 17 (collectively, state "PWR"), or, if applicable, 40 U.S.C. 3141 et seq. (federal "Davis-Bacon Act"). If applicable, Recipient shall:

- a) comply with PWR, require its contractors and subcontractors to pay the applicable PWR or Davis-Bacon Act rates, and comply with all other Oregon Bureau of Labor and Industries ("BOLI") requirements pursuant to the PWR, including on all contracts and subcontracts and in filing separate public works bonds with the Construction Contractors Board;

- b) pay to BOLI, within the required timeframe and in the appropriate amount, the project fee required by OAR 839-025-0200 to 839-025-0230, including any additional fee that may be owed upon completion of the Project; and
- c) unless exempt under Section 17(2) of Oregon Laws 2021, chapter 678, if Recipient is a “public body” and the Project is a “qualified project,” as those terms are defined in Section 17(3) of Oregon Laws 2021, chapter 678, Recipient shall require each contractor in a contract with an estimated cost of \$200,000 or greater to:
 - i. Enter into a project labor agreement that, at a minimum, provides for payment of wages at or above the prevailing rate of wage;
 - ii. Employ apprentices to perform 15 percent of the work hours that workers in apprenticeable occupations perform under the contract, in a manner consistent with the apprentices’ respective apprenticeship training programs;
 - iii. Establish and execute a plan for outreach, recruitment and retention of women, minority individuals and veterans to perform work under the contract, with the aspirational target of having at least 15 percent of total work hours performed by individuals in one or more of those groups; and
 - iv. Require any subcontractor engaged by the contractor to abide by the requirements set forth in subparagraphs i., ii. and iii. above, if the work to be performed under the subcontract has an estimated cost of \$200,000 or greater.
- (2) Recipient represents and warrants that it is not on the BOLI current List of Contractors Ineligible to Receive Public Works Contracts and that it will not contract with any contractor on this list.
- (3) Pursuant to ORS 279C.817, Recipient may request that the Commissioner of BOLI determine whether the Project is a public works project on which payment of the prevailing rate of wage is required under ORS 279C.840.

O. All employers, including Recipient, that employ subject workers who work under this Agreement in the State of Oregon shall comply with ORS 656.017 and provide the required Workers’ Compensation coverage unless such employers are exempt under ORS 656.126. Employers Liability insurance with coverage limits of not less than \$500,000 must be included. Recipient shall ensure that each of its subcontractors complies with these requirements.

SECTION 7 - DEFAULT

- A. Recipient Default. Any of the following constitutes an “Event of Default” of Recipient:
- (1) Misleading Statement. Any materially false or misleading representation is made by or on behalf of Recipient, in this Agreement or in any document provided by Recipient related to this Grant.
 - (2) Failure to Perform. Recipient fails to perform, observe or discharge any of its covenants, agreements, or obligations under this Agreement, other than those referred to in subsection (1) of this section, and that failure continues for a period of 30 calendar days after written notice specifying such failure

is given to Recipient by DEQ. DEQ may agree in writing to an extension of time if it determines Recipient instituted and has diligently pursued corrective action.

- B. DEQ Default. DEQ will be in default under this Agreement if it fails to perform, observe or discharge any of its covenants, agreements, or obligations under this Agreement.

SECTION 8 - REMEDIES

- A. DEQ Remedies. Upon the occurrence of an Event of Default, DEQ may pursue any remedies available under this Agreement, at law or in equity. Such remedies include, but are not limited to, termination of DEQ's obligations to make the Grant or further disbursements, return of all or a portion of the Grant Amount, payment of interest earned on the Grant Amount, and declaration of ineligibility for the receipt of future awards from DEQ. If, as a result of an Event of Default, DEQ demands return of all or a portion of the Grant Amount or payment of interest earned on the Grant Amount, Recipient shall pay the amount upon DEQ's demand. DEQ may also recover all or a portion of any amount due from Recipient by deducting that amount from any payment due to Recipient from the State of Oregon under any other contract or agreement, present or future, unless prohibited by state or federal law. DEQ reserves the right to turn over any unpaid debt under this Section 8 to the Oregon Department of Revenue or a collection agency and may publicly report any delinquency or default. These remedies are cumulative and not exclusive of any other remedies provided by law.
- B. Recipient Remedies. In the event of default by DEQ, Recipient's sole remedy will be for disbursement of Grant funds for Eligible Costs of the Project, not to exceed the total Grant Amount, less any claims DEQ has against Recipient.

SECTION 9 - TERMINATION

In addition to terminating this Agreement upon an Event of Default as provided in Section 8, DEQ may terminate this Agreement effective upon delivery of written notice to Recipient under any of the following circumstances:

- A. If DEQ anticipates a shortfall in applicable revenues or DEQ fails to receive sufficient funding, appropriations or other expenditure authorizations to allow DEQ, in its reasonable discretion, to make payment under this Agreement.
- B. There is a change in federal or state laws, rules, regulations or guidelines so that the uses of the Grant are no longer eligible for funding.

Upon termination under this section, DEQ shall have no further obligation to reimburse Eligible Costs except those for which Recipient has incurred as of the termination date.

This Agreement may be terminated at any time by mutual written consent of the parties.

