

*"Making a difference through excellence of service"*



## **CITY OF WARRENTON**

### **AGENDA**

CITY COMMISSION OF THE CITY OF WARRENTON  
REGULAR MEETING

October 24, 2017 – 6:00 P.M.

Warrenton City Commission Chambers – 225 South Main Avenue  
Warrenton, OR 97146

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1. **CALL TO ORDER**
2. **PLEDGE OF ALLEGIANCE**
3. **ROLL CALL**
4. **COMMISSIONER COMMENTS/COMMUNICATIONS/AGENDA ADDITIONS**
5. **CONSENT CALENDAR**
  - A. City Commission Work Session Minutes – 8.22.17
  - B. City Commission Meeting Minutes – 9.26.17
  - C. WBA Meeting Minutes – Sept. 2017
  - D. Monthly Finance Report – Sept. 2017
  - E. Police Dept. Monthly Statistics – Sept. 2017
  - F. Fire Dept. Activity Report – Sept. 2017
  - G. Community Center Annual Report – FY 16/17
6. **PUBLIC COMMENT (AGENDA ITEMS)**

At this time, anyone wishing to address the City Commission concerning items on the Agenda may do so. The person addressing the Commission will, when recognized, give his or her name and address for the record. All remarks will be addressed to the whole City Commission and limited to 3 minutes per person. The Commission reserves the right to delay any action, if required, until such time as they are fully informed on a matter.

**7. BUSINESS ITEMS**

- A. Police Officer Oath of Office and Badge Pinning Ceremony – Officers Beem & Crutcher
- B. Consideration of Change Order No. 1 - Gray & Osborne, Water Meter Replacement Project
- C. Consideration of Purchase of F-150 pickup truck – Public Works

**8. PUBLIC COMMENT**

At this time, anyone wishing to address the City Commission concerning items of interest not already on the Agenda may do so. The person addressing the Commission will, when recognized, give his or her name and address for the record. All remarks will be addressed to the whole City Commission and limited to 3 minutes per person. The Commission reserves the right to delay any action, if required, until such time as they are fully informed on a matter.

**9. EXECUTIVE SESSION**

**10. ADJOURNMENT**

**Warrenton City Hall is accessible to the disabled. An interpreter for the hearing impaired may be requested under the terms of ORS 192.630 by contacting Dawne Shaw, Deputy City Recorder, at 503-861-2233 at least 48 hours in advance of the meeting so appropriate assistance can be provided.**

5-A

MINUTES  
Warrenton City Commission  
WORK SESSION – August 22, 2017  
5:15 p.m.  
Warrenton City Hall - Commission Chambers  
225 S. Main  
Warrenton, Or 97146

Mayor Balensifer called the meeting to order at 5:15 p.m.

Commissioners Present: Mayor Balensifer, Tom Dyer, Pam Ackley, Rick Newton and Mark Baldwin

Staff Present: City Manager Linda Engbretson, Public Works Director Jim Dunn, Finance Director April Clark, Fire Chief Tim Demers, Public Works Operations Manager Kyle Sharpsteen, and Deputy City Recorder Dawne Shaw

Public Works Director Jim Dunn gave a Power Point presentation on Wastewater Collections; specifically the areas in the city not served by sewer. He gave a brief history and overview, noting there have been many inquiries from people that want to connect to sewer service. He outlined the five major areas without service: 7<sup>th</sup> Place & N. Main; Delaura Beach & Pine; Galena; Hwy 101 & Delaura Beach Lane; and Hwy 101 Business, and gave a brief overview of each:

- 7th Place & N. Main – there is a Force Main however there a lot of properties that do not have service.
- Hwy 101 Business – there is a possible development going in; would be a gravity system; with the development, there is a possibility of extending a main
- Delaura Beach & Pine – whole area is not served; a small portion is outside of city limits
- Hwy 101 & Delaura Beach – quite a bit of this area is outside of city limits
- Galena – levee goes through and the city does not have ROW in some areas; would need boring; the Skipanon River, and other issues to deal with to provide sewer service

Mr. Dunn reviewed the project options. He noted for 7<sup>th</sup> & N. Main, they are looking at reconstructing that road, however more design work and geotechnical analysis needs to be done. He noted if we proceed with tearing out the concrete, it would be a good time to put in a sewer main. He stated it would be a gravity system with a pump station. Mr. Dunn explained grinder pumps, noting that if a private system installs a grinder pump it would need to go into a gravity main line; if it goes into a force main, it causes major issues and sanitary overflows. He noted if it goes into a gravity line, the homeowner is responsible; if it ties into a force main, the city is responsible, per DEQ. He stated this project option would be a package pump station, which is cheaper than a full pump station; the cost would possibly be \$450,000; however more design

work would have to be done before he could give more accurate cost. Discussion followed on the time frame for repaving or chip sealing that road, and Mr. Dunn stated the first step is to have the geotechnical analysis work done before we know which direction to go with the road work. He believes the geotech work could be done in 3 months, and then concrete removal can begin. Mr. Dunn stated there are some concerns with the pump station and there are design details to work out, which will take some time. Discussion continued on ground water, storm water and the condition of the road. Mr. Dunn noted the road repairs are in the CIP; however the sewer project is not, so he is looking for direction from the Commission. Brief discussion followed on the funding and the possibility of assessing hookup fees. Consensus was that 7<sup>th</sup> and N. Main is the number one priority, and Twin Spruce, (by the high school) needs to be addressed next. It was noted there was an LID formed for Twin Spruce. Mr. Dunn discussed the need to pull something out of the CIP to pay for this and noted there is an ordinance that states if there is a sewer line, people are required to hook up to it, which may upset some. Mayor Balensifer suggested holding a town hall for the affected residents, but noted he has mostly heard that people want to connect. Discussion continued on possible future developments and how they would provide sewer service. Mr. Dunn clarified the Commission agrees that 7<sup>th</sup> and N. Main is the first priority, and the city will pay to install sewer lines; and was given direction to come up with engineering work and design work on this project; this will be paid for by removing another project from the CIP. Mayor Balensifer stated there may be a need to revisit this after we receive the cost estimate, and Mr. Dunn agreed, he will come back to the Commission with updates as needed.

There being no further business Mayor Balensifer adjourned the work session 5:57 p.m.

APPROVED:

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Henry Balensifer, Mayor

ATTEST:

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Dawne Shaw, Deputy City Recorder

5-B

MINUTES  
Warrenton City Commission  
Regular Meeting – September 26, 2017  
6:00 p.m.  
Warrenton City Hall - Commission Chambers  
225 S. Main  
Warrenton, OR 97146

Mayor Balensifer called the meeting to order at 6:04 p.m. and led the public in the Pledge of Allegiance.

Commissioners Present: Pam Ackley, Tom Dyer, Mark Baldwin and Mayor Henry Balensifer  
Absent: Rick Newton

Staff Present: City Manager Linda Engbretson, City Attorney Spencer Parsons, Finance Director April Clark, Community Development Director Skip Urling, City Engineer Collin Stelzig, Public Works Operations Manager Kyle Sharpsteen, and Deputy City Recorder Dawne Shaw

#### COMMISSIONER COMMENTS

Mayor Balensifer noted prior to this meeting the Commission was in executive session and will return to executive session after the regular meeting.

Commissioner Dyer welcomed everyone and noted the work session with the Skipanon Water Control District was very productive.

City Manager Engbretson noted she received email from the County Manager requesting a representative from the City Commission to sit on the initial housing steering committee. Brief discussion followed and it was determined Mayor Balensifer will serve.

**Commissioner Ackley made the motion to approve the consent calendar as presented. Motion was seconded and passed unanimously.**

**Balensifer – aye; Dyer – aye; Ackley – aye; Baldwin – aye**

PUBLIC COMMENT (Agenda Items) – NONE

#### BUSINESS

Mayor Balensifer introduced Shane Cline and Lance Helwig from the US Army Corps of Engineers (USACE) and opened the discussion on the 8<sup>th</sup> Street Flood Control Structure. Mr. Cline stated the Corps responsibility and authority with the City of Warrenton's levee system is confined to the levee system not with the structure itself, but they are able to provide the City with some technical assistance; reviewing hydrolic models, and provide assessments of what scenarios should be evaluated. Mayor Balensifer noted the prior work session with the SWCD

where a study was discussed. He asked if a study is done, would the Corps be willing to be part of that. Mr. Cline said they would work with the City and the SWCD; develop a scope of work that will answer the questions; review the results of that analysis and provide their professional opinion on what they think potentially the unintended consequences are, of removing the tide gates or the structure. Mr. Cline stated the USACE has a flood plain management system service (FPMS) that works with local agencies to provide technical assistance to remap flood plains. He stated it is a grant based service, and they could work with the City to help develop the grant and advance it through the FPMS evaluation process. Mr. Helwig noted there is a lot of competition for the FPMS program, but Warrenton seems like a good candidate for prioritization. He noted that NRCS has voiced an interest in helping to review the scope of work. Brief discussion followed on previous communications with NRCS and legal counsel.

Mayor Balensifer questioned if the actions taken to the structure are endangering the City's status in the RIP. Mr. Helwig stated they have inspected the structure several times since the tide gates have been removed and did not see anything that would compromise the City's active standing in the RIP program. Discussion followed on whether a flood analysis study can be done without the tide gates. Mr. Cline stated it would be best for the gates to be on for the study. Discussion continued on whether the flood control structure is part of the levee system, and if removing it would have an impact on levee certification. Mr. Cline stated without the modeling it is hard to determine. He noted typically there would be a geotechnical analysis and hydrolic analysis which would show what improvements need to be made to receive certification. After further discussion, Mr. Cline confirmed the removal of the structure has nothing to do per se as much as the construction and quality of the levee. Mr. Cline stated it is possible to develop a (computer) model to do the study with the gates on. Discussion continued on the 408 process for removing the dam structure, and if it will affect the levees. Mr. Helwig clarified they have not seen any impact on the levee since the altering of the structure; however it has only been a few years. Mayor Balensifer asked for the record, in regards to the structure, is it the Corps' opinion that an emergency exists? Mr. Cline noted it is hard to say if an emergency exists without modelling. He stated that potentially there could be a larger area upstream inundated with the structure in place, than would be without it, but it is difficult to say without models. He stated he cannot say if the dam is at risk of failure. Mr. Helwig noted that NRCS said the State of Oregon did a dam safety inspection and stated failure could be "sooner rather than later," and suggested following up with NRCS. Discussion followed on whether the structure is part of the levee system or supports the levee system. Mr. Cline stated even though the structure and the levees were constructed separately, they have been operated as a system for many decades; and it would be good to look at it as a system and not separately. It was noted the 8<sup>th</sup> Street structure is not part of the Corps' levee authorization. Mr. Cline and Mr. Helwig thanked the Commission for the opportunity to speak.

Community Development Director Skip Urling presented Resolution No. 2505; Authorizing Applicant Reimbursement of Professional Consulting Services Expenses Related to Development Application Review. He noted a previous discussion at the joint Planning Commission/City Commission work session, regarding the growth of the city and development applications which have overtaxed staff resources. He stated per state land use planning law, and municipal code, applications must be reviewed in a timely fashion. This new resolution would

MINUTES

Warrenton City Commission

Regular Meeting – 09.26.17

Page: 2

formally authorize the city to contract with private consultants to perform the development application review and require reimbursement from the applicant. Mr. Urling noted also included in the agenda packet is the proposed contract to be used in this new practice to ensure the city is reimbursed timely. Brief discussion followed on SDC's and fees, and how they are applied and spent. Mayor Balensifer requested a future discussion on fees.

**Commissioner Ackley made the motion to adopt Resolution No. 2505; *Establishing the use of Consultants in the Review of Development Applications and Authorizing Assigning the Consultant's Costs to the Applicant.* Motion was seconded and passed unanimously.**

**Balensifer – aye; Dyer – aye; Ackley – aye; Baldwin – aye**

Parks Advisory Board member Bert Little requested a letter of support to the Northwest Coast Trails Coalition for the planning, fundraising and construction of an Interpretive Kiosk celebrating the history of local Clatsop Tribes, settlers and Natural Resources. He explained the kiosk/concept and noted this letter of support may be used for submission of grant applications. The Parks Advisory Board proposes construction of this kiosk at the culmination of the NE 1<sup>st</sup> to 13<sup>th</sup> Trail, near Tansy Point.

**Commissioner Dyer made the motion to approve the Letter of Support, as requested by the Warrenton Parks Advisory Board, for an interpretive kiosk at the Tansy Point Trailhead. Motion was seconded and passed unanimously.**

**Balensifer – aye; Dyer – aye; Ackley – aye; Baldwin – aye**

City Manager Engbretson stated Columbia-Pacific Economic District (Col-Pac) has provided the City a proposal to perform grant administration services related to the Pacific Coast Seafood Rebuild Project. She noted Col-Pac is a private non-profit organization established to assist in diversifying and strengthening the economy and livability of Northwest Oregon, and they will assist with contract review and monitoring, financial management/project reporting, and reviewing certified payroll and assuring BOLI requirements are met. Ms. Engbretson stated the proposed cost is \$62,500 plus mileage; and noted the City has included a reimbursement for Administrative Expenses clause in the agreements with Pacific Coast Seafoods. They will reimburse the City up to \$75,000 for administrative costs associated with the project and grant administration. Commissioner Baldwin recused himself from the discussion and will abstain from voting, due to a potential conflict.

**Commissioner Ackley made the motion to authorize the Mayor's signature in the Contract for Professional Consulting Services with Columbia-Pacific Economic Development District for an amount no to exceed \$62,500 (plus mileage) for grant administration services for the Pacific Coast Seafoods Rebuild Project. Motion was seconded and passed.**

**Balensifer – aye; Dyer – aye; Ackley – aye; Baldwin – abstained**

City Manager Linda Engbretson stated the first reading of Ordinance No. 1215 was completed at the September 12, 2017 City Commission meeting and is now bringing it back for the second reading and adoption. She noted this Ordinance is the result of meetings with the public and Chief Petitioner(s) to clarify ambiguities and unintended outcomes. City Attorney Spencer Parsons noted this ordinance provides implementation of the Charter amendment.

**Commissioner Ackley made the motion to conduct the second reading, by title only of Ordinance No. 1215. Motion was seconded and passed unanimously.**

**Balensifer – aye; Dyer – aye; Ackley – aye; Baldwin – aye**

**Mayor Balensifer conducted the second reading of Ordinance No. 1215; “Introduced by All Commissioners, to Amend Title 3 of the Municipal Code to Add a New Chapter 3.40 to Implement Measure 4-181.”**

**Commissioner Baldwin made the motion to adopt Ordinance No. 1215. Motion was seconded and passed unanimously.**

**Balensifer – aye; Dyer – aye; Ackley – aye; Baldwin – aye**

Finance Director April Clark presented Resolution No. 2504; Approving and Adopting Increases to Appropriations for Specific Purpose Grants for the fiscal year ending June 30, 2018. She noted the City recently entered into agreements with both the State of Oregon and Pacific Coast Seafoods. The total of the two grants from the State is \$3,150,000; and the agreement with Pacific Coast Seafoods allows for reimbursement of the City’s costs, not to exceed \$75,000. Ms. Clark noted this adjustment provides for the use of grant proceeds from the State of Oregon, Department of Administrative Services and Oregon Business Development Department for rebuilding of the dock and facility by Pacific Coast Seafoods. This increase proceeds and increases spending authority in materials and services in the Grants Fund. Commissioner Baldwin recused himself from the discussion and will abstain from voting, due to a potential conflict.

**Commissioner Dyer made the motion to approve Resolution No. 2504; Approving and Adopting Increases to the 2017-2018 Budget by Increasing Appropriations for Specific Purpose Grant. Motion was seconded and passed unanimously.**

**Balensifer – aye; Dyer – aye; Ackley – aye; Baldwin – abstain**

PUBLIC COMMENT – Jim Ray noted the bridge on Alt Hwy 101 was recently closed for resurfacing, yet he does not see any improvements. He asked the Commission if they knew the status. It was noted this was an ODOT project; City Manager Linda Engbretson stated she would look into the matter. Mr. Ray also commented on the new water line for Hammond.



Scott Widdicombe gave a statement regarding the recent joint work session with the Skipanon Water Control District, which was held to discuss the 8<sup>th</sup> Street Flood Control Structure. Mr. Widdicombe submitted copies for the record and for the City Commission.

There being no further business Mayor Balensifer adjourned the meeting at 7:24 p.m., and reconvened the executive session under the authority of ORS 192.660(2) (d), to conduct deliberations with persons designated by the governing body to carry on labor negotiations.

APPROVED:

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Henry Balensifer, Mayor

ATTEST:

\_\_\_\_\_  
Dawne Shaw, Deputy City Recorder

5-C

UNAPPROVED MINUTES  
WARRENTON BUSINESS ASSOCIATION  
Minutes of meeting on September 13th, 2017

WBA 2016-2017 Goals

\*Strengthen Business Involvement

Maintain partnerships with other City of Warrenton committees to achieve common goals.  
Maintain involvement with the Chamber of Commerce and plan joint activity that promotes Warrenton businesses to be held in Warrenton.  
Promote growth by participation in other local boards or associations including Astoria-Warrenton Chamber of Commerce, CEDR, LCTC, and Warrenton Planning Commission.

\*Advertise

Promote the WBA through Warrentonba.com website, Facebook, newspaper, radio, flier with license and signage to encourage more business participation.  
Advertise for the Warrenton businesses utilizing existing resources and keep businesses updated on the Warrentonba.com website.

\*Support local events and nonprofits

**MEMBERS PRESENT:** Chair Moha, members Mitchell, Bridgens, Williams, Lindahl.

**MEMBERS ABSENT:** Warren, McGuffin.

**GUESTS:** Mike Alderman, Debra Hazelett, Butterflies Forever, Aaron for Calvary Assembly of God, Dr. James, Linda Engbretson.

- I. **CALL TO ORDER:** Meeting was called to order at 5:30 by Chair Moha
- II. **GUEST SPEAKER:** None
- III. **PUBLIC COMMENT:** Mike Alderman owns the Warren House and would like to donate funds to a local kids charity. Mike Moha will get him in contact with Warrenton Healthy Kids. Aaron from Calvary Assembly of God asked for help with food bank. Debra Hazelett handed out information about Butterflies Forever.
- IV. **APPROVAL OF AGENDA:** Agenda amended to add Approval of Donation to Red Cross. Amended agenda approval motioned by Williams and second by Bridgens. Passed unanimously.
- V. **FINANCIAL REPORTS:** Motion by Williams, second by Lindahl to approve June and July Financials. Motion passed unanimously.
- VI. **APPROVAL OF MINUTES:** Motion by Mitchell, Second by Lindahl to approve March 2017 minutes. Motion passed unanimously.
- VII. **NEW BUSINESS:**
  - A. **Summer Event Review:** Positive feedback on concert. Thank you Scott for all the advertising. Colin's crew did good. Bert did great on parking. Food carts did good business, more needed next time. Beer sales were great and the venue was good. Most receipts are in. A reminder that those who asked where the funding came from for the concert, our funding is from business licenses. Movie in the park also was fun. A lot of people attended.
  - B. **LCTC Representation:** Lower Columbia Tourism Committee meets every other month on the second Thursday needs a WBA rep. Scott volunteered to go the meetings. Thank you!
  - C. **Committee Review:** Tabled
  - D. **Red Cross Donation:** A motion was made by Bridgens and second by Mitchell to donate \$163.50 to the Red

UNAPPROVED MINUTES  
WARRENTON BUSINESS ASSOCIATION  
Minutes of meeting on September 13th, 2017

Cross from donations from concert. Motion passed unanimously.

**VIII. COMMITTEE REPORTS**

- A. Chamber of Commerce: Williams. Skip is retiring, looking for replacement.
- B. CEDR: Warren, Lindahl
- C. Tourism: Lindahl. None
- D. Business Recognition: Bridgens. We should honor houses again.
- E. Publicity: Mitchell, Colin.
- F. Events: Williams. Big event coming up.
- G. Planning Commission: Mitchell, Bridgens, Moha. None

**IX. CORRESPONDENCE:** We will have a joint meeting with the City Commissioners in November.

**X. ITEMS TO BE ADDED TO NEXT AGENDA:**

**XI. ADJOURNMENT:** Meeting Adjourned by Moha 6:08.

**Volume 11, Issue 3**

**Monthly Finance Report**  
**September 2017**

**October 24, 2017**

**Economic Indicators**

**Department Statistics**

**Current and Pending Projects**

	Current	1 year ago
◆ Interest Rates:		
LGIP :	1.45%	.94%
Columbia Bank:	n/a	.05%
◆ Prime Rate:	4.25%	3.50%
◆ CPI-U change:	2.2%	1.5%
◆ Unemployment Rates:		
Clatsop County:	unavail.	4.9%
Oregon:	4.2%	4.9%
U.S.:	4.2%	4.9%

◆ Utility Bills mailed	3,305
◆ New Service Connections	3
◆ Reminder Letters	417
◆ Door Hangers	78
◆ Water Service Discontinued	10
◆ Walk-in counter payments	748
◆ Mail payments	1,197
◆ Auto Pay Customers/pymts	560
◆ Online (Web) payments	560
◆ Phone payments	114

- ◆ M D & A / Audit
- ◆ SDC Annual Report
- ◆ Landfill Financial Assurance Report
- ◆ Warrenton Urban Renewal Agency Annual Report
- ◆ Community Center Annual Report
- ◆ Open Enrollment for Health Insurance

**Financial Narrative as of September 30, 2017**

**Note:** Revenues and expenses should track at 3/12 or 25% of the budget.

Attached to this report is analysis and summaries of data for assessed value and property tax information for the City of Warrenton for the tax year 2017-2018

Assessed value for the City of Warrenton is \$567,541,596, an increase of 5.4% from the prior year. Of that amount, the Urban Renewal District boundary value represents \$67,343,430, an increase of 7.97%. The value of the Urban Renewal boundary represents 11.87% of the total city boundary value.

