

6:30 p.m. **Work Session – Discussion of Potential Lease with Sky Lakes Medical Center for the Vacant City Property located at 11th Street and Klamath Avenue**

**AGENDA FOR COUNCIL MEETING
KLAMATH FALLS CITY COUNCIL
APRIL 18, 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

PRESENTATION OF SERVICE AWARDS

Christopher Zupan	Police Department	10 years
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PUBLIC COMMENT

1. CONSENT AGENDA

- a. Approval of April 18, 2016 agenda and April 4, 2016 regular meeting minutes

LAND USE PUBLIC HEARING - QUASI JUDICIAL – NONE

LAND USE PUBLIC HEARING – LEGISLATIVE - NONE

GENERAL PUBLIC HEARING

2. RESOLUTION ADOPTING A SUPPLEMENTAL BUDGET FOR FISCAL YEAR 2015-2016 WITHIN THE FOOTPATHS/BICYCLE TRAILS FUND, AIRPORT FUND, DOWNTOWN MAINTENANCE DISTRICT FUND, PARKS FUND, STREETS FUND, AND STREET LIGHTING FUND

- a. Report of Support Services Director
- b. Hold a Public Hearing
- c. Move to Introduce the Resolution by title
- d. Move to approve the Resolution

LEGISLATIVE ACTION

3. **AUTHORIZATION TO ENTER A CONSULTING SERVICES CONTRACT WITH FOUNDATION ENGINEERING, INC. FOR BALSIGER BLOCK GEOTECHNICAL WORK IN AN AMOUNT NOT TO EXCEED \$24,610**
 - a. Report of City Engineer
 - b. Move to authorize execution of a Consulting Services Contract with Foundation Engineering, Inc. to complete Balsiger Block Geotechnical Work in an amount not-to-exceed \$24,610

4. **RESOLUTION APPROVING A TRANSFER OF APPROPRIATIONS FOR FISCAL YEAR 2015/2016 WITHIN THE DOWNTOWN URBAN RENEWAL FUND AND GENERAL FUND**
 - a. Report of Support Services Director
 - b. Move to Introduce the Resolution by title
 - c. Move to approve the Resolution

5. **PURCHASE OF TASERS FROM TASER INTERNATIONAL INC. IN THE AMOUNT OF \$49,870**
 - a. Report of Police Captain
 - b. Move to approve the purchase of Tasers from Taser International Inc. in the amount of \$49,870

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
- (j) - 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



Certificate of Service

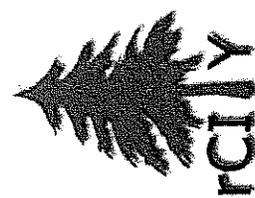
Awarded to:
Corporal Christopher Zupan
Police Department

For completion of:
10 Years of Service

on
April 1, 2016



Nathan Cherpeski, City Manager



MINUTES
KLAMATH FALLS CITY COUNCIL
April 4, 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
 John Barsalou, Airport Director
 Dave Henslee, Police Chief
 Mark Willrett, Public Works Director
 Scott Souders, City Engineer
 Joe Wall, Management Assistant
 John Bellon, Parks Manager
 Kristina Buckley, Assistant to the City
 Recorder

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

PRESENTATION OF OREGON COMMUNITY TREES PRESIDENT'S AWARD TO PARKS MANAGER JOHN BELLON. Oregon Community Trees Board President Ruth Williams presented Parks Manager John Bellon with this year's Urban and Community Forestry President's Award. She stated each year, the President's Award is given to an individual who is a leader in urban and Community Forestry in our state. Mr. Bellon has been

on the Oregon Community Trees Board of Directors for over 20 years, serving as the Vice President, and taking a leadership role on numerous committees. He also helped OCT host regional events in Southern Oregon, and acted as a mentor to emerging professionals in the Urban Forestry field. His final board term will conclude in July, 2016. His calm, quiet wisdom, and nearly omnipresent smile will be missed, but he will remain an Emeritus Board Member, and a friend of Oregon Community Trees. Recently elected board members Adam Airoidi and Mark Brindle will continue to represent Southern Oregon on the OCT Board of Directors.

