

- 6:00 p.m.      **WORK SESSION - Update on blighted property discussion**
- 6:30 p.m.      **WORK SESSION – Downtown Association Presentation – Smoke Free Events**

**AGENDA FOR COUNCIL MEETING  
KLAMATH FALLS CITY COUNCIL  
MARCH 7, 2016  
7:00 P.M.**

*Matters for Council consideration not scheduled on the Agenda can be addressed by the general public under the "Public Comment" section on the agenda. Testimony must be presented according to Council procedure. Items of a non-emergency nature may be scheduled for future Council determination in order to provide sufficient time to analyze the issue.*

**CALL TO ORDER AND ROLL CALL**

**PLEDGE OF ALLEGIANCE**

**PUBLIC COMMENT**

**1.      CONSENT AGENDA**

- a.      Approval of March 7, 2016 agenda and February 16, 2016 regular meeting minutes

**LAND USE PUBLIC HEARING - QUASI JUDICIAL - NONE**

**LAND USE PUBLIC HEARING – LEGISLATIVE – NONE**

**GENERAL PUBLIC HEARING**

**2.      LIQUOR LICENSE FOR NEW OUTLET TO ALLOW OFF-PREMISES SALES FOR ATOZSTUFFNTHINGS.COM. LOCATED AT 825 MAIN STREET**

- a.      Report of Planning Manager
- b.      Hold a Public Hearing
- c.      Move to make a recommendation to the OLCC for the allowance of Off-Premises Sales at ATOZSTUFFNTHINGS.COM

## LEGISLATIVE ACTION

3. **ORDINANCE ADDING SECTIONS 8.175 TO 8.198 OF THE CITY CODE AND AMENDING SECTION 8.980 RELATING TO VACANT PROPERTY REGISTRATION – FIRST READING**
  - a. Report of City Attorney
  - b. Move to introduce the Ordinance by title for first reading
  
4. **OPERATING AGREEMENT WITH KLAMATH YOUTH BASEBALL AND SOFTBALL FOR OPERATION AND MAINTENANCE OF KIGER STADIUM**
  - a. Report of Support Services Director
  - b. Move to authorize Staff to enter into a Kiger Stadium Operating Agreement with Klamath Youth Baseball and Softball for a period of three years with the option to renew for two additional five-year terms

## OTHER MATTERS

## ADJOURNMENT

The City Council may recess/adjourn to Executive Session under ORS 192.660 as follows: ORS 192.660(2):

- (a) - Employment of Public Officers, Employees
- (b) - Discipline of Public Officers and Employees and Agents
- (d) - Labor Negotiations
- (e) - Real Property Transactions
- (f) - Exempt Public Records
- (g) - Trade Negotiations
- (h) - Consultation with Legal Counsel
- (i) - Performance Evaluations of Public Officers and Employees
- (i) - Public Investments

### **\*\*\*AMERICANS WITH DISABILITIES ACT NOTICE\*\*\***

Please contact the City Recorder's office, Klamath Falls City Hall, 500 Klamath Avenue, Klamath Falls, OR 97601, or call 541.883.5316 at least 48 hours prior to the scheduled meeting time if you need an accommodation to participate in the meeting. The City's TTY/TDD number is 541.883.5324

MINUTES  
KLAMATH FALLS CITY COUNCIL  
February 16, 2016

A regular meeting of the Klamath Falls City Council was held in the Council Chambers on the above date at 7:00 p.m. Mayor Todd Kellstrom called the meeting to order.

Council members present:            Councilman Matt Dodson  
   Councilman Dan Tofell  
   Councilman Bud Hart  
   Councilman Bill Adams  
   Councilwoman Trish Seiler

City staff members present:            Nathan Cherpeski, City Manager  
   Joanna Lyons-Antley, City Attorney  
   Susan Kirby, Support Services Director  
   Dave Henslee, Police Chief  
   Mark Willrett, Public Works Director  
   Randy Travis, Water/Geothermal  
   Division Manager  
   Kristina Buckley, Assistant to the City  
   Recorder

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

PRESENTATION OF SERVICE AWARDS. Mayor Kellstrom presented Vicki Swafford of the Public Works, Water Division with a Service Award in recognition of her 15 years of service to the City. He presented Police Sergeant John Hanns with a Service Award in recognition of his 20 years of service to the community. Mayor Kellstrom also noted Mike Barkley of the Airport Department also received his 15 year Service Award in recognition of his service to the City but was not present to receive it.

## PUBLIC COMMENT

Mayor Kellstrom opened the public comment. Hearing or seeing no one, he closed the public comment.

1. CONSENT AGENDA. Councilman Tofell moved to approve the Consent Agenda as follows: Approved the Consent Agenda for February 16, 2016; Approved the February 1, 2016 regular meeting minutes; Authorized approval of Amendment #1 to Clean Water State Revolving Fund Loan Agreement No. R52603 with the Department of Environmental Quality. Councilman Adams seconded. The motion carried unanimously with all Council members present voting aye.

## LAND USE PUBLIC HEARING - QUASI JUDICIAL

There were no land use public hearing quasi-judicial matters.

## LAND USE PUBLIC HEARING - LEGISLATIVE

There were no land use public hearing legislative matters.

## GENERAL PUBLIC HEARING

There were no general public hearing matters.

## LEGISLATIVE ACTION

2. MUNICIPAL COURT JUDGE RECRUITMENT. Support Services Director Susan Kirby reviewed her written report. Councilman Hart asked if it was possible to ask questions of the applicants if they appeared before Council. Ms. Kirby responded she would not encourage asking interview questions but if the applicants chose to speak during public comment Council could ask or respond to any questions.

Mayor Kellstrom opened the public comment.

Sharon Forster. Ms. Forster stated she was an applicant and present to answer any questions. Councilman Hart stated he would defer his questions to the Human Resources Director.

Hearing or seeing no one further, Mayor Kellstrom closed the public

comment.

Councilwoman Seiler moved to recess the meeting to Executive Session authorized under ORS 192.660(2)(a) - Employment of Public Officers, Employees and Agents at 7:10 p.m. Councilman Tofell seconded. The motion carried unanimously with all Council members present voting aye.

Mayor Kellstrom reconvened the meeting at 7:25 p.m. and advised the audience in attendance that the Support Services Director would contact the applicants advising them of their selection for interviews by March 3, 2016.

3. DISPOSITION AND DEVELOPMENT AGREEMENT FOR 425 WALNUT AVE. City Manager Nathan Cherpeski reviewed his written report. Councilman Dodson asked what would happen if the building was in regular use within 365 days but only stayed in regular use for three years; did it have to be occupied for the whole five years during the Disposition and Development Agreement (DDA) or until it was functional and in use. Mr. Cherpeski responded the intent was the building be used, that it be in production and not just a storage facility or the like. City Attorney Joanna Lyons-Antley further explained if someone was in default of the obligations, which were set out in the Agenda Report, the City would give a 30 day notice, they could cure it at that point and could then reoccupy the building or put it in use or if they did not, the City would have to evaluate whether to execute that power of attorney.

Councilman Adams stated he still believed the \$1,000 price tag was a ridiculously low price. Basically the sale was handled as an inside deal. There was really no publicity with a realtor, no inspection by a realtor to get an idea of what the value of the building was. He further stated Mike Angeli was a member of the City's Budget Committee and as a member of the City's Budget Committee he should be inclined to be the type of a person to try and help out the City's budget and have enough money come in from the deal to actually do the City some good instead of actually losing money. The two lay members who were actually also members of the City's Budget Committee that approved "this" before Council saw it should have recused themselves as members of the Budget Committee as well. He had some real problems with the way the whole thing was put together and the lack of any kind of reasonable advertising or reasonable review by a realtor or anyone involved in real estate. He continued and stated the whole thing had been "bungled" and he encouraged Council to

stop immediately, go back and advertise the sale through a realtor or through channels where people knew the building was being sold.

Councilman Hart reacted to Councilman Adams' statement and stated he had some agreement with Councilman Adams in that the process could have been more formal and the Resolution that allowed for the sale of property had too many items that, in his opinion, looked like they were requirements but were in fact suggestions. Items such as a realtor was required was a suggestion, an appraisal was a suggestion, the City Manager *may* use any of the following processes as opposed to he *must*. He further stated that, at some point, there was a need to revisit the process. His research showed that when the legislature authorized the changes to Oregon Revised Statutes (ORS) in how to sell property that it was primarily intended for small pieces of property such as granting Rights of Way (ROW) that did not have to go through the full public hearing process and he had noticed that some cities had their own Resolution that was restricted to only Public Works related sales rather than general sales of property. He further stated the deal before Council was a good deal. He had looked online and had seen at least three other cities in the United States that had been unable to sell their former police buildings for periods of three to four years and the City needed to get the building under discussion, back in operation. Additional concerns were for comments he had heard from other members of the public about the sale not being publicized and nobody knew it was for sale but he looked back and saw regular news articles in the Herald and News with photographs of people touring the police building and mentioning that it was up for sale and encouraging people who were interested to contact the City Manager with his phone number. The articles were regular news articles, they were not advertisements or hidden in the classifieds section. There was a picture on the front page that said "so and so" was touring the building and was interested in buying it and that anyone else interested in buying the building should contact the City Manager with his phone number. He noted there was ample opportunity for those who were interested in purchasing the building to have known about the sale and to buy it.

Councilwoman Seiler read her statement into the record, attached.

Councilman Hart stated he did not think there was anything underhanded in any of the things Councilman Adams did and he did not want any aspersions cast on Councilman Adams in any respect. He reiterated the City could have done a better process but had received the best outcome

the City could have obtained in the process that was conducted.

Mayor Kellstrom opened the public comment.

Mike Angeli. Mr. Angeli thanked Council and Administration for taking the sale to this point and noted it was an uncomfortable situation for some people including himself. It could affect his business and his name had been "dragged through the wash" as well. He planned to move forward with the building and to improve on its current condition. He further stated he had no intentions of "flipping" the building or doing anything of ill repute with it. He lived in Klamath Falls, his family lived in Klamath Falls as well as his friends and he did not plan on doing anything to embarrass his family or himself. He hoped to be able to show Council in one year, five years or 10 years that they made the right decision.