Tax amounts to be received are as follows for the permanent rate; \$835,421, local option rate (Library and Police), \$212,828, and bonded debt rate, \$586,088, for a total of \$1,634,337. Please keep in mind that these amounts will be reduced by discounts, uncollected taxes, and other reductions. The total levy last year was \$1,719,791.

The Urban Renewal Agency boundary value will raise \$622,259 at the rates of \$1.0984 per \$1,000 and at a rate of 55.18 cents per \$1,000 of assessed value depending on the tax code, for Urban Renewal. These rates are applied to each individual property's total assessed value whether you are inside the boundary or not. The tax amount is also subject to discounts, credits, etc. This is \$47,498 more than the budgeted revenue of \$574,761. If the Agency col-

lects 93.3% of the tax, then it is projected that we will be over budget by \$5,807.

19.81 cents per \$1,000, or \$112,414 is the amount of tax that the General Fund loses to the Urban Renewal Agency.

Taxpayers pay \$1.0271 per \$1,000 of assessed value for bonded debt compared to \$1.3422, last year.

If the County collects 93.3% of the total imposed taxes, the General Fund should see an excess of \$22,786 in property tax revenue compared to budget. The Library would see an excess of \$1,366 compared to budget. During budget projections, total assessed value was estimated at \$554,609,220 an underestimate of \$12,932,376. The urban renewal value was estimated at \$64,241,540 and the outside urban renewal boundary was estimated at \$490,367,680 for underestimate of \$3,101,890 and an underestimate of \$9,830,486.

For every one million of assessed value added, the permanent rate plus the local option rate would raise \$2,045.10, annually. \$1,950.10 for the General Fund and \$95 for the Library.

Also, attached are data for Warrenton and surrounding area cities' assessed value, permanent rates, and total tax rates by tax code. Code 0113 is the latest annexation (by the airport) up to our

Urban Growth Boundary and pays a different rate because they are in School 1 District as opposed to School 30 (Warrenton School District). Warrenton's population estimate for this year is 5,265

Taxpayers in code 3004/3010 and 0113 pay property taxes (to all jurisdictions) of \$1,437 and \$1,630, respectively on property assessed at \$125,000. Receipt of current property tax revenues begins in November.

Also, attached is Oregon population data. The city's per capita state distributions for 2017/2018 are based on Warrenton population of 5,265.

**General Fund:** Year to date revenues amount to \$589,150, which is 15.25% of the budget, compared to the prior year amount of \$621,232, which was 16.93% of the budget and are down by \$32,082.

Expenses year to date amount to \$1,054,378, which is 24.1% of the budget, compared to the prior year amount of \$1,041,995, which was 25% of the budget.

**Quincy Robinson Trust:** The value of the trust at US Bank as of September 30, 2017 is \$972,104, up from \$994,205 as of July 1, 2017.

## Financial data as of September 2017

	General Fund			
	Current Month	Year to Date	Budget	% of Budget
Beginning Fund Balance	976,040	1,306,042	790,000	165.32
Plus: Revenues	155,943	589,150	3,864,488	15.25
Less: Expenditures				
Municipal Court	7,397	28,818	131,566	21.90
Admin/Comm/Fin(ACF)	55,731	363,468	1,094,696	33.20
Planning	9,620	39,601	185,068	21.40
Police	157,974	381,289	1,823,175	20.91
Fire	53,330	162,606	852,775	19.07
Parks	7,117	28,596	163,825	17.46
Transfers	-	50,000	120,949	41.34
Total Expenditures	291,169	1,054,378	4,372,054	24.12
Ending Fund Balance	840,814	840,814	282,434	297.70

(see details of revenue, page 4)

	WBA			
	Current Month	Year to Date	Budget	% of Budget
Beginning Fund Balance	138,199	103,694	108,000	96.01
Plus: Revenues	(2,035)	48,758	48,850	99.81
Less: Expenditures	49,244	65,532	151,206	43.34
Ending Fund Balance	86,920	86,920	5,644	1,540.04

	Building Department			
	Current Month	Year to Date	Budget	% of Budget
Beginning Fund Balance	288,680	293,156	270,000	108.58
Plus: Revenues	41,053	85,066	174,814	48.66
Less: Expenditures	25,176	73,665	249,563	29.52
Ending Fund Balance	304,557	304,557	195,251	155.98

	State Tax Street			
	Current Month	Year to Date	Budget	% of Budget
Beginning Fund Balance	1,371,170	1,384,545	1,000,000	138.45
Plus: Revenues	64,392	93,350	638,132	14.63
Less: Expenditures	59,919	102,252	1,445,923	7.07
Ending Fund Balance	1,375,643	1,375,643	192,209	715.70

	Warrenton Marina			
	Current Month	Year to Date	Budget	% of Budget
Beginning Fund Balance	451,043	188,461	190,000	99.19
Plus: Revenues	23,595	377,253	532,175	70.89
Less: Expenditures	37,021	128,097	630,947	20.30
Ending Fund Balance	437,617	437,617	91,228	479.70

**Financial data as of September 2017, continued**

	Hammond Marina				Water Fund			
	Current Month	Year to Date	Budget	% of Budget	Current Month	Year to Date	Budget	% of Budget
Beginning Fund Balance	298,067	140,032	140,000	100.02	2,260,948	1,841,311	1,000,000	184.13
Plus: Revenues	27,426	263,259	287,801	91.47	356,791	1,134,978	5,652,800	20.08
Less: Expenditures	34,031	111,829	408,324	27.39	160,385	518,935	6,033,428	8.60
Ending Fund Balance	<u>291,462</u>	<u>291,462</u>	<u>19,477</u>	<u>1,496.44</u>	<u>2,457,354</u>	<u>2,457,354</u>	<u>619,372</u>	<u>396.75</u>

	Sewer Fund				Storm Sewer			
	Current Month	Year to Date	Budget	% of Budget	Current Month	Year to Date	Budget	% of Budget
Beginning Fund Balance	1,860,456	1,664,745	1,500,000	110.98	371,830	330,759	290,000	114.05
Plus: Revenues	262,484	1,090,911	3,079,128	35.43	36,589	112,677	406,000	27.75
Less: Expenditures	150,902	783,618	3,418,202	22.92	31,271	66,288	539,327	12.29
Ending Fund Balance	<u>1,972,038</u>	<u>1,972,038</u>	<u>1,160,926</u>	<u>169.87</u>	<u>377,148</u>	<u>377,148</u>	<u>156,673</u>	<u>240.72</u>

	Sanitation Fund				Community Center			
	Current Month	Year to Date	Budget	% of Budget	Current Month	Year to Date	Budget	% of Budget
Beginning Fund Balance	360,514	371,081	320,000	115.96	10,604	10,436	7,800	133.79
Plus: Revenues	95,286	284,257	1,077,000	26.39	1,401	4,981	15,830	31.47
Less: Expenditures	47,021	246,559	1,218,610	20.23	1,443	4,855	22,550	21.53
Ending Fund Balance	<u>408,779</u>	<u>408,779</u>	<u>178,390</u>	<u>229.15</u>	<u>10,562</u>	<u>10,562</u>	<u>1,080</u>	<u>-</u>

	Library				Warrenton Urban Renewal Agency Capital Projects Fund			
	Current Month	Year to Date	Budget	% of Budget	Current Month	Year to Date	Budget	% of Budget
Beginning Fund Balance	28,530	41,731	39,000	107.00	331,025	405,798	266,299	152.38
Plus: Revenues	238	5,752	86,793	6.63	356	1,467	1,922,122	0.08
Less: Expenditures	6,854	25,569	90,599	28.22	7,543	83,427	2,188,421	3.81
Ending Fund Balance	<u>21,914</u>	<u>21,914</u>	<u>35,194</u>	<u>62.27</u>	<u>323,838</u>	<u>323,838</u>	<u>-</u>	<u>-</u>

**Financial data as of September 2017, continued**

**(\$) Cash Balances as of September, 2017**

General Fund	1,033,034	Warrenton Marina	389,760	Storm Sewer	349,302
WBA	85,340	Hammond Marina	298,328	Sanitation Fund	281,224
Building Department	318,704	Water Fund	1,327,870	Community Center	12,115
State Tax Street	1,446,784	Sewer Fund	1,620,226	Library	22,564

**Warrenton Urban Renewal Agency**

Capital Projects	331,382
Debt Service	990,030

General Fund Revenues	Collection Frequency	2017-2018 Budget	Actual as	Collections/Accruals		(over) under budget
			% of Current Budget	Year to date		
				September 2017	September 2016	
Property taxes-current	AP	904,940	0.00	-	-	904,940
Property taxes-prior	AP	35,000	14.64	5,125	4,710	29,875
County land sales	A	-	0.00	-	-	-
Franchise fees	MAQ	543,000	12.48	67,777	65,875	475,223
COW - franchise fees	M	136,414	29.62	40,411	36,553	96,003
Transient room tax	Q	508,402	3.35	17,036	39,569	491,366
Liquor licenses	A	650	19.23	125	25	525
State revenue sharing	MQ	130,267	7.72	10,051	13,143	120,216
Municipal court	M	119,400	16.73	19,970	26,873	99,430
Community development fees	I	35,000	19.20	6,719	2,913	28,281
Police charges	I	8,750	30.03	2,628	1,772	6,122
Fire charges	SM	95,240	0.00	-	-	95,240
Park charges	I	-	0.00	125	250	-
Miscellaneous	I	1,200	36.58	439	458	761
Interest	M	10,000	26.95	2,695	1,862	7,305
Lease receipts	M	209,529	25.09	52,580	52,514	156,949
Donations	I		0.00	-	-	-
<b>Sub-total</b>		<b>2,737,792</b>	<b>8.24</b>	<b>225,681</b>	<b>246,517</b>	<b>2,512,111</b>
Transfers from other funds	I	32,000	0.00	-	-	32,000
Overhead	M	1,094,696	33.20	363,469	374,715	731,227
<b>Total revenues</b>		<b>3,864,488</b>	<b>15.25</b>	<b>589,150</b>	<b>621,232</b>	<b>3,275,338</b>

M - monthly

Q - quarterly

SM - Semi-annual in November then monthly

AP - As paid by taxpayer beginning in November

MAQ - Century Link & NW Nat-quarterly, Charter annually in March, all others monthly

S - semi-annual

I - intermittently

MQ - Monthly, cigarette and liquor and Quarterly, revenue sharing

R - renewals due in July and new licenses intermittently

A - annual

Note: Budget columns do not include contingencies as a separate line item but are included in the ending fund balance. Unless the Commission authorizes the use of contingency, these amounts should roll over to the following year beginning fund balance. For budget details, please refer to the City of Warrenton Adopted Budget for fiscal year ending June 30, 2018. Budget amounts reflect budget adjustments approved by the Commission during the fiscal year. Information and data presented in this report is unaudited.

CITY OF WARRENTON  
History of Assessed Property Values and Property Taxes to be Received

	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014	2012-2013	2011-2012	2010-2011	2009-2010	2008-2009	2007-2008	2006-2007
Value	567,541,596	538,455,553	520,287,689	490,415,906	476,825,335	455,991,441	427,950,315	405,421,734	387,486,368	345,597,792	331,204,007	312,584,682
percentage increase from prior year	5.402%	3.492%	6.091%	2.850%	4.569%	6.552%	5.557%	4.629%	12.121%	4.346%	5.957%	5.771%
Perm Rate Tax	835,421	795,137	773,823	731,942	705,604	678,058	642,181	611,819	604,715	576,330	553,142	522,045
Local Option Tax	212,828	201,920	195,108	183,835	178,809	170,996	160,481	152,032	145,304	264,345	253,335	239,093
Bonded Debt	586,088	722,734	720,218	696,481	673,056	687,544	713,264	776,821	881,880	860,159	781,469	212,422
Total Tax Amount to be Received	\$ 1,634,337	\$ 1,719,791	\$ 1,689,149	\$ 1,612,258	\$ 1,557,469	\$ 1,536,598	\$ 1,515,926	\$ 1,540,672	\$ 1,631,899	\$ 1,700,834	\$ 1,587,946	\$ 973,560
Urban Renewal Excess Assessed Value	67,343,430	62,370,427	56,963,784	52,179,015	54,333,847	50,006,896	43,451,283	39,086,393	25,769,667	6,221,207		
percentage increase from prior year	7.973%	9.491%	9.170%	-3.966%	8.653%	15.087%	11.167%	51.676%	314.223%			
Outside Urban Renewal Boundary Value	500,198,166	476,085,126	463,323,905	438,236,891	422,491,488	405,984,545	384,499,032	366,335,341	361,716,701	339,376,585		
percentage increase from prior year	5.065%	2.754%	5.725%	3.727%	4.066%	5.588%	4.958%	1.277%	6.583%			
Total Assessed Value of the City	567,541,596	538,455,553	520,287,689	490,415,906	476,825,335	455,991,441	427,950,315	405,421,734	387,486,368	345,597,792		



CITY OF WARRENTON  
PROPERTY TAX ALLOCATION  
2017/2018

	1.6701 PERM RATE	0.2800 0.0950 LOCAL OPTION	AMOUNT NEEDED OUTSIDE M5	TOTAL	
GENERAL FUND	100.00	0.7467	0.0054		
LIBRARY		0.2533			
WWTP			0.9946		
<b>AMOUNT TO BE REC'D</b>	<b>835,421.00</b>	<b>212,828.00</b>	<b>586,088.00</b>	<b>1,634,337.00</b>	
					<b>PERCENTAGE</b>
GENERAL FUND	835,421.00	158,911.57	3,166.00	997,498.57	<b>0.6103</b>
LIBRARY		53,916.43		53,916.43	<b>0.0330</b>
WWTP			582,922.00	582,922.00	<b>0.3567</b>
	<b>835,421.00</b>	<b>212,828.00</b>	<b>586,088.00</b>	<b>1,634,337.00</b>	<b>1.0000</b>

	Tax Rate		Bonded Debt Tax Rate
GF LOCAL OPTION - POLICE	0.2800	0.7467	
LIBRARY LOCAL OPTION	0.0950	0.2533	
	0.3750	1.0000	
WWTP			1.0271
MUNI BUILDING (ORS 311.206 correction only)			0.0056
			1.0327

Urban Renewal Assessed Value	67,343,430
Outside Urban Renewal Boundary Value	500,198,166
Total Assessed Value of the City	567,541,596

Comparison to Budget:	Budget	County Imposed Taxes	93.3% of Imposed Taxes	93.3% imposed taxes Variance to Budget	
GF - Permanent Rate	760,686	835,421	779,448	18,762	
GF - Local Option Police	144,240	158,912	148,264	4,024	22,786
Local Option Library	48,938	53,916	50,304	1,366	
GO Bond Muni Bldg	-	3,166	2,954	2,954	
GO Bond WWTP	541,661	582,922	543,866	2,205	
	<b>1,495,525</b>	<b>1,634,337</b> <sup>1</sup>	<b>1,524,836</b>	<b>29,311</b>	

**City of Warrenton**  
**2017-2018 Analysis of Property Tax Rates and Assessed Values - Actual**

ADC  
 10/17/2017  
 10:41 AM

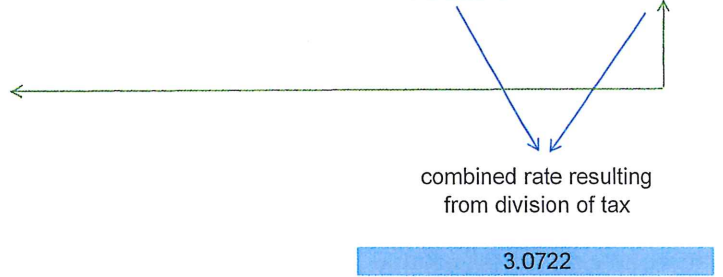
**Boundary Assessed Values**

67,343,430	urban renewal	11.87%
500,198,166	other	88.13%
<u>567,541,596</u>	<u>total assessed value</u>	<u>1</u>

w/o division of tax	Tax Rates	
	Division of Tax cow rate	urban rate
permanent rate	1.6701	1.4719
local option rate	0.3750	0.3750
bond-wwtp	1.0272	1.0272
bond-muni bldg	0.0000	0.0000
<u>3.0723</u>	<u>2.8741</u>	<u>0.1981</u>

**division of warrenton tax rates for URA**

code 3004 and 3010		code 0113	
0.1981	city of warrenton	0.1981	
0.0063	4H	0.0063	
0.1819	clatsop county	0.1819	
0.0149	port of astoria	0.0149	
0.0209	care center	0.0209	
0.0923	clatsop community	0.0923	
0.0182	nw esd	0.0182	
0.5466	school 30/school 1	0.0000	
0.0192	sunset trans	0.0192	
<u>1.0984</u>	<u>division of tax rate</u>	<u>0.5518</u>	



code 3004 and 3010	565,478,514	X	1.0984 divided by 1,000	=	621,105.18
code 0113 (annexation)	2,063,082	X	0.5518 divided by 1,000	=	1,138.35
	<u>567,541,596</u>				<u>622,243.30</u> Amount allocated to Urban Renewal

622,259.42 County Table 4f

(16.12) variance immaterial

**tax rates from code 3004 and 3010 and 0113**

1.4719		
0.3750		
1.0272	2.8741	City of Warrenton allocation
0.1981		
0.0000	0.1981	Warrenton Urban Renewal Agency allocation (Division of City of Warrenton Tax)
<u>3.0722</u>	<u>3.0722</u>	

amount diverted from COW General Fund to URA \$ 112,413.51

WARRENTON URBAN RENEWAL AGENCY  
History of Assessed Property Values and Property Taxes to be Received

	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014	2012-2013	2011-2012	2010-2011	2009-2010	2008-2009
Value	67,343,430	62,370,427	56,963,784	52,179,015	54,333,847	50,006,896	43,451,283	39,086,393	25,769,667	6,221,207
percentage increase from prior year	7.97%	9.491%	9.170%	-3.966%	8.653%	15.087%	11.167%	51.676%	314.223%	
Total Amount to be Received <sup>1</sup>	\$ 622,259	\$ 593,665	\$ 543,717	\$ 497,892	\$ 519,858	\$ 479,857	\$ 415,863	\$ 289,240	\$ 252,630	\$ 60,787
Budget	\$ 574,761	\$ 525,284	\$ 478,982	\$ 496,364	\$ 452,000	\$ 389,465	\$ 362,452	\$ 298,647	\$ 142,622	\$ 40,000
Variance of Budget to Amount to be Received	\$ 47,498	\$ 68,381	\$ 64,735	\$ 1,528	\$ 67,858	\$ 90,392	\$ 53,411	\$ (9,407)	\$ 110,008	\$ 20,787
Urban Renewal Assessed Value	67,343,430	62,370,427	56,963,784	52,179,015	54,333,847	50,006,896	43,451,283	39,086,393	25,769,667	6,221,207
Outside Urban Renewal Boundary Value	500,198,166	476,085,126	463,323,905	438,236,891	422,491,488	405,984,545	384,499,032	366,335,341	361,716,701	339,376,585
Total Assessed Value of the City	567,541,596	538,455,553	520,287,689	490,415,906	476,825,335	455,991,441	427,950,315	405,421,734	387,486,368	345,597,792

<sup>1</sup> These amounts are not what will actually be received as they are subject to discounts, uncollected taxes, and other reductions.