SECTION 10 - MISCELLANEOUS

- A. No Implied Waiver. No failure or delay on the part of DEQ to exercise any right, power, or privilege under this Agreement will operate as a waiver thereof, nor will any single or partial exercise of any right, power, or privilege under this Agreement preclude any other or further exercise thereof or the exercise of any other such right, power, or privilege.

- B. Choice of Law; Designation of Forum; Federal Forum. The laws of the State of Oregon (without giving effect to its conflicts of law principles) govern all matters arising out of or relating to this Agreement, including, without limitation, its validity, interpretation, construction, performance, and enforcement.

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

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

- C. Notices and Communication. Except as otherwise expressly provided in this Agreement, any communication between the parties or notices required or permitted must be given in writing by personal delivery, email, or by mailing the same, postage prepaid, to Recipient or DEQ at the addresses listed in Exhibit A, or to such other persons or addresses that either party may subsequently indicate pursuant to this Section.

Any communication or notice by personal delivery will be deemed effective when actually delivered to the addressee. Any communication or notice so addressed and mailed will be deemed to be received and effective five (5) days after mailing. Any communication or notice given by email becomes effective 1) upon the sender's receipt of confirmation generated by the recipient's email system that the notice has been received by the recipient's email system or 2) the recipient's confirmation of receipt, whichever is earlier. Notwithstanding this provision, the following notices may not be given by email: notice of default or notice of termination.

- D. Amendments. This Agreement may not be altered, modified, supplemented, or amended in any manner except by written instrument signed by both parties.
- E. Severability. If any provision of this Agreement will be held invalid or unenforceable by any court of competent jurisdiction, such holding will not invalidate or render unenforceable any other provision.
- F. Successors and Assigns. This Agreement will be binding upon and inure to the benefit of DEQ, Recipient, and their respective successors and assigns, except that Recipient may not assign or transfer its rights, obligations or any interest without the prior written consent of DEQ.
- G. Counterparts. This Agreement may be signed in several counterparts, each of which is an original and all of which constitute one and the same instrument.
- H. Integration. This Agreement (including all exhibits, schedules or attachments) constitutes the entire agreement between the parties on the subject matter. There are no unspecified understandings, agreements or representations, oral or written, regarding this Agreement.
- I. No Third-Party Beneficiaries. DEQ and Recipient are the only parties to this Agreement and are the only parties entitled to enforce the terms of this Agreement. Nothing in this Agreement gives or provides, or is intended to give or provide, to third persons any benefit or right not held by or made generally available to the public, whether directly, indirectly or otherwise, unless such third persons

are individually identified by name herein and expressly described as intended beneficiaries of the terms of this Agreement.

- J. Survival. The following provisions, including this one, survive expiration or termination of this Agreement: Sections 2.E, 6 (excepting 6.H, Recipient Subagreements and Procurements), 7, 8, 10.B, 10.C, 10.L and 10.M and the Reporting Requirements of Exhibit A.
- K. Time is of the Essence. Recipient agrees that time is of the essence under this Agreement.
- L. Attorney Fees. To the extent permitted by the Oregon Constitution and the Oregon Tort Claims Act, the prevailing party in any dispute arising from this Agreement will be entitled to recover from the other its reasonable attorney fees and costs and expenses at trial, in a bankruptcy, receivership or similar proceeding, and on appeal. Reasonable attorney fees shall not exceed the rate charged to DEQ by its attorneys.
- M. Public Records. DEQ's obligations under this Agreement are subject to the Oregon Public Records Laws.

Recipient, by its signature below, acknowledges that it has read this Agreement, understands it, and agrees to be bound by its terms and conditions.



STATE OF OREGON
acting by and through its
Department of Environmental Quality

RECIPIENT NAME

By: _____
Leah Feldon, Deputy Director

By: _____

Date: _____

Date: _____

APPROVED AS TO LEGAL SUFFICIENCY IN ACCORDANCE WITH ORS 291.047:

Email dated 6/13/2022

Samuel B. Zeigler, Senior Assistant Attorney General

EXHIBIT A CONTACT INFORMATION, USE OF FUNDS/ PROJECT DESCRIPTION AND REPORTING REQUIREMENTS
--

CONTACT INFORMATION:

DEQ

Recipient

State of Oregon, acting by and through its
Department of Environmental Quality
700 NE Multnomah Street, Suite 600
Portland, OR 97232

Contract Administrator: Megan Hendrickson

Contact:

Telephone: 503-539-3295

Telephone:

Email: megan.hendrickson@deq.oregon.gov

Email:

USE OF FUNDS/ PROJECT DESCRIPTION:

Recipient shall use the Grant funds to provide financial assistance for the repair, replacement, upgrade, or evaluation of failing or damaged residential or other on-site septic systems, with a priority on recovery from the 2020 Oregon wildfires (the "Project"). Recipient will offer Financial Aid (as this term is defined in Exhibit A, section 1 below) that includes grants and/or loans to approved applicants that meet Recipient's financing guidelines and are located within the designated 2020 Wildfire Recovery areas.

Recipient will be responsible for all aspects of Project administration, including Project development, outreach and marketing materials, origination and servicing of grants and/or loans to Property owners to finance the evaluation, repair and replacement of on-site septic systems, including connection to available sewerage systems when available. Recipient also will share and coordinate outreach and marketing efforts with DEQ as described in Exhibit A, section 5, below.