Jesse Withers. Mr. Withers stated he had talked to the Council once before and he did not recall ever seeing a for sale sign on the building. He never really heard it advertised on the radio and no one else ever really heard it. He further stated he was beginning to wonder about procedures for selling property in the City if they could be called procedures because it seemed the City could do whatever it wanted. He had talked to a guy at Klamath Basin Sports who had no idea the building was sold, being sold or was in any stage of the process. The City needed to take a different tactic when selling the people's property because he was beginning to wonder if the City was getting the most out of the properties. He continued that it was his money and everyone else's money and the City had a duty and obligation to get the most out of the public's assets. He had not read all the contingencies in the Agreement but it seemed somewhat odd the City would sell something but the person did not get the title for a few years. He stated the City spent \$315 on a newspaper ad and nobody he had talked to even knew the building was for sale. The City needed to go more local routes such as advertising it on the radio, the free newspapers, etc. As a citizen, he was going to have to watch to see that the public's property was not just being given away; but he was not saying it was or it was not but the City's procedures had him very concerned so he would be watching and he was sure others would too.

Jamie Douglas. Ms. Douglas stated she was a resident and Mike Angeli

was a perfect steward for a public building. He cared about the building and the community and would do justice to it. He would invest a lot of himself into ensuring it was a "good thing" for everyone present. She supported Council supporting him through that.

Mike Nork. Mr. Nork thanked Council for not wasting a lot of time and dollars on ads the City knew would go nowhere. The City reached out to the public a couple of times and reached over a hundred people so he was glad the public's money was not wasted that way. He further stated there were many vacant buildings around town and he had not seen people clamoring to get into them and start things. He knew from personal experience Mr. Angeli had been a pillar of the community for a long time. He put his money where his mouth was and he knew that from a personal standpoint. Mr. Angeli was somebody Mr. Nork would trust in this situation and if another man came in and said he had \$20,000 ready to go then Mr. Nork would say, "Yeah, I'm willing to listen" and he would ask Council to do the same. He rhetorically asked the audience if anyone was present to make that offer, which was met with silence. Mr. Nork stated Mr. Angeli was present to put his money where his mouth was and he trusted Mr. Angeli.

Rod Tucker. Mr. Tucker stated the City had enough vacant buildings in the town and had someone who wanted to put a business in. He noted he knew about the sale of the building, he read the paper and it was a good deal.

Annette Hendricks. Ms. Hendricks stated she was a resident of Ward II and agreed with Councilman Adams and Councilman Hart that perhaps the process could bear better defining and reevaluation and redefining for future deals but in the current situation it would set a bad precedent to go back and rescind it. She noted she did not know Mr. Angeli personally but she trusted his investment in the community because since she had lived in the community she had seen how he had added a lot to it and she was actually pleased he was going to get the building.

Nicholas Phair. Mr. Phair stated he felt it was pertinent for people in the community to stand up for something the public's money was being spent on or not being spent on. To his knowledge there were other proposals for things to do with the land and building namely to tear it down with an amount pursuant to that, which would cost quite a bit. The discussion was now about use of the building and getting it back on the tax rolls and in

essence, by doing this, saving the City money; not spending more. He further stated that, as a business owner in town, he had become more and more involved in politics, the downtown, trying to make the community a better place and there was a small select group of business owners who had that same mindset. Mr. Angeli was one of those and Mr. Phair looked to him as an inspirational person who had tried and tried to be one of those people who inspired the community and did things that would benefit everyone as community members. The deal was not a selfish move on his part by any means. He might be able to make money in his venture but he would have to spend a great deal of money before he ever got to that point doing something the City would have had to do and that would have been taxpayer money. If it was a parking lot, that would not be what the City needed currently. He would rather see the building and property being used to provide more economic stability and growth in Klamath Falls by a building being successful.

Hearing or seeing no one further, Mayor Kellstrom closed the public comment.

Councilman Tofell addressed Mr. Withers and stated they had known each other for some time and he heard Mr. Withers "loud and clear" on the process. In the future Council would try to do things in a different manner. From the start he was not overly pleased about the amount the City received and he still believed that way; however, the conditions were set forth to get the building back in order and the guidelines were presented and Mr. Angeli agreed to them so he would support the DDA. The property would go on the tax rolls and would not continue to deteriorate and become an eyesore as there were too many deteriorating properties in town already. He noted the public may disagree with the price but what the City sacrificed in price would be made up in the future with improvements to the building and he was hopeful that would happen.

Councilman Adams stated he refrained from putting a bid in on the building himself because he did not feel it would be appropriate for him to bid \$1,000 or \$10,000 or \$20,000 and sit in his Council position. He would gladly give an offer of \$20,000 right now but he would not want Council to accept that \$20,000 offer because he thought the building was worth more than that. He thought the building was worth \$50,000 to \$60,000 and that a realtor had looked at the building recently and told the City that. He had not bid on the building because he did not have \$50,000 due to the way his business was to buy the building and do the work on the building. That

was why he had not put in an offer on the building but he felt at the time that \$50,000 was the minimum value on that building and that if he put a bid in for less than that, then he would be called to question for trying to get somewhere or something for nothing from the public and he thought that was just what Mr. Angeli had done. He further stated it was great if Mr. Angeli was going to restore the building but he still felt the whole way the deal was put together with three members of the Budget Committee involved in buying and the decision on the deal did not look good for the way the City did business as a City selling a piece of property. It had been brought up that the City sold a couple other buildings downtown for not a great deal of money recently in the midst of the City's redevelopment downtown but the buildings the City sold had a return of every bit of money back to the City that the City purchased them for. He continued that the reason the City purchased the building was because they were tied up in bankruptcies and foreclosures, which made it really hard for them to be available to the general public. We purchased the buildings, put stipulations and requirements on them, same as was done on the former police building and they were put back out on the market through a local realtor and they were sold. The City got its money back. Both buildings were sold had work done on them; one of them was the Gaucho Collective that was in operation currently and the other was the old Alice's Restaurant that was not completely finished but they had done a lot of work on. The City got their money back out of the building but the City was not getting its money back out of the police building as it should. The building was never on the tax rolls because it was always a City building. It would be nice to get some taxes out of it but he was not sure the City knew what it was worth as far as for collecting taxes. He would give \$20,000 for the building and move forward and move one of "our" businesses in there but he did not think the City should do that but he would give that.

Councilman Hart stated something people had to keep in mind was the sale was not just a sale for a dollar amount. It was not merely a property sale but what was before Council was a Development Agreement that bound the prospective purchaser to certain actions to make improvements to the property, which the City could not afford to make. In that sense the City was saving money. He reiterated and emphasized that the people who read the newspaper had an opportunity to see photos of people touring the property; Herald and News came and took photos that were on the front and second pages that showed people touring the property and saying the property was for sale. He did not think a paid advertisement could have gotten as much coverage as the article and photographs received, which

did not cost the City any money.

Councilman Dodson stated he had been supportive of the proposal ever since Council received it. A few weeks ago he made a lengthy argument about why Council should continue to prepare the DDA and to sell it to the Ledge LLC. Since he had been on Council, normally what he heard was why the City did nothing to help economic development and the proposed deal did that for almost no money out of the City's pockets. He further stated there had been a great deal of money spent on the downtown and people were still standing up saying there were vacant buildings there. The former police building was being sold for \$1,000 located two blocks off of Main Street and how much money had the City put into Main Street. The deal was a little different than what was done in the past and he understood that but it was interesting to learn about and it would cause some people angst; however, what had been done in the past was not working and there was someone who needed assistance in expanding his business and he was willing to sign an agreement Councilman Dodson stated he would not be personally willing to sign. If the building did not succeed it would come back to the City with all the benefits of those improvements at no cost to the City. It was a good opportunity for the City to try something new, improve a building and get it active again that the City had let get run down and he encouraged Council to move forward.

Councilman Hart stated he was still bothered by the process and bothered by the fact that, as Councilwoman Seiler stated, the City Council could waive all the provisions following a public hearing and he did not think the City had a public hearing. It had a public comment period and he noted he was not a lawyer but he had been told public comment and public hearing were the same thing. He had always thought public hearing was something that had to be pre-advertised and, for example, on the Agenda it reflected no public hearings but there was public comment on the Agenda Item.

Mr. Cherpeski stated there had been a lot of questions about the process. The Request for Proposal (RFP) process to sell City property was not a new process. It was used throughout the country; staff researched it. It was not in the City's normal process because staff did not bring it before Council as a surplus building. Staff's proposal was to remove the building, to preserve the property for future use of the City. During the Budget Committee it was determined \$120,000, based on the estimate received, was too much to spend to demolish the building and staff was advised to give it to the

Museum, which would have been a \$0 transaction. He spoke to the Museum Director who said he was not interested and that he had too many old buildings that already needed roofs and he did not need another one. Work Sessions were then conducted with Council and Staff put together the RFP process because it had been done successfully in other communities. Hindsight 20/20 he would not use that process again but if the City listed the building for \$50,000; how long would it have sat there. People were now saying they would buy it but there were buildings on Main Street with property for \$50,000 and nobody had bought them for the entire time Mr. Cherpeski had been in Klamath Falls. He further stated he highly respected Councilman Adams and his opinion but when he asked the two Budget Committee members to be on the RFP review committee it was prior to Mr. Angeli's bid submittal. It was prior to the first RFP going out and they were two heavily involved individuals, same as Councilman Adams, in support of selling the building. In their defense, they had not asked, they did not know Mr. Angeli would bid or who would bid. It was never intended to be a closed, behind the scenes deal; rather it was always up front, at least with Mr. Cherpeski. He conducted three tours of the building for anybody who was interested. He had taken several members of the press through the building as the City was going through the process. He reiterated it was never meant to be a secret deal. He rhetorically asked, "Is this the best value for that building?" It was in pretty rough shape as had been discussed and three weeks prior to this meeting it had approximately three inches of standing water in the building so it had drained out since then but the building had issues. He reiterated the process was not something new that was contrived; it was pulled from another City that had been successful with moving multiple buildings this way. It seemed the easiest way to do it given the condition of the building and, from his understanding from what took place at previous Work Sessions, the City wanted to retain some kind of control over what took place in the building.

**Councilwoman Seiler moved to authorize the City Manager to execute the Disposition and Development Agreement with the Ledge LLC.** Councilman Dodson seconded. The motion carried with Councilman Tofell, Councilman Dodson, Councilman Hart, and Councilwoman Seiler voting aye. Councilman Adams abstained from the vote.