PUBLIC COMMENT

Mayor Kellstrom opened the public comment.

Mike Wagner. Mr. Wagner stated he had founded a website for individuals who wanted travel the world and perhaps meet a “buddy” to participate in activities with. He requested access to the Airport’s baggage claim area for one hour for the purposes of filming a brief video promoting his website. He noted there would be 10 individuals and a camera. City Manager Nathan Cherpeski stated Airport staff and the City Attorney would work with Mr. Wagner on his request as there was a form and a process to be followed. Mr. Wagner stated he had attempted to contact the City Attorney but had been unsuccessful and he hoped to shoot the video in the next two weeks. City Attorney Joanna Lyons-Antley stated Business Operations Manager Linda Tepper and the Airport Director John Barsalou had been working on the permit and she, as the City Attorney, worked with the City and advised the City so she had been working with Airport staff on the process. Mr. Cherpeski requested Mr. Wagner leave his contact information with staff and staff would contact him as soon as possible. Airport Director John Barsalou stated he would work with Mr. Wagner.

Ed Silling. Mr. Silling stated he had attended the Council Work Session prior to the Council meeting and had heard discussion on the development of the Balsiger site. He expressed his concern about the potential demolition of the Balsiger building and stated if more of the historic buildings were preserved and restored in Klamath Falls there would be a greater sense of cultural heritage and pride in the community. He

suggested refurbishing the façade of the building to be used as an artistic centerpiece for that area of the downtown and use it as a unique cultural attraction. He urged Council to consider retaining the building. Mr. Silling further referenced a previous comment made by Management Assistant Joe Wall in June of 2015 that development could mean revitalizing the current structure and leaving it intact.

Darla Silling. Ms. Silling supported the comments made by Mr. Silling and stated she was a native of Klamath Falls and she realized the building was worn down and looked bad and needed a "paint job." She hoped there would be more time to look into other options and that all conversation and discussion as over because she would like to know more about options and wanted more dialogue about that possibility.

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

1. CONSENT AGENDA. Councilman Adams referenced Agenda Item 1b; the confirmation of two members to the Klamath Falls Intercommunity Hospital Authority, specifically the appointment of Todd Andres. He stated he would vote no on the item. While he had no personal dislike or any problem with Mr. Andres as an appointee; he was the face of Pacific Power in Klamath Falls and after the City's last experience with Pacific Power he had a tough time "cutting them slack" and to cut them slack by making an appointment such as this did not feel right to him.

Councilman Dodson commented on Agenda Item 1a; approval of the March 21, 2016 meeting minutes. He noted a correction on page 5 of the minutes in Councilwoman Seiler's statement, "Councilwoman Seiler asked if the seven mile stretch of trail proposed for construction would extend to the OC&E Trail." He stated it should have read the "point" seven mile stretch of trail.

Councilman Hart moved to approve the Consent Agenda as follows: **Approved the Consent Agenda for April 4, 2016; Approved the March 21, 2016 regular meeting minutes as amended.** Councilman Dodson seconded. The motion carried unanimously with all Council members present voting aye.

Councilman Hart moved to **Confirm the Appointment of Brad Aspell and Todd Andres to the Klamath Falls Intercommunity Hospital Authority.** Councilman Dodson seconded. The motion carried with Councilman Tofell, Councilman Dodson, Councilman Hart, and Councilwoman Seiler voting aye. Councilman Adams voted no.

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

2. LIQUOR LICENSE FOR ADDITIONAL PRIVILEGE OF OFF PREMISES SALES FOR THAI ORCHID CAFÉ LOCATED AT 900 MAIN STREET. Planning Manager Erik Nobel reviewed his written report. Councilman Hart stated the application reflected they intended to do the off premises sales in connection with take-out meals. Mr. Nobel concurred. Councilman Hart asked if they could receive a license and sell alcohol without the sale of food. Mr. Nobel responded that, in theory, the license would permit that.