**Area Cities' Property Tax Rates  
Tax Year 2017-2018**

	City of Warrenton		City of Astoria		City of Gearhart		City of Seaside		City of Cannon Beach	
	0113	3004, 3010	0100, 0101, 0109	Astoria	1005	1001	1008			
School	5.8730	5.5225	5.8730	5.8628	5.8628	5.8628	5.8628	5.8628	5.8628	5.8628
Government	4.1462	4.1462	10.2749	3.0065	3.0065	6.5245	3.3826	6.5245	3.3826	3.3826
School Bonds	1.9914	0.8005	1.9914	1.5241	1.5241	1.5241	1.5241	1.5241	1.5241	1.5241
Government Bonds	1.0271	1.0271	-	1.5443	1.5443	0.3011	0.4853	0.3011	0.4853	0.4853
<b>Total Tax Rate</b>	<b>13.0377</b>	<b>11.4963</b>	<b>18.1393</b>	<b>11.9377</b>	<b>11.9377</b>	<b>14.2125</b>	<b>11.2548</b>	<b>14.2125</b>	<b>11.2548</b>	<b>11.2548</b>
Total Tax on \$125,000 Assessed Value	\$ 1,629.71	\$ 1,437.04	\$ 2,267.41	\$ 1,492.21	\$ 1,492.21	\$ 1,776.56	\$ 1,406.85	\$ 1,776.56	\$ 1,406.85	\$ 1,406.85
Total Tax on \$150,000 Assessed Value	\$ 1,955.66	\$ 1,724.45	\$ 2,720.90	\$ 1,790.66	\$ 1,790.66	\$ 2,131.88	\$ 1,688.22	\$ 2,131.88	\$ 1,688.22	\$ 1,688.22

Source: Clatsop County 2017-2018 Assessment and Taxation Summary, Tax Rate Schedules

**Area Cities' Property Tax Permanent Rate Levies  
Tax Year 2017-2018**

	<b>City of Warrenton</b>	<b>City of Astoria</b>	<b>City of Gearhart</b>	<b>City of Seaside</b>	<b>City of Cannon Beach</b>
Population	5,265	9,770	1,480	6,605	1,710
Total Assessed Value	567,541,596	831,271,338	534,377,067	1,179,178,376	913,777,685
<b>Permanent Rate</b>	<b>\$ 1.6701</b>	<b>\$ 8.1738</b>	<b>\$ 1.0053</b>	<b>\$ 3.1696</b>	<b>\$ 0.7049</b>
Amount of tax raised by permanent rate after adjustments	\$ 835,420.71	\$ 6,180,607.28	\$ 537,209.50	\$ 3,736,968.78	\$ 644,121.91

Sources: Clatsop County 2017-2018 Assessment and Taxation Summary, Table 4a  
Portland State University, Population Research Center, July 2016

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# WARRENTON POLICE DEPARTMENT

## SEPTEMBER 2017 STATISTICS

OCTOBER 24, 2017



September Statistics (% changes are compared to 2017)							
Category	2017	2016	%Chg	2015	%Chg	2014	%Chg
Calls for Service	<b>756</b>	691	<b>9%</b>	663	<b>14%</b>	863	<b>-12%</b>
Incident Reports	<b>173</b>	161	<b>7%</b>	142	<b>22%</b>	148	<b>17%</b>
Arrests/Citations	<b>114</b>	84	<b>36%</b>	61	<b>87%</b>	85	<b>34%</b>
Traffic Events	<b>205</b>	199	<b>3%</b>	177	<b>16%</b>	210	<b>-2%</b>
DUII Calls	<b>3</b>	4	<b>-25%</b>	0	<b>300%</b>	0	<b>300%</b>
Traffic Accidents	<b>24</b>	17	<b>41%</b>	26	<b>-8%</b>	22	<b>9%</b>
Property Crimes	<b>71</b>	56	<b>27%</b>	59	<b>20%</b>	100	<b>-29%</b>
Disturbances	<b>80</b>	72	<b>11%</b>	66	<b>21%</b>	60	<b>33%</b>
Drug/Narcotics Calls	<b>4</b>	9	<b>-56%</b>	3	<b>33%</b>	5	<b>-20%</b>
Animal Complaints	<b>34</b>	27	<b>26%</b>	35	<b>-3%</b>	38	<b>-11%</b>
Officer O.T.	<b>209.8</b>	135	<b>55%</b>	84.5	<b>148%</b>	174.8	<b>20%</b>
Reserve Hours	<b>19</b>	32	<b>-41%</b>	48	<b>-60%</b>	60.5	<b>-69%</b>

Category	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Calls for Service	571	524	638	553	679	666	768	770	756
Incident Reports	138	135	217	150	179	181	178	165	173
Arrests/Citations	58	70	88	117	78	94	96	118	114
Traffic Events	185	144	174	128	153	173	183	254	205
DUII Calls	2	8	4	4	5	5	5	4	3
Traffic Accidents	13	17	20	22	14	15	17	16	24
Property Crimes	50	57	46	35	66	64	118	77	71
Disturbances	49	47	68	61	55	72	99	79	80
Drug/Narcotics Calls	6	6	4	5	5	8	9	6	4
Animal Complaints	15	9	19	24	31	30	28	43	34
Officer O.T.	104	136.5	214.25	284.25	282	217	0	143	209.75
Reserve Hours	34.5	28.5	16.5	31	30	0	14	16	19

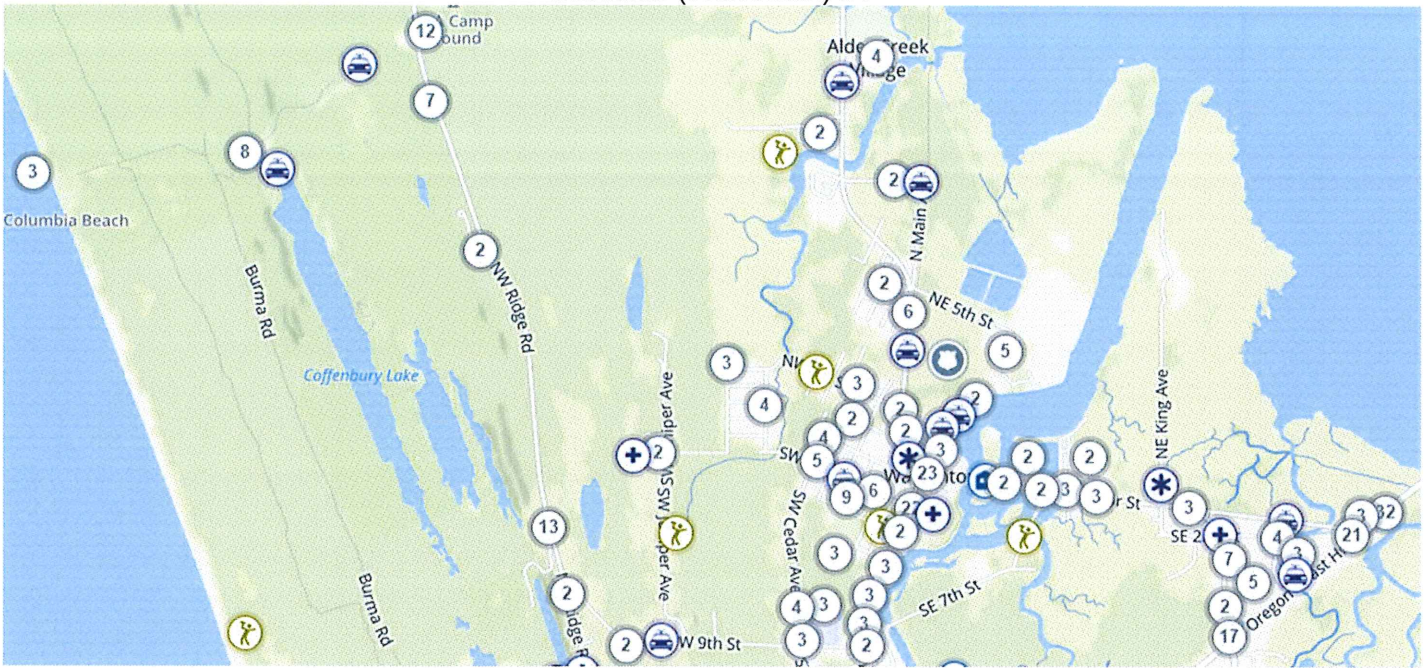
Oct	Nov	Dec	2017 YTD	2017 Estimate	2016	2017 v 2016	2015	2017 v. 2015	2014	2017 v. 2014
			5925	7900	7982	-1%	8239	-4%	8317	-5%
			1516	2021	1739	16%	1749	16%	1515	33%
			833	1111	961	16%	925	20%	994	12%
			1599	2132	2407	-11%	2353	-9%	2220	-4%
			40	53	37	44%	15	256%	14	281%
			158	211	219	-4%	291	-28%	408	-48%
			584	779	850	-8%	805	-3%	1374	-43%
			610	813	855	-5%	781	4%	1359	-40%
			53	71	73	-3%	42	68%	80	-12%
			233	311	294	6%	311	0%	318	-2%
			1590.8	2121	1789	19%	1249	70%	997.5	113%
			189.5	253	577	-56%	901.75	-72%	804.75	-69%

The following is a graphic representation of statistics for September 2017 using our [CrimeReports.com](http://CrimeReports.com) membership. If you go to the website you can zoom in on each incident for more details.

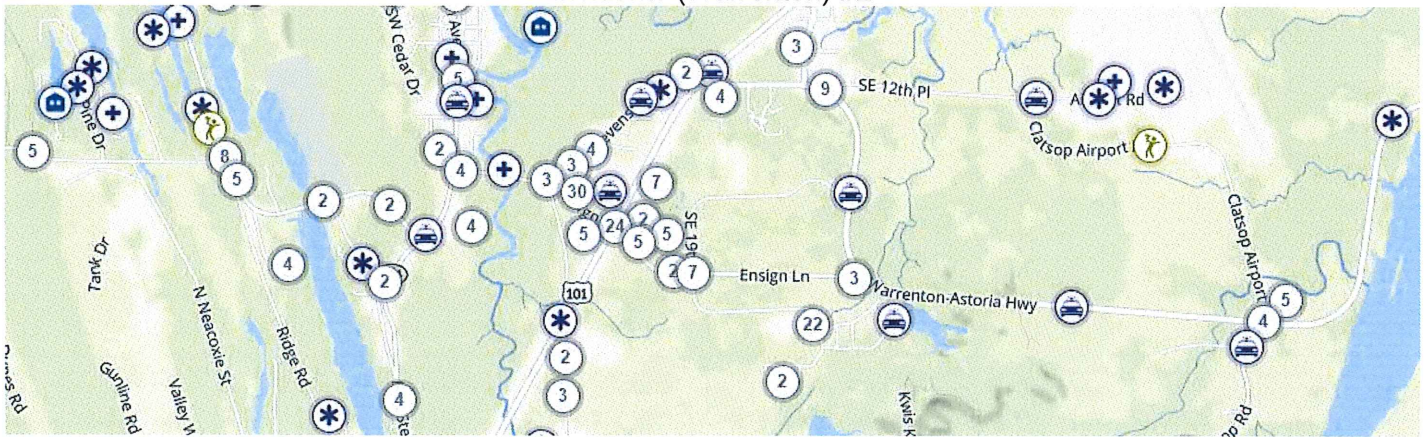
- Violent**
  - Assault
  - Assault with Deadly Weapon
  - Homicide
  - Kidnapping
  - Robbery
  - Other Sexual Offense
  - Sexual Assault
  - Sexual Offense
- Property**
  - Breaking & Entering
  - Property Crime
  - Property Crime Commercial
  - Property Crime Residential
  - Theft
  - Theft from Vehicle
  - Theft of Vehicle
- Quality Of Life**
  - Disorder
  - Quality of Life
  - Drugs
  - Liquor
- 911 & Other**
  - Alarm
  - Arson
  - Death
  - Family Offense
  - Missing Person
  - Other
  - Pedestrian Stop
  - Vehicle Recovery
- Vehicle Stop
  - Weapons Offense
  - Community Policing
  - Proactive Policing
  - Emergency
  - Fire
  - Traffic



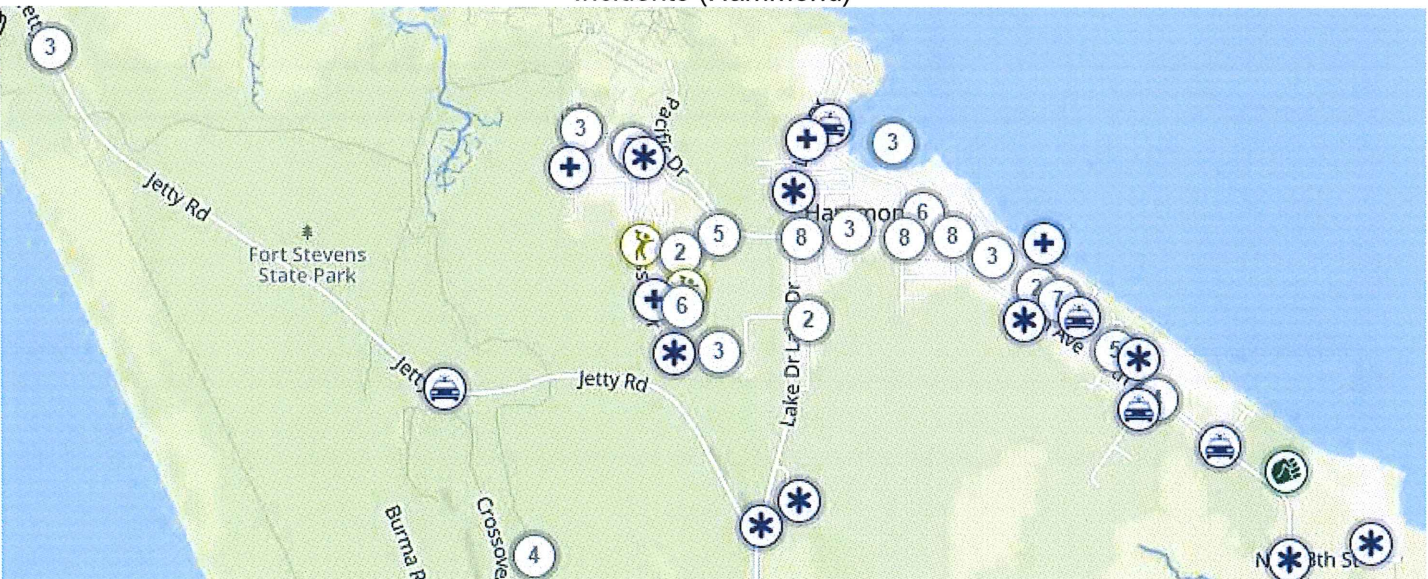
### Incidents (Warrenton) #1



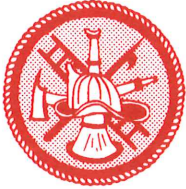
### Incidents (Warrenton) #2



### Incidents (Hammond)







# Warrenton Fire Department

P.O. Box 250 Warrenton, OR 97146-0250 503/861-2494 Fax 503/861-2351

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## STAFF REPORT

**Date:** October 24, 2017  
**To:** The Members of the Warrenton City Commission  
Linda Engbretson, City Manager  
**From:** Tim Demers, Fire Chief  
**Re:** Fire Department Activity Report for **September, 2017**

---

### **September, 2017 Emergency Response Activity -**

The Warrenton Fire Department responded to 113 emergency calls during the month of September, 2017. The department responded to 80 EMS (emergency medical service) calls, 13 motor vehicle crashes, and 14 service calls. There were 6 reportable fires during the month. Service calls include alarm activations with no fire, false alarms, hazardous conditions, good intent calls, public assists, etc. An average of 5 volunteers responded per call throughout the month. During the month of September, 65.5%, or 74 of the calls were during daytime hours between 6:00 a.m. and 6:00 p.m. The other 39 calls, or 34.5%, were during the night, between the hours of 6:00 p.m. and 6:00 a.m.

### **September, 2017 Training –**

The department held 3 regularly scheduled Wednesday evening training sessions during the month of September, with an average attendance of 11 volunteers per drill. The department offered 3 additional training sessions during the month of September.

#### **6<sup>th</sup> EMS – Legal and ethical issues**

Instructor: Chris Peck

#### **Aerial ladder training – basic operations**

Instructor: Capt. Shepherd

#### **Fire recruit academy – Orientation @ Clatsop College**

Instructor: Paul Gascoigne, Astoria Fire Department

#### **13<sup>th</sup> Aerial ladder training – Water flow operations**

Instructors: Company officers

**Engine company evolutions**

Instructors: Company officers

**Fire recruit academy – Safety @ Clatsop College**

Instructor: Ted Ames, Astoria Fire Department

**20<sup>th</sup> Aerial ladder training – Water flow operations**

Instructors: Company officers

**Engine company operations**

Instructors: Company officers

**27<sup>th</sup> Aerial ladder training – Rescue operations**

Instructors: Company officers

**Engine company operations**

Instructors: Company officers

**Fire recruit academy – Communications @ Clatsop College**

Instructor: Ted Ames, Astoria Fire Department

# Warrenton Community Center

## Annual Report

### For Fiscal Year July 1, 2016 – June 30, 2017

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**Summary:**

This report is a communication to the City of Warrenton Commission regarding the annual results of operations, financial position, and activities of the Warrenton Community Center. This report also summarizes the accomplishments, efforts, and long-term goals of the Center as proposed and carried out by the Warrenton Community Center Advisory Board and management.

**Staffing and Oversight:**

The center is managed by the Finance Director in conjunction with a part-time staff person that provides oversight, monitors rental activity at the center, and performs light maintenance. The City appoints a seven member board to provide input and recommendations to the commission. The Warrenton Community Center Advisory Board meets November, December, January, February, March, April, and May with staff, on the third Thursday of each month to discuss fundraising efforts, operations, and to consider long-term goals and objectives.

**Operations:**

The Community Center was built with grant funds in 1988. Since then most operational costs were supported entirely by rental fees and the Center, to this day, does not receive any direct property tax revenues. Since July 1, 2011, the Center has received funding derived from City discretionary revenue sources other than Center rental fees for capital projects and major maintenance.



The Center is rented out to individuals and entities on a per hour basis. Rental rates during the year were \$30.00 and \$40.00 per hour for the facility with non-kitchen and full kitchen use, respectively. A special rate is given to the Warrenton Seniors, Inc. at \$1.00 annually. Revenues are also generated from renting supplies such as the dance floor, silver serving dishes, and charging for cleaning services. Income is also derived from fundraising activities and donations.

For this period ending 2017, the Center was rented a total of 1,361 hours with 434 hours charged at the adopted rates (Seniors used 927 hours) compared to 1,332, and 1,406.5 hours in fiscal years ending 2016 and 2015, respectively. Total hours this year increased 29 hours compared to the prior year. The current hour breakdown, by category, for the past three years, is as follows:

	2017	2016	2015
Warrenton Seniors, Inc.	927.00	936.00	969.00
Other Weekday hours	198.00	179.00	245.50
Other Weekend hours	236.00	217.00	192.00
Total	1,361.00	1,332.00	1,406.50

Rental income, for this period, from regular hours rented was \$13,234 and other revenues were \$5,620 for total revenues of \$18,854 for the year. No transfer was made from the General Fund this year. Last year total revenues were \$24,069. Current expenses for the year were \$20,219 for a net loss of \$1,365. It should be noted that \$0 was transferred to the capital reserve account. Normal expenses, exclusive of the transfer to the capital reserve, were \$6,507 for personal services, \$534 for supplies, \$22 for printing and advertising, \$8,252 for utilities, \$10 for professional services, \$768 for computer support, \$827 for non-capital equipment, \$763 for fundraising expenses, and \$2,536 for overhead.

The Community Center will begin the new fiscal year with a beginning fund balance of \$10,436, a decrease from the prior year of \$1,365 which is the net loss for the year.

A historical summary of revenues and expenses for the Center are as follows:

	2017	2016	2015	2014	2013
<b>Rental Fees</b>	13,234	11,306	11,995	15,924	14,537
<b>Other Revenue</b>	5,620	12,763	4,663	2,598	2,044
<b>Total Revenues</b>	<b>18,854</b>	<b>24,069</b>	<b>16,658</b>	<b>18,522</b>	<b>16,581</b>
<b>Personal Services</b>	6,507	6,940	5,827	6,265	5,514
<b>Materials and Services</b>	13,712	12,867	12,317	12,416	11,813
<b>Capital Outlay</b>					
<b>Transfers</b>	0	0	0	0	940
<b>Total Expenses</b>	<b>20,219</b>	<b>19,807</b>	<b>18,144</b>	<b>18,681</b>	<b>18,267</b>
<b>Increase (Decrease) in Fund Balance</b>	<b>(1,365)</b>	<b>4,262</b>	<b>(1,486)</b>	<b>(159)</b>	<b>(1,686)</b>
<b>Beginning Fund Balance</b>	11,801	7,539	9,025	9,184	10,870
<b>Ending Fund Balance</b>	<b>10,436</b>	<b>11,801</b>	<b>7,539</b>	<b>9,025</b>	<b>9,184</b>

***Fundraising Activities:***

For years now, the board has been putting on the Breakfast with the Easter Bunny and Breakfast with Santa. These activities not only generate some income for center operations but also provide the community with fun family activities during the holiday seasons.

The following table summarizes net proceeds from the board's fundraising efforts:

	Breakfast with Santa	Breakfast with Easter Bunny
Sales	\$ 1,063	\$ 1,247
Donations	972	1,072
Expenses	(523)	(240)
Net Proceeds	<b>\$ 1,512</b>	<b>\$ 2,079</b>

***Donations:***

During the year we received \$550 from Columbia River Bar Pilots, \$200 from Marcia K. Harper Insurance, \$180 from Wauna Federal Credit Union, \$175 from VFW Post 10580, \$150 from VFW Auxiliary, \$150 from McCall Tire Center, \$100 from Supermart, \$100 from Warrenton Kia, \$75 from Ocean Crest Chevrolet, \$75 from Warrenton Fiber, \$75 from L & D Race Tech, \$50 from Ocean Beauty Seafoods, \$50 from Lektro, and \$50 from the Kiwanis Club. These donations were used to help with expenses relating to the Breakfasts and to support Community Center operations. Starbuck's donated coffee, the Pig 'N Pancake donated the pancakes and syrup, and Warrenton Deep Sea donated sausage. Also, Mel and Betsy Jasmin donated baskets for the raffle. This has helped tremendously with the breakfast expenses. The Advisory Board donates most of the remaining funds needed for breakfast expenses. In addition to donations for the breakfasts the Community Center also received a donation in memory of Ken Kelly in the amount of \$100, and donations of deposit refunds from Greenwood Resources and True Blue totaling \$155.

***Rates:***

The advisory board is very much interested in increasing the rental hours at the center and promoting the Center as a great place to rent. The center is a community asset that should be utilized to its fullest. The challenge is seeking to charge the correct amount of revenue needed in order to cover operating costs and future capital requirements and not out-price our users. As of July 1, 2016, rates were \$40.00 and \$30.00 for kitchen and non-kitchen use, respectively.

The center currently has one long term renter to help stabilize the monthly income and cash flow. Weight Watchers began having a weekly meeting at the center in September of 2016.

Information about the Community Center is advertised on the City's website.

***Wifi:***

We have public wifi at the Center. All users are able to connect. This also helps staff connect to City Hall so we can communicate with the center via email. This has helped tremendously with communication. And, most of all, the renters love it, too!

***Capital Improvements:***

In the fiscal year ending June 2004 budget process, staff created a Community Center Capital Reserve fund to begin accumulating funds for needed major improvements. It was hoped that the rental fee increase would generate excess funds that would be transferred each year to the fund.

There were no expenditures made from the capital reserve fund this year. The fund started with \$1,587 and has an ending fund balance of \$1,587 as of June 30, 2017, which is available for major

maintenance and capital improvements to the facility. There were no excess funds to transfer this fiscal year.