## OTHER MATTERS

Governor's 2016 Agenda & Priorities. Councilwoman Seiler stated she had attended the Klamath and Lake Counties Regional Advisory meeting and was handed the Governor's 2016 Agenda & Priorities so she brought copies for Mayor, Council and staff, attached. She noted one issue discussed the most was the issue of minimum wage. Various proposals had arisen at the legislative level and representatives from Lake County pointed out that while some of the dollar amounts for those minimum wage levels might work in Portland, they would have very adverse effect in the local community.

Support for House Bill 4137. City Manager Nathan Cherpeski stated he had been in contact with Commissioner Mallams regarding HB4137 introduced by Senator Whittsett. He explained it essentially required that Water Resources Department to provide their scientific evidence of how they would adversely affect or aggrieve ground water right applicant or ground water right holder and pay for the studies. He stated individual Council members could write in support of the House Bill but before he took a stand he preferred to have the support of Council or direction. If the Bill had been in place when the City received notice last year, the City would not have had to spend its own money to get a study; the state would have had to spend their money. Currently the process was not as transparent and the Bill would require them to do so.

**Councilman Adams moved Council authorize the Mayor to sign a letter in support of the House Bill 4137.** Councilman Hart seconded. The motion carried unanimously with all Council members present voting aye.

Request to Remove Budget Committee Members. Councilman Adams requested Mr. Fitz Gerald, Mr. Williams and Mr. Angeli be removed from the City's Budget Committee because of what happened with the sale of the former Police Building. He did not think they were looking out for the best interest of the community. Mayor Kellstrom disagreed and stated they had many years of service and volunteerism to the community and Councilman Adams' accusations was the first time someone had impugned their character. He felt they had done nothing wrong.

## ADJOURNMENT

Councilman Tofell **moved to adjourn the meeting.** Councilman Hart seconded. The motion carried unanimously with all Council members present voting aye. The meeting was adjourned at 8:08 p.m.

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Kristina Buckley, Assistant to the City Recorder

## **ATTACHMENTS**

### **Agenda Item 3 Councilwoman Seiler's Statement**

## COUNCIL/POLICE BUILDING

2/01/16

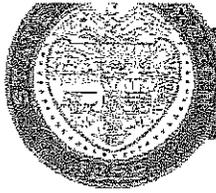
- 2015 Budget Committee Meeting: Mr. Adams brought up the idea of selling the old Police Building. He said, “the roof was leaking and it had mold.”
- October, 2015 – staff sent out an RFP to 122 people/businesses who might have an interest in the building. An ad was placed in the local paper as well. No response to the RFP was received. Council directed staff to send out a second RFP; emails were sent to 154 people/businesses, for a total of 276 email contacts. One qualified bid was received, from Mike Angeli, owner of The Ledge.
- Council and staff followed the language in Resolution 05-18, Section 4, Item B: “Council may at any time, in its discretion and after public hearing, consider and approve the lease, sale or other disposal of any City-owned parcel of real property without compliance with the procedures and requirements set forth in Sections 1 – 3 and/or ORS 221.725. No published notice is required.”
- October 14, 2015 – Council retreat. Mr. Adams said “he did not submit a bid but noted it was costing the City money to retain ownership. He would be willing to take the building on, he would make it look better but did not want to guarantee he would be on a timeline.” I believe Mr. Adams was suggesting the City simply give him the building.

- Mr. Adams attended all meetings at which the old Police Building was discussed, including the 2 study sessions with staff. He agreed to the proposed RFP process and timeline. At one point, he stated “the roof leaks and will have to be replaced, that will cost about \$40,000, then with the water damage to the interior of the building, it will cost thousands more to make the building functional.”
- I voted for the proposal to sell the building to Mr. Angeli based primarily on the comments of Mr. Adams regarding the state of the building and the tens of thousands of dollars he felt it would cost to make the building useable.
- Mr. Angeli submitted the only qualified proposal; Mr. Adams’ commented at the December 7, 2015 Council meeting he had a buyer who wished to remain anonymous who would be willing to pay \$20,000 for the old Police Building. Mr. Adams presented no written proposal, and did not follow the direction of Council regarding the RFP process. I do not think the public would be well-served by accepting a “ghost” proposal with no business plan or budget.
- I think Mr. Adams talked up the poor condition of the building in order to make Council members believe the building was in such bad shape the City would be lucky to get any bids at all; therefore, Mr. Adams could get the building for no or lower cost.

- Fortunately, we did receive the one qualified RFP from Mr. Angeli. At this point, it would be unfair to rescind Council's approval of Mr. Angeli's bid. He followed the rules as established by Council and is willing to work with staff to meet the Disposition and Development Agreement. Mr. Angeli has also proposed office space in the building for the Downtown Association at no charge, thus providing another benefit to the community.
- I believe Mr. Adams out-smarted himself by portraying the old police building in such a derelict state so that Council would simply give him the building. His recent statements regarding this RFP process have been unprofessional and designed simply to cast undeserved aspersions on Council and Mr. Angeli. I have been on the receiving end of several 4 to 1 votes in my time on Council, and have never thrown a public temper tantrum with threats of legal action simply because the vote did not go my way.
- Council needs to approve the Disposition and Development Agreement with Mr. Angeli, get the building back on the tax rolls, and move on.
- Mr. Angeli, I thank you for your patience and professionalism throughout this entire process, and I offer my own apology for what you have endured.

### Other Matters

# Governor Kate Brown 2016 Agenda & Priorities



## GOVERNOR KATE BROWN

### 2016 Agenda & Priorities

#### **A Seamless System of Education**

- Establish the Education Innovation Officer charged to improve Oregon's high school graduation rate.
- Create the Governor's Council on Educator Advancement: Executive Order establishes the Governor's Council on Educator Advancement, charged with coordinating comprehensive support to deliver excellence in teaching through leadership development, mentorship and best practices.

#### **A Thriving Statewide Economy**

- Support small business:
  - Legislation to expand the Office of Small Business Advocate to help small businesses navigate state and local policies and procedures.
  - Governor's Small Business Advisors: Executive Order creates a diverse advisory group to develop recommendations to support Oregon small businesses, such as increasing access to capital and streamlining state agency processes.
- Legislation to increase the minimum wage.
- Legislation to continue the expansion of affordable housing issues statewide.

#### **Excellence in State Government**

- Accountability and Transparency:
  - Legislation creates a technical ombudsman in the Department of Administrative Services to assist state agencies with large electronic public records requests.
  - Executive Order requires all agencies to comply with current law requiring state agencies to have a public records policy in place; DAS to implement the 2015 audit recommendations, including uniform statewide standards.
  - Legislation tightens deadlines by which lobbyists must disclose/register clients with the Oregon Government Ethics Commission (OGEC), and requires OGEC to make that information available online within two days.

#### **Healthy, Safe Oregonians**

- Establish the Governor's Campus Safety Working Group.
- Umpqua Community College funding proposal – funds to enhance safety on the UCC campus.
- Harney County funding proposal – funds to offset expenses incurred during the occupation of the Malheur Wildlife Refuge.

#### **Responsible Environmental Stewardship**

- Appointment of State Resilience Officer.
- Drought package funding proposal – funds to help local communities plan for and address persistent drought.
- Wildfire funding proposal – funding to cover costs incurred during the 2015 wildfire season.

**KLAMATH FALLS CITY COUNCIL  
AGENDA REPORT**



Agenda Item No. 2

Date: March 7, 2015

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Department: Public Works  
Staff Presenter: Erik Nobel  
City Manager Review: 

Contact/Title: Erik Nobel, Planning Manager  
Telephone No.: 541-883-5254  
Email: [nobel@klamathfalls.city](mailto:nobel@klamathfalls.city)

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**TOPIC:** Liquor License for New Outlet to Allow Off-Premises Sales for ATOZSTUFFNTHINGS.COM Located at 825 Main Street

**SUMMARY AND BACKGROUND:**

David Hendrickson, in conjunction with ATOZSTUFFNTHINGS.COM at 825 Main Street, is applying for a New Outlet Liquor License to allow Off-Premises Sales. This would allow the sale of malt beverages, wine and cider to go in sealed containers.

This retail outlet has been in business at this location since 2013 and was previously operated as Downtown Dollar. The business location is zoned General Commercial within the Downtown Business Overlay Zone and the operation of a retail outlet is consistent with the zoning. The business will be open Monday through Friday from 10 a.m. until 6 p.m. and on Saturday from 12 p.m. to 5 p.m. and will be closed on Sunday. The owner indicated the hours may be extended as business grows.

A recent application was considered by City Council for Mr. Hendrickson's prior, very small store at 809 Main Street, two doors down from the location of this application. City Council recommended denial to the OLCC for the prior location. Since the application, Mr. Hendrickson bought the former Downtown Dollar store, a much larger store and consolidated the inventory of his prior store and the former Downtown Dollar into a new store. Mr. Hendrickson decided to keep the name of his original store, AtoZstuffnthings.com, operating as The Goody Store for the new store. The new store has regular business hours; whereas, the prior store had very limited hours.

**FINANCIAL IMPACT:**

There is no financial impact related to making a recommendation to the OLCC.

**COUNCIL OPTIONS:**

1. Recommend the allowance to the OLCC for Off-Premises Sales at ATOZSTUFFNTHINGS.COM

ATOZSTUFFNTHINGS.COM Liquor License

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2. Recommend denial to the OLCC for Off-Premises Sales at ATOZSTUFFNTHINGS.COM

**DOCUMENTS ATTACHED:**

- Aerial Photo

**RECOMMENDED MOTION/ACTION:**

- Conduct a Public Hearing
- Move to recommend to the OLCC for the allowance of Off-Premises Sales at ATOZSTUFFNTHINGS.COM

**NOTICE SENT TO:**

ATOZSTUFFNTHINGS.COM  
David Hendrickson  
4256 Selma Street  
Klamath Falls, OR 97603

Michael and Nancy Weaver  
P.O. Box 518  
Eagle, ID 83616

OLCC  
Kent Oldham  
107 S 7<sup>th</sup> Street  
Klamath Falls, OR 96701

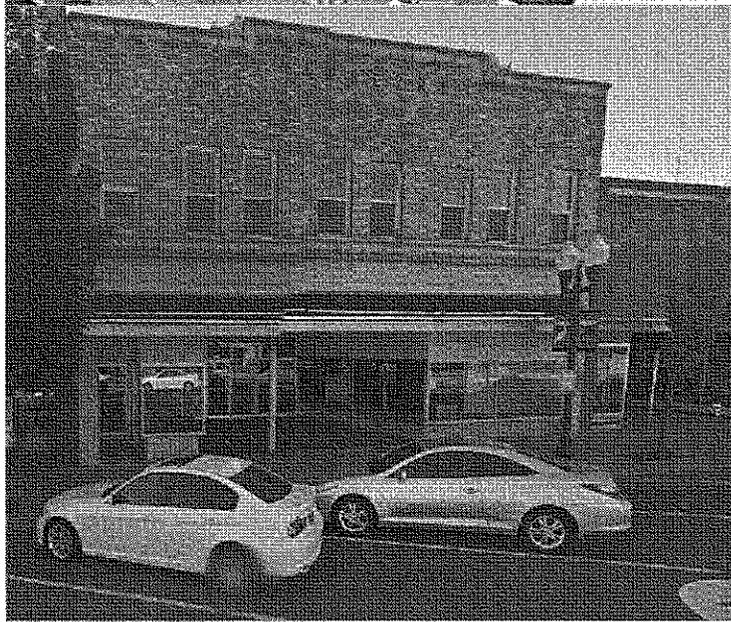
Klamath Falls Downtown Association  
via email

The City of Klamath Falls Police Department was notified of the proposal and had no reason to deny the application.