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

Councilwoman Seiler **moved to make a recommendation to the OLCC for the allowance of additional privilege to allow Off-Premises Sales for the Thai Orchid Café located at 900 Main Street.** Councilman Dodson seconded. The motion carried unanimously with all Council members present voting aye.

LEGISLATIVE ACTION

3. AUTHORIZATION TO EXECUTE A CONSTRUCTION SERVICES CONTRACT WITH ANDERSON ENVIRONMENTAL CONTRACTING, LLC FOR THE BALSIGER SITE DEMOLITION PROJECT IN AN AMOUNT NOT-TO-EXCEED \$91,842.83. City Engineer

Scott Souders reviewed his written report. Mayor Kellstrom addressed comments made under Public Comment about cultural heritage and stated he remembered a number of years ago when the City looked at the initial damage to the Balsiger building with the hopes of perhaps moving a tenant into it. There were some structural inequities and nothing could be built with the spacing of the windows and pillars, etc. It would cost a great deal to bring the building up to any kind of code. Mr. Souders stated it had been investigated for many years including by the Herald and News when they were looking for a new facility and subsequently decided to build elsewhere. There were structural deficiencies throughout the building and the owner the City purchased the property from had structural designs done but they were never able to come up with a financial package that made sense. He further stated it would take a great deal of money to rehabilitate the building and the City Police Department actively monitored the property due to the vagrancy and vandalism there.

Councilwoman Seiler stated she had worked on the Balsiger project for years and many years ago she and Betty Riley from SCOEDD requested \$10,000 to prepare a feasibility study. At that time, Councilwoman Seiler was able to access the lower portion of the property and she was able to confirm, and the feasibility study that she and Ms. Riley prepared documented as well, what Mr. Souders stated in the Agenda report. If there was a way the City could save the building it would have been found but the cost of preserving the building, the lack of care over the past 10 to 20 years, the lack of investment in making sure the building was safe, the fact it was built on the old foundation of the former White Pelican Hotel, all of those factors together there was just no financially feasible way they were able to find to save the building. The roof was caving in, the façade was pulling away from the rest of the building, etc. It was a public danger and there were vagrants in it that created a whole host of other problems. She further stated it had been studied practically to "kingdom come" and she wished she could say that the City could save the building but she did not see any way that could be done.

Councilman Tofell stated he had several people call him and ask why the City could not save the façade and he asked if there was a way to "peel it off." Mr. Souders responded staff investigated that option along with Klamath County Museum staff; not on that big of a venture but on a smaller scale to simply preserve one of the Egyptian figures on the side of the building. Every demo contractor and concrete manufacturer rolled their

eyes when asked but said they could for \$30,000 to \$50,000. He noted he could not make promises but they would try to work around a piece to try to preserve it; however, it was an extremely large, solid concrete structure so it was extremely expensive to try to preserve it.

Councilman Adams stated it seemed as though the City received good bids and asked if the Engineer's Estimate included filling in the basement of the building. Mr. Souders responded no and explained staff reached out to Southern Oregon Professionals ahead of time and worked with them to try to create different schemes and the price they came back at was prohibitive so the building would be taken down to slab level and they would explore what could be done.

Councilman Hart asked how it was possible that, for less than half the price, a company could mobilize all their equipment, take their employees from Washington, bring them down to southern Oregon, put them in hotel, pay per diem, etc. for less than a local contractor. Mr. Souders stated he spoke with the demo contractor at length about that to make sure Staff had a good understanding that the numbers they presented were good numbers. The two high bidders indicated during the pre-bid walk through that they would not be pursuing salvage items. Because of prevailing wage, it would cost them more to sort through to salvage items. The other contractors were professional demo companies and the salvage material had value back to them and that was how they were able to balance those dollars. Councilman Hart asked if Staff had assurance and confidence that their references were checked and they were not going to bring the City add-on costs to add another \$50,000 to the project because they found it was more complex than they thought in the initial contract, etc. Mr. Souders explained how, in this type of work, there was always that risk and that was one of the reasons Staff required a mandatory pre-bid walk through from top to bottom of the site. They were required to submit questions to Staff regarding scope and limitations of the area. Staff did receive and answer some questions. They appeared to be reputable, never had complaints against them, were licensed and bonded in the state of Oregon (and other states), and had been in business 16 years; this was what they do.