The Grant funds shall be used solely for the Project and shall not be used for any other purpose. No Grant funds will be disbursed for any changes to the Project unless such changes are approved by DEQ by amendment.

Subject to the requirements of this Agreement, Recipient is responsible for decisions regarding issuing and servicing Project Financial Aid, including:

1. whether or not to issue Project Financial Aid;
2. borrower and grantee eligibility and application procedures;
3. financial aid amounts;

If Recipient issues loans, Recipient is also responsible for:

1. setting and modifying of Project Financial Aid loan interest rates and other term and conditions;
2. credit determinations;
3. application of Recipient's internal credit;
4. loan administration and collection policies;
5. repayment terms and conditions; and
6. procedures for loans issued as part of the Project Financial Aid package.

1. **Definitions**

“Certificate of Satisfactory Completion” means the Certificate of Satisfactory Completion or other written approval from the on-site regulatory authority (DEQ or a local public agency) stating that the on-site septic system repair/replacement complies with applicable rules in Oregon Administrative Rules (OAR) Chapter 340.

“Fire Recovery Areas” means areas that are both (i) designated in Governor Brown’s October 18, 2020, Wildfire Emergency Executive Order 20-60 and (ii) located in one (1) of the zip codes identified in Oregon Department of Consumer and Business Services Division of Financial Regulation, Bulletin No. DFR 2020-20 (rev. October 23, 2020), under the heading “**Affected Areas subject to the October 18, 2020 Wildfire Emergency Order.**” The subject wildfires occurred between September 6, 2020, and October 10, 2020, and include the following:

- 242 Fire
- Almeda Fire
- Archie Creek Fire
- Beachie Creek Fire
- Brattain Fire
- Echo Mountain Complex Fire
- Indian Creek
- Lionshead Fire
- Riverside Fire
- Slater Fire
- South Obenchain Fire
- Thielsen
- White River Fire
- Holiday Farm Fire

“Project Activities” means the Recipient’s use of Grant funds to administer and implement its Project Financial Aid program for eligible properties in the Fire Recovery Area with failing or damaged septic systems.

“Project Financial Aid” means the use of Grant funds to provide grants, loans, or combination of both to qualified applicants.

“Property” means a commercial or residential property that is located in one (1) of the Fire Recovery Areas and serviced by an on-site septic system.

2. **2020 Wildfire Recovery Areas Eligibility**

To be eligible for Project Financial Aid, an applicant must demonstrate that

- 1) They are the owner of record of a Property within a Fire Recovery Area.

2) Wildfire damage destroyed or impaired the functioning of the Property's on-site septic system or the structure it services. Wildfire damage includes damage caused directly by the fires, as well as damage caused by emergency fire response and professional asbestos or debris cleanup activities by licensed cleanup and debris removal businesses or contractors.

3) If applicant has received either (i) wildfire recovery assistance from the United States Federal Emergency Management Administration (FEMA), any other federal or State of Oregon agency or a local government or (ii) insurance proceeds covering wildfire damage (collectively, "Other Recoveries"), costs to remediate the wildfire damage to the Property's on-site septic system remain after application of the Other Recoveries.

Documentation of 2020 wildfire damage from the applicant must include a signed certification that the Property's structure and/or its septic system was damaged as a result of the 2020 wildfires, and that the applicant was the property owner at the time of the wildfires. If an applicant received assistance from the State of Oregon or the FEMA for wildfire recovery, they must provide that documentation and specify the remaining financial need after that assistance. If the applicant did not receive federal or state financial aid for recovery from the wildfires, the following can be used to document eligibility:

- Written communication from the county onsite program or building department confirming that repair or replacement work is necessary due to damage from the 2020 wildfires.
- Homeowner insurance claim that was accepted and which identifies wildfire damage as the basis for the claim and the amount, if any, paid out for septic system repairs.
- Right of entry close out letter from the State of Oregon that identifies debris cleanup or other fire damage to the structure or septic system. Hazard tree removal alone is not documentation of damage to the structure or the septic system.
- Receipt from licensed asbestos abatement company that describes fire-related debris cleanup.
- Existing septic system evaluation report prepared by a licensed sewage waste disposal service business that identifies damage due to the 2020 wildfires.
- Other documentation that DEQ authorizes Recipient to allow.

3. Project Financial Aid

To ensure compliance with all applicable consumer lending laws, Recipient will make Project Financial Aid available to applicants on a first-come, first-serve basis, based on application date until the earlier of the Obligation Deadline or the date that all Grant funds have been incurred on Eligible Costs. Recipient may offer grants as well as loans to approved applicants that meet Wildfire Recovery Area eligibility requirements described above in Exhibit A, section 2. Maximum grant amounts available to the property owner will be tiered as described in Table 1 with larger grant amounts offered to lower income households. Income will be based on household income, and owner-occupied includes homes where the owner lived in the property at the time of the fires and plans to live there after they rebuild.