Capital improvement and major maintenance history at the Center for the thirteen fiscal years ending is as follows:

1998	none	
1999	none	
2000	none	
2001	New kitchen floor, Aug 2000	\$1,704
2002	New dishwasher, Nov 2001	\$4,027
	Exterior light poles, Feb 2002	\$1,175
2003	none	
2004	none	
2005	interior remodel	\$15,000 (funded by WBA donation)
2006	none	
2007	parking lot striping	\$555
2008	New roof, April 2008	\$12,866 (\$5,000 was funded by the WBA)
	New ceiling tiles	\$1,320
2009	none	
2010	New entryway-donated	\$6,435
2011	Chairs (16), dollies (4), table cart, dance floor cart, window trim, and coat rack	\$2,622
2012	Parking lot striping	\$485
	Fire Suppression System	\$3,249
	(3) Windows	\$925
	Re-siding and paint exterior Completed in FY 2013	\$41,990 (funded entirely by the Facilities Maintenance Fund)
2013	Window Shades (2)	\$437
	Vacuum	\$400
	Building Signage	\$901
2014	Bathroom Paint/Flooring	\$2,129 (\$1,475 was funded by the Facilities Maintenance Fund)
	New Heating Furnace	\$2,580 (funded entirely by the Facilities Maintenance Fund)
2015	New Walk-In Freezer	\$19,920 (funded entirely by the Facilities Maintenance Fund)
	Freezer Room Wall Repair	\$5,385 (funded entirely by the Facilities Maintenance Fund)
	New Commercial Refrigerator	\$4,856 (funded entirely by the Facilities Maintenance Fund)
2016	New Refrigerator	\$599
2017	Firewall Upgrade/Wifi	\$875

Funding from the **Facilities Maintenance Fund** contributed the following amounts this year, totaling \$2,363.

Fire Safety	\$280
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Kitchen Equipment Maintenance	\$552
Pest Control	\$786
Lighting	\$262
Building & Ground Maintenance	\$233
Parking Lot Striping	\$250

***Marketing/Advertising:***

No direct efforts this year. Staff continues to deploy an updated brochure and information is available on our website.

***Advisory Board Accomplishments, Efforts, and Long-Term Goals:***

Every year at Christmas, the board gets together and decorates the Center so that our renters will have a festive environment. The board donates all decorations and supplies. The board sponsored two successful breakfasts for the community at the Community Center this year. The current board members are Mel Jasmin, Chairman, Frank Becker, Vice Chair, Carol Snell, Secretary, and Lorna Anderson. There are currently three vacancies on the board. The board's fundraising efforts are critical to the Community Center.

***Conclusion:***

Staff continues to strive to give our renters excellent customer service hoping that they are satisfied with the center and will use it again and again. We hope they tell their friends and family about the center. We do have repeat customers who enjoy the center very much. They also think the kitchen is great and they seem to be very pleased with the refurbishments.

The advisory board extends an open invitation to the monthly meeting on the 3<sup>rd</sup> Thursday of the month, November through May, to all commissioners. The meetings are held at the Community Center at 4:00 p.m.

7-A

*"Making a difference through excellence of service"*



**CITY OF WARRENTON**

**AGENDA MEMORANDUM**

TO: The Warrenton City Commission  
FROM: Mathew J. Workman, Chief of Police  
DATE: October 24, 2017  
SUBJ: Police Officer Oath of Office and Badge Pinning Ceremony

**SUMMARY**

The Warrenton Police Department recently hired Christopher Beem and Sheridan Crutcher as a full-time police officers. We would like to conduct an Oath of Office and badge-pinning ceremony before the City Commission and officiated by the Mayor or designee.

**RECOMMENDATION/SUGGESTED MOTION**

N/A

**ALTERNATIVE**

None.

**FISCAL IMPACT**

N/A

**ATTACHMENTS:**

Copy of the Police Officer Oath of Office.

Approved by City Manager: \_\_\_\_\_

All supporting documentation, i.e., maps, exhibits, etc., must be attached to this memorandum.



**City of  
Warrenton  
Police**



**Mathew J. Workman, Chief of Police**

## **Oath of Office Ceremony**

- Chief Workman will introduce each officer/reserve individually and either pin the badge on them or introduce who they chose to pin the badge on them.
- Chief Workman will then call for Mayor Balenseifer or designee to administer the “Oath of Office”

Raise you right hand...

*Do you solemnly swear that you will support the Constitution of the United States of America, the Constitution and Laws of the State of Oregon, the laws and ordinances of the City of Warrenton, and the Rules and Regulations of the Warrenton Police Department; and that you will, well and faithfully, discharge the duties of the office to which you have been appointed, in and for the City of Warrenton, according to law, and to the best of your ability.*

**Congratulations!**

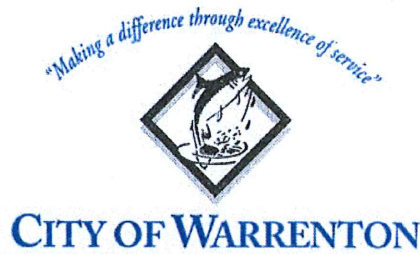
**Pride in Community · Excellence in Service**

225 S. Main Avenue · P.O. Box 250 · Warrenton, Oregon 97146

(503) 861-2235 · Fax (503) 861-2863

<http://www.ci.warrenton.or.us/police>

7-B



## AGENDA MEMORANDUM

TO: The Warrenton City Commission  
FROM: Interim Public Works Director, R. Collin Stelzig  
DATE: October 24, 2017  
SUBJ: Consideration of an addendum to the Gray and Osborne Scope of Work for the Water Meter Replacement Project

### SUMMARY

Gray and Osborne, City contractor, providing construction documents for the Water Meter Replacement Project requires a change order for services to obtain right-of-way permits from Clatsop County (1) and the Oregon Department of Transportation (6). This Change Order 1 for, \$4,424.00 is for the administration of these permits.

### RECOMMENDATION/SUGGESTED MOTION

Staff recommends the following motion;

"I move to approve Staff's request to provide a change order for Gray and Osborne's administration of the Water Meter Replacement Project.

### ALTERNATIVE

1) None Recommended

### FISCAL IMPACT

The Water Meter Replacement Project is budgeted through funds from an IFA Loan.

Approved by City Manager: \_\_\_\_\_

## EXHIBIT A-1

### SCOPE OF WORK

#### CITY OF WARRENTON WATER METER REPLACEMENT ENGINEERING SERVICES PERMIT ASSISTANCE

#### BACKGROUND

The City of Warrenton (City), Oregon, contracted with Gray & Osborne to prepare construction documents for the replacement of water service meters.

During negotiation of the engineering agreement, the City and Gray & Osborne assumed that permits or additional rights-of-way will not be required for the contractor to perform the work since this is considered maintenance.

Gray & Osborne submitted draft plans and specifications to Clatsop County and the Oregon State Department of Transportation to get their concurrence on the project and were advised that permits were needed for the project. The County indicated that it will issue a single permit for the entire project. ODOT stated that they will require a permit for each of the six highways under their jurisdiction where meter replacement will occur, and any asphalt or concrete restoration will need to meet ODOT standards.

The cost proposal for these services is attached as Exhibit B-1.

#### SCOPE

Gray & Osborne would provide the following engineering services:

1. Prepare permit application with exhibits for the Clatsop County Perform Operations permit.
2. Prepare six permit applications for ODOT for meter work on US 101, 104 – Fort Stevens, 485 (104 S) Fort Stevens Spur, 105 AA Connect, 105 AC Connect, and 105 (US 101 Business).
3. Coordinate with ODOT to determine appropriate restoration standards where concrete or asphalt removal is necessary to replace meter boxes.

Work will include one site visit to take photographs of all sites requiring concrete or asphalt restoration work and consultation with ODOT to verify their acceptance of the proposed restoration approach.

## DELIVERABLES

Deliverables include the following:

- Clatsop County Perform Operations Permit Application
- ODOT Application and Permit to Occupy or Perform Operations Upon a State Highway (six total)

## ASSUMPTIONS

The City will sign and submit all permit applications to the respective agencies.

**EXHIBIT B-1**

**ENGINEERING SERVICES  
SCOPE AND ESTIMATED COST**

*City of Warrenton - Water Meter Replacement Engineering Services Permit Assistance*

Tasks	Project Manager Hours	Project Engineer Hours
7 County Permit	2	4
8 ODOT Permits (includes one site visit and consult with ODOT)	10	22
Hour Estimate:	12	26
Estimated Fully Burdened Rate:	\$164	\$90
Direct Labor Cost:	\$1,968	\$2,340

Subtotal Direct Labor: \$ 4,308

Direct Non-Salary Cost:  
Mileage & Expenses (mileage @ current IRS rate) \$ 116

**TOTAL ESTIMATED COST: \$ 4,424**

City of Warrenton Project: <b>Water Replacemnt Project</b>	Contract Section Change Order Form
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**Change Order No. 1**

Date of Issuance: October 25, 2017

Effective Date: October 24, 2017

Owner: <b>City of Warrenton</b>	
Project: <b>Water Meter Replacement Project</b>	City Project #: 025-430-371004
Engineer: R Collin Stelzig, P.E.	Engineer's Proj #:
Contractor: Gray and Osborne, Inc.	Contractor's #:
Original Contract: \$62,076.00	Notice to Proceed Date: July 26, 2017
City Project Manager: Collin Stelzig, City Engineer	
Project Location: <b>Water Systemwide</b>	

The Contract Documents are modified as follows upon execution of this Change Order

Description:

Work shall include:

1. The preparation and administration of right of way permits for Clatsop County and the Oregon Department of
2. Transportation to facilitate the complete installation of replacement water meters.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.
- 9.
- 10.
- 11.

Original contract times:  Working days  Calendar days  
 Extend contract days n/a Original contract time n/a New contract days n/a  
 Substantial Completion Date: March 1, 2018  
 This will require completion by: April 1, 1018

<b>Attachments:</b>	<b>Contractor's request and invoices</b>	
Current Contract Price:		\$62,076.00
Increase of this Change Order:	\$	4,424.00
Contract Price incorporating this Change Order:	\$	66,500.00

The above prices and specifications of the change order are satisfactory and are hereby accepted. This change order amount and extension of time constitutes total compensation for the change, including compensation for all impacts and delays relating to the change and their cumulative effect on the project to date. All work shall be performed under same terms and conditions as specified in original contract unless otherwise stipulated.

RECOMMENDED	ACCEPTED:	ACCEPTED:
_____ Engineer signature	_____ Contractor signature	_____ Owner Signature/Title
Date: _____	Date: _____	Date: _____

Approved by Funding Agency (if applicable):  
 Agency: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

7-C

*"Making a difference through excellence of service"*



**CITY OF WARRENTON**

# AGENDA MEMORANDUM

TO: The Warrenton City Commission  
FROM: Interim-Public Works Director, Richard Stelzig  
DATE: October 24, 2017  
SUBJ: Public Works F150 Purchase

## SUMMARY

Public Works proposes to purchase an F-150 SuperCrew Cab Styleside 4 X 4 Pickup for \$33,436.66 from Northside Ford Truck Sales, Inc., utilizing the State of Oregon Purchasing Contract 5549. This vehicle will replace the 2004 F250 Super Duty, which will remain in the fleet to be used as an auxiliary vehicle.

## RECOMMENDATION/SUGGESTED MOTION

Staff recommends the following motion;

"I move to approve Staff's request to purchase an F-150 SuperCrew Cab Styleside 4x4 pickup.

## ALTERNATIVE

1) None Recommended

## FISCAL IMPACT

This item is budgeted.



Northside Ford Truck Sales, Inc.  
6221 N E Columbia Blvd., Portland, Oregon, 972182995  
Office: 503-282-7773

## Customer Proposal

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**Prepared for:**

Brian Crouter  
City of Warrenton

**Prepared by:**

SHARON TUCKER  
Office: 503-282-7773  
Email: [stucker@northsidetrucks.com](mailto:stucker@northsidetrucks.com)

**Date:** 09/25/2017

**Vehicle:** 2018 F-150 XL  
4x4 SuperCrew Cab Styleside 6.5' box 157"  
WB

**Quote ID:** WmntnW1E18







Northside Ford Truck Sales, Inc.  
 6221 N E Columbia Blvd., Portland, Oregon,  
 972182995  
 Office: 503-282-7773

**2018 F-150, SuperCrew Cab Styleside**  
 4x4 SuperCrew Cab Styleside 6.5' box 157" WB  
 XL(W1E)  
 Price Level: 815 Quote ID: WrnthW1E18

## Warranty - Standard Equipment & Specs

### Warranty

#### *Basic*

Distance ..... 36000 miles      Months ..... 36 months

#### *Powertrain*

Distance ..... 60000 miles      Months ..... 60 months

#### *Corrosion Perforation*

Distance ..... Unlimited miles      Months ..... 60 months

#### *Roadside Assistance*

Distance ..... 60000 miles      Months ..... 60 months

Prices and content availability as shown are subject to change and should be treated as estimates only. Actual base vehicle, package and option pricing may vary from this estimate because of special local pricing, availability or pricing adjustments not reflected in the dealer's computer system. See salesperson for the most current information.

Prepared for: Brian Crouter, City of Warrenton  
 By: SHARON TUCKER Date: 09/25/2017



## Selected Options

Code	Description	MSRP	Invoice
<b>Base Vehicle</b>			
W1E	Base Vehicle Price (W1E)	\$39,685.00	\$37,701.00
<b>Packages</b>			
101A	Equipment Group 101A Mid	\$2,255.00	\$2,075.00
	- Option Discount	-\$750.00	-\$691.00
	<i>Includes:</i> - Transmission: Electronic 10-Speed Automatic Includes selectable drive modes: normal/tow-haul/snow-wet/EcoSelect/sport. - GVWR: 7,050 lbs Payload Package - Tires: P265/70R17 OWL A/T - Wheels: 17" Silver Steel - Cloth 40/20/40 Front Seat Includes 2-way manual driver/passenger adjustment and armrest. - XL Power Equipment Group - Power Glass Sideview Mirrors w/Black Skull Caps Includes manual-folding. - Illuminated Entry - MyKey - Perimeter Alarm - Power Door Locks Includes flip key and integrated key transmitter keyless-entry (includes Autolock). - Power Tailgate Lock - Power Front & Rear Windows - Radio: AM/FM Stereo/Single-CD Player Includes 6 speakers. - 4.2" Productivity Screen in Instrument Cluster Includes compass. - SYNC Includes enhanced voice recognition communication and entertainment system, 911 assist, 4.2" LCD display in center stack, Applink and 1 smart charging USB port. - Cruise Control		
<b>Powertrain</b>			
99G	Engine: 3.5L V6 EcoBoost	\$600.00	\$552.00
	<i>Includes auto start-stop technology.</i>		
44G	Transmission: Electronic 10-Speed Automatic	Included	Included
	<i>Includes selectable drive modes: normal/tow-haul/snow-wet/EcoSelect/sport.</i>		
XL9	Electronic Locking w/3.55 Axle Ratio	\$470.00	\$433.00
STDGV	GVWR: 7,050 lbs Payload Package	Included	Included
<b>Wheels &amp; Tires</b>			
STDTR	Tires: P265/70R17 OWL A/T	Included	Included
64C	Wheels: 17" Silver Steel	Included	Included
<b>Seats &amp; Seat Trim</b>			

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## Selected Options (cont'd)

Code	Description	MSRP	Invoice
C	Cloth 40/20/40 Front Seat <i>Includes 2-way manual driver/passenger adjustment and armrest.</i>	Included	Included

### Other Options

157WB	157" Wheelbase	STD	STD
58B_	Radio: AM/FM Stereo/Single-CD Player <i>Includes 6 speakers.</i>	Included	Included
53B	Class IV Trailer Hitch Receiver	Included	Included

Ordering the Trailer Tow Package does not include Integrated Brake Controller (67T). Integrated Brake Controller (67T) is a standalone option and must be ordered separately.

*Includes towing capability up to 5,000 lbs. on 3.3L V6 PFDI engine (99B) and 2.7L EcoBoost engine (99P) or up to 7,000 lbs. on 3.5L EcoBoost engine (99G) and 5.0L V8 engine (995), smart trailer tow connector and 4-pin/7-pin wiring harness.*

53A_	Trailer Tow Package w/101A	\$995.00	\$916.00
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Ordering the Trailer Tow Package does not include Trailer Tow Mirrors. Trailer Tow Mirrors are a standalone option and must be ordered separately. (Option Code: 54M or 54Y/59S). Ordering the Trailer Tow Package does not include Integrated Brake Controller (67T). Integrated Brake Controller (67T) is a standalone option and must be ordered separately.

*Towing capability up to 11,100 lbs.*

*Includes:*

*- Class IV Trailer Hitch Receiver*

*Includes towing capability up to 5,000 lbs. on 3.3L V6 PFDI engine (99B) and 2.7L EcoBoost engine (99P) or up to 7,000 lbs. on 3.5L EcoBoost engine (99G) and 5.0L V8 engine (995), smart trailer tow connector and 4-pin/7-pin wiring harness.*

*- Auxiliary Transmission Oil Cooler*

*- Engine Oil Cooler*

*- Pro Trailer Backup Assist*

*- Upgraded Front Stabilizer Bar*

67T	Integrated Trailer Brake Controller	\$275.00	\$253.00
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PAINT	Monotone Paint Application	STD	STD
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### Fleet Options

85A	XL Power Equipment Group	Included	Included
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*Includes:*

*- Power Glass Sideview Mirrors w/Black Skull Caps*

*Includes manual-folding.*

*- Illuminated Entry*

*- MyKey*

*- Perimeter Alarm*

*- Power Door Locks*

*Includes flip key and integrated key transmitter keyless-entry (includes Autolock).*

*- Power Tailgate Lock*

*- Power Front & Rear Windows*

52P	SYNC	Included	Included
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*Includes enhanced voice recognition communication and entertainment system, 911 assist, 4.2" LCD display in center stack, Applink and 1 smart charging USB port.*

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Northside Ford Truck Sales, Inc.  
 6221 N E Columbia Blvd., Portland, Oregon,  
 972182995  
 Office: 503-282-7773

**2018 F-150, SuperCrew Cab Styleside**  
 4x4 SuperCrew Cab Styleside 6.5' box 157" WB  
 XL(W1E)  
 Price Level: 815 Quote ID: WrnthW1E18

## Selected Options (cont'd)

Code	Description	MSRP	Invoice
50S	Cruise Control	Included	Included

### Emissions

422	California Emissions System	N/C	N/C
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*Required code for California Emissions States registration. Optional code for Cross Border State dealers (Arizona, District of Columbia, Idaho, New Hampshire, Nevada, Ohio, Virginia and West Virginia).*

93N	Dealer Order For California States Registration	N/C	N/C
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NOT AVAILABLE for stock orders.

*Federal Emissions state dealers ordering a California Emissions system (422) are also required to use order code 93N to attest that the vehicle is to be registered in a California Emissions state. Note: It is a violation of federal law for a Federal Emissions state dealer to sell a vehicle with a California Emissions system for registration in a Federal Emissions state, unless the vehicle also meets EPA standards (i.e. 50-state emissions).*

### Interior Colors

CG_01	Dark Earth Gray	N/C	N/C
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### Primary Colors

YZ_01	Oxford White	N/C	N/C
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SUBTOTAL		\$43,530.00	\$41,239.00
FDAF Assessment		\$0.00	\$0.00
Fuel Charge		\$0.00	\$55.63
Destination Charge		\$1,295.00	\$1,295.00
TOTAL		\$44,825.00	\$42,589.63

Prices and content availability as shown are subject to change and should be treated as estimates only. Actual base vehicle, package and option pricing may vary from this estimate because of special local pricing, availability or pricing adjustments not reflected in the dealer's computer system. See salesperson for the most current information.

Prepared for: Brian Crouter, City of Warrenton  
 By: SHARON TUCKER Date: 09/25/2017



Northside Ford Truck Sales, Inc.  
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**2018 F-150, SuperCrew Cab Styleside**  
 4x4 SuperCrew Cab Styleside 6.5' box 157" WB  
 XL(W1E)  
 Price Level: 815 Quote ID: WrntnW1E18

## Pricing - Single Vehicle

### MSRP

#### Vehicle Pricing

Base Vehicle Price	\$39,685.00
Options & Colors	\$3,845.00
Upfitting	\$0.00
Destination Charge	\$1,295.00

**Subtotal** **\$44,825.00**

#### Pre-Tax Adjustments

##### Description

As per state contract #5549.	\$0.00
E-plates license, title, doc for government agencies in Oregon	\$179.50
For vehicles being quoted from dealer inventory	\$750.00
Government discount	-\$12,317.84

**Total** **\$33,436.66**

\_\_\_\_\_  
 Customer Signature

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

Prices and content availability as shown are subject to change and should be treated as estimates only. Actual base vehicle, package and option pricing may vary from this estimate because of special local pricing, availability or pricing adjustments not reflected in the dealer's computer system. See salesperson for the most current information.

Prepared for: Brian Crouter, City of Warrenton  
 By: SHARON TUCKER Date: 09/25/2017

# State of Oregon



## PRICE AGREEMENT

**5549**

**WITH**

**Northside Ford**

**FOR**

**Ford**

**PRICE AGREEMENT  
BY AND BETWEEN THE STATE OF OREGON,  
ACTING BY AND THROUGH ITS  
DEPARTMENT OF ADMINISTRATIVE SERVICES  
AND  
Northside Ford**

This Price Agreement is between the State of Oregon, acting by and through its Department of Administrative Services Purchasing Services department ("DAS PS") and Northside Ford, a Oregon Corporation ("Contractor").

### AGREEMENT

#### Section 1 –Definitions and Process

##### 1.0. Definitions

**“Alternative Fuel Vehicle” (AFV)** means a vehicle equipped to operate on any of the following fuels or combination of fuels: natural gas (CNG), bi-fuel natural gas (CNG and unleaded), bi-fuel propane (LPG and unleaded), hydrogen fuel cell and flexible fuel alcohol (methanol or ethanol).

**"Authorized Agency"** means those State Agencies that are subject to the procurement authority of the Director of the Department pursuant to ORS 279A.050 and 279A.140 and with delegated authority pursuant to OAR 125-246-0170. This term also includes the Oregon Department of Administrative Services (the “Department”) when the Department is engaged in Public Contracting (as defined under ORS 279A.010(1)(aa)).

**"Authorized Purchaser"** means the State of Oregon, acting by and through DAS PS, and Authorized Agencies submitting Purchase Orders pursuant to DAS PS purchasing authority and direction and Independent Agencies submitting Purchase Orders pursuant to independent purchasing authority. It may also include ORCPP Participants and WSPC Participants with appropriate purchasing authority under their applicable statutes, rules, regulations or ordinances that submit Purchase Orders to Contractor.