Councilman Hart noted the Sillings were in the audience and had indicated previously they wanted to speak on the subject and encouraged them to do so if they still wanted to. The Sillings declined.

Councilwoman Seiler asked what the timeframe for the project was. Mr. Souders responded the contract timeframe was 60 days from Notice to Proceed date. Staff anticipated issuing the Notice to Proceed mid-April and expected the building to be down by mid-June.

Councilman Dodson asked if the basement was going to remain and what was going to be done to keep vagrants out. Mr. Souders explained there were two accesses to the basement so once the building was down the existing accesses would be sealed and locked access would be constructed for access to the area because power would be reconnected for sump pumps.

Councilman Adams moved to authorize execution of a Construction Services Contract with Anderson Environmental Contracting, LLC for the Balsiger Site Demolition Project in an amount not-to-exceed \$91,842.83. Councilwoman Seiler seconded. The motion carried unanimously with all Council members present voting aye.

4. AUTHORIZATION TO EXECUTE A CONSTRUCTION SERVICES CONTRACT WITH VIC RUSSELL CONSTRUCTION, INC. FOR THE JOHNSON AVENUE AND CRESCENT ALLEY SEWER LINE REPLACEMENT PROJECT IN AN AMOUNT NOT-TO-EXCEED \$244,944.26. City Engineer Scott Souders reviewed his written report. Councilman Adams asked how many feet or miles of this type of pipe existed in the City that had not been replaced. Mr. Souders responded he was unsure. Councilman Adams stated he did not have a problem going forward with the item but he had to question where the money to replace the rest of the infrastructure was going to come from when the time came. There was no way the City had funding to do that kind of work and he wondered what the City would do over the next 20 to 30 years. Mr. Souders stated it was unfortunate the City had these types of problems. The Wastewater program included flushing and televising the system where they monitored and flushed the lines and part of that process was to identify the worst of the worst lines and put them in the Capital Improvements Program (CIP) and move forward from there. Councilman Adams stated it was good the public knows about this because public perception was the sewer rates were high but they were not high enough perhaps to cover the costs in the future.

Councilman Tofell stated Klamath Falls was not the only city with this problem. It was fairly common and widespread. Councilman Hart stated there was a great deal more pipe that was bad. He recalled an incident 30 years ago when a former contractor for the City and City Staff came through Councilman Hart's neighborhood and dropped smoke bombs down the lines. People saw smoke coming up from the sewer lines yet those lines had not yet been replaced. City Manager Nathan Cherpeski stated that conversation at the last Budget Hearing was how the sewer lines were on a "200 year replacement schedule" (tongue in cheek) but there were difficult soils in some areas and every time problems arose, it was priced at what a contractor would do the work for. It was not an inexpensive business to be in. Staff worked to keep the costs down but there were most likely many more exceptions like this.

Councilman Tofell moved to authorize a Construction Services Contract with Vic Russell Construction, Inc. for the Johnson Avenue and Crescent Alley Sewer Line Replacement Project in amount not-to-exceed \$244,944.26. Councilman Adams seconded. The motion carried unanimously with all Council members present voting aye.

5. AUTHORIZATION TO EXECUTE A CONSTRUCTION SERVICES CONTRACT WITH TOM AYRES GENERAL CONTRACTOR, INC. FOR THE MAIN STREET UNDERPASS HANDRAIL IMPROVEMENTS PROJECT IN AN AMOUNT NOT-TO-EXCEED \$166,885. City Engineer Scott Souders reviewed his written report. Councilman Hart stated the Streets Division chose to execute some deductions and bid alternatives, which brought the low bidder's price down and he asked if they were a fixed price. He further asked if it would have been the same amount of deduction if the alternative and deductive item had been taken out of the next to lowest bidders. Mr. Souders stated that was correct. They would have still been the selected contractor because that was not the way Staff set the bid up. The base bid was the selection criteria for the project.