Pursuant to FAQ 4.9 of the United States Treasury's Final Rule: Frequently Asked Questions for the Coronavirus State and Local Fiscal Recovery Funds ("FAQs"), for each Project loan made with Grant funds that matures or is forgiven **on or before** December 31, 2026 (collectively, "Short Term Loans"), Recipient must account for the use of funds on a cash flow basis as follows:

- i. Recipient must track repayment of principal and interest on Short Term Loans (i.e., “program income,” as defined under 2 CFR 200).
- ii. When the Short Term Loan is made, Recipient must report the principal of the loan as an expense.
- iii. Principal payments received on or before the Obligation Deadline may be reused only for Eligible Costs.
- iv. **Principal payments received after the Obligation Date must be returned to DEQ within 30 days of receipt.**

Pursuant to FAQ 4.9 of the FAQs, for each Project loan made with Grant funds that matures **after** December 31, 2026 (collectively, “Long Term Loans”), Recipient must project the cost of the loan before obligating Grant funds for the loan. Recipient may do so by one of two methods authorized by the United States Treasury under FAQ 4.9:

- i. Estimate the subsidy cost of the Long Term Loan, which equals the expected cash flows associated with the loan discounted at Recipient’s cost of funding. Recipient’s cost of funding can be determined based on the interest rates of securities with a similar maturity to the cash flow being discounted that were recently issued by the State of Oregon.
- ii. If Recipient has adopted the Current Expected Credit Loss (CECL) standard issued by the Financial Accounting Standards Board, it may calculate the cost of the Long Term Loan as equal to the CECL-based expected credit losses over the life of the loan.

Under either of the above two methods for measuring the amount of Grant funds used to make Long Term Loans, Recipient is not subject to restrictions under 2 CFR 200.307(e)(1) and need not separately track repayment of principal or interest.

[INSERT SUMMARY OF GRANT AND/OR LOAN PROCESS HERE]

4. Eligible Costs

Unless otherwise terminated or extended, Grant funds under this Agreement shall be available for Project Activities incurred on or before the Obligation Deadline. No Grant funds are available for any expenditures before March 3, 2021.

“Eligible Costs” for Project Activities are

- a) Direct costs for grants, loans, personnel, supplies, marketing, outreach, subawards, and associated activities directly attributable and reasonably necessary for the development and implementation of the Project and as allowed by the Act.

- b) Eligible Indirect costs for overhead are allowed at the rate of 10% of Modified Total Direct Costs or negotiated federal indirect cost rates as described in 2 CFR §200.68, which excludes capital expenditures.

5. Marketing and Outreach

DEQ and Recipient will develop and implement an enhanced outreach effort to target the population displaced by the 2020 Oregon Wildfires with a focus on residents of Fire Recovery Areas who are low and moderate income. The Parties will coordinate efforts to conduct outreach and marketing activities to build awareness for of this Project and ensure that people in need can access applications for financial aid. Emphasis will be placed on reaching households with the lowest incomes and greatest barriers (e.g., displacement, language) to accessing fire recovery resources.

[OUTREACH and MARKETING PLAN HERE]

6. Invoicing and Reimbursement

On each of April 1st, July 1st, October 1st, and January 1st, Recipient shall submit to DEQ a request for reimbursement of Eligible Costs incurred during the calendar quarter that ended the prior month. DEQ will reimburse Eligible Costs only for those Project Financial Aid packages for which Recipient has received a Certificate of Satisfactory Completion for the septic system work financed under this Agreement. Requests for reimbursement will itemize each individual property financial aid and include the following information, as applicable: loan and/or grant number, location of property (by county and zip code) for which the loan/grant was made, date the Certificate of Satisfactory Completion was issued, and grant and/or loan amounts. The invoice will also include the request for loan or grant number and the amount of undisbursed Grant funds. Recipient will retain full documentation of all invoices and receipts in its files. If requested by DEQ, Recipient will provide to DEQ proof of payment and backup documentation supporting Recipient's invoices. Reimbursement requests and related invoices must be sent electronically to DEQEXP@deq.oregon.gov. Payments will be sent electronically to Recipient within 60 days of DEQ's invoice approval.

7. Project Budget:

Category	Estimated Not-to-Exceed Budget	Total Budget

Rebudgeting Authority: This budget is a projection of actual costs and Recipient may rebudget between the approved expenditure categories up to \$10,000 without seeking approval. Rebudgeting or variance from these projections that exceeds \$10,000 requires approval from DEQ in writing. In no case can the total expenses exceed the approved budget total.

8. Project Milestones

Key Milestones are used for evaluating performance on Project as described in the Agreement. Key Milestones can only be changed by mutual agreement of the Parties and amendment of this Exhibit A.

If Recipient anticipates Project Key Milestones will be delayed by more than thirty (30) days, Recipient shall submit a Request for Change Order to the DEQ Project Liaison as soon as Recipient becomes aware of any possible delay. The Request for Change Order must be submitted at least seven (7) business days prior to the Key Milestone completion date shown in this Exhibit A.

Recipient shall not proceed with any changes to Project scope or delivery schedule prior to the execution of an amendment to this Agreement executed in response to DEQ's approval of a Request for Change Order. A Request for Change Order may be rejected at the discretion of DEQ.

Sample Key Milestone	Description	Estimated Key Dates	Deliverable
1	Website updates and brochure development		Updated website and copy
2	Begin accepting Applications		Application material prepared and staffing assigned
3	Targeted outreach for [fire victims (displaced or hard to reach) and] low/moderate income		Quarterly reports on presentations, meetings and other outreach efforts
4			Submit complete and accurate reports by deadlines. Amended reports for prior period are allowed.