**"Base Model Price"** means the maximum cost to the Contractor for new vehicle from manufacturer at the time the Contractor buys it. It is the cost to the Contractor of the vehicle with only Standard Equipment (no packages or factory installed options). All Standard Equipment is included in the Base Model Price. Base Model Price does not include taxes, title, destination charge, delivery and other options.

**“Best Value Analysis”** means the method of determining a supplier that will provide the best value to State under the given circumstance and awarded a Contract pursuant to this Master Agreement as described in Section 2 and Exhibit E.

**"Contract"** means the entire agreement between the Contractor and the Authorized Purchaser, comprised of this Price Agreement, including any amendments and a signed Purchase Order.

**“Dealer Profit”** means the amount the Contractor states in Attachment 1 for each vehicle offered that includes Contractor profit, registration costs, initial gas, diesel or alternative fuel, preparation and pre-servicing costs, costs of vehicle delivery from Contractor to Authorized Purchaser within a 60 mile radius of Contractor location, two sets of keys, and any other miscellaneous costs not chargeable to Authorized Purchaser under this Price Agreement.

**“Destination Charge”** means the amount the manufacturer charges the dealer to deliver a new vehicle from the factory.

**“Electric Vehicle”** means an Alternative Fuel Vehicle that uses electric motors and motor controllers to propel the vehicle, in place of more common propulsion methods such as the Internal combustion engine (ICE).

**“Final Bid Price”** means the maximum contract price stated in Attachment 1 that Contractor will charge Authorized Purchase for a vehicle Model under this Price Agreement. Final Bid Price includes Contractor overhead, Contractor profit, registration costs, initial gas, diesel or alternative fuel, preparation and pre-servicing costs, costs of vehicle delivery from Contractor to Authorized Purchaser within a 60 mile radius of Contractor location, two sets of keys, and any other miscellaneous costs not chargeable to Authorized Purchaser under this Price Agreement.

**"Goods"** means the individual items and related Services, if any, described in Sections 6 and 7.

**“Independent Agencies”** means those State Agencies with independent procurement authority pursuant to ORS 279A.050, 279A.170 and other provisions of applicable State law.

**“Model”** means the manufacturer designation which identifies a particular vehicle that a manufacturer produces.

**"Model Year"** with reference to any specific calendar year means the manufacturer's annual production period.

**"MSRP"** means the retail price set by the manufacturer and posted on the federally required window sticker for a Standard Equipped vehicle.

**"Net Invoice"** as used in Attachment 1 means Base Model Price plus Destination Charge.

**"ORCPP"** means the Oregon Cooperative Purchasing Program, whose Participants include but are not limited to: State Agencies not subject to DAS PS purchasing authority, cities, counties, school districts, special districts, Qualified Rehabilitation Facilities (QRFs), residential programs under contract with the Oregon Department of Human Services, United States governmental agencies, and American Indian tribes or agencies.

**"Participants"** means members of ORCPP and WSPC.

**"Price Agreement"** or **"Agreement"** means this agreement between the Contractor and DAS PS under which the Contractor agrees to hold prices, terms and conditions firm for a specified period of time for the benefit of Authorized Purchasers.

**"Purchase Order"** means the purchase document in proper form as described in section 2.6.4 and illustrated in Attachment 2 that is submitted by an Authorized Purchaser to Contractor which together with this Price Agreement creates a Contract between Contractor and Authorized Purchasers for the purchase of the Goods described in the Purchase Order.

**"Services"** means the services, if any, described in Sections 6 and 7 to be performed by Contractor under the Contract that are incidental to the purchase of Goods.

**"Standard"** means everything related to the Goods that the manufacturer or Contractor offers to the general public during the applicable Model Year.

**"Standard Equipment"** means the equipment in a vehicle Model from the factory before any upgrade, package, trim, or options are added.

**"State"** means the State of Oregon.

**"State Agency"** or **"State Agencies"** means boards, commissions, departments, or agencies of the State of Oregon, whose costs are paid, in whole or in part from funds held in the State Treasury.

**"UCC"** means the Uniform Commercial Code, ORS chapters 71 and 72, as applicable and as amended from time to time.

## **1.1 Parties**

**1.1.1** The only parties to this Agreement are Contractor and DAS PS.

**1.1.2** Authorized Purchasers may purchase Goods and Services specified in Exhibit A by issuing Purchase Orders that create and become part of separate Contracts. The only parties to a Contract created by a Purchase Order are the applicable Authorized Purchaser and Contractor. DAS PS is an intended beneficiary of each Contract created by a Purchase Order.



**1.2 Best Value Analysis; Purchase Orders and Statements of Work:** Authorized Purchasers may purchase Goods or Services from Contractor or other suppliers. Authorized Purchasers shall obtain Goods or Services using the Best Value Analysis process outlined in Exhibit E. Suppliers chosen through the selection process in accordance with the Best Value Analysis are State's final decision.

**1.2.1** After selecting the Contractor through the Best Value Analysis, the Authorized Purchaser may order Goods and Services during the term of this Agreement using a Purchase Order as follows:

a) Authorized Purchasers that are agencies of the State of Oregon may use either of the following Purchase Orders:

- i) The DAS PS approved purchase order form provided in Exhibit B; or
- ii) An electronic ordering method when the Authorized Purchaser is using a Small Purchase Order Transaction System (SPOTS) card. Unless expressly authorized by DAS PS in writing, Contractor shall not accept a different type of Purchase Order from a State agency.

b) Authorized Purchasers that are not agencies of the State of Oregon may use their own purchase order forms.

c) To be effective, the Purchase Order must specify all of the following:

- i) Language stating that the Purchase Order is submitted under the Agreement (include the Agreement reference number from the Agreement coversheet).
- ii) The specific Goods and Services and quantity of each item ordered.
- iii) The net price.
- iv) The requested delivery schedule.
- v) The delivery location(s).
- vi) The invoicing address.
- vii) The Authorized Purchaser's authorized representative and relevant contact information, including an e-mail address or fax number.

**1.2.2** A Contract created by a Purchase Order consists solely of the terms specified or required by this Agreement. Additional, different or conflicting terms and conditions in any purchase order or any other form of either an Authorized Purchaser or the Contractor may not vary the terms of a Contract and are of no effect.

**1.2.3** Contractor shall accept Purchase Orders from Authorized Purchasers that comply with the provisions of this Agreement until this Agreement terminates. Contractor may, but is not required to accept a Purchase Order that requests delivery schedule of less than any minimum lead time (if any) specified in Exhibit A.

**1.2.4** A Purchase Order is deemed accepted by Contractor unless Contractor rejects a Purchase Order within two (2) business days after it is received. Contractor may reject a Purchase Order: i) using the same means as were used to deliver the Purchase Order, or ii) by e-mail or facsimile if that information is evident on the Purchase Order. Contractor shall specify the reason(s) for rejection.

**1.2.5** An accepted Purchase Order establishes a separate Contract between the Authorized Purchaser and Contractor and includes the terms set forth in Sections 2 and 3.

**1.2.6** DAS PS is not obligated or liable under a Purchase Order unless DAS PS is purchasing Goods or Services as the Authorized Purchaser.

**1.2.7** Nothing in this Agreement obligates any Authorized Purchaser to place any Purchase Order.

**1.2.8** Contractor shall reject a Purchase Order from any entity that is not an Authorized Purchaser under this Agreement. Contractor may verify that Authorized Purchasers are ORCPP participants at the following address: <http://www.oregon.gov/DAS/SSD/SPO/index.shtml>.

**1.2.9** Contractor shall reject a Purchase Order that does not meet the requirements of this Agreement.

### **1.3 Prices**

**1.3.1** Except as provided in this Section, during the Term of this Agreement, Contractor shall offer Goods and Services to Authorized Purchasers at prices that do not exceed the prices listed in Attachment 1 of Exhibit A for that model year.

**1.3.2** Contractor and Authorized Purchaser may agree to lower prices for Goods and Services. Those lower prices apply only to applicable Contracts between Contractor and Authorized Purchaser.

**1.3.3** Contractor shall subtract from prices charged to Authorized Purchasers any unit price decrease that has been achieved or gained by the Contractor, whether through the manufacturer or otherwise. Contractor shall provide Authorized Purchasers the immediate benefit of the decrease. Contractor shall promptly notify Contract Administrator of the amount and effective date of the decrease.

**1.3.4** Either party to this Agreement may request a price adjustment, in whole or in part.

**1.3.5** Purchase Orders shall clearly describe all Services to be performed or supplies to be delivered so the full cost or price for the performance of the Services can be established when the order is placed. Orders shall be within the scope, issued within the period of performance, and be within the maximum value of the contract.

### **1.4 VCAF and VSR**

Contractor shall remit to DAS PS a Vendor Collected Administrative Fee and Volume Sales Reports as described in Exhibit C.

### **1.5 Term of Agreement**

**1.5.1** The initial term of this Agreement begins on the date this Agreement has been signed by DAS PS and Contractor, and all required approvals have been obtained (the "Effective Date"), and ends on 31 December 2015, unless terminated earlier in accordance with the termination provisions in this Price Agreement. If it is in the best interest of the State to do so, prior to expiration, DAS PS may extend the term of the Price Agreement for up to five additional one year periods. Factors that may influence the State to extend a Price Agreement include quality of customer services and assistance, increased discount in Exhibit A, decrease in dealer profit, other discounts not included in discount for new models, or other value-added services available to Authorized Purchaser.

**1.5.2** After this Agreement is terminated, Contractor shall not accept new Purchase Orders.

**1.5.3** Termination of this Agreement also terminates Purchase Orders in which the Contractor is not legally required to deliver specific quantities of Goods at specific times. The intent of this paragraph is to terminate what is commonly known as a blanket purchase order (an order that may contain detail of the Goods, but actual sale of Goods is made by periodic releases that specify a date for delivery of specific Goods).

**1.5.4** Except as provided in Section 1.5.3, termination of this Agreement does not terminate any right or obligation of a party to a Contract that is based on a Purchase Order accepted before termination of this Agreement.

**1.5.6 ONE MONTH EXTENSION OPTION:** Notwithstanding the foregoing, the DAS PS reserves the right in its sole discretion to extend the Price Agreement for a maximum of one (1) calendar month beyond the end of any term. DAS PS shall notify Contractor in writing of the one-month extension prior to the expiration of the then current term. Consecutive one-month extensions obtained under this Section are not allowed.

**1.6 Insurance:** Contractor shall obtain insurance specified in Exhibit D and shall maintain the insurance until all Contracts under this Agreement are terminated.

## **1.7 Miscellaneous**

**1.7.1 Choice of Law.** 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.

**1.7.2 Designation of Forum and Consent to Jurisdiction.** 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. 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.

**1.7.3 Amendments.** No amendment of this Agreement is valid unless it is in writing and signed by the parties.

**1.7.4 Transfer.** Contractor shall not assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without first obtaining the written consent of DAS PS. DAS PS's consent to any subcontract (or other delegation of duties) does not relieve Contractor of any of its duties or obligations under this Agreement. This Agreement is binding upon and inures to the benefit of each of the parties, and, except as otherwise provided their permitted legal successors and assigns.

**1.7.5 Counterparts.** This Agreement may be executed in two or more counterparts, each of which is an original, and all of which together are deemed one and the same instrument. Notwithstanding that all parties are not signatories to the same counterpart.

**1.7.6 Force Majeure.** Neither party is responsible for delay or default caused by an unallocated risk such as fire, riot, and acts of God or war, or by any other cause not within the control of the party whose performance is interfered with, and, which by the exercise of reasonable diligence, the party is unable to prevent. DAS PS may terminate this Agreement upon written notice after determining such delay or default will reasonably prevent successful performance of this Agreement.

In the event of any such delay, Contractor's obligations are suspended to the extent of and for the duration of such causes. However, Contractor shall take all good faith efforts to eliminate the cause of any such delay, and upon the cessation of such cause, shall resume performance of Contractor's obligations with all reasonable diligence. If necessary, the period for performance under this Agreement will be extended to enable Contractor, once such causes have been removed, to fulfill its obligations hereunder.

**1.7.7 Entire Agreement:** This Agreement, together with the attached exhibits, constitutes the entire agreement between the parties and merges all prior and contemporaneous communications with respect to the subject matter.

**1.7.8 Notices:** Except as otherwise expressly provided in this Agreement, any communications between the parties, or notices to be given under this Agreement, are effective only if given in writing by personal delivery, express courier, facsimile, or United States Postal Service, postage prepaid, to Contractor or DAS PS at the address or number set forth herein or to such other addresses or numbers as either party may later indicate pursuant to this Section. Any communication or notice so addressed and mailed is deemed given five (5) days after mailing. Any communication or notice delivered by facsimile is deemed given on the day the transmitting machine generates a receipt of a successful transmission of the notice, if transmission was during normal business hours, or on the next business day, if transmission was outside normal business hours. To be effective against DAS PS, any notice transmitted by facsimile must be confirmed by telephone notice to DAS PS's Contract Administrator. Any communication or notice given by personal delivery or express courier is deemed given immediately upon such delivery, provided such delivery is made to the person indicated below.

**1.7.9. No Third Party Beneficiaries:** DAS PS and Contractor are the only parties to this Agreement and are the only parties entitled to enforce its terms. Nothing in this Agreement gives, is intended to give, or will be construed to give or provide, any benefit or right, whether directly, indirectly, or otherwise, to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this Agreement.

**1.7.10 Waiver:** The failure of DAS PS to enforce any provision of this Agreement or the waiver of any violation or nonperformance of this Agreement in one instance does not constitute a waiver by DAS PS of that or any other provision nor is it a waiver of any subsequent violation or nonperformance. Such failure to enforce waiver, if made, is effective only in the specific instance and for the specific purpose given.

**1.7.11 Certification of Compliance with Tax Laws:** By signature on this Agreement for Contractor, the undersigned hereby certifies under penalty of perjury that the undersigned is authorized to act on behalf of Contractor and that Contractor is, to the best of the undersigned's knowledge, not in violation of any Oregon Tax Laws. For purposes of this certification, "Oregon Tax Laws" means a state tax imposed by ORS 320.005 to 320.150 and 403.200 to 403.250 and ORS chapters 118, 314, 316, 317, 318, 321 and 323 and the elderly rental assistance program under ORS 310.630 to 310.706 and local taxes administered by the Department of Revenue under ORS 305.620.

**1.7.12** DAS PS's performance under this Agreement is conditioned upon Contractor's compliance with the obligations intended for contractors under ORS 279B.220, 279B.225 (if applicable to this Agreement), 279B.230 and 279B.235 (if applicable to this Agreement), which are incorporated into this Agreement by reference. Contractor shall, to the maximum extent economically feasible in the performance of this Agreement, use recycled paper (as defined in ORS 279A.010(1)(gg)), recycled PETE products (as defined in ORS 279A.010(1)(hh)), and other recycled plastic resin products and recycled products (as "recycled product" is defined in ORS 279A.010(1)(ii)).

**1.7.13** Contractor shall retain, maintain, and keep accessible all records relevant to the this Agreement (the "Records") for a minimum of six (6) years, or such longer period as may be required by applicable law following expiration or termination of the Agreement, or until the conclusion of any audit, controversy or litigation arising out of or related to the Contract, whichever date is later. Financial Records will also be kept in accordance with Generally Accepted Accounting Principles (GAAP). During the record-retention period established in this Section, Contractor shall permit DAS PS and its duly authorized representatives, and the federal government access to the Records at a reasonable time and place for purposes of examination and copying.

## **Section 2 – Standard Terms for Contracts under This Agreement**

**2.1 CONTRACT DOCUMENTS; ORDER OF PRECEDENCE:** The Contract consists of the following documents, listed in order of precedence:

- a) Federal terms and conditions attached to the Purchase Order, if any;
- b) The Price Agreement including exhibits; and
- c) The Purchase Order, less any federal terms and conditions.

In the event any conflict is based solely upon minimum standards, such as quality or safety, the higher or more stringent standard applies. Contractor is responsible for making any modifications required to achieve compliance with applicable laws and standards. Contractor shall notify DAS PS and Authorized Purchasers of any such required modifications upon receipt of knowledge or notification of such.

**2.2 PAYMENT:** Contractor shall look solely to Authorized Purchaser for payment of all amounts that may be due under this Contract. **AUTHORIZED PURCHASER IS SOLELY RESPONSIBLE FOR PAYMENT UNDER THIS CONTRACT.** Subject to Authorized Purchaser's acceptance of goods, payment is due from Authorized Purchaser within 45 calendar days after the date of the invoice.

**2.3 OVERDUE CHARGES:** At Contractor's option, it may assess overdue account charges to Authorized Purchaser up to a maximum rate of two-thirds of one percent per month (8% per annum).

**2.4 PAYMENT ADDRESS:** Payments must be sent to the address specified in the Contractor's invoice.

**2.5 INVOICES:** Contractor shall invoice Authorized Purchaser only after delivery of all Goods ordered. Invoices shall be sent to the address provided by Authorized Purchaser for that purpose. Contractor shall include all of the following in its invoice:

- 2.5.1 Price Agreement number.
- 2.5.2 Purchase Order number.
- 2.5.3 Goods and Services ordered.
- 2.5.4 Date delivered.
- 2.5.5 Volume or quantity of Goods and Services delivered.
- 2.5.6 The price per item of Goods and Services.
- 2.5.7 The total amount invoiced.
- 2.5.8 The address to which payment is to be sent.

**2.6 PRICES:** Contractor represents that all prices for Goods under this Contract are equal to or better than the prices listed in the Price Agreement

**2.7 CANCELLATION; INSPECTIONS AND ACCEPTANCE:** The Authorized Purchaser may cancel an order in whole or in part before Goods and Services described in the cancelled whole or part are delivered. The Authorized Purchaser has ten (10) calendar days from date of delivery of the entire order within which to inspect and accept or reject the Goods. If the Goods or Services are rejected, the Authorized Purchaser shall provide Contractor with written notice of rejection. Notice of rejection must include itemization of apparent defects, including but not limited to (i) discrepancies between the Goods and Services and the applicable specifications or warranties (including variance from demonstrations or sample characteristics where demonstrations or samples have been provided), or (ii) otherwise nonconforming Goods (including late delivery) and Services. Notice of rejection must also specify when cure will be allowed.

**2.7.1** The Authorized Purchaser may elect to have Contractor deliver substitute conforming Goods at no additional cost to the Authorized Purchaser. In such an event, Contractor shall deliver substitute conforming Goods within ten (10) calendar days of receipt of notice of rejection.

**2.7.2** If the Goods or Services are rejected or acceptance is revoked, Contractor shall refund any Contract payments that have been made with regard to the rejected Goods or Services, and shall (at Contractor's sole cost and expense) remove the Goods within seven (7) calendar days of receiving notice of rejection or revocation of acceptance.

**2.7.3** Nothing contained in Section 2.7 precludes Authorized Purchaser from other remedies to which it may be entitled upon rejection or revocation of acceptance.

## **2.8 REPRESENTATIONS AND WARRANTIES:**

**2.8.1 OFFICER STATUS, INSURANCE:** Contractor represents and warrants that it is not an "officer," "employee," or "agent" of the Authorized Purchaser, as those terms are used in ORS 30.265. Contractor represents and warrants that Contractor has obtained and will maintain during the term of this Contract all insurance required by the Price Agreement.

**2.8.2 WARRANTY ON MATERIALS, DESIGN, and MANUFACTURE:** Contractor represents and warrants that all Goods are new, unused, current production models, and are free from defects in materials, design and manufacture for Contractor further represents and warrants that all Goods are in compliance with and meet or exceed all factory specifications.

**2.8.3 WARRANTY ON SERVICE STANDARDS:** Contractor warrants that all Services required to be performed, if any, shall be performed in a good and workmanlike manner in accordance with standards prevalent in the industry.

**2.8.4 WARRANTY OF TITLE:** Contractor represents and warrants that all Goods are free and clear of any liens or encumbrances, that Contractor has full legal title to the Goods, and that no other person or entity has any right, title or interest in the Goods which is superior to or infringes upon the rights granted to the Authorized Purchaser under this Contract.

**2.8.5 WARRANTY ON SAFETY AND HEALTH REQUIREMENTS:** Contractor represents and warrants that Goods and Services provided under this Contract comply with all applicable federal health and safety standards, including but not limited to, Occupational Safety and Health Administration (OSHA) and all Oregon safety and health requirements, including, but not limited to, those of the Oregon Consumer and Business Services Department.

**2.8.6 MANUFACTURER WARRANTIES:** Contractor shall have all manufacturer warranties covering the Goods and component parts, if any, transferred to the Authorized Purchaser at time of delivery at no charge.

**2.8.7 WARRANTIES CUMULATIVE:** The warranties set forth in this section are in addition to, and not in lieu of, any other warranties provided in this Contract. All warranties provided in this Contract are cumulative, and are intended to afford the Authorized Purchaser the broadest warranty protection available.

## **2.9 COMPLIANCE WITH APPLICABLE LAWS AND STANDARDS:**

**2.9.1** Contractor shall comply with all federal, state and local laws, regulations, and ordinances applicable to this Contract as they may be adopted or amended from time to time.

**2.9.2 STATUTORY TERMS:** Authorized Purchaser's performance under this Contract is conditioned upon Contractor's compliance with the obligations intended for contractors under ORS 279B.220, 279B.225 (if applicable to this Contract), 279B.230 and 279B.235 (if applicable to this Contract), which are incorporated into this Contract by reference. Contractor shall, to the maximum extent economically feasible in the performance of this Contract, use recycled paper (as defined in ORS 279A.010(1)(gg)), recycled PETE products (as defined in ORS 279A.010(1)(hh)), and other recycled plastic resin products and recycled products (as "recycled product" is defined in ORS 279A.010(1)(ii)).

**2.9.3 NONCOMPLIANT GOODS:** In the event of a conflict between the specifications in this Contract and applicable federal or State law, the law prevails. Contractor shall make any modifications required to achieve compliance with law. When Contractor is notified or becomes aware of any required modifications, Contractor shall immediately notify DAS PS and Authorized Purchaser.