Councilman Dodson stated the contract in the Agenda Report was written for \$175,000 and he asked if that was correct. Mr. Souders responded no that it would be written for the \$166,885. Councilman Dodson stated the City was going to spend approximately \$170,000 to put in a bare bones handrail that no one would be proud of and asked what the cost would be to restore the handrail to something nicer; something that people could

drive into the downtown not want to immediately lock their doors driving through. If the City was going to spend that much money, what would it cost to purchase something better. Mr. Souders hypothesized it would be at least double the cost but he would have to look into it. Taking into account architectural flare, etc. the City probably could not afford it. The problem at hand was a safety issue and that had to be considered first and foremost. Councilman Hart stated it was a lot to spend on a handrail.

Councilman Adams moved to authorize a Construction Services Contract with Tom Ayres General Contractor, Inc. for the Main Street Underpass Handrail Improvements Project in an amount not-to-exceed \$166,885. Councilwoman Seiler seconded. The motion carried with Councilman Tofell, Councilman Hart, Councilman Adams, and Councilwoman Seiler voting aye. Councilman Dodson voted no.

Councilman Tofell stated it seemed like the City had fewer and fewer bidders on several projects and it did not seem the local bids were very competitive anymore. He asked if that was a trend in the basin. Mr. Souders explained the recession eliminated a lot of the larger general contractors as many had closed their doors. This was occurring regionally as well. He was pleased to see that the City had some out of town people coming in but it was a situation where the market would correct itself and more construction companies would begin coming back around. He noted there were not many contractors around that performed this type of work.

6. AUTHORIZATION TO ENTER INTO A CONSULTING SERVICES CONTRACT WITH STANTEC CONSULTING SERVICES, INC., TO SUBMIT AND PROVIDE IMPLEMENTATION ASSISTANCE FOR THE U.S. EPA AREA WIDE PLANNING GRANT PROGRAM.

Management Assistant to the City Manager Joe Wall reviewed his written report. Councilwoman Seiler noted in the Agenda Report Stantec states if the grant is not awarded in 2016, they will come back and submit a revised application in 2018. Mr. Wall stated they would not want to take the project on if they did not think they would get the award. It was a win-win in this case because it was a zero local match and he already used the Community Wide Assessment Grant for two other projects. Councilwoman Seiler stated that, based on her experience with such grants, they were quite complex and competitive and \$8,000 was a good investment. Mr. Wall noted there were several grants that did the assessment but not the cleanup. If he was a developer, he would want to clear up some of the unknowns and come up

with a vision for what a site could look like prior to selling it, and this could assist in that process. City Manager Nathan Cherpeski stated it went back to a conversation held at the previous Council Work Session in that Oregon does not have many economic development tools. The proposed was an area-wide plan and provided the means to move forward; it helped in how to “move things forward” by removing the uncertainty on a site for a developer.

Councilman Dodson asked if the City had a list of sites. Mr. Wall responded the process of creating an inventory of Brownfield sites had begun then, through a public committee; they would create a priority list. The proposed grant was not only Brownfield sites but included sites that were underutilized, were not economically viable with existing infrastructure to redevelop, etc. Mr. Cherpeski noted the current downtown plan was updated in 1996; a mere 20 years ago so it needed to be updated. He met with individuals from the downtown to begin discussions about it.

Councilwoman Seiler moved to authorize staff to enter into a Consultant Services Contract with Stantec Consulting Services, Inc., to submit and provide implementation assistance for the U.S. EPA Area Wide Planning Program. Councilman Dodson seconded. The motion carried unanimously with all Council members present voting aye.