Notice was also sent on February 17, 2016, to adjacent property owners within a 100-foot radius of the business location. No response has been received to date.



ATOZSTUFFNTHINGS.COM Liquor License



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**KLAMATH FALLS CITY COUNCIL  
AGENDA REPORT**



Agenda Item No. 3

Date: March 7, 2016

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Department: Code Enforcement	Contact/Title: Joanna Lyons-Antley, City Attorney
Staff Presenter: Joanna Lyons-Antley	Telephone No.: 541-883-5323
City Manager Review: 	Email: <a href="mailto:jlyons@klamathfalls.city">jlyons@klamathfalls.city</a>

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**TOPIC:** Ordinance Adding Sections 8.175 to 8.198 of the City Code and Amending Section 8.980 Relating to Vacant Property Registration – First Reading

**SUMMARY AND BACKGROUND:**

On January 19, 2016, City Council held a work session on issues Code Enforcement faces with blight in Klamath Falls.

At the work session, Council considered one possible tool; adoption of a vacant property registration Ordinance. The City has a problem locating responsible parties in vacant properties that have not yet gone through foreclosure. These homes are called "zombie foreclosures." The problem is that when the City tries to contact the property owner for failing to maintain the weeds or other code enforcement issues, the absent owners claim that the mortgage company has possession of the property. Code Enforcement searches the property records and has no record of the lender.

As proposed, upon default of the borrower, the Ordinance would require the lender to perform an inspection of the property. If the property is vacant, the lender shall register the property with the Code Enforcement Division of the Police Department. The registration includes the name and contact information for the lender. As proposed, registration would be free.

The benefit to the City is that the lender will be responsible for maintaining the property for security and to prevent the property from incurring code violations. Further, if Code Enforcement spots issues, it can contact the lender directly to obtain compliance.

This is only one tool to address blight. This tool is intended to prevent the loss of value in vacant properties or adjoining properties due to a lack of maintenance. For properties that have already lost substantial value, but that are salvageable, the City is considering other solutions such as receiverships and code lien foreclosures to provide additional tools to solve the diverse issue of blight.

**FINANCIAL IMPACT:**

There is no fee proposed. Staff believes it will take time to track the vacant property registrations; however, the benefit to the City in holding the lenders responsible for maintenance

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of vacant properties outweighs the costs.

In some communities, there is a fee to register properties. In the future, the Council might choose to impose a fee if the property is vacant for an extended period of time or require a statement of intent from bank on what steps they are going to take to get the property back on the market. While those are not currently proposed, they are options other communities have used.

**COUNCIL OPTIONS:**

1. Introduce the proposed Ordinance for first reading.
2. Reject the proposed Ordinance and give staff more direction.

**DOCUMENTS ATTACHED:**

- Example Vacant Property Registration Form
- Proposed Ordinance

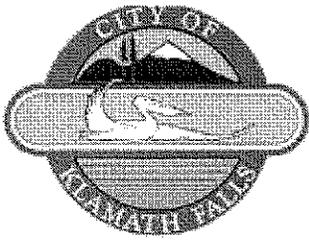
**RECOMMENDED MOTION/ACTION:**

- Take public comment
- Staff recommends option one, move to introduce the Ordinance by title for first reading.

**NOTICE SENT TO:**

- N/A

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# City of Klamath Falls, Oregon

Vacant Property Registration Form

<http://www.klamathfalls.city/> KFC 8.175 – 8.198

## PROPERTY INFORMATION

PROPERTY ADDRESS: \_\_\_\_\_

MAP AND TAX LOT NUMBER: \_\_\_\_\_

## LENDER INFORMATION

NAME OF LENDER: \_\_\_\_\_

LENDER ADDRESS (no PO Box): \_\_\_\_\_

LENDER CONTACT NAME & PHONE #: \_\_\_\_\_

PHYSICAL ADDRESS FOR LENDER'S AGENT, IF APPLICABLE: \_\_\_\_\_

## LOCAL PROPERTY MANAGEMENT INFORMATION, IF APPLICABLE

NAME OF PROPERTY MANAGEMENT COMPANY: \_\_\_\_\_

PROPERTY MANAGER CONTACT NAME & PHONE #: \_\_\_\_\_

I, the undersigned, hereby affirm that I am duly authorized to act on behalf of all the ownership interests in the above described property; that all information is true and correct; that all information herein will be updated within ten (10) days of any change; that any and all notices, including but not limited to legal service of process or citation, shall be sufficient if actually received and that failure to comply with all Klamath Falls codes, rules and registration requirements is subject to citation.

Signature of Lender \_\_\_\_\_

Date \_\_\_\_\_

DO NOT WRITE BELOW THIS LINE—FOR OFFICE USE ONLY

### Please return form to:

Klamath Falls Police Department  
Attn: Code Enforcement  
2501 Shasta Way  
Klamath Falls, OR 97501  
Fax: 541-883-5389

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PD Approved \_\_\_\_\_

Date Entered \_\_\_\_\_

**ORDINANCE NO. 16-\_\_\_\_\_**

**ORDINANCE ADDING SECTIONS 8.175 TO 8.198 OF THE CITY CODE  
AND AMENDING SECTION 8.980 RELATING TO VACANT PROPERTY  
REGISTRATION**

**WHEREAS**, the City desires to create additional tools to deal with the wide-spread problem of housing blight; and

**WHEREAS**, the City often cannot locate responsible parties in vacant properties that have not yet gone through foreclosure; and

**WHEREAS**, the City wishes to require the lender of such vacant properties to register the contact information of the lender with the City. The City wishes the lender to be responsible to maintain the property for security and to prevent code violations; and, **NOW THEREFORE**;

**THE CITY OF KLAMATH FALLS HEREBY ORDAINS AS FOLLOWS:**

**Section 1**

Sections 8.175 to 8.198 of the City Code are added as follows:

**Vacant Residential Property Registration**

**8.175 TITLE AND PURPOSE**

This Act shall be known and may be cited as the Vacant Residential Property Registration Act. The purpose of this vacant residential property registration program is to protect neighborhoods from becoming blighted through the lack of adequate maintenance and security of vacant properties.

**8.178 DEFINITIONS**

The following terms as used in Sections 8.175 to 8.198 (Vacant Residential Property Registration Act) shall mean:

(1) Borrower. Any person who becomes obligated on a real estate loan agreement, either directly or indirectly, and includes, but is not limited to, mortgagors, vendees under conditional land sales contracts and grantors under trust deeds.

(2) Evidence of vacancy. Any condition that on its own, or combined with other conditions present, would lead the Chief of Police to believe that the property is vacant. Such conditions include, but are not limited to, overgrown and/or dead vegetation; accumulation of newspapers, circulars, flyers and/or mail; past due utility notices and/or disconnected utilities; accumulation of trash, junk and/or debris; the absence of window coverings such as curtains, blinds and/or shutters; the absence of furnishings and/or personal items consistent with residential habitation; evidence of trespass or criminal mischief; or statements by neighbors, passerby, delivery persons, and/or government employees that the property is vacant.

(3) Lender. Any person who makes, extends, or holds a real estate loan agreement and includes, but is not limited to, mortgagees; beneficiaries under trust deeds; vendors under conditional land sales contracts; trustees and a successor in interest to any mortgagee, beneficiary, vendor or trustee. The term also includes any mortgagee, beneficiary or trustee that accepts a deed in lieu of foreclosure.

- (4) Notice of default. A written notice to a borrower stating that a default on a real estate loan agreement has occurred and that legal action may be taken.
- (5) Out of area. Outside of Klamath County.
- (6) Real Estate Loan Agreement. Any agreement providing for a loan on residential property, secured in whole or in part by real property located within the City of Klamath Falls, or any interest therein, and includes, but is not limited to mortgages, trust deeds and conditional land sales contracts.
- (7) Vacant. A subject property that is not legally occupied.

### **8.180 INSPECTION**

- (1) Immediately upon default of the borrower, but no later than prior to recording a notice of default with the Klamath County Clerk's Office, a lender shall perform an inspection of the property that is the security for the real estate loan agreement.
- (2) If the property is found to be vacant or shows evidence of vacancy, the lender shall, within ten (10) days of the inspection, register the property with the Chief of Police.
- (3) If the property is occupied but remains in default, the property shall be inspected by the lender on a monthly basis until the borrower remedies the default. If an inspection reveals that the property is vacant or shows evidence of vacancy, the lender shall, within ten (10) days of the inspection, register the property with the Chief of Police.
- (4) Sections 8.175 to 8.198 (Vacant Residential Property Registration Act) also applies to properties that have been the subject of a foreclosure sale where title has transferred from one lender to another lender; and a property transferred under a deed in lieu of foreclosure.

### **8.185 REGISTRATION**

- (1) The registration shall contain the following information:
  - (a) The name of the lender;
  - (b) The direct mailing address of the lender. Post office boxes are not acceptable;
  - (c) The direct contact name and phone number for the lender;
  - (d) The physical address for the lender's agent authorized to receive service of process, if applicable; and
  - (e) The direct contact information for the local property management company responsible for security, maintenance and marketing of the property, if applicable.
- (2) No registration fee shall be imposed. A lender that has registered a property under Sections 8.175 to 8.198 (Vacant Residential Property Registration Act) shall report any change of information contained in the registration within ten (10) days of the change. Properties subject to Sections 8.175 to 8.198 (Vacant Residential Property Registration Act) shall remain under the registration requirement as long as the property remains vacant.
- (3) Registration forms shall be available at the Klamath Falls Police Department and online at the City's website.