REPORTING REQUIREMENTS:

Schedule

Report Name	Frequency	Due Dates
Project Performance Plan	One-Time	30 days after the Effective Date
Quarterly DEQ and DAS Reports and invoices	Quarterly through the Expiration Date	April 1st, July 1st, October 1st, January 1st for the quarter that ended the prior month
Annual DEQ and DAS Reports	Annually through the Expiration Date	July 1 st 2023, 2024, 2025, 2026.
Final DEQ and DAS Report	One-Time	March 31, 2027

Project Performance Plan

Recipient shall submit to DEQ, using a template and instructions provided by DEQ, the following information in the Project Performance Plan:

1. Problem Statement
2. Goal(s)/Mission Statement
3. Rationales
4. Assumptions
5. Resources and External Factors
6. Activities
7. Intended Results
8. Short-Term Outcomes (if applicable)
9. Intermediate Outcomes (if applicable)
10. Long-Term Outcomes or Final Outcomes

Quarterly Reports

Recipient shall submit Quarterly Reports to DEQ which shall include such information as is necessary for DEQ to comply with the reporting requirements established by 42 U.S.C. 802, guidance issued by the U.S. Treasury, and 2 CFR Part 200 (known as the “Super Circular”). The reports shall be submitted using a template provided by DEQ that also includes the following minimum information:

1. Expenditure Report
 - a) Quarterly Obligation Amount
 - b) Quarterly Expenditure Amount
 - c) Projects
 - d) Geographic Scope of Project Performance
 - e) Program income earned and expended, if applicable
 - f) Detailed Expenditures (categories to be provided by DEQ)
2. Project Status Update
 - a) Status of project: not started, completed less than 50 percent, completed 50 percent or more, completed.

- b) Progress since last update including project outputs and achieved outcomes.
- c) Identify barriers/risks to outcomes and describe actions taken to mitigate delays/risks to the overall project goal.
- d) Optional: Share with DEQ community outreach/engagement or other positive local news stories.
- e) The Projected or actual construction start date
- f) The Projected or actual initiation of operations date
- g) The project type by Expenditure Category 5.1 – 5.18
- h) Any NPDES (National Pollutant Discharge Elimination System) Permit No. or PWS (Public Water System) ID Number associated with the project (if applicable)
- i) The median household income of the service areas
- j) The lowest Quintile Income of the service areas
- k) If this is a loan program, the following information will be required on subawards:
 - i. Loan maturity date
 - ii. Loan Maturity prior to 12/31/2026 with planned forgiveness
 - iii. Loan Maturity prior to 12/31/2026 without planned forgiveness
 - iv. Loan Maturity past 12/31/2026 with planned forgiveness
 - v. Loan Maturity past 12/31/2026 without planned forgiveness
- l) Narrative summary of outreach activities
- m) Number of projects completed by zip code
- n) Grants and/or loans issued by grant and/or loan amount and income level of property owners

DEQ reserves the right to modify the template according to guidance and requirements provided by U.S. Department of the Treasury and other needs.

Annual Reports

Recipient shall submit to DEQ a report annually on the following, as applicable, using a template provided by DEQ:

1. How the Project is Promoting Equitable Outcomes, if applicable
2. How the Project is Engaging with the Community, if applicable
3. Number of gallons of wastewater treated by new systems under this project
4. Summary of financial aid applications, acceptance rate, financial aid offered, financial aid accepted
5. Summary of outreach activities and outcomes

Administrative Costs

Recipient shall also deliver to DEQ no later than March 15, 2025, an accounting of all of its direct administrative costs paid by this Grant accompanied by a certification statement that all such costs comply with the Act. Grant funds may not be used to pay for administrative costs incurred after the Obligation Deadline.

Exhibit B - CORONAVIRUS STATE FISCAL RECOVERY FUND FEDERAL REQUIREMENTS

I. Required Federal Provisions – ARPA Coronavirus State Fiscal Recovery Fund Projects

General Compliance –

Third-Party Grant Recipient must comply with the terms, conditions and requirements of the federal ARPA Coronavirus State Fiscal Recovery Fund (codified at 42 U.S.C. 802) from which the project budget is funded, in whole or in part, including all implementing regulations (31 CFR 35.1 *et seq.*) and other guidance promulgated by the U.S. Department of the Treasury (collectively, the statute and implementing regulations are referred to in these provisions as “CSFRF”).

Employee Whistleblower Protection –

Third-Party Grant Recipient must comply, and ensure the compliance by any of its subcontractors, suppliers or subrecipients, with 41 U.S.C. 4712, “Program for Enhancement of Employee Whistleblower Protection.” Third-Party Grant Recipient must inform its subcontractors and employees, in writing, in the predominant language of the workforce, of the employee whistleblower rights and protections under 41 U.S.C. 4712.

Compliance with 2 CFR Part 200 –

Third-Party Grant Recipient must comply with all applicable provision of 2 CFR Part 200, “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,” including, but not limited to, the Cost Principles and Single Audit Act requirements.

Federal Funds; Contractor Certification; Federal False Claims –

DEQ’s payments to Third-Party Grant Recipient under this Agreement will be paid by funds received by DEQ from the United States Federal Government, in whole or in part. By signing this Agreement, Third-Party Grant Recipient certifies neither it nor its employees, subcontractors, suppliers or subrecipients who will administer this Agreement are currently employed by an agency or department of the United States Federal Government. Third-Party Grant Recipient acknowledges that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject Third-Party Grant Recipient to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise under 18 U.S.C § 1001; 31 U.S.C. §§ 3729-3733 and 3801-3812.