**2.9.4 RECALLED GOODS OR COMPONENTS:** In the event any Goods or component parts are recalled by a regulatory body or the manufacturer, or discovered by Contractor not to be in compliance with the applicable specifications, Contractor shall immediately notify DAS PS and the Authorized Purchaser of the recall or non-compliance, and shall provide copies of the notice or other documentation. Upon notification, Authorized Purchaser may elect to do any of the following:

- a) Cancel any portion of the Purchase Order.
- b) Reject the Goods.
- c) Revoke its acceptance of the Goods.
- d) Require Contractor to complete necessary modifications, where applicable, in a timely manner, at no charge to the Authorized Purchaser.
- e) Terminate the Contract.

In the event of rejection or revocation of acceptance under this subsection, Contractor shall promptly remove the Goods at its sole cost and expense, and reimburse Authorized Purchaser for any payments made.

**2.10 FOREIGN CONTRACTOR:** If the amount of the Contract exceeds ten thousand dollars (\$10,000), and if Contractor is not domiciled in or registered to do business in the State, Contractor shall promptly provide to the Oregon Department of Revenue all information required by that Department relative to the Contract. Authorized Purchaser may withhold final payment under the Contract until Contractor has met this requirement.

**2.11 MATERIAL SAFETY DATA SHEET:** Contractor shall provide the Authorized Purchaser at time of delivery with a Material Safety Data Sheet (MSDS) as defined by the Occupational Safety and Health Administration (OSHA) for any Goods provided under the Price Agreement which may release or otherwise result in exposure to a hazardous chemical under normal conditions of use. In addition, Contractor must properly label, tag or mark such Goods. Additionally, Contractor shall deliver EPA labels and MSDS information if available and as requested by Authorized Purchasers.

**2.12 TIME IS OF THE ESSENCE:** Time is of the essence for performance of Contractor's performance obligations under this Contract.

**2.13 FORCE MAJEURE:** Neither Authorized Purchaser nor Contractor shall be held responsible for delay or default caused by fire, riot, acts of God, war, or any other cause which is beyond the party's reasonable control. Contractor shall, however, make all reasonable efforts to remove or eliminate such a cause of delay or default and shall, upon the cessation of the cause, diligently pursue performance of its obligations under this Contract. Authorized Purchaser may terminate this Contract upon written notice to Contractor after reasonably determining that such delay or default will likely prevent successful performance of the Contract.

**2.14 WORKERS COMPENSATION INSURANCE:** All employers, including Contractor, that employ subject workers who work under the Contract 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(2). Contractor shall require and ensure that each of its subcontractors, if any, complies with these requirements.

**2.15 FUNDS AVAILABLE AND AUTHORIZED; PAYMENTS:** If Authorized Purchaser is an agency of the State of Oregon, payment obligations under this Contract are conditioned upon Authorized Purchaser's receiving funding, appropriations, limitations, allotments, or other expenditure authority sufficient to allow Authorized Purchaser, in the exercise of its reasonable administrative discretion, to meet its payment obligations under this Contract. At the time the Purchase Order was issued, Authorized Purchaser had sufficient funds available and authorized to make payments under this Contract.

**2.16 INDEPENDENT CONTRACTOR STATUS; RESPONSIBILITY FOR TAXES AND WITHHOLDING:**

**2.16.1** Contractor is an independent contractor. Although the Authorized Purchaser reserves the right (i) to determine (and modify) the delivery schedule for the Goods and (ii) to evaluate the quality of completed performance, Authorized Purchaser cannot and will not control the means or manner of Contractor's performance. Contractor is responsible for determining the appropriate means and manner of performing any obligations required by this Contract.

**2.16.2** Contractor is responsible for all federal and state taxes applicable to compensation or payments paid to Contractor under this Contract and, unless Contractor is subject to backup withholding, Authorized Purchaser will not withhold from such compensation or payments any amount(s) to cover Contractor's federal or state tax obligations. Contractor is not eligible for any social security, unemployment insurance or workers' compensation benefits from compensation or payments paid to Contractor under this Contract, except as a self-employed individual.

**2.17 INDEMNIFICATION:**

**2.17.1** CONTRACTOR SHALL DEFEND, SAVE, HOLD HARMLESS, AND INDEMNIFY THE AUTHORIZED PURCHASER, THE STATE OF OREGON AND ITS OFFICERS, EMPLOYEES AND AGENTS FROM AND AGAINST ALL CLAIMS, SUITS, ACTIONS, PROCEEDINGS, LOSSES, DAMAGES, LIABILITIES, AWARDS AND COSTS OF EVERY KIND AND DESCRIPTION (INCLUDING REASONABLE ATTORNEY'S FEES AND EXPENSES AT TRIAL, ON APPEAL AND IN CONNECTION WITH ANY PETITION FOR REVIEW) (COLLECTIVELY, "CLAIM") WHICH MAY BE BROUGHT OR MADE AGAINST ANY AUTHORIZED PURCHASER, THE STATE, OR THEIR AGENTS, OFFICIALS, EMPLOYEES AND ARISING OUT OF OR RELATED TO (I) ANY PERSONAL INJURY, DEATH OR PROPERTY DAMAGE CAUSED BY ANY ALLEGED ACT, OMISSION, ERROR, FAULT, MISTAKE OR NEGLIGENCE OF CONTRACTOR, ITS EMPLOYEES, AGENTS, RELATED TO THIS CONTRACT, (II) ANY ACT OR OMISSION BY CONTRACTOR THAT CONSTITUTES A MATERIAL BREACH OF THIS CONTRACT, INCLUDING WITHOUT LIMITATION ANY BREACH OF WARRANTY, OR (III) THE INFRINGEMENT OF ANY PATENT, COPYRIGHT, TRADE SECRET OR OTHER PROPRIETARY RIGHT OF ANY THIRD PARTY BY DELIVERY OR USE OF THE GOODS. AUTHORIZED PURCHASER OR STATE SHALL PROMPTLY NOTIFY CONTRACTOR IN WRITING OF ANY CLAIM OF WHICH AUTHORIZED PURCHASER OR STATE BECOMES AWARE. CONTRACTOR'S OBLIGATION UNDER THIS SECTION SHALL NOT EXTEND TO ANY CLAIM PRIMARILY CAUSED BY (I) THE NEGLIGENT OR WILLFUL MISCONDUCT OF AUTHORIZED PURCHASER, OR (II) AUTHORIZED PURCHASER'S MODIFICATION OF GOODS WITHOUT CONTRACTOR'S APPROVAL AND IN A MANNER INCONSISTENT WITH THE PURPOSE AND PROPER USAGE OF SUCH GOODS.

**2.17.2** HOWEVER, THE OREGON ATTORNEY GENERAL MUST GIVE WRITTEN AUTHORIZATION TO ANY LEGAL COUNSEL PURPORTING TO ACT IN THE NAME OF, OR REPRESENT THE INTERESTS OF, THE STATE OR ITS OFFICERS, EMPLOYEES AND AGENTS PRIOR TO SUCH ACTION OR REPRESENTATION. FURTHER, THE STATE, ACTING BY AND THROUGH ITS DEPARTMENT OF JUSTICE, MAY ASSUME ITS OWN DEFENSE, INCLUDING THAT OF ITS OFFICERS, EMPLOYEES AND AGENTS, AT ANY TIME WHEN IN THE STATE'S SOLE DISCRETION IT DETERMINES THAT (I) PROPOSED COUNSEL IS



PROHIBITED FROM THE PARTICULAR REPRESENTATION CONTEMPLATED; (II) COUNSEL IS NOT ADEQUATELY DEFENDING OR ABLE TO DEFEND THE INTERESTS OF THE STATE, ITS OFFICERS, EMPLOYEES OR AGENTS; (III) IMPORTANT GOVERNMENTAL INTERESTS ARE AT STAKE; OR (IV) THE BEST INTERESTS OF THE STATE ARE SERVED THEREBY. CONTRACTOR'S OBLIGATION TO PAY FOR ALL COSTS AND EXPENSES SHALL INCLUDE THOSE INCURRED BY THE STATE IN ASSUMING ITS OWN DEFENSE AND THAT OF ITS OFFICERS, EMPLOYEES, OR AGENTS UNDER (I) AND (II) ABOVE.

## **2.18 BREACH:**

### **2.18.1 BY CONTRACTOR:** Contractor breaches this Contract if:

- a) Contractor institutes or has instituted against it insolvency, receivership or bankruptcy proceedings, makes an assignment for the benefit of creditors, or ceases doing business on a regular basis;
- b) Contractor no longer holds a license or certificate that is required for Contractor to perform Contractor's obligations under this Contract; or
- c) Contractor commits any breach of any covenant, warranty, obligation or certification under this Contract, provided however that Contractor may cure the breach within the period specified in Authorized Purchaser's notice of default when Authorized Purchaser determines the breach is curable by Contractor.

### **2.18.2 BY AUTHORIZED PURCHASER:** Authorized Purchaser breaches this Contract if:

- a) Authorized Purchaser fails to pay Contractor any amount pursuant to the terms of this Contract, and Authorized Purchaser fails to cure such failure within ten (10) business days after delivery of Contractor's notice or such longer period as Contractor may specify in such notice; or
- b) Authorized Purchaser commits any breach of any covenant, warranty, or obligation under this Contract and such breach is not cured within ten (10) business days after delivery of Contractor's notice of breach or such longer period as Contractor may specify in such notice.

## **2.19 REMEDIES:**

**2.19.1 AUTHORIZED PURCHASER'S REMEDIES:** If Contractor is in breach under Section 2.18.1, in addition to the remedies afforded elsewhere in this Contract, the Authorized Purchaser may recover any and all damages suffered as the result of Contractor's breach, including but not limited to direct, indirect, incidental and consequential damages, as provided in ORS 72.7110 to 72.7170. Authorized Purchaser may, at its option, pursue any or all of the remedies available to it under this Contract and at law or in equity, including, but not limited to:

- a) Termination of the Contract as provided in Section 2.20.1;
- b) Withholding all monies due for invoiced Goods that Contractor is obligated but has failed to deliver or perform within any scheduled completion dates or has performed inadequately or defectively;
- c) Initiation of an action or proceeding for damages, specific performance, declaratory or injunctive relief; and
- d) Exercise of its right of setoff, and withholding of monies otherwise due and owing in an amount equal to Authorized Purchaser's setoff without penalty to Authorized Purchaser.

These remedies are cumulative to the extent the remedies are not inconsistent, and Authorized Purchaser may pursue any remedy or remedies singly, collectively, successively or in any order whatsoever.

**2.19.2 CONTRACTOR'S REMEDIES:** If Authorized Purchaser terminates this Contract, or if Authorized Purchaser is in breach under Section 2.18.2 and whether or not Contractor elects to exercise its right to terminate this Contract under Section 2.20.3, Contractor's sole remedy is: (a) A claim against Authorized Purchaser for the unpaid purchase price for

Goods delivered and accepted by Authorized Purchaser, (b) with respect to services compensable on an hourly basis, a claim for unpaid invoices, hours worked but not yet billed and authorized expenses for services completed and accepted by Authorized Purchaser, and (c) with respect to deliverable-based services, a claim for the sum designated for completing the deliverable multiplied by the percentage of services completed and accepted by Authorized Purchaser, less previous amounts paid and any claim(s) which Authorized Purchaser has against Contractor. If previous amounts paid to Contractor exceed the amount due to Contractor under this Section, Contractor shall pay any excess to Authorized Purchaser upon written demand.

**2.20 TERMINATION:** DAS PS may terminate this Agreement upon 30 calendar day's written notice to Contractor for any or no reason. DAS PS may also terminate the Price Agreement upon 30 days written notice to Contractor for reasons including but not limited to, unauthorized substitution of product or equipment, excessive delays in filling orders, poor workmanship, failure to perform as outlined in the specifications, inadequate customer service/support, unsatisfactory customer survey results and pricing irregularities contrary to the Price Agreement and not supported by written documentation from the manufacturer.

**2.20.1 BY MUTUAL CONSENT:** This Contract may be terminated at any time by mutual written consent of Authorized Purchaser and Contractor.

**2.20.2 RIGHTS OF AUTHORIZED PURCHASER.** Authorized Purchaser may, at its sole discretion, terminate this Contract for convenience with thirty (30) calendar days written notice. Authorized Purchaser may terminate this Contract immediately upon notice to Contractor, or at such later date as Authorized Purchaser may establish in such notice, upon the occurrence of any of the following events: (a) Authorized Purchaser fails to receive funding, appropriations, limitations, allotments, or other expenditure authority sufficient to allow Authorized Purchaser, in the exercise of its reasonable administrative discretion, to meet its payment obligations under this Contract; (b) federal or state laws, regulations, or guidelines are modified or interpreted in such a way that either the purchase of the Goods by Authorized Purchasers under the Price Agreement is prohibited, or Authorized Purchasers are prohibited from paying for such Goods from the planned funding sources; or (c) Contractor is in breach of this Contract under Section 2.18.1. Upon receipt of written notice of termination, Contractor shall stop performance under this Contract if and as directed by Authorized Purchaser.

**2.20.3 RIGHTS OF THE CONTRACTOR:** Contractor may terminate this Contract with a minimum ten (10) calendar days written notice to Authorized Purchaser, if Authorized Purchaser is in breach of this Contract as described in Section 2.18.2.

**2.21 ACCESS TO RECORDS:** Contractor shall retain, maintain, and keep accessible all records relevant to the this Contract (the "Records") for a minimum of six (6) years, or such longer period as may be required by applicable law following expiration or termination of the Contract, or until the conclusion of any audit, controversy or litigation arising out of or related to the Contract, whichever date is later. Financial Records will also be kept in accordance with Generally Accepted Accounting Principles (GAAP). During the record-retention period established in this Section, Contractor shall permit DAS PS, the Authorized Purchaser, their duly authorized representatives, and the federal government access to the Records at a reasonable time and place for purposes of examination and copying.

**2.22. NOTICES:** All notices required under this Contract must be in writing and addressed to the party's authorized representative. For Authorized Purchasers, the authorized representative is identified in the Purchase Order. Contractor's authorized representative is Contractor's Contract Administrator identified in the Price Agreement. Mailed notices will be deemed received five (5) business days after post marked, when deposited, properly addressed and prepaid, into the U.S. postal service. If a notice is sent by facsimile, upon receipt by the party giving the notice of an acknowledgment or transmission report generated by the machine from which the facsimile was sent indicating that

the facsimile was sent in its entirety to the recipient's facsimile machine and number. Personal delivery is effective upon delivery.

**2.23 PURCHASE ORDERS; ACKNOWLEDGEMENTS:** The parties acknowledge and agree that other than designation of order quantities, types of Goods, delivery destination, dates of order, and scheduled delivery of other performance, any Purchase Orders or acknowledgement documents are simply for the convenience of the parties to initiate or confirm an order of Goods under this Contract and that no other terms or conditions contained in those documents are of any force or effect or are binding upon the parties.

**2.24 GOVERNING LAW:** This Contract is governed by and construed in accordance with the laws of the State of Oregon, without regard to principles of conflicts of laws.

**2.25 VENUE; CONSENT TO JURISDICTION:**

**2.25.1 STATE CONTRACT VENUE; CONSENT TO JURISDICTION:** Any claim, action, suit or proceeding (collectively, "Claim") between an Authorized Purchaser that is an agency of the State of Oregon and Contractor that arises from or relates to this Contract shall be brought and conducted solely and exclusively within the Circuit Court of Marion County for the State of Oregon; provided, however, if a Claim must be brought in a federal forum, then unless otherwise prohibited by law it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. CONTRACTOR HEREBY CONSENTS TO THE IN PERSONAM JURISDICTION OF SAID COURTS AND WAIVES ANY OBJECTION TO VENUE IN SUCH COURTS, AND WAIVES ANY CLAIM THAT SUCH FORUM IS AN INCONVENIENT FORUM. Nothing herein shall be construed as a waiver of the State's sovereign or governmental immunity, whether derived from the Eleventh Amendment to the United States Constitution or otherwise, or of any defenses to Claims or jurisdiction based thereon.

**2.25.2 ORCPP CONTRACT VENUE; CONSENT TO JURISDICTION:** Any Claims between Contractor and an ORCPP Authorized Purchaser other than an agency of the State of Oregon that arise from or relate to this Contract order shall be brought and conducted solely and exclusively within the Circuit Court of the county in which such ORCPP Authorized Purchaser resides, or at the ORCPP Authorized Purchaser's option, within such other county as the ORCPP Authorized Purchaser is entitled under the laws of the relevant jurisdiction to bring or defend Claims. If any such Claim must be brought in a federal forum, then unless otherwise prohibited by law it shall be brought and conducted solely and exclusively within the United States District Court for the District in which such ORCPP Authorized Purchaser resides. CONTRACTOR HEREBY CONSENTS TO THE IN PERSONAM JURISDICTION OF SAID COURTS AND WAIVES ANY OBJECTION TO VENUE IN SUCH COURTS, AND WAIVES ANY CLAIM THAT SUCH FORUM IS AN INCONVENIENT FORUM. Nothing herein shall be construed as a waiver of ORCPP Authorized Purchaser's sovereign or governmental immunity, if any, whether derived from the Eleventh Amendment to the United States Constitution or otherwise, or of any defenses to Claims or jurisdiction based thereon.

**2.26 SURVIVAL:** The following provisions survive termination or expiration of this contract: Sections 2.8, 2.9.4, 2.17, 2.19, 2.21, 2.24, 2.25, 2.27; Exhibit C and Section 3 of Exhibit D ("TAIL" COVERAGE).

**2.27 SEVERABILITY:** If any provision of this Contract is declared by a court of competent jurisdiction to be illegal or otherwise invalid, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Contract did not contain the particular provision held to be invalid.

**2.28 ASSIGNMENTS, SUBCONTRACTS, AND SUCCESSORS:** Contractor shall not assign, sell, transfer, or subcontract rights, or delegate responsibilities under this Contract, in whole or in part, without the prior written approval of the Authorized Purchaser. Further, no such written approval shall relieve Contractor of any obligations under the Contract,

and any assignee, transferee, or delegate shall be considered the agent of Contractor. The provisions of this Contract are binding upon, and shall inure to the benefit of the parties and their respective successors and permitted assigns.

**2.29 MERGER CLAUSE; AMENDMENT; WAIVER:** This Contract constitutes the entire agreement between Contractor and Authorized Purchaser on the subject matter of this Contract. There are no understandings, agreements, or representations, oral or written, not specified in this Contract on the subject matter. No amendment of this Contract is valid unless it is in writing and signed by the parties. No waiver or consent is effective unless in writing and signed by the party against whom it is asserted. Waivers and consents are effective only in the specific instance and for the specific purpose given. The failure of the Authorized Purchaser to enforce any provision of this Contract is not a waiver by Authorized Purchaser of that or any other provision.

**2.31 VCAF and VSR.** Contractor shall comply with the VCAF and VRS requirements of the Price Agreement.

**2.32 INTENDED BENEFICIARY.** DAS PS is an intended beneficiary of this Contract. But the parties to this Contract may modify the Purchase Order or terminate this Contract without the consent of DAS PS.

**2.33 ASSIGNMENT OF ANTITRUST RIGHTS.** Contractor irrevocably assigns to the State Of Oregon any claim for relief or cause of action which the Contractor now has or which may accrue to the Contractor in the future by reason of any violation of 15 U.S.C. § 1-15 or ORS 646.725 or ORS 646.730, in connection with any goods or services provided to the Contractor for the purpose of carrying out the Contractor's obligations under this Contract, including, at the State's option, the right to control any such litigation on such claim or relief or cause of action. Contractor shall require any subcontractors hired to perform any of Contractor's duties under this Agreement to irrevocably assign to the State of Oregon, as third party beneficiary, any right, title or interest that has accrued or which may accrue in the future by reason of any violation of 15 U.S.C. § 1-15 or ORS 646.725 or ORS 646.730, in connection with any goods or services provided to the subcontractor for the purpose of carrying out the subcontractor's obligations to the Contractor in pursuance of this Agreement, including, at the State's option, the right to control any such litigation on such claim or relief or cause of action.

### **Section 3 – Special Terms for Contracts Under This Agreement**

#### **3.1 NET INVOICE INCREASES FOR MODEL YEARS:**

**3.1.1** For 2015 Model Year vehicles, and any subsequent Model Year vehicles introduced for sale during the term of this Price Agreement, Contractor shall prepare and deliver a Net Invoice increase letter proposing Net Invoice increases for such Model Year, together with the effective Model Year pricing change date established by the manufacturer, to the DAS PS Contract Administrator within five (5) business days of Contractor's receipt of Model Year prices from the manufacturer. The Net Invoice increase letter is the Contractor's firm offer of Net Invoice for the specified Model vehicle for that Model Year.

**3.1.2** Following receipt of a Net Invoice increase letter in accordance with this section, DAS PS may, at its sole discretion, elect for a proposed Net Invoice increase for a Model vehicle to accept it by amendment to Exhibit A, reject it and remove the Model vehicle from the Price Agreement, or conditionally reject it pending additional supporting documentation necessary to accept it.

**3.1.3** The Net Invoice for a Model vehicle in Exhibit A, Attachment 1, remains unchanged for subsequent Model Year vehicles absent amendment to Exhibit A by timely use of the process in this section.

#### **3.2 NEW MODELS FOR SUBSEQUENT MODEL YEARS:**

**3.2.1** For new Model vehicles introduced for sale in 2015 Model Year and any subsequent Model Year during the term of this Price Agreement, Contractor shall prepare and deliver a new Model vehicle letter proposing Exhibit A, Attachment 1 information for all columns, to the DAS PS Contract Administrator within five (5) business days of Contractor's receipt of Model vehicle prices from the manufacturer. The new Model vehicle letter is the Contractor's firm offer of Net Invoice for the specified Model vehicle for that Model Year.

**3.2.2** Following receipt of a new Model vehicle letter in accordance with this section, DAS PS may, at its sole discretion, elect for a proposed new Model to accept Model vehicle at Net Invoice and Discount by amendment to Exhibit A, reject it, or conditionally reject it pending additional supporting documentation necessary to accept or modify Net Invoice and Discount.