### **8.187 MAINTENANCE REQUIREMENTS**

- (1) A lender shall maintain properties subject to Sections 8.175 to 8.198 (Vacant Residential Property Registration Act). Maintenance includes all of the following:
  - (a) Ensuring that the condition of the subject property does not, in the opinion of the Chief of Police, constitute a public nuisance;
  - (b) Regular watering, irrigation, cutting, pruning and mowing of the subject property and the removal of all trimmings, as applicable to the property;

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(c) Pools and spas shall be kept in working order, so that water remains clear and free of pollutants and debris; or drained and kept covered. In either case, subject properties with pools or spas shall comply with the City's minimum security fencing requirements.

(2) If the property is owned by an out of area lender, a local property management company shall be contracted to perform weekly inspections to verify the requirements of this section, and to ensure any other applicable laws are being met. The property management company shall post a direct contact name and 24-hour contact phone number for persons to report problems or concerns, and the posting shall be placed on the interior of a window facing the street to the front of the property so it is visible from the street. If no such area exists, then the posting shall be placed on the exterior of the property in a location visible from the street to the front of the property. An exterior posting shall be constructed of and printed with weather resistant materials.

(3) Adherence to this section does not relieve a person subject to Sections 8.175 to 8.198 (Vacant Residential Property Registration Act) of any obligations set forth in any covenants, conditions and restrictions which may apply to the subject property.

### **8.190 SECURITY REQUIREMENTS**

(1) The lender shall maintain a subject property in a secure manner so as not to be accessible to unauthorized persons, and includes the securing of windows, doors, gates and any other opening of such size that may allow a child to access the interior of the property. Broken windows shall be boarded or reglazed.

(2) If the property is owned by an out of area lender, a local property management company shall be contracted to perform weekly inspections to verify the requirements of this section, and to ensure any other applicable laws are being met. A property management company shall be subject to the same posting requirements as provided for in Section 8.817(2).

### **8.193 ADDITIONAL AUTHORITY**

The Chief of Police shall have the authority to require the lender to implement any additional maintenance and/or security measures including, but not limited to:

- (1) Installation of additional security lighting;
- (2) Increasing on-site inspection frequency;
- (3) Employment of an on-site security guard; and
- (4) Any other measures as may be reasonable required to prevent the decline of the property.

### **8.195 VIOLATION; PENALTY**

(1) A lender that violates any portion of Sections 8.175 to 8.198 (Vacant Residential Property Registration Act) shall be a violation and shall be punished by a fine not more than \$1000.

(2) Citations for violations may be mailed by first class mail to the lender or lender's registered agent.

(3) Enforcement fees may be applied to properties in violation of Sections 8.175 to 8.198 (Vacant Residential Property Registration) pursuant to the criteria defined in Section 8.980 (Enforcement Fees).

### **8.198 APPEALS**

A lender that is required to implement additional maintenance or security measures as provided for in Section 8.190 (Security Requirements) shall have the right to appeal under the procedures set out in Section 1.025 (Uniform Appeal and Hearing Procedure).

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**Section 2**

Sections 8.980(1) of the City Code is amended as follows:

(1) In order to defray the costs of enforcement of Sections 8.000 to 8.298, the Public Safety Officer or his/her designee (the Officer) shall impose fees on those properties and owners of those properties which are found not to be in compliance with the City adopted building codes, the International Property Maintenance Code, Vacant Property Registration Ordinance, or the Geothermal Ordinance (collective referred to as "these Acts").

**Section 3**

This Ordinance shall become effective 30 days after passage.

Passed by the Council of the City of Klamath Falls this \_\_\_ day of March, 2016.

Presented to the Mayor, approved and signed this \_\_\_ day of March, 2016.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Recorder

STATE OF OREGON                    }  
COUNTY OF KLAMATH                }ss.  
CITY OF KLAMATH FALLS            }

I, \_\_\_\_\_, Recorder for the City of Klamath Falls, Oregon, do hereby verify that the foregoing is a true and correct copy of an Ordinance duly adopted by the Council of the City of Klamath Falls, Oregon at the meeting on the \_\_\_ day of March, 2016 and therefore approved and signed by the Mayor and attested by the City Recorder.

\_\_\_\_\_  
City Recorder

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**KLAMATH FALLS CITY COUNCIL  
AGENDA REPORT**



Agenda Item No. 4

Date: March 7, 2016

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Department: Parks

Contact/Title: Susan Kirby, Support Services  
Director

Staff Presenter: John Bellon

Telephone No.: 541-883-5327

City Manager Review: 

Email: [sgkirby@klamathfalls.city](mailto:sgkirby@klamathfalls.city)

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**TOPIC:** Operating Agreement with Klamath Youth Baseball and Softball for Operation and Maintenance of Kiger Stadium

**SUMMARY AND BACKGROUND:**

Kiger Association has been responsible for operations and maintenance of Kiger Stadium for the City for many years; however, that Association provided a 90 day notice that they are cancelling our current agreement. It is staff's understanding that they are going to cease operating and dissolve. Because of the unique nature of our past arrangement, the operator invested all proceeds back into the park, staff believe it would be difficult to find a replacement. Most agreements assume a profit for the operator; whereas, the past arrangement had no profit or administrative fee.

Park's staff e-mailed a Request for Proposals to interested parties (local non-profits) that appeared to have the capabilities for operation and maintenance of the stadium with one response; Klamath Youth Baseball and Softball (KYBS). KYBS is a local non-profit established in 2002 to support youth baseball and softball. They indicated their willingness to invest in the stadium and a desire to see it succeed for future generations of Klamath Falls youth. Staff reviewed KYBS' proposal and determined they met the desired requirements, which includes they work with the Gems for continued use of Kiger Stadium. A copy of the RFP was also sent to the Gems organization.

Subsequently to the RFP, staff had more discussion on items that will need to be addressed in the final contract. We will be discussing, with the stadium operators, the need for a first class concessionaire at all events; the City's right to approve all contracts longer than one year prior to signature; and an annual review of operations with the Parks Advisory Board.

The Parks Advisory Board was contacted by Staff to ask if they wanted to conduct a special meeting for the purposes of making a recommendation to Council; they deferred the decision to Council. With only one proposal and the baseball season rapidly approaching, staff moved the approval process up from the March 21<sup>st</sup> meeting to the March 7<sup>th</sup> meeting.

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**FINANCIAL IMPACT:**

In previous years, the City assisted Kiger Association with \$15,000 a year to aid in maintenance needs. That amount has been outside of the Operating Agreement. The proposed Operating Agreement continues that practice and does not include the \$15,000 from the City. However, the continued contribution is in the City's long range financial plan and would likely be included for consideration in the annual budget. KBYS is anticipating the continuance of this contribution with Council approval annually. Approval of the proposed Agreement would result in no loss to the City as KYBS would be responsible for all financial aspects of operating and maintaining the facility.

**COUNCIL OPTIONS:**

1. Authorize Staff to enter into an Agreement with Klamath Youth Baseball and Softball for operations and maintenance of Kiger Stadium
2. Decline to authorize the Agreement and direct City staff to operate the stadium using City employees.
3. Decline to authorize the Agreement with Klamath Youth Baseball and Softball and provide direction to Staff

**DOCUMENTS ATTACHED:**

- Request for Proposal
- Klamath Youth Baseball and Softball Proposal
- Draft Kiger Stadium Operating Agreement

**RECOMMENDED MOTION/ACTION:**

Move to authorize Staff to enter into a Kiger Stadium Operating Agreement with Klamath Youth Baseball and Softball for a period of three years with the option to renew for two additional five-year terms.

**NOTICE SENT TO:**

- Klamath Youth Baseball
- Kiger Association
- Sports Complex

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**CITY OF KLAMATH FALLS  
REQUEST FOR PROPOSALS**

The City of Klamath Falls (City) is requesting Proposals for:

**Kiger Stadium Operating Agreement**

**I. OVERVIEW**

The City is seeking proposals to responsibility for all aspects of the operations of Kiger Stadium including, but not limited to: management, administration, operation, use, scheduling, advertising, marketing, promotion, security, licensing, provision of concessions, maintenance and repair.

The previous operator was a non-profit corporation who invested all revenues from the programs and advertising of Kiger into the programs at Kiger. Ideally, the City would like to find a similar organization that is dedicated to meeting the goals and objectives this community.

The selected firm shall operate the Stadium primarily as a youth baseball facility assuring continued access to all baseball groups who have traditionally played at Kiger, provided, however, other events designed to raise funds for the operation of the Stadium may also be scheduled provided they do not unduly interfere with youth baseball use.

The selected organization will manage and operate the Stadium so that the following goals and objectives are met:

- Scheduling of Oregon Institute of Technology baseball leagues.
- Operation of first-class concessions.
- Scheduling the collegiate baseball league (also known as the "Klamath Falls Gems").
- Scheduling youth baseball leagues.
- Scheduling youth or college level baseball tournament games. Such tournaments shall have priority over regular season games.
- Promotion of Kiger Stadium as a world-class stadium.
- Availability of the Stadium for no less than three community events per year.

Currently, the Klamath Fall Gems operate a collegiate baseball league at Kiger Stadium, however there is no current agreement with the Gems. The operator of Kiger Stadium would be expected to negotiate an agreement with the owners of the Gems that would benefit the Stadium.

**II. PROCUREMENT PROCESS**

**A. General**

The procurement of these services will proceed in two phases:

1. Statements of Qualifications and Proposals shall be submitted to the City Recorder, 500 Klamath Avenue, Klamath Falls, OR 97601, no later than **4:00 p.m. local time on Monday, February 22, 2016** after which time they will be reviewed and evaluated. Interested individuals shall submit one original and three copies of their entire Proposal.

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2. At the option of the City, interviews may be requested from individuals qualifying as finalists. If determined necessary, interviews will be held in accordance with the schedule contained in this RFP.

The final selection, if any, will be that Proposal which, in the sole discretion of the City, best meets the requirements set forth in this RFP and is in the best interest of the City.

**B. Schedule**

The selection process will proceed as outlined below:

<u>Date</u>	<u>Selection Process</u>
February 10, 2016	RFP Document Issues
February 22, 2016	Submittals Due (4:00 p.m. Local time)
February 23 - 29 2016	Panel will Evaluate Proposals
March 3, 2016	Parks Advisory Recommendation
March 21, 2016	Council Decision

**C. Consultant Selection**

Generally, the Panel will be composed of City staff with expertise in specific areas of interest for the RFP. The Panel will make a recommendation to City Council for the selected organization.