Federal Non-Discrimination –

Third-Party Grant Recipient must comply and require all subcontractors to comply with all federal laws, regulations, and executive orders applicable to the Agreement or to the delivery of the Work. Without limiting the generality of the foregoing, Third-Party Grant Recipient expressly agrees to comply and require all subcontractors to comply with the following laws, regulations and executive orders to the extent they are applicable to the Agreement: (a) Title VI and VII of the Civil Rights Act of 1964, (b) Sections 503 and 504 of the Rehabilitation Act of 1973, (c) the Age Discrimination in Employment Act of 1967, and the Age Discrimination Act of 1975, (e) the Americans with Disabilities Act of 1990, and (e) all other

applicable requirements of federal civil rights and rehabilitation statutes, rules and regulations. These laws, regulations and executive orders are incorporated by reference herein to the extent that they are applicable to this Agreement and required by law to be so incorporated.

Compliance with 41 CFR § 60-1.4 - Equal opportunity clause -

During the performance of this Agreement, the Third-Party Grant Recipient agrees as follows:

(1) The Third-Party Grant Recipient will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The contractor Third-Party Grant Recipient will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following:

Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Third-Party Grant Recipient agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

(2) The Third-Party Grant Recipient will, in all solicitations or advertisements for employees placed by or on behalf of the Third-Party Grant Recipient, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

(3) The Third-Party Grant Recipient will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the Third-Party Recipient's legal duty to furnish information.

(4) The Third-Party Grant Recipient will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the Third-Party Grant Recipient's commitments under this section and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(5) The Third-Party Grant Recipient will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(6) The Third-Party Grant Recipient will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(7) In the event of the Third-Party Grant Recipient's noncompliance with the nondiscrimination clauses of this Agreement or with any of the said rules, regulations, or orders, this Agreement may be canceled, terminated, or suspended in whole or in part and the Third-Party Grant Recipient may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(8) The Third-Party Grant Recipient will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Third-Party Grant Recipient will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance.

Copeland Anti-Kickback Requirements.

Third-Party Grant Recipient must comply with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). Each Third-Party Grant Recipient or subcontractor is prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which the person is otherwise entitled. Third-Party Grant Recipient acknowledges all suspected or reported violations will be reported to the appropriate Federal awarding agency.

Compliance with Contract Work Hours and Safety Standards Act - Third-Party Grant Recipient must comply with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each Third-Party Grant Recipient must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous.

Federal Rights to Inventions Made Under a Contract or Agreement –

The federal funding agency associated with this Agreement, as the awarding agency of the funds used, at least in part, for the Work under this Agreement, may have certain rights as set forth in the federal requirements pertinent to these funds. For purposes of this subsection, the terms "grant" and "award" refer to funding issued by the federal funding agency to the State of Oregon. The Third-Party Grant Recipient agrees that it has been provided the following notice:

(1) The federal funding agency reserves a royalty-free, nonexclusive, and irrevocable right to reproduce, publish, or otherwise use the Work, and to authorize others to do so, for Federal Government purposes with respect to: (1) The copyright in any Work developed under a grant, subgrant or contract under a grant or subgrant; and (2) Any rights of copyright to which a grantee, subgrantee or a contractor purchases ownership with grant support.

(2) If this Agreement meets the definition of “funding agreement” under 37 CFR § 401.2 (a) and the Third-Party Grant Recipient or subcontractor wish to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the Third-Party Grant Recipient or subcontractor must comply with the requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.

(3) The Parties are subject to applicable requirements and regulations of the federal funding agency regarding rights in data first produced under a grant, subgrant or contract under a grant or subgrant.

Byrd Anti-Lobbying Amendment –Third-Party Grant Recipient must comply with 31 U.S.C. 1352. In addition, each tiered contractor must certify to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Third-Party Grant Recipient and all subcontractors must forward all certifications to the DEQ Grant Administrator.

By signing this Agreement, the Third-Party Grant Recipient certifies, to the best of the Third-Party Grant Recipient’s knowledge and belief that:

(1) No federal appropriated funds have been paid or will be paid, by or on behalf of Third-Party Grant Recipient, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any federal contract, grant, loan or cooperative agreement.

(2) If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan or cooperative agreement, the Third-Party Grant Recipient shall complete and submit Standard Form LLL, “Disclosure Form to Report Lobbying” in accordance with its instructions.

(3) The Third-Party Grant Recipient shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients and subcontractors shall certify and disclose accordingly.

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

Prohibition on certain telecommunications and video surveillance services or equipment (Huawei and ZTE) –

Third-Party Grant Recipient is prohibited from obligating or expending funds received under this Agreement to:

- (1) Procure or obtain;
 - (2) Extend or renew a contract to procure or obtain; or
 - (3) Enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in Public Law 115–232, section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).
- (a) For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).
- (b) Telecommunications or video surveillance services provided by such entities or using such equipment.
- (c) Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

Compliance with [Clean Air Act](#) (42 U.S.C. 7401-7671q.) and the [Federal Water Pollution Control Act](#) (33 U.S.C. 1251-1387), as amended –

Third-Party Grant Recipient must comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act, as amended (33 U.S.C. 1251-1387). Violations must be reported by the Third-Party Grant Recipient to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (“EPA”).