**3.2.3** Contractor shall follow the instructions in Exhibit A to compute Net Invoice and Discount for a new Model vehicle. DAS PS expects a product of the Triple Net Invoice pricing.

**3.3 CONTRACTOR COOPERATION:** DAS PS may request that Contractor produce documents and information as deemed necessary in DAS PS's sole discretion to verify and analyze any proposed change to Exhibit A. Contractor shall prepare and deliver documentation and information responsive to the DAS PS request within five (5) Business Days of Contractor's receipt of the DAS PS request.

**3.4 SERVICE RATING AND EVALUATION:** Beginning in model year 2015, DAS PS will conduct surveys of Authorized Purchasers to assess the quality of services and products provided by each Contractor. Customer ratings will be incorporated into the process in determining renewals and future awards. State may consider Contractor performance which may include:

- a) Commitment to and provision of superior customer services and assistance, particularly build/delivery dates;
- b) Adherence to the terms and conditions of the Price Agreement and resulting contracts;
- c) Attention paid to pre-servicing, registration and delivery requirements;
- d) Provision of accurate invoices and vehicles free of defect and damage.

Continued or substantial performance issues may result in non-extension of the Agreement.

**3.5 ADVERTISING:** Contractor shall place no advertising, such as dealer's name, logo or emblems on vehicles. Contractor shall reimburse Authorized Purchaser for any costs incurred for removal of advertising from a vehicle.

**3.6 SILENCE OF SPECIFICATIONS:** The apparent silence of the specifications as to any detail, or the apparent omission of a detailed description concerning any point, shall be interpreted as requiring that Contractor shall perform to only the best commercial practice and that Contractor shall supply and incorporate into Goods only materials and workmanship of first quality. However, if any omitted specification results in ambiguity as to material characteristics of the Goods, and inclusion is necessary to enable a reasonable person in the particular industry to properly identify such characteristics, and Contractor failed to seek a formal request for solicitation change during the solicitation process for the Agreement, then Contractor shall be required to provide Goods meeting the Authorized Purchaser's needs with regard to any omitted specification.

**3.7 ADHERENCE TO THE SPECIFICATIONS.** Deviations discovered after purchase shall be corrected at no cost to the Authorized Purchaser.

## **Section 4 DELIVERY:**

**4.1 Delivery.** Delivery schedules must be accurate. Contractor shall confirm and notify Authorized Purchaser within 14 days of Contractor's receipt of Purchase Order of factory acceptance of order, build date, and scheduled delivery date. It is desirable that vehicle delivery not exceed quoted delivery date by more than 30 days. In the event confirmation and notice exceeds the 14 day window or vehicle delivery exceeds the 30 day window stated here, the Authorized Purchaser may elect to cancel the order without penalty.

**4.2 Pre-Delivery Inventory.** Prior to delivery of any vehicle, the Contractor shall make arrangements with the Authorized Purchaser for the purpose of conducting a physical inventory of the vehicle(s).

**4.3 Pre-Delivery Service and Adjustments.** As part of contract price for vehicle, Contractor shall complete pre-delivery servicing and adjustments such that vehicle can be put into service as soon as it is delivered. Pre-delivery servicing and adjustments include but are not limited to the following:

- a. Make all adjustments required to meet Oregon safety inspection requirements and emission control certifications.
- b. Tune engine for altitude
- c. Adjust all accessories to optimal working condition.
- d. Inspect electrical, braking and suspension systems.
- e. Charge battery.
- f. Align front end.
- g. Inflate tires to optimal pressure.
- h. Computer spin balance all wheels including spare.
- i. Lubricate engine and chassis. Fill all lubrication reservoirs (crankcase, power steering, transmission, differential, power brakes) with appropriate lubricants for current operating temperatures. Affix a plastic static type sticker to upper left windshield advising of next recommended servicing.
- j. Service cooling system with permanent type antifreeze and summer coolant for -20 deg. F. Windshield washer fluid reservoir(s) should be full and of a type suitable to -20 deg. F.
- k. Ready vehicle for immediate operation, including gas, diesel and alternative fuel at a minimum of a 1/4 tank.
- l. Assure vehicle is clean and thoroughly detailed inside and out. All upholstery and floor protection removed. Floor mats are to be placed, window decals removed and all adhesive cleaned from the vehicle.
- m. Correct all factory defects.

**4.4** Authorized Purchaser may elect to take possession of a vehicle without Dealer Preparation and Pre-Servicing. Authorized Purchaser shall advise the Contractor at the time the order is placed if the Authorized Purchaser makes that choice. In such an event, the Contractor shall reduce the vehicle price by the Dealer Preparation and Pre-Servicing Cost in Attachment 1 of Exhibit A.

**4.5 Vehicles Covered by Price Agreement:** This is a Price Agreement for all **Model Year 2015 Ford** and their respective series (including all available AFV's up to and including Electric Vehicles), and any new **Ford** or series introduced in Model Years 2015 and thereafter.

**4.6 Keys; Documentation:** Contractor shall deliver the following items to Authorized Purchaser with each vehicle sold (\*denotes documentation that must be provided only to those Authorized Purchasers registering their own vehicles):

- a. Operators (owners) manual.
- b. Manufacturer's warranty information.

- c. \*Original odometer statement.
- d. Copy of Manufacturer's Statement of Origin (MSO).
- e. Vehicle MSRP window sticker
- f. \*Application for title properly completed and signed.
- g. Manufacturer's specifications attached to vehicle.
- h. Signed pre-delivery checklist certifying completion of the above items and those listed in Delivery 4 unless waived in favor of the Dealer Preparation and Pre-Servicing deduct (see Attachment 1 of Exhibit A).
- i. Two (2) sets of pre-tested keys marked with the VIN number and license plate number and the vehicle key code.

**4.7 Registration:** Except as otherwise expressly agreed in advance with Authorized Purchaser, prior to delivery Contractor shall properly register the vehicle to Authorized Purchaser, and when available, affix the authorized plates to the vehicle.

Authorized Purchaser may elect to register a vehicle itself. Authorized Purchaser shall advise the Contractor at the time the order is placed if the Authorized Purchaser will register a vehicle itself. In such an event, the Contractor shall reduce the vehicle price by the Registration Cost in Attachment 1 of Exhibit A.

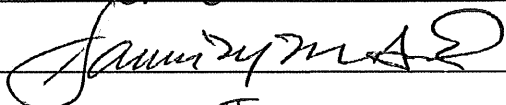
**Section 5 – Signature of Contractor's Duly Authorized Representative**

**5.1** The undersigned represents:

- (a) He/she is a duly authorized representative of Contractor, has been authorized by Contractor to make all representations, attestations, and certifications contained in this Agreement and to execute this Agreement on behalf of Contractor;
- (b) Contractor is bound by and will comply with all requirements, specifications, and terms contained in this Agreement;
- (c) Contractor will furnish the Goods in accordance with Contracts under this Agreement; and
- (d) Contractor shall furnish federal identification number or social security number under a separate document.
- (e) All Contractor affirmations contained in its bid or proposal related to this Agreement are true and correct.
- (f) Contractor has not discriminated against and will not discriminate against minority, women or emerging small business enterprises certified under ORS 200.055 or against a business enterprise that is owned or controlled by or that employs a disabled veteran as defined in ORS 408.225 in obtaining any required subcontracts, and that Contractor is not in violation of any nondiscrimination laws.

Agreed:

Contractor's Name: Northside Ford

Authorized Signature: 

Printed Name of Authorized Signature: James M McDonough

Title of Authorized Signature: President

Date: 3-25-15

Administrative Contact (also referred to as Contract Administrator – Type or Print):

Sharon Tucker

Telephone Number of Administrative Contact: (503) 282-7777 ext 162 or (503) 802-0493

Fax Number of Administrative Contact: (503) 282-4478

Email Address of Administrative Contact: stucker@northsidetrucks.com

Mailing Address of Administrative Contact:

6221 NE Columbia Blvd

Portland, OR 97218

**Section 6 – Signature of DAS PS**

Agreed:

Authorized Signature: 

Date: 4-1-15

DAS PS Contract Administrator (Type or Print):

Dave Reynolds

Telephone Number: (503) 378-4643

Fax Number: (503) 373-1626



**Attachment 1 will become part of this exhibit.**

**Exhibit A  
GOODS AND SERVICES**

**[TO BE FILLED IN FOLLOWING AWARD]**

Contractor shall provide the Goods and Services described in this Exhibit A in accordance with the requirements of the Contract.

DAS PS offers Authorized Purchasers a "catalog" approach to purchasing Goods and Services under current statewide price agreements. This catalog approach will list Contractor's Goods and Services in a master index of all dealers and vehicles, which will act as a single starting point for Authorized Purchasers to locate Goods and Services available under this Price Agreement.

DAS PS or Authorized Purchaser may perform the following:

**Technical Analysis and Monitoring Contractor Performance:**

**A. Quality Assurance (QA):** Contractor should perform a planned and systematic action necessary to provide adequate confidence that the Vehicles or Service to the vehicles will perform and be completed in a satisfactory manner. QA includes quality control, which comprises all those actions necessary to control and verify the features and characteristics of a the product, or service to specified requirements.

**B. Monitoring performance:** The Authorized Purchaser may request the status of a Purchase Order or request to analyze the Contractor's schedule to ensure that the order is on time a progressing as needed.

**C. Meetings with Contractor Management:** Meetings with a cross-section of contractor personnel, including top level contractor management, agency and State procurement staff, to discuss the contractor's performance to ensure that contract requirements are being complied with and that their order for goods and services is progressing according to schedule.

**D. Physical Inspection:** The Authorized Purchaser's methods of inspection may range from a simple physical "kick the tires" validation to a more structured surveillance designed to validate satisfactory completion of critical sub points depending on the complexity and size of the order.

**E. Review of Contractor Payment Requests - Review, Approval, and Processing:** The authority to approve or disapprove payments is the responsibility of the Authorized Purchaser. It is important that roles and responsibilities of procurement, program and finance officials be clear and understood with regard to review and approval of Contractor requests for payment.

**Exhibit B  
FORM OF PURCHASE ORDER**



STATE OF OREGON

PURCHASE ORDER (PO) NO.

PAGE #

Authorized Purchaser's Authorized Representative

Purchase Order Date

Requisition No.

Contractor Name and Address

Authorized Purchaser's Invoicing Address

Contractor FEIN

Price Agreement number

Authorized Purchaser's Authorized Representative Email Address

Deliver to Address

Authorized Purchaser's Authorized Representative Phone and Fax Number

Delivery Schedule or Delivery Date

Item	Description	Quantity	U/M	Unit Price	Net Price

Sub Total

Freight

Total

This Purchase Order, in addition to any exhibits or addenda attached, is placed against State of Oregon Solicitation # \_\_\_\_\_ and Price Agreement \_\_\_\_\_. The terms and conditions contained in the Price Agreement apply to this purchase and take precedence over all other conflicting terms and conditions, express or implied. There are no understandings, agreements or representations, oral or written, not specified herein.

Agency's Authorized Representative to Make Purchase

Date

**Exhibit C**  
**Vendor Collected Administrative Fee and Volume Sales Reports**

**1) VCAF**

- a) Contractor shall remit to DAS PS a Vendor Collected Administrative Fee ("VCAF") no later than forty-five (45) calendar days after the end of each calendar quarter.
- b) Contractor shall not reflect the VCAF as a separate line item charge to Authorized Purchasers.
- c) Contractor shall keep records showing the sales of Goods pursuant to this Agreement in sufficient detail to enable the DAS PS to determine the VCAF payable by Contractor and further agrees to permit its books and records to be examined from time to time to the extent necessary to verify the Volume Sales Reports. Such examination is to be made at the expense of DAS PS by any auditor appointed by DAS PS who is reasonably acceptable to Contractor, or, at the option and expense of Contractor, by a certified public accountant appointed by Contractor.
- d) In the event that such examination reveals underpayment of the VCAF, Contractor shall immediately pay to DAS PS the amount of deficiency, together with interest thereon at the rate provided in Section 1.3 b). If the examination reveals an underpayment of 5% or more, Contractor shall reimburse DAS PS for the cost of the audit.
- e) The VCAF is a charge equal to in an amount equal to One Percent (1%) of up to \$17,500.00 individual total sales price per unit (VCAF capped at a maximum of \$175.00 per unit), as illustrated below."

For Item 01 the unit sale price of that vehicle is below \$17,500, thus VCAF is calculated at 1%.  $1\% \times \$9,900.00 = \$99.00$  for VCAF. For Item 2 and multiple quantities VCAF is calculated at:  $1\% \text{ times unit sale price} = \$99.$

For Items 3 and 4, the unit sale price is above \$17,500.00, thus the VCAF is capped at \$175.00 per unit."

- f) Contractor late payments of the VCAF accrue interest at a rate of 18% per annum or the maximum rate permitted by law, whichever is less, until such overdue amount shall have been paid in full.

Item	Quantity	Description	Unit Sale Price	VCAF	Extended Total
1	1	Ford Ranger in Dazzling White	\$9,900.00	\$99.00	\$9,999.00
2	2	Ford Ranger in Shadowy Black	\$9,900.00	\$198.00	\$19,998.00
3	1	Ford Cab Chassis F350	\$27,500.00	\$175.00	\$27,675.00
4	6	Ford Cab Chassis F600	\$33,300.00	\$1,050.00	\$34,350.00

g) Contractor shall make VCAF payments by Automated Clearing House (ACH) transactions. Contractor may elect to make payments by ACH Debit or ACH Debit. [Contractor: check one of the boxes below]

ACH Debit transactions will be initiated by the DAS PS through the Oregon State Treasurer's ACH Network. These payment transactions will occur from a bank account of Contractor's choosing no less than one (1) and no more than five (5) business days following the sixtieth (60<sup>th</sup>) calendar day after the end of a calendar quarter. Contractor shall submit a signed electronic debit authorization to DAS PS upon request and shall otherwise comply with DAS PSs reasonable instructions to facilitate this method of payment; or

ACH Credit transactions will be initiated by Contractor to initiate transfer of funds from a bank account of Contractor's choosing to the bank for DAS PS after Contractor receives from DAS PS a completed authorization agreement for ACH Credits. These payment transactions must occur no later than the forty fifth (45<sup>th</sup>) day after the end of a calendar quarter. Contractor shall comply with DAS PSs reasonable instructions to facilitate this method of payment.

## 2) VSR

a) Contractor shall submit a Volume Sales Report ("VSR") to DAS PS no later than thirty (30) calendar days after the end of each calendar quarter. For the purposes of this Agreement, calendar quarters end March 31, June 30, September 30, and December 31.

b) The VSR must contain:

i) Complete and accurate details of all receipts (for both sales and refunds) for the reported period;

ii) The information identified in document titled Volume Sales Report Template - Data Requirement, Format and Layout (Schedulexxx) and

iii) Such other information as DAS PS may reasonably request in writing. Contractor shall send a VSR to DAS PS each quarter, whether or not there are sales or credits. When no sales or credits have been recorded for the quarter a report must be submitted stating "No Sales or credits for the Quarter." This report indicating no sales or credits may be sent by e-mail without any attachment provided the subject title clearly identifies Contractor's company name, the relevant Agreement Number, and the reporting period for the VSR.

c) Contractor shall provide the VSR in MS Excel (.xls, .xlsx) format. The VSR must be submitted by e-mail unless the size of the file precludes transmission by email. VSR may be submitted by CD if the file precludes transmission by email. CDs must be delivered to: 1225 Ferry Street Salem OR 97301. Delivered print outs of VSRs or faxed VSRs are not acceptable.

d) Contractor shall submit the first VSR to the DAS PS Contract Administrator for review and approval. The approved first VSR and subsequent VSRs must be submitted to [ycaf.reporting@state.or.us](mailto:ycaf.reporting@state.or.us).

**Exhibit D**  
**INSURANCE REQUIREMENTS**

**A. REQUIRED INSURANCE.** Contractor shall obtain at Contractor's expense the insurance specified in this Exhibit prior to performing under this Price Agreement and shall maintain it in full force and at its own expense throughout the duration of this Price Agreement and all warranty periods. Contractor shall obtain the following insurance from insurance companies or entities that are authorized to transact the business of insurance and issue coverage in State and that are acceptable to DAS PS.

i. **WORKERS COMPENSATION.** All employers, including Contractor, that employ subject workers, as defined in ORS 656.027, shall comply with ORS 656.017 and shall provide workers' compensation insurance coverage for those workers, unless they meet the requirement for an exemption under ORS 656.126(2). Contractor shall require and ensure that each of its subcontractors complies with these requirements.

ii. **EMPLOYERS' LIABILITY.**

If Contractor is a subject employer, as defined in ORS 656.023, Contractor shall obtain employers' liability insurance coverage.

iii. **PROFESSIONAL LIABILITY**

Required by DAS PS    Not required by DAS PS.

**Professional Liability Insurance covering any damages caused by an error, omission or any negligent acts related to the services to be provided under this Contract.** Contractor shall provide proof of insurance of not less than the following amounts as determined by DAS PS:

Per occurrence limit for any single claimant:

From commencement of the Price Agreement term to June 30, 2015:      \$2,000,000.  
July 1, 2015 and thereafter the adjusted limitation as determined by the State Court Administrator pursuant to ORS 30.260 to 30.300.

Per occurrence limit for multiple claimants:

From commencement of the Price Agreement term to June 30, 2015:      \$4,000,000.  
July 1, 2015 and thereafter the adjusted limitation as determined by the State Court Administrator pursuant to ORS 30.260 to 30.300.  
State Court Administrator website: [http://courts.oregon.gov/OJD/courts/circuit/tort\\_claims\\_act.page](http://courts.oregon.gov/OJD/courts/circuit/tort_claims_act.page)

iv. **COMMERCIAL GENERAL LIABILITY.**

Required by DAS PS    Not required by DAS PS.

**Commercial General Liability.** Commercial General Liability Insurance covering bodily injury, death, and property damage in a form and with coverage's that are satisfactory to the State. This insurance shall include personal injury liability, products, and completed operations. Coverage shall be written on an occurrence basis. Contractor shall provide proof of insurance of not less than the following amounts as determined by DAS PS:

Per occurrence limit for any single claimant:

From commencement of the Price Agreement term to June 30, 2015:      \$2,000,000.  
July 1, 2015 and thereafter the adjusted limitation as determined by the State Court Administrator pursuant to ORS 30.260 to 30.00.

Per occurrence limit for multiple claimants:

From commencement of the Price Agreement term to June 30, 2015:      \$4,000,000.  
July 1, 2015 and thereafter the adjusted limitation as determined by the State Court Administrator pursuant to ORS 30.260 to 30.300.  
State Court Administrator website: [http://courts.oregon.gov/OJD/courts/circuit/tort\\_claims\\_act.page](http://courts.oregon.gov/OJD/courts/circuit/tort_claims_act.page)

AND

Property Damage:

Per occurrence limit for any single claimant:  
From commencement of the Price Agreement term to June 30, 2014: \$104,300

Per occurrence limit for multiple claimants:  
From commencement of the Price Agreement term to June 30, 2014: \$521,400.

From July 1, 2014, and every year thereafter, the adjusted limitation will be as determined by the State Court Administrator pursuant to ORS 30.273.

v. AUTOMOBILE LIABILITY INSURANCE: AUTOMOBILE LIABILITY.

Required by DAS PS  Not required by DAS PS.

**Automobile Liability.** Automobile Liability Insurance covering all owned, non-owned, or hired vehicles. This coverage may be written in combination with the Commercial General Liability Insurance (with separate limits for "Commercial General Liability" and "Automobile Liability"). Contractor shall provide proof of insurance of not less than the following amounts as determined by DAS PS:

**Bodily Injury/Death:**

Per occurrence limit for any single claimant:  
From commencement of the Price Agreement term to June 30, 2015: \$2,000,000.  
July 1, 2015 and thereafter the adjusted limitation as determined by the State Court Administrator pursuant to ORS30.260 to 30.300.

Per occurrence limit for multiple claimants:  
From commencement of the Price Agreement term to June 30, 2015: \$4,000,000.  
July 1, 2015 and thereafter the adjusted limitation as determined by the State Court Administrator pursuant to ORS 30.260 to 30.300.  
State Court Administrator website: [http://courts.oregon.gov/OJD/courts/circuit/tort\\_claims\\_act.page](http://courts.oregon.gov/OJD/courts/circuit/tort_claims_act.page)

AND

Property Damage:

Per occurrence limit for any single claimant:  
From commencement of the Price Agreement term to June 30, 2014: \$104,300

Per occurrence limit for multiple claimants:  
From commencement of the Price Agreement term to June 30, 2014: \$521,400.

From July 1, 2014, and every year thereafter, the adjusted limitation will be as determined by the State Court Administrator pursuant to ORS 30.273.  
State Court Administrator website: [http://courts.oregon.gov/OJD/courts/circuit/tort\\_claims\\_act.page](http://courts.oregon.gov/OJD/courts/circuit/tort_claims_act.page)

vi. POLLUTION LIABILITY.

Required by DAS PS  Not required by DAS PS.

Pollution Liability Insurance covering Contractor's liability for bodily injury, property damage and environmental damage resulting from either sudden or gradual accidental pollution and related cleanup costs incurred by Contractor, all arising out of the Goods delivered or Services (including transportation risk) performed under this Contract. Combined single limit per occurrence shall not be less than \$. Annual aggregate limit shall not be less than \$.

vii. EXCESS/UMBRELLA INSURANCE.

A combination of primary and excess/umbrella insurance is acceptable. If you are using excess/umbrella insurance to meet the minimum insurance requirement, your certificate must include a list of the policies that fall under the excess/umbrella insurance. Sample wording is "The Excess/Umbrella policy is excess over General Liability, Auto Liability, etc."

**B. ADDITIONAL INSURED.** The Commercial General Liability insurance and Automobile Liability insurance required under this Contract shall include the State of Oregon, its officers, employees and agents as Additional Insureds but only with respect to Contractor's activities to be performed under this Contract. Coverage shall be primary and non-contributory with any other insurance and self-insurance.