**D. Selection Criteria**

The criteria outlined below will be used to evaluate the Proposals.

- |   |     |
|---|-----|
| 1. Experience in community outreach                 | 15% |
| 2. Familiarity with the community and Kiger Stadium | 15% |
| 3. Investment in Kiger Stadium                      | 25% |
| 4. Business Plan                                    | 15% |

**E. Sample Agreement**

Attached to this RFP is a sample Operating Agreement. Proposers are expected to meet all obligations in the sample Agreement, including insurance.

**III. DOCUMENTATION AND PRESENTATIONS**

The following information shall be submitted in a clear, comprehensive and concise manner and in the prescribed format. The prime proposer shall submit **one original and three copies**.

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**A. Letter of Interest.**

The letter of interest may contain any other information not shown on the Proposal.

**B. Proposals.**

Proposals shall include the following information in a clear, comprehensive and concise manner. The information listed below reflects the selection criteria in Section II.

**1. Experience in Community Outreach**

- a. Provide a description of your organization. Please provide information on the leadership in the organization including education, employment and personal interests.
- b. Describe how you would establish and maintain communication between you and the stakeholders.
- c. Describe any concepts that you know are specific to marketing and operating baseball facilities.

**2. Familiarity with the community and Kiger Stadium**

- a. Describe your understanding of the Klamath community and its baseball needs.
- b. Describe your understanding of the Kiger Stadium and the issues at hand.
- c. Describe your experience, affiliation, and memberships with any baseball or related organizations.

**3. Investment in Kiger Stadium**

- a. Estimate the annual costs and revenues to carry out the Agreement for 12 months and the estimated hours to be dedicated to the project.
- b. Estimate the return on investment you expect the City to receive through your services.

**4. Business Plan**

- a. Describe how you would structure a relationship with the owners of the Klamath Falls Gems to benefit the Stadium.
- b. Summarize any service enhancements, best practices and creative approaches to operating the Stadium.
- c. Specify what, if any, assistance from the City you would find helpful or necessary for the successful completion of the contract.

**INFORMATION OR QUESTIONS**

Proposers must familiarize themselves with available information regarding Kiger Stadium. For questions related to current conditions, past practices, etc., contact John Bellon, Parks Manager at (541) 883-5391.

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**CONFIRMATION OF RFP SUBMITTALS**

**PROJECT NAME:** Kiger Stadium

**DATE AND TIME OPENED:** 2-22-2016 @ 4 p.m.

**STAFF REPRESENTATIVE(S) PRESENT:**

Elisa Olson, City Recorder

BIDDER NAME & ADDRESS
Klamath Youth Baseball and Softball 8842 Arant Road Klamath Falls 97603

/S/ Elisa D. Olson  
Elisa Olson  
City Recorder

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**Klamath Youth Baseball and Softball**  
8842 Arant Road, Klamath Falls, OR 97603

February 22, 2016

City of Klamath Falls,

Klamath Youth Baseball and Softball (KYBS) would like to respectfully submit the attached proposal to enter into an agreement with the City of Klamath Falls to operate Kiger Stadium.

Kiger Stadium is a landmark, important to many people in Klamath Falls, and Klamath Youth Baseball and Softball wants to see this facility not only survive, but thrive. We have done our due diligence and recognize the challenges of assuming this responsibility. We do not take these challenges lightly and believe that our organization is qualified to manage Kiger Stadium.

Also attached are two years of financial statements for KYBS.

Thank you for your consideration,

A handwritten signature in black ink that reads 'Dave Snider'.

Dave Snider, President – Klamath Youth Baseball and Softball.

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Kiger Proposal

1. Experience in Community Outreach

a. Klamath Youth Baseball and Softball (KYBS) is a non-profit organization (501c3) EIN 68-0494059. Our mission is to provide the best possible opportunity for boys and girls in our community to participate in, and enjoy playing baseball and softball.

- David Snider – President
  - Became a local business owner in 2014 after managing a local business for 18 years
  - Personal Interests – Youth Sports, Golf, Hunting and Fishing
- Greg Rote – Vice President
  - Licensed private investigator with the State of Oregon, with an Advanced Certificate in Criminal Justice and a Terrorism Management Certificate
  - A local business owner since 2007
  - Personal Interests – Youth Sports, hunting and fishing with family
- John Mick – Secretary
  - MBA – UC Berkeley, BA – Oregon Institute of Technology
  - Small Business owner in Klamath Falls since 2005
  - Personal Interests – Outdoor activities and youth sports
- Tina Snider – Treasurer
  - MBA – Southern Oregon University, BA – Oregon Institute of Technology
  - Chief Financial Officer, Ed Staub & Sons Petroleum, Inc.
  - Board Member/Treasurer – Reames Golf and Country Club, Klamath Youth Baseball & Softball, 2015 Sr. Babe Ruth World Series
- Adam Yancey – Softball Liaison
  - Attended Oregon Institute of Technology
  - Self Employed
  - Personal Interests – coaching youth sports, hunting, spending time with the family
- Dan Graham – Babe Ruth Liaison
  - Graduated from High School in Klamath Falls
  - Local Business Owner – Superior Fence, and Superior Landscape
  - Personal Interests – coaching youth sports, and involvement in various boards and non-profit organizations in Klamath County, and Hunting

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- b. In order to establish and maintain communication between KYBS and Stadium Stakeholders, we would create a "Kiger Stadium" committee: This committee would include a chairperson to oversee the committee and would include members with the following responsibilities: game scheduling, concessions management, facility maintenance, field maintenance, financial management, non-baseball events and grants, fundraising/sponsors, and marketing.
    - Communication with stakeholders would be directly with the chairperson
  - c. Marketing and operating baseball facilities require an ability to connect with fans and volunteers of all ages and demographics.
    - We intend to market our teams and our stadium, plus special events and fundraisers that support our teams and Kiger stadium using radio (6 different local stations). We are very close to signing a 3 year contract that would secure this radio advertising.
    - We will also advertise with signage, that is located on Kiger Stadium and that will be present at local High School Baseball and Softball fields
    - And most importantly, we will communicate with fans, players, and volunteers face to face on a regular basis all year long promoting our teams, our leagues, our players and Kiger Stadium. We will do this at youth sporting events, at businesses, and at any venue that creates the opportunities to promote our teams and Kiger Stadium
2. Familiarity with the community and Kiger Stadium
- a. Klamath Falls has considered itself a "baseball town" for many years, and Kiger Stadium is synonymous with Baseball. Kiger Stadium has been a source of community pride and a park that has generated significant memories for Klamath County residents over generations. We want this to remain for future generations of Klamath County youth baseball players.
  - b. Kiger Stadium faces multiple challenges.
    - i. The facility is old and will require repairs and upgrades in order to remain safe and viable.
    - ii. A key to covering both annual operating costs and long-term maintenance costs is that we must generate community support and excitement around Kiger Stadium. Which will increase attendance and support through advertising and sponsorships. We believe the best way to do this is to rebuild our youth baseball programs where we can generate significant community involvement with the teams. An example of this potential was shown in the Sr. Babe Ruth World Series that was Hosted at Kiger Stadium in August 2015. During that tournament we had some of the largest attendance at Kiger Stadium in years (even when the local team wasn't playing).

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c. KYBS began supporting youth baseball in Klamath Falls in 2009. Since that time we have supported many different baseball and softball organizations primarily by assisting them with fundraising and by soliciting sponsors. On average we have raised over \$15,000 per year which is donated back to baseball and softball programs and we are budgeted to donate over \$30,000 back to youth programs in 2016. In 2013 we took a major role in assisting the local Sr. Babe Ruth Organization which was transitioning from playing American Legion Baseball to playing Sr. Babe Ruth Baseball. Since making that change in 2013 this team has:

- 2<sup>nd</sup> place at the West Coast Regional tournament in 2013
- 2<sup>nd</sup> place at the World Series tournament in 2014
- 4<sup>th</sup> place at the World Series tournament in 2015

3. Investment in Kiger Stadium – We estimate the following costs and revenues:

- Expenses
  - Annual/routine operating costs are estimated at between \$50,000 and \$55,000 each year
  - This does not include extraordinary costs associated with major facility refurbishment
- Revenue (net of expenses)
  - City Support - \$15,000
  - Youth (non-high school) - \$500
  - Signage - \$10,000
  - Youth tournaments (includes high school age) - \$10,000 (avg \$30,000 every 3 years)
- Other Revenue (net of expenses – non youth activities)
  - Collegiate rental - \$1,500
  - Gems rental - \$6,000
    - In 2017 we project this to increase to \$13,000
    - In 2018 we project this to increase to \$18,000
    - If the Gems were to leave Klamath Falls, we expect to offset this revenue by increasing signage fees (currently going to the gems)
  - Other non-baseball events - \$7,000
- Estimate of Volunteer Hours - 1,816 hours/year
  - Committee meetings, game and field management, scheduling, negotiating contracts, concession management
- a. We estimate the ROI the city will receive through our services to be \$90,667 per year. This is based on the following:
  - 1,816 volunteer hours @ \$18/hour with 1.55x burden rate = \$50,667
  - \$55,000 annual operating costs – \$15,000 payment from the city = \$40,000

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#### 4. Business Plan

- a. An important component of managing Kiger stadium is going to be structuring a contract with the Gems. In order to do this successfully we must
  - i. Perform a cost benefit analysis regarding revenue that is currently received from the Gems and all associated expenses. It is critical that the stadium receive adequate compensation to cover operating costs associated with the Gems, as well as compensation to cover facility "wear and tear" depreciation.
  - ii. Scheduling (currently we only have 3 dates that conflict during the summer - this indicates that Gems and Youth (Falcons/Cardinal) teams can coexist. So long as there is a desire by both parties to work together.
  - iii. Concessions - In prior contracts, the gems had agreed to compensate Kiger Stadium for receiving 100% control of all concessions. However, in most cases this compensation was never received and service has been inconsistent at both Gems events and youth events. If the Gems choose to run the concessions poorly during Gems events there isn't much we can do about it. But, we cannot allow the Gems to create a negative impact on the community/fan experience at our youth events. We would expect to have full use of 1 of the 3 concession areas at the stadium during all non-gems events.
  - iv. Signage - We intend to work with the "Kiger Board" to understand all long term commitments/agreements with sponsors and advertisers. And, we intend to negotiate with the gems to ensure that the stadium receives some % of compensation related to signage sold by the Gems.
- b. Service enhancements, best practices and creative approaches to operating the stadium.
  - i. Over the last few seasons "fans" have seen a decline in service at Kiger Stadium. There are many motivated volunteers who would like to see this change by putting a renewed effort toward supporting youth baseball as opposed to organizations like the Gems.
    1. From the standpoint of the Gems, we would like to see their level of service improve, but that will be difficult for us to control. Therefore, our focus will be on improving the experience at youth baseball events.
  - ii. We would like to increase community participation at Kiger stadium by organizing youth tournaments and promoting special events like alumni games, and non-baseball events like the Kiger Hops Brew Festival which was attempted last year.
  - iii. Endowment Fund - Our group would also like to spend time setting up an endowment fund that would make Kiger stadium sustainable in years when income from teams, etc was lower, or when extraordinary costs arise. This endowment fund would be started with use of grants and fundraising events

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c. As part of our business plan, we would also request continued support from the City of Klamath Falls

- i. We would request \$15,000 annually to assist with annual operating costs.
- ii. We would request additional assistance from time to time when long term maintenance/repair projects are determined to be necessary.
- iii. We would request the City's assistance whenever and wherever possible with securing outside grants for stadium improvements such as lighting upgrades.