Third-Party Grant Recipient Certification: No Federal Debarment or Suspension –

Third-Party Grant Recipient certifies that it has not been debarred or suspended from being awarded a contract pursuant to the governmentwide exclusions in the System for Award Management (“SAM”), in accordance with the OMB guidelines at [2 CFR 180](#) that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.”

Procurement of Recovered Materials –

Third-Party Grant Recipient must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include: (a) procuring only items designated in guidelines of the EPA at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; (b) procuring solid waste management services in a manner that maximizes energy and resource recovery; and (c) establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

Domestic Preferences for Procurement of Goods, Products or Materials -

The Third-Party Grant Recipient shall, to the greatest extent practicable, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). The requirements of this section must be included in all sub[contracts](#) and purchase orders for work or products under this Agreement. For purposes of this section the following terms are defined as follows:

- (a) “Produced in the United States” means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.
- (b) “Manufactured products” means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

Minority and Women Business Enterprises -Third-Party Grant Recipient hereby agrees to comply with the requirements of Executive Orders 11625 and 12432 (concerning Minority Business Enterprise), and 12138 (concerning Women's Business Enterprise). Accordingly, the Third-Party Grant Recipient hereby agrees to take affirmative steps to assure that women and minority businesses are utilized when possible as sources of supplies, equipment, construction and services. Affirmative steps include the following:

- (1) Including qualified women’s business enterprises and small and minority businesses on solicitation lists;
- (2) Assuring that women’s enterprises and small and minority businesses are solicited whenever they are potential sources;
- (3) When economically feasible, dividing total requirements into smaller tasks or quantities to permit maximum participation by small and minority business, and women’s business enterprises;
- (4) Where the requirement permits, establishing delivery schedules which will encourage participation by women’s business enterprises and small and minority business;
- (5) Using the services and assistance of the Small Business Administration, and the U.S. Office of Minority Business Development Agency of the Department of Commerce; and
- (6) If any subcontracts are to be let, requiring the prime Third-Party Grant Recipient to take the affirmative steps in a through e above. For the purposes of these requirements, a Minority Business Enterprise (MBE) is defined as an enterprise that is at least 51 percent owned and controlled in its daily operation by members of the following groups: Black, Hispanic, Asian or Pacific Islander, American Indian, or Alaskan Natives. A Women Business Enterprise (WBE) is defined as an enterprise that is at least 51 percent owned and controlled in its daily operation by women.

EXHIBIT C – INSURANCE REQUIREMENTS

Recipient shall obtain at Recipient's expense the insurance specified in this Exhibit C prior to performing under this Agreement and shall maintain it in full force and at its own expense throughout the duration of this Agreement, as required by any extended reporting period or tail coverage requirements, and all warranty periods that apply. Recipient shall obtain the following insurance from insurance companies or entities that are authorized to transact the business of insurance and issue coverage in the State of Oregon and that are acceptable to Agency. Coverage shall be primary and non-contributory with any other insurance and self-insurance, with the exception of Professional Liability and Workers' Compensation. Recipient shall pay for all deductibles, self-insured retention and self-insurance, if any.

WORKERS' COMPENSATION & EMPLOYERS' LIABILITY

All employers, including Recipient, that employ subject workers, as defined in ORS 656.027, shall comply with ORS 656.017 and provide workers' compensation insurance coverage for those workers, unless they meet the requirement for an exemption under ORS 656.126(2). Recipient shall require and ensure that each of its subcontractors complies with these requirements. If Recipient is a subject employer, as defined in ORS 656.023, Recipient shall also obtain employers' liability insurance coverage with limits not less than \$500,000 each accident. If Recipient is an employer subject to any other state's workers' compensation law, Recipient shall provide workers' compensation insurance coverage for its employees as required by applicable workers' compensation laws including employers' liability insurance coverage with limits not less than \$500,000 and shall require and ensure that each of its out-of-state subcontractors complies with these requirements.

COMMERCIAL GENERAL LIABILITY:

☒ **Required**

Commercial General Liability Insurance covering bodily injury and property damage in a form and with coverage that are satisfactory to the State. This insurance shall include personal and advertising injury liability, products and completed operations, contractual liability coverage for the indemnity provided under this Agreement, and have no limitation of coverage to designated premises, project or operation. Coverage shall be written on an occurrence basis in an amount of not less than \$1,000,000 per occurrence. Annual aggregate limit shall not be less than \$2,000,000.

AUTOMOBILE LIABILITY INSURANCE:

☒ **Not required**

PROFESSIONAL LIABILITY:

☒ **Required**

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

DIRECTORS, OFFICERS AND ORGANIZATION LIABILITY:

☒ **Required**

Directors, Officers and Organization insurance covering the Recipient's Organization, Directors, Officers, and Trustees actual or alleged errors, omissions, negligent, or wrongful acts, including improper governance, employment practices and financial oversight - including improper oversight and/or use of use of grant funds and donor contributions - with a combined single limit of no less than \$2,000,000 per claim.

CRIME PROTECTION COVERAGE: EMPLOYEE DISHONESTY or FIDELITY BOND

☒ **Required**

Employee Dishonesty or Fidelity Bond covering loss of money, securities and property caused dishonest acts of a Recipient's employees. Coverage limits shall not be less than \$2,000,000.