**C. "TAIL" COVERAGE.** If any of the required professional liability insurance is on a "claims made" basis, Contractor shall either 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 Contract, for a minimum of 24 months following the later of (i) Contractor's completion and DAS PS's acceptance of all Services required under this Contract, or, (ii) The expiration of all warranty periods provided under this Contract. Notwithstanding the foregoing 24-month requirement, if Contractor elects to maintain "tail" coverage and if the maximum time period "tail" coverage reasonably available in the marketplace is less than the 24-month period described above, then Contractor shall maintain "tail" coverage for the maximum time period that "tail" coverage is reasonably available in the marketplace for the coverage required under this Contract. Contractor shall provide to DAS PS, upon DAS PS's request, certification of the coverage required under this section C.

**D. CERTIFICATE(S) OF INSURANCE.** Contractor shall provide to DAS PS Certificate(s) of Insurance for all required insurance before delivering any Goods and performing any Services required under this Contract. The Certificate(s) must specify all entities and individuals who are endorsed on the policy as Additional Insured (or Loss Payees). Contractor shall pay for all deductibles, self-insured retention and self-insurance, if any. **The Contractor shall immediately notify DAS PS of any change in insurance coverage.**

**EXHIBIT E**  
**BEST VALUE ANALYSIS**  
**AND SELECTION PROCESS**

**Summary:** Use of this Price Agreement and sound business practice require that a selection process be followed to determine a "Best Value" price. This is accomplished in most cases by factoring industry and market pricing with the expected value and quality of the vehicle, solutions and services to be purchased, however, Best Value does not necessarily mean the lowest price offer. This selection process will assist the Authorized Purchaser in establishing Best Value.

**1.0 Process:** Authorized Purchasers shall follow the process outlined here prior to issuing Purchase Orders and use the form at Appendix A to document the results. An Authorized Purchaser shall:

- i. Contact at least three different suppliers via phone, e-mail or fax with requirements that includes a "Best Value Analysis" which may request, but is not limited to, the total price, delivery schedule, service levels, and information on past performance, service area, and references that may also be contacted;
- ii. Request these suppliers to provide quotes for specific Goods and Services needed. Suppliers must respond to Authorized Purchaser with a quote. Rates provided in any quote shall not exceed the most competitive rates and discounts set forth in Exhibit A. However, the suppliers may agree to extend specialized, discounted pricing based on the Authorized Purchaser's requirements by providing a specific quote;
- iii. Determine which supplier provides the best value for Authorized Purchaser based on the Best Value Analysis described in Authorized Purchaser's request; and
- iv. Use the form at Appendix A to document its files on the process, considerations, findings, and decisions used for selecting the supplier through the Best Value Analysis.

**1.1 Price competition:** When two or more acceptable offers are received and the lowest price is selected, the Authorized Purchaser may determine that the price of the lowest offer is fair and reasonable. It is noted that generally where the difference in prices ranges up to 15%, price competition is said to exist. If selection is made to other than the lowest acceptable offeror, the price may be determined to be fair and reasonable by other means.

A price which is very low must be checked to assure that the supplier understands what he is selling and has made no errors. Example: Three Suppliers have made acceptable offers. Supplier A proposes a price of \$22,592.00; Supplier B, a price of \$22,550.00; and Supplier C, a price of \$11,400.00. Supplier C is proposing the same item and has made no errors in its pricing.

**1.2 Multiple suppliers and a specific manufacturer:** A Best Value result may also be accomplished by requesting offers from multiple suppliers on vehicles from specified manufactures. Some reasons would be due to capital equipment specific to that vehicle manufacturer (ex. one manufacturer could be metric while another is English or shop equipment may be for one manufacturer) or because inventory is for one type of vehicle. The TCO (Total Cost of Ownership) method would be the same as above except for only bidding the one manufacturer.

**1.3 Price based on prior competition:** If only one supplier makes an offer, the price may be compared with similar prior purchases. If the price is relatively the same as the price of the item when it was purchased using an earlier competition, generally within the last 6 months, this may be acceptable. In such cases, the Authorized Purchaser should state the price of the prior purchase and note whether it was competitive or based on catalog price or other means. An increase in price, with no current catalog or competition, should be near the current rate of inflation.

**2.0 Other means to establish Best Value:**



**2.1 GSA contracts or pricing agreements:** The federal government often enters into contracts with various companies that set the prices of items which will be sold to the government. Typically these are the highest prices that a supplier can sell a single unit to a federal government agency, and they often include fees and rebates back to the federal General Services Administration (GSA). A fair and reasonable price is typically lower than GSA prices.

**2.2 Comparison to substantially similar item(s):** An item may be similar to an item from a recent transaction but it includes or lacks certain features. If the supplier can validate the price of the base item and then state the cost of the unique features, the Authorized Purchaser can determine whether a price is reasonable based on these two factors. The reasonableness of the extra cost may also be derived by comparison with other Authorized Purchasers that had similar purchasing experiences or be based on an evaluation of the extra cost by technical subject matter experts.

**2.3 Sales of the same item to other purchasers:** If the supplier has recently sold the same item to other purchasers, the price can be determined to be fair and reasonable by comparing the price paid by those purchasers.

**2.4 Independent estimate:** An independent estimate of the item's price or another method or information that establishes an item's price may be used to compare with an offer price and be used as the basis for a Best Value determination. The estimate, however, must be independent. Using a supplier's pricing is not considered an independent source and should not be used.

**2.5 Comparison with prior purchases of same or similar product:** Historical prices are an excellent source of market information. Research of historical market information can provide analysis of the acquisition situation for the product at some point or points in the past. If the Authorized Purchaser has a purchase history of the item over an extended period, this information, taking into account inflation factors, may be used to determine a fair and reasonable price.

The following table presents research elements to consider when examining historical acquisition information and doing historical pricing research.

Situation	You should be able to answer questions such as...
Trends in supply and demand	When did past acquisitions take place? Is there any indication of prevailing market conditions at that time?
Pattern of demand	What quantities were solicited for each acquisition? What quantities were acquired?
Trends in prices	What was the contract price? How did the unsuccessful offers compare with the successful offer?
Start-up costs and pricing strategy	Did the contract price include one-time engineering, tooling, or other start-up costs? Should future contracts include similar or related costs? Were necessary start-up costs paid for in a manner separate from the price for the item or service?
Sources of supplies or services	How many sources were solicited for the prior acquisition? What specific sources were solicited? How many sources made offers or proposals? What specific sources made offers or proposals?
Product characteristics	Are there any significant differences between the requirements documents for the prior contract and the current requirements?
Delivery/ performance terms	What was the delivery or performance period in days, weeks, months, or years? In what month(s) were the supplies to be delivered or the service to be performed? Did the supplier meet the delivery targets? What was the FOB point? Was premium transportation required for timely delivery?
Ownership costs	What costs of ownership were associated with the acquisition?

Acquisition Method	What acquisition method was employed for past acquisitions?
Contract terms and conditions	What were the general terms of past contracts? Are there any significant differences between terms of the last contract (e.g., packing requirements, type of contract, and the like) and those recommended for this acquisition?
Problems	What problems were encountered during contract performance?

**Appendix A  
Best Value Determination Form**

*(To be completed and placed in the procurement file to document how Best Value has been established.)*

<b>Today's Date:</b>	<b>Agency Name:</b>
<b>Contact Name:</b>	<b>Telephone #:</b>
<b>Price Agreement #:</b>	<b>Other:</b>

**How was the Best Value price determined?**

**1. Competition (See Section 1.1):**

Offers from at least three suppliers or manufacturers

Prices Received: 1. \_\_\_\_\_ 2. \_\_\_\_\_ 3. \_\_\_\_\_

Only one manufacturer provided 3 bids thru its dealer network (See section 1.2)

Price Received: \_\_\_\_\_

Was the price compared with one or more prior purchases of similar items? \_\_\_\_\_

Reason: 1. Total Cost of Ownership  2. Capital Equipment  3. Other

(Please explain \_\_\_\_\_)

**2. Competition could not be established. Best Value was determined by:**

Reviewing GSA contracts or pricing agreements (See section 2.1):

Provide data here: \_\_\_\_\_

Price based on prior competition (See section 1.3):

Provide data here: \_\_\_\_\_

Comparison to substantially similar item(s) (See section 2.2):

Provide data here: \_\_\_\_\_

Sales of the same item to other purchases (see section 2.3):

Provide data here: \_\_\_\_\_

Independent estimate (See section 2.4):

Provide data here: \_\_\_\_\_

Comparison with prior purchase of same or similar product (See section 2.5):

<b>Contract # that you compared:</b>	<b>Supplier Name:</b>
<b>Contract Date:</b>	<b>Quantity:</b>
<b>Unit Price:</b>	<b>Other Data:</b>

\_\_\_\_\_  
Signed (Authorized Purchaser)

**APPENDIX B  
PRICE OR COST REDUCTION FACTORS TO CONSIDER:**

**Fair and reasonable pricing:**

**Fair pricing:** Buyers and suppliers may have different perceptions on what price is fair. To be fair to the buyer, a price must be in line with the fair market value of the contract deliverable. To be fair to the supplier a price must be realistic in terms of the supplier's ability to satisfy the terms and conditions of the contract. In agreeing to a price that is too low a supplier may:

- Cut corners on product quality
- Deliver late
- Default, forcing a time-consuming re-procurement
- Refuse to deal with the State or Authorized Purchaser in the future
- Be forced out of business entirely
- Demand cost increases before shipping a critical order

**Below-cost prices are not necessarily unfair to the supplier:** A supplier, in its business judgment, may decide to submit a below-cost offer. Such an offer is not invalid. Whether the supplier can then perform the contract at the low price offered is a matter of responsibility which may pose a risk to the buyer. Be aware of suppliers who submit offers below anticipated costs and may expect to either increase the contract amount after award through change orders or to receive follow-on contracts at higher prices to recover losses incurred on the buy-in contract. In addition, the offered price may be unexpectedly low because the supplier has made gross mistakes in determining price.

**Reasonable pricing:** A reasonable price is a price that a prudent and competent buyer would be willing to pay given available data on:

- **Market conditions:** Economic forces such as supply, demand, general economic conditions and competition change constantly. Hence, a price that is reasonable today may not be reasonable tomorrow. Markets can be defined by considering the number of buyers, the number of suppliers, product homogeneity, and ease of market entry and exit.
  - **Supply and demand:** The forces of supply and demand have a significant effect on the price of goods and services.
  - **General economic conditions:** General economic conditions affect the prices of all goods and services, but the effect will not be the same for every product. Inflation and deflation affect the value of the dollar. Economic boom, recession and depression affect available production capacity.
  - **Defective Competition:** When competition does not exist, the forces of supply and demand may not work effectively. The buyer or supplier may have an advantage in the pricing decision process. Solicitation specifications that are not well defined or are too restrictive, proprietary or aimed at one solution could restrict price competition.
- Determining a fair and reasonable price:** Fair and reasonable pricing is determined by conducting a price analysis.

**Price analysis:** In simple terms, a price analysis is a review or examination of the price proposed by a supplier and an assessment or evaluation as to whether such price is fair and reasonable. A determination that a price is fair and reasonable is really a conclusion that the proposed price is fair to both parties. Price analysis is the process of deciding if the asking price for a product, solution or service is fair and reasonable, without examining the specific cost and profit calculations the supplier used in arriving at its price. It is basically a process of comparing the price with known indicators of reasonableness. When adequate price competition does not exist, some other form of analysis is required.

**Methods of price analysis:** In performing a price analysis to determine a price to be fair and reasonable, a buyer may utilize a wide selection of methods. Which method is used depends on the facts or information of the individual Fleet Vehicle procurement. The most common methods or criteria used to determine whether a price is fair and reasonable are:

**Cost analysis:** Cost analysis is an element-by-element examination of the estimated or actual cost of contract performance to determine the probable cost of such performance to the supplier. The goal is to determine whether the supplier's costs are in line with what reasonably economical and efficient performance should cost. Cost or pricing data provided by the supplier is the means for conducting cost analysis. Such data provides factual information about the costs that the supplier says may be incurred in performing the contract. Cost analysis should be performed in those situations where price analysis does not yield a fair and reasonable price. Cost analysis techniques are used to break down a supplier's cost or pricing data to verify and evaluate each component. Some of the cost elements examined for necessity and reasonableness are materials' costs, labor costs, equipment and overhead. These costs can be compared with actual costs previously incurred for similar vehicles acquired, the cost or pricing data received from other suppliers, and independent cost estimate breakdowns.

**Negotiating a contract with a sole source or on an emergency basis, i.e., not soliciting competitive offers:** When a sole source or emergency procurement is appropriate a complete cost breakdown from the sole source contractor should be obtained and an analysis performed to establish a fair and reasonable price.

If during a competitive bidding, only one offer is received and it differs substantially from your agency's independent estimate of the contract price. If it is determined that the offer is unreasonable and a decision is made to not re-compete (e.g., market survey indicates that you would not get competition), then the agency may formally cancel the solicitation and negotiate a contract price with the single offeror. In that case, a cost breakdown of the single offer price must be obtained and a determination made about that price's reasonableness.

The buyer should obtain a detailed breakdown of the supplier's proposed cost—not a lump sum proposal—before negotiating the change in contract price. Insight into the supplier's fixed and variable cost structures allows the buyer to negotiate volume discounts appropriate for the volume.

Identification of the key drivers of the supplier's costs will allow the buyer an opportunity to impact or reduce one or more of these key cost elements in order to negotiate a lower price to the State and Authorized Purchaser.

**Other price evaluation factors:** There are other price-related factors that need to be considered when determining the price to be used in evaluating a supplier's proposal or offer. Some examples include:

- Logistical support requirements including maintenance, warranty protection or repair, training, installation, technical manuals, spare parts and supplemental supplies. Request prices for all such services needed either on a per-service basis, package basis or some combination.
- Life cycle costing including expected life, salvage value, discounted total cost of ownership. Select life cycle costing for equipment with an expected life greater than one year if there are sufficient data, from market research.
- Economic price adjustments based on projected and historical data.
- Transportation and/or shipping costs.
- Packaging and marking costs.
- Lease versus purchase costs. Perform an analysis to determine which is of greater overall value based on ownership, support and maintenance and life-cycle needs.

- Options and/or multiyear costs. Sometimes alternate pricing is available if your agency is willing to contractually commit up front to an extended base term and/or minimal out-year support and maintenance terms; however, there are many project and/or budgetary considerations that must be taken into account with state agencies.
- Incremental pricing or quantity discounts.
- Energy conservation and efficiency criteria.
- Estimated quantities.

There are a few warranty definitions that buyers should understand and that will drive warranty pricing. Common warranties include general warranty, express warranty, implied warranty of merchantability, and implied warranty of specifications. Warranty pricing may be greater on warranties other than general or express, which are likely built into the Vehicles product's or service's market price.

Term	Definition
General warranty	Is a promise or affirmation given by the supplier regarding the nature, usefulness, or condition of the supplies, solution or performance of services furnished under a contract?
Express warranty	Means the warranty terms as defined in the contract.
Implied warranty of merchantability	Means the implication by sale of the item is that it is reasonably fit for ordinary purposes for which the item is used. Items must be of at least average, fair, or medium-grade quality and must be comparable in quality to those that will pass without objection in the trade or market for items of the same description.
Implied warranty of specifications	Is interpreted as the supplier's specific warranty to the State or Authorized Purchaser that its design specifications can be successfully used to perform a contract. When a supplier fails to perform because such specifications are defective, it can assert a constructive change claim in order to obtain an equitable adjustment in the contract price. Essentially, by providing the supplier with specifications to be followed in carrying out the contract work, the State or Authorized Purchaser warrants that if the supplier complies with those specifications, an adequate result will follow.

The principal purpose of warranties in a Contract is to delineate the rights and obligations of the supplier to the State and Authorized Purchaser for defective work or products and to foster quality performance. By agreeing to a warranty, suppliers accept the risk of deferred liability. That acceptance of risk has associated costs and a supplier's unwillingness to accept that risk may drop them from the competition. Other suppliers may increase their prices to compensate for the risk.

Before a warranty provision or requirement is included in a solicitation, the buyer should evaluate the benefits of the warranty against the effect on competition and price. The buyer should understand the relationship between warranty requirements, competition, the nature of the product, and trade practice. Warranty requirements that are unreasonable will reduce competition and increase price. Requirements that significantly exceed trade practice will also reduce competition and increase price. Authorized Purchasers should identify and eliminate warranty requirements that will increase costs. In a warranty analysis, the following should be considered:

For commercial items, use commercial or standard warranties rather than unique warranties, for non-commercial items, tailor warranty requirements to mirror existing market or trade practices.

When a unique warranty is required, solicit the warranty as a separately priced line item, which the Authorized Purchaser may or may not include in the final purchase.

If the Authorized Purchaser is unsure about the benefits of an extended warranty, solicit offerors for the extended warranty as a separately priced option, especially for out-years.

Take advantage of commercial warranties (including extended warranties, where appropriate and in the State's best interest) offered by the supplier for the repair and replacement of vehicle related items.

In solicitations for standard goods, require suppliers to offer the Authorized Purchaser at least the same warranty terms, including offers of extended warranties, as those offered to the general public in customary commercial practice. For example, the supplier may provide warranty services to select high volume customers that are not offered to the general public.

In some markets, customary commercial practices may exclude or limit the implied warranties contained in the Contract terms and conditions. In such cases, the State must ensure that the express warranty provides for the repair or replacement of defective items discovered within a reasonable period of time after acceptance.

The written determination of fair and reasonable price requires that the price is acceptable to both the Authorized Purchaser and the supplier considering all circumstances, which may include the degree of competition, market conditions, quality, location, inflation, value, technology and unique requirements of the procuring agency or institution. The written determination may be based on price analysis (comparison with prices previously paid, prices charged for functionally similar items, prices paid by other consumers, prices set forth in a public price list or commercial catalog, or state estimates) or through the analysis of price-to-unit variations, value analysis (make-or-buy study), or cost analysis. The written analysis must be supported by factual evidence in sufficient detail to demonstrate why the proposed price is deemed to be fair and reasonable. If a determination is made that the prices offered are not fair and reasonable, a decision must be made whether to seek broader competition through a re-solicitation, to revise specifications and re-compete, or to negotiate a better price identified through the price analysis process.

Services (e.g., packaging, shipping, and availability) for commercial items may exceed the Authorized Purchaser's needs. It may be possible to negotiate a price reduction by reducing or eliminating some of these services, thus reducing the supplier's cost and the price charged to the Authorized Purchaser, while still ensuring that the item meets the Authorized Purchaser's needs.

Some alternatives may not have been sufficiently reviewed. Areas overlooked may include cost benefit analysis of lease versus buy or analysis of spare or replacement parts pricing.

The Authorized Purchaser should attempt to negotiate a lower price for quantities to maximize possible discounts or rework the requirements to reflect market available goods and services.

**ALL AUTHORIZED PURCHASERS:** All ordering agencies shall place this form in your procurement file.

**Attachment 1 – PRICING (OFFEROR MUST COMPLETE AND RETURN WITH OFFER)**

*(See also attached spreadsheet)*

CREDIT CARD PURCHASES: Bidders shall list all major credit card brands, if any, that it will accept:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

List the early payment discount, if any, Bidder offers for credit card purchase payments received sooner than the standard net thirty (30) days:

NA 0 % Discount Net NA days

**1 Pricing:** This Price Agreement is for vehicles under production for Model Year 2015 or that are placed into production by Ford Corporation during the term of the Price Agreement. The price is for the base Standard Equipped vehicle. The Discount is a fixed percentage discount of the Net Invoice for each vehicle and factory installed options purchased under the Price Agreement.

Contractor shall use the Discount applicable to a Model Code to determine both the contract price for a vehicle and the contract price for an option or package.

**2** The Discount A is effective through the life of the Price Agreement. DAS PS and Contractor may amend the Price Agreement to reflect Model Year Net Invoice changes, and to add and delete Ford vehicle Models. The Price is FBO Authorized Purchaser location within 60 miles of Contractor location listed in Exhibit A. At Authorized Purchaser location greater than 60 miles, the price is FBO Authorized Purchaser location at Price plus per mile delivery stated in Exhibit A.

**3** At time of Authorized Purchaser purchase order, Contractor shall make available to the Authorized Purchaser the greater of Discount or all incentive rebates, Standard Equipment discounts, optional equipment discounts, and all other discounts offered to the Authorized Purchaser by the manufacturer not already included in the Attachment 1 Final Bid Price. Contractor shall apply these discounts at the time Authorized Purchaser orders the vehicle and selects factory installed options.

**4** If Discount available to Authorized Purchaser is higher for Model Year vehicles than that stated in Attachment 1, Contractor shall allow the higher Discount and the lower Final Bid Price. Contractor shall freely communicate any additional discounts offered by the Contractor over and above those in Attachment 1 and state to which Models the additional discounts are applicable.

**5** Contractor may add additional charges, such as delivery outside of a 60 mile radius or shop/service manuals, third key or decal application or pass-through code charges to the invoice as separate line items (see Attachment 1). Contractor may give deductions, such as for Authorized Purchasers who wish to register their own vehicles or those who wish to forego dealer preparation and pre-servicing costs (see Attachment 1). Contractor shall make no addition or deduction to or from the invoice without the consent of the Authorized Purchaser in the Purchaser Order or in other writing.

**6** Net Invoice in Attachment 1 includes the Destination Charge. The Destination Charge for a vehicle Model is fixed for the Price Agreement period, except any decreases shall be passed immediately to the Authorized Purchaser.



**7 DAS PS and Authorized Purchaser must be able to verify all prices, discounts, and options for the contract price for a vehicle. Contractor shall provide documentation on request by DAS PS or Authorized Purchaser to support prices, discounts, options. In cases where a variation in price or discount or option is in dispute, Contractor shall consult directly with the manufacturer and provide to the Authorized Purchaser's satisfaction written documentation to support the variation. In no case shall Contractor require or shall Authorized Purchaser accept changes that are contrary to Attachment 1 or to any provision of this Price Agreement.**