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Balance Sheet  
As of 12/31/2015

KLAMATH YOUTH BASEBALL & SOFTBALL (KYB)

	Year to Date	Prior Year to Date
<b>Assets</b>		
Washington Federal - KYBS	\$ 35,394.99	\$ 30,922.62
Washington Federal - Basin Bandits	1,870.41	0.00
<b>Total Assets:</b>	<b>\$ 37,265.40</b>	<b>\$ 30,922.62</b>
<b>Equity</b>		
Prior Year Retained Earnings	30,922.62	19,242.20
Current Year Net Income (Loss)	6,342.78	11,680.42
<b>Total Equity:</b>	<b>37,265.40</b>	<b>30,922.62</b>
<b>Total Liabilities &amp; Equity:</b>	<b>\$ 37,265.40</b>	<b>\$ 30,922.62</b>

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Summary Income Statement  
For The 12 Periods Ended 12/31/2015

KLAMATH YOUTH BASEBALL & SOFTBALL (KYB)

	Period to Date	%	Prior Year: Period to Date	%	Year to Date	%	Prior Year to Date	%
<b>Revenue</b>								
2014 Sponsorship Donations	\$ 0.00	0.00	\$ 0.00	0.00	\$ 100.00	0.13	\$ 16,306.00	25.98
2016 Sponsorship Donations	7,150.00	98.60	0.00	0.00	7,150.00	9.11	0.00	0.00
2015 Sponsorship Donations	0.00	0.00	2,550.00	141.53	11,200.00	14.28	5,800.00	9.25
Player Fee Income	0.00	0.00	0.00	0.00	23,588.00	30.07	0.00	0.00
Grant Donations	0.00	0.00	0.00	0.00	(1,200.00)	(1.53)	2,000.00	3.19
Fundraiser Income	100.00	1.38	0.00	0.00	33,889.85	43.18	0.00	0.00
Beer/Wine Cart Income	0.00	0.00	0.00	0.00	1,956.66	2.49	0.00	0.00
Miscellaneous Income	0.00	0.00	(750.00)	(41.53)	1,765.00	2.25	38,601.50	61.54
Interest Income	1.32	0.02	1.80	0.10	16.98	0.02	29.48	0.05
<b>Total Revenue:</b>	<b>7,251.32</b>	<b>100.00</b>	<b>1,801.80</b>	<b>100.00</b>	<b>78,446.49</b>	<b>100.00</b>	<b>62,730.96</b>	<b>100.00</b>
<b>Gross Profit:</b>	<b>7,251.32</b>	<b>100.00</b>	<b>1,801.80</b>	<b>100.00</b>	<b>78,446.49</b>	<b>100.00</b>	<b>62,730.96</b>	<b>100.00</b>
<b>Expenses</b>								
Donations/Grants Given	0.00	0.00	250.00	13.88	1,648.93	2.10	2,790.00	4.45
Uniforms/Hats	0.00	0.00	0.00	0.00	9,101.56	11.60	945.56	1.35
Equipment Donations	0.00	0.00	0.00	0.00	2,431.55	3.10	0.00	0.00
Fuel and Travel Expenses	0.00	0.00	0.00	0.00	623.74	0.80	2,288.29	3.65
Fundraiser Expense	0.00	0.00	0.00	0.00	14,061.02	17.91	0.00	0.00
Beer/Wine Cart Expense	0.00	0.00	0.00	0.00	858.63	1.09	0.00	0.00
Miscellaneous Expense General & Admin	0.00	0.00	0.00	0.00	19,647.86	25.05	33,059.82	52.70
Travel Team Coaching	0.00	0.00	0.00	0.00	5,675.00	7.23	4,000.00	6.38
Tournament Entry Fee	(335.00)	(4.62)	0.00	0.00	7,570.00	9.78	400.00	0.64
Umpire Fees	0.00	0.00	0.00	0.00	1,650.00	2.10	0.00	0.00
Field Rental	0.00	0.00	0.00	0.00	620.00	0.79	0.00	0.00
Hotel & Lodging	0.00	0.00	0.00	0.00	4,517.56	5.76	2,578.94	4.11
Meals	33.00	0.46	17.97	1.00	1,300.86	1.66	3,764.13	6.00
Licenses and Dues	0.00	0.00	0.00	0.00	1,548.40	1.97	0.00	0.00
Advertising & Promotional	0.00	0.00	0.00	0.00	260.00	0.33	895.98	1.43
Insurance Expense	0.00	0.00	0.00	0.00	287.70	0.37	0.00	0.00
Bank Fees	(1.00)	(0.01)	0.00	0.00	25.00	0.03	149.60	0.24
Credit Card Merchant Fee	0.00	0.00	0.00	0.00	139.90	0.18	30.22	0.05
OR Secretary of State Fees	0.00	0.00	0.00	0.00	0.00	0.00	160.00	0.24
Tax Expense	0.00	0.00	0.00	0.00	45.00	0.06	100.00	0.16
<b>Total Expenses:</b>	<b>(303.00)</b>	<b>(4.18)</b>	<b>267.97</b>	<b>14.87</b>	<b>72,103.71</b>	<b>91.91</b>	<b>51,050.54</b>	<b>81.38</b>
<b>Net Income From Operations:</b>	<b>7,554.32</b>	<b>104.18</b>	<b>1,533.83</b>	<b>85.13</b>	<b>6,342.78</b>	<b>8.09</b>	<b>11,680.42</b>	<b>18.62</b>
<b>Earnings Before Income Tax:</b>	<b>7,554.32</b>	<b>104.18</b>	<b>1,533.83</b>	<b>85.13</b>	<b>6,342.78</b>	<b>8.09</b>	<b>11,680.42</b>	<b>18.62</b>

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Summary Income Statement  
 For The 12 Periods Ended 12/31/2015

KLAMATH YOUTH BASEBALL & SOFTBALL (KYB)

	Period to Date	%	Prior Year Period to Date	%	Year to Date	%	Prior Year to Date	%
Net Income (Loss):	\$ 7,554.32	104.18 %	\$ 1,533.83	85.13 %	\$ 6,342.78	8.09 %	\$ 11,680.42	18.62 %

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Balance Sheet  
As of 12/31/2014

KLAMATH YOUTH BASEBALL & SOFTBALL (KYB)

	<u>Year to Date</u>	<u>Prior Year to Date</u>
<b>Assets</b>		
Washington Federal - KYBS	\$ 30,922.62	\$ 0.00
<b>Total Assets:</b>	<u>\$ 30,922.62</u>	<u>\$ 0.00</u>
<b>Equity</b>		
Prior Year Retained Earnings	19,242.20	0.00
Current Year Net Income (Loss)	11,680.42	0.00
<b>Total Equity:</b>	<u>30,922.62</u>	<u>0.00</u>
<b>Total Liabilities &amp; Equity:</b>	<u>\$ 30,922.62</u>	<u>\$ 0.00</u>

Summary Income Statement  
For The 12 Periods Ended 12/31/2014

KLAMATH YOUTH BASEBALL & SOFTBALL (KYB)

	Period to Date	%	Prior Year Period to Date	%	Year to Date	%	Prior Year to Date	%
<b>Revenue</b>								
2014 Sponsorship Donations	\$ 0.00	0.00 %	\$ 0.00	0.00 %	\$ 16,300.00	25.98 %	\$ 0.00	0.00 %
2015 Sponsorship Donations	2,350.00	141.53	0.00	0.00	5,800.00	9.25	0.00	0.00
Grant Donations	0.00	0.00	0.00	0.00	2,000.00	3.19	0.00	0.00
Miscellaneous Income	(750.00)	(41.63)	0.00	0.00	38,601.50	61.54	0.00	0.00
Interest Income	1.80	0.10	0.00	0.00	29.46	0.05	0.00	0.00
<b>Total Revenue:</b>	<b>1,801.80</b>	<b>100.00</b>	<b>0.00</b>	<b>0.00</b>	<b>62,730.96</b>	<b>100.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Gross Profit:</b>	<b>1,801.80</b>	<b>100.00</b>	<b>0.00</b>	<b>0.00</b>	<b>62,730.96</b>	<b>100.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Expenses</b>								
Donations/Grants Given	250.00	13.88	0.00	0.00	2,790.00	4.45	0.00	0.00
Uniforms/Hats	0.00	0.00	0.00	0.00	845.56	1.35	0.00	0.00
Fuel and Travel Expenses	0.00	0.00	0.00	0.00	2,288.29	3.65	0.00	0.00
Miscellaneous Expense General & Admin	0.00	0.00	0.00	0.00	33,059.82	52.70	0.00	0.00
Travel Team Coaching	0.00	0.00	0.00	0.00	4,000.00	6.38	0.00	0.00
Tournament Entry Fee	0.00	0.00	0.00	0.00	400.00	0.64	0.00	0.00
Hotel & Lodging	0.00	0.00	0.00	0.00	2,576.94	4.11	0.00	0.00
Meals	17.97	1.00	0.00	0.00	3,754.13	6.00	0.00	0.00
Advertising & Promotional	0.00	0.00	0.00	0.00	895.98	1.43	0.00	0.00
Bank Fees	0.00	0.00	0.00	0.00	149.60	0.24	0.00	0.00
Credit Card Merchant Fee	0.00	0.00	0.00	0.00	30.22	0.05	0.00	0.00
OR Secretary of State Fees	0.00	0.00	0.00	0.00	150.00	0.24	0.00	0.00
Tax Expense	0.00	0.00	0.00	0.00	100.00	0.16	0.00	0.00
<b>Total Expenses:</b>	<b>267.97</b>	<b>14.87</b>	<b>0.00</b>	<b>0.00</b>	<b>51,050.54</b>	<b>81.38</b>	<b>0.00</b>	<b>0.00</b>
<b>Net Income From Operations:</b>	<b>1,533.83</b>	<b>85.13</b>	<b>0.00</b>	<b>0.00</b>	<b>11,680.42</b>	<b>18.62</b>	<b>0.00</b>	<b>0.00</b>
<b>Earnings Before Income Tax:</b>	<b>1,533.83</b>	<b>85.13</b>	<b>0.00</b>	<b>0.00</b>	<b>11,680.42</b>	<b>18.62</b>	<b>0.00</b>	<b>0.00</b>
<b>Net Income (Loss):</b>	<b>\$ 1,533.83</b>	<b>85.13 %</b>	<b>\$ 0.00</b>	<b>0.00 %</b>	<b>\$ 11,680.42</b>	<b>18.62 %</b>	<b>\$ 0.00</b>	<b>0.00 %</b>