EXCESS/UMBRELLA INSURANCE:

A combination of primary and excess/umbrella insurance may be used to meet the required limits of insurance.

ADDITIONAL INSURED:

All liability insurance, except for Workers' Compensation, Professional Liability, and Network Security and Privacy Liability (if applicable), required under this Agreement must include an additional insured endorsement specifying the State of Oregon, its officers, employees and agents as Additional Insureds, including additional insured status with respect to liability arising out of ongoing operations and completed operations, but only with respect to Recipient's activities to be performed under this Agreement. Coverage shall be primary and non-contributory with any other insurance and self-insurance. The Additional Insured endorsement with respect to liability arising out of your ongoing operations must be on ISO Form CG 20 10 07 04 or equivalent and the Additional Insured endorsement with respect to completed operations must be on ISO form CG 20 37 07 04 or equivalent.

WAIVER OF SUBROGATION:

Recipient shall waive rights of subrogation which Recipient or any insurer of Recipient may acquire against the Agency or State of Oregon by virtue of the payment of any loss. Recipient will obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the Agency has received a waiver of subrogation endorsement from the Recipient or the Recipient's insurer(s).

TAIL COVERAGE:

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

CERTIFICATE(S) AND PROOF OF INSURANCE:

Recipient shall provide to Agency Certificate(s) of Insurance for all required insurance before delivering any Goods and performing any Services required under this Agreement. The Certificate(s) shall list the State of Oregon, its officers, employees and agents as a Certificate holder and as an endorsed Additional Insured. The Certificate(s) shall also include all required endorsements or copies of the applicable policy language effecting coverage required by this Agreement. If excess/umbrella insurance is used to meet the minimum insurance requirement, the Certificate of Insurance must include a list of all policies that fall under the excess/umbrella insurance. As proof of insurance Agency has the right to request copies of insurance policies and endorsements relating to the insurance requirements in this Agreement.

NOTICE OF CHANGE OR CANCELLATION:

The Recipient or its insurer must provide at least 30 days' written notice to Agency before cancellation of, material change to, potential exhaustion of aggregate limits of, or non-renewal of the required insurance coverage(s).

INSURANCE REQUIREMENT REVIEW:

Recipient agrees to periodic review of insurance requirements by Agency under this agreement and to provide updated requirements as mutually agreed upon by Recipient and Agency.

STATE ACCEPTANCE:

All insurance providers are subject to Agency acceptance. If requested by Agency, Recipient shall provide complete copies of insurance policies, endorsements, self-insurance documents and related insurance documents to Agency's representatives responsible for verification of the insurance coverages required under this Exhibit C.

EXHIBIT D
FEDERAL AWARD IDENTIFICATION
(REQUIRED BY 2 CFR 200.332(A)(1))

(i) Subrecipient* Name: <i>(must match name associated with UEI)</i>	
(ii) Subrecipient's Unique Entity Identifier (UEI):	
(iii) Federal Award Identification Number (FAIN):	SKFRO4454
(iv) Federal award date: <i>(date of award to DAS by federal agency)</i>	July 23, 2021
(v) Grant period of performance start and end dates:	Start: Effective Date End: December 31, 2026
(vi) Grant budget period start and end dates:	Start: March 3, 2021 End: December 31, 2026
(vii) Amount of federal funds obligated by this Grant:	
(viii) Total amount of federal funds obligated to Subrecipient by pass-through entity, including this Grant:	
(ix) Total amount of the federal award committed to Subrecipient by pass-through entity**: <i>(amount of federal funds from this FAIN committed to Recipient)</i>	
(x) Federal award project description:	Coronavirus State Fiscal Recovery Fund
(xi) a. Federal awarding agency:	U.S. Department of the Treasury
b. Name of pass-through entity:	Oregon Department of Environmental Quality
c. Contact information for awarding official of pass-through entity:	Jennifer Wigal, jennifer.wigal@deq.oregon.gov
(xii) Assistance listings number, title and amount:	Number: 21.027 Title: Coronavirus State and Local Fiscal Recovery Funds Amount: \$2,648,024,988.20
(xiii) Is award research and development?	Yes ☐ No ☒
(xiv) a. Indirect cost rate for the federal award:	
b. Is the 10% de minimis rate being used per 2 CFR § 200.414?	Yes ☐ No ☐

* For the purposes of this Exhibit D, "Subrecipient" refers to Recipient and "pass-through entity" refers to DEQ.

** The total amount of federal funds obligated to the Subrecipient by the pass-through entity is the total amount of federal funds obligated to the Subrecipient by the pass-through entity during the current state fiscal year.

EXHIBIT E RECIPIENT REQUIREMENTS

1. Recipient must ensure that construction contractors performing septic installations, repairs and replacements are certified and licensed as required by OAR 340-071-0600.
2. Recipient agrees to require that if a residence or small business with a damaged, malfunctioning or inoperable on-site septic system is located where a sewer connection is available as provided in ORS 454.655(4), a loan provided to address the damaged, malfunctioning or inoperable on-site septic system must be used to install a connection to the available sewer and to properly decommission and discontinue use of the on-site septic system.
3. Recipient must provide a mechanism for ensuring compliance with any locally required operation and maintenance of an on-site septic system for which a loan is provided under a loan program.