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**KIGER STADIUM OPERATING  
AGREEMENT**

**THIS AGREEMENT** is made and entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, by and between the CITY OF KLAMATH FALLS, OREGON, a municipal corporation (hereinafter referred to as "City") \*\* (hereinafter referred to as "\*\*\*"):

**WHEREAS**, the City is owner of a baseball facility known as "Kiger Stadium" ("Stadium"); and

**WHEREAS**, the parties desire to enter into an agreement which will provide for \*\*\* to continue managing the stadium for youth baseball; **NOW THEREFORE, THE PARTIES HERETO HAVE AGREED AS FOLLOWS:**

1. **TERM:** The term of this Agreement shall commence be from April 1, 2016 and shall continue until December 31, 2019. If the City finds that \*\*\*'s performance is satisfactory, \*\*\* may extend this Agreement for two additional five-year terms. The notice to extend must be received by the City no later than 90 days before the end of the term.

2. **OPERATION:** \*\*\* shall have the exclusive authority and responsibility for all aspects of the operations of the Stadium including, but not limited to: management, administration, operation, use, scheduling, advertising, marketing, promotion, security, licensing, provision of concessions, maintenance and repair, all in accordance with the terms of this Agreement. The Stadium includes the parking lot and City's personal property at the Stadium.

To accomplish the management of the Stadium, \*\*\* shall perform the following:

- A. Employ personnel and engage contractors, necessary and sufficient to perform \*\*\*'s obligations under this Agreement;
- B. Provide for the scheduling of events at the Stadium and the establishment of rental and usage rates for the Stadium;
- C. Provide for the marketing, advertising, and promotion of the Stadium;
- D. Grant concessions, licenses, and other comparable rights relating to the sale of food, beverages, and merchandise at the Stadium, subject to the approval of the City in its commercially reasonable judgment regarding the Stadium. Any such contract or agreement, permit, license or scheduling which would extend past the term of this agreement must have the prior written consent of the City Manager. Since the City grants only the privilege of operating the Stadium, in no circumstance may \*\*\* grant a lease or property interest in the Stadium;
- E. Provide for the maintenance and repair of the Stadium in accordance with the terms of Section 5 and, with an affirmative duty of periodic inspection, advise the City promptly in writing of any condition in the Stadium of which \*\*\*'s officers or managerial employees become aware which may indicate the need for capital improvement/structural repair;
- F. Pay all personal or property taxes assessed;
- G. Purchase all materials and supplies necessary for the operation of the Stadium;
- H. Pay all Stadium operating expenses;
- I. Keep and maintain the Stadium, and all activities occurring on or in connection with the Stadium;
- J. Arrange for and maintain in force all licenses, permits, certificates, approvals, franchises, and other authorizations required in connection with the operation, use, maintenance and repair of the Stadium; and

3. **GOALS AND OBJECTIVES:** \* shall operate the Stadium primarily as a youth baseball facility assuring continued access to all baseball groups who have traditionally played at Kiger, provided, however, other events designed to raise funds for the operation of the Stadium may also be scheduled provided they do not unduly interfere with youth baseball use. \*\*\* agrees to manage and operate the Stadium so that the following goals and objectives are met:

- Scheduling of Oregon Institute of Technology baseball leagues.
- Operation of first-class concessions.
- Scheduling the collegiate baseball league (also known as the "Klamath Falls Gems").
- Scheduling youth baseball leagues.
- Scheduling youth or college level baseball tournament games. Such tournaments shall have priority over regular season games.
- Promotion of Kiger Stadium as a world-class stadium.
- Availability of the Stadium for no less than three community events per year.

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4. USE OF KIGER STADIUM: In operation of the Stadium, \*\*\* shall assure that no person shall, on the grounds of race, creed, color, national origin, sex, age or disability, be excluded from participating in any activity conducted at the Stadium.
5. MAINTENANCE: \*\*\* shall at all times operate the Stadium in an orderly, well-controlled and attractive manner, and shall comply with all applicable safety regulations and requirements, and shall not allow or permit any debris or waste to accumulate upon the premises. Maintenance of ball fields shall strive to keep athletic standards for sports turf-grass, warming track, and skinned areas on baseball fields. The City shall contribute to capital improvements as needed, within the discretion of the City and upon reasonable notification by \*\*\*\*.
6. UTILITIES: \*\*\* shall be solely responsible for utility costs associated with use of the Stadium with the exception of domestic, non-irrigation, water which shall be supplied by City at no cost.
7. COMPLIANCE WITH ORDINANCES AND REGULATIONS: \*\*\* agrees to comply with all applicable federal, state, and county statutes, ordinances, rules and regulations. Because the Stadium is considered part of the City's public parks system, the possession and/or consumption of any alcoholic liquor or beverage on Stadium premises is prohibited unless authorized in advance by the City Council. On March 23, 2011, the City Council granted the Klamath Falls Gems Baseball Club to sell beer and wine for consumption in Kiger Stadium during Gems games provided that Council may revoke this privilege, with adequate notice, if at any time, OLCC and/or City regulations are violated.
8. CANCELLATION: The City may cancel this agreement only in the event that \*\*\* is in default in the performance of any provisions of this agreement on its part to be performed and has failed to correct such default within 60 days of City's written notice thereof. \*\*\* may terminate this lease, without reason, upon 180 days written notice to the City.
9. RISKS: \*\*\* shall assume all risks incident to, or in connection with, the activities to be conducted hereunder and shall be solely responsible for accidents or injuries to persons or property caused by its operations at the Stadium and shall indemnify, defend and save harmless the City, and its authorized employees, agents and representatives, from any penalties for its violation of any law, ordinance or regulation affecting its operations and from any and all claims, suits, losses, damages or injuries to persons or property arising out of the operations or resulting from the carelessness, negligence or improper conduct of \*\*\*, or any of its volunteers, agents or employees, in connection with this Agreement.
10. INSURANCE:
- A. Insurance. The activities under this Agreement will be performed entirely at \*\*\*\*'s risk. At least once a year, \*\*\*\* shall furnish City with proof of insurance coverage issued by an insurance company licensed to do business in the State of Oregon and a certificate satisfactory to the City, as specified below:
1. Workers' compensation coverage as required by law and to include employer's liability with limits of not less than \$500,000 per occurrence.
  2. General commercial liability coverage for damages as a result of death or bodily injury (including personal injury) to any person's destruction or damage to any property with limits of not less than \$1,000,000 each occurrence, \$2,000,000 policy aggregate. Such coverage shall include, but is not limited to the following: commercial general liability coverage, products liability including completed operations, premises operations including X (explosion), C (collapse), U (underground), and personal injury. All coverage shall be on an occurrence basis and not on a claim made basis.
  3. The insurance shall provide a 30 day notice of cancellation or material change and the insurance certificate shall include endorsements for additional insured, naming "City of Klamath Falls, its elected officials, employees, agents, and volunteers" as an additional insured.
- B. \*\*\* shall require all users of the Stadium to provide to name the City of Klamath Falls as an additional insured.
- C. \*\*\* shall be solely responsible for purchasing adequate insurance upon all property, goods, wares or merchandise owned by \*\*\* and moved into or located upon the Stadium premises and \*\*\* specifically warrants and covenants to hold City harmless from any and all liability for any damage to, or claim related to, said property,

goods, wares or merchandise, save any liability due to City's failure to perform City's duties and obligations under this Agreement.

D. City shall continue to maintain a fire insurance policy including extended coverage, vandalism and all other perils (all risk) insuring City's interests in the Stadium for a value equal to the replacement cost of the Stadium premises.

11. WAIVER OF PERFORMANCE: Any waiver by the City of any breach of any covenant herein contained to be kept and performed by \*\*\* shall not be deemed or considered as a continuing waiver, and shall not operate to bar or prevent the City from declaring a forfeiture for any succeeding breach, either of the same condition or covenant or otherwise.

12. RIGHT OF ASSIGNMENT: Neither party shall assign, sublet or transfer any interest in this Agreement.

13. RIGHT OF ENTRY: This is not a lease and therefore, it shall be lawful for the City, its agents and representatives, at any reasonable time to enter into or upon said Stadium premises for the purpose of examining the condition thereof, or any other lawful purpose.

14. LIENS UPON PREMISES: \*\*\* agrees to keep the Stadium premises free and clear of all liens or claims for liens during the period of this agreement, unless prior written consent by City is given to the creation of such a lien.

15. NOTICES: Notices: All written notices given to the City shall be addressed to and filed with the City Manager, at City of Klamath Falls, P.O. Box 237, Klamath Falls, Oregon 97601, or by facsimile at 541-883-5399. All written notices to \*\*\* shall be addressed to \_\_\_\_\_, unless notice of change of address is received by the City.

IN WITNESS WHEREOF, the parties hereto have hereunto caused this Agreement to be executed by their duly authorized representatives.

CITY OF KLAMATH FALLS

\*

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

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

Attest: \_\_\_\_\_  
City Recorder

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

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

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