7. ORDINANCE ADDING SECTIONS 8.175 TO 8.198 OF THE CITY CODE AND AMENDING SECTION 8.980 RELATING TO VACANT PROPERTY REGISTRATION - SECOND AND FINAL READING.

Councilwoman Seiler **moved to pass the Ordinance by title for second and final reading.** Councilman Hart seconded. The motion carried unanimously with all Council members present voting aye. City Manager Nathan Cherpeski read the Ordinance by title.

Councilwoman Seiler **moved to adopt the Ordinance.** Councilman Hart seconded. On **Roll Call, Ordinance No. 16-02** was adopted with Councilman Tofell, Councilman Dodson, Councilman Hart, Councilman Adams, and Councilwoman Seiler voting aye.

OTHER MATTERS

Councilwoman Seiler 2016 Elections Statement. Councilwoman Seiler read her statement announcing she will not be running for another term as Council person for Ward I, attached.

ADJOURNMENT

Councilman Tofell **moved to adjourn the meeting.** Councilman Dodson seconded. The motion carried unanimously with all Council members present voting aye. The meeting was adjourned at 8:11 p.m.

Kristina Buckley, Assistant to the City Recorder

ATTACHMENTS

**OTHER MATTERS
COUNCILWOMAN SEILER STATEMENT**

City Council

April 4, 2016

As our local election cycle gears up with various backroom deals designed to remove the people's voice from the voting process, I wish to be as clear and transparent as possible: I will not run this fall for the Ward 1 City Council position.

Between the Chamber's Leadership Klamath Program, Ford Family Foundation's Institute for Community Building and various economic development summits, we have many qualified, progressive individuals who would be excellent candidates for the City positions open this year.

Klamath Falls is blessed with a number of young leaders and entrepreneurs who are more than capable of steering our community through its future challenges and opportunities.

I will continue to perform the duties of Council member and Council President through the end of 2016. I am grateful for the support I have received from City staff and citizens as I have considered the ramifications of bowing out of the political arena.

Beyond that, I will support and mentor any qualified, progressive candidate who is committed to moving our community forward in a collaborative and positive manner. I will do my best to oppose any candidate who runs her or his campaign based on personal agendas, arrogance, anger or ego.

Under City Manager Nathan Cherpeski's leadership we have come a long way in moving City governance to a much more professional level, a level I have hoped for and worked to see in my time on Council.

I am thankful for the lessons I have learned over my past 38 years of service to our region and our state. I am humbled by the trust our voters and taxpayers have placed in me through the last four election cycles.

I believe I have been a voice for those who have not felt heard or represented by local government. I will continue my work on behalf of Klamath Basin communities through various economic development and fundraising projects.

I am not going anywhere, I am simply changing the arena in which I choose to work. You know where to find me if necessary.

Thank you staff, mayor + Council.

**KLAMATH FALLS CITY COUNCIL
AGENDA REPORT**



Agenda Item No. 2

Date: April 18, 2016

Division: Finance

Staff Presenter: Sue Kirby

City Manager Review: 

Contact/Title: Sue Kirby, Support Services Director

Telephone No.: 541-883-5326

Email: SGKirby@klamathfalls.city

TOPIC: A Resolution Adopting a Supplemental Budget for Fiscal Year 2015-2016 within the Footpaths/Bicycle Trails Fund, Airport Fund, Downtown Maintenance District Fund, Parks Fund, Streets Fund, and Street Lighting Fund

SUMMARY AND BACKGROUND:

On June 15, 2015, the City Council adopted the fiscal year 2015-2016 budget. On October 19, 2015, the City Council adopted a supplemental budget for the Footpaths/Bicycle Trails Fund for fiscal year 2015-2016. The following unforeseen items have taken place since adoption:

Footpaths/Bicycle Trails Fund – Capital Outlay will need to be increased by \$14,000 for the right of way exhibits on the Phase II Washburn Way sidewalks project. This is a project being constructed with ODOT as a partner which has led to some confusion on time lines and responsibilities. This amount will go toward the match that was previously agreed to with ODOT. Reserves will be decreased by \$14,000.

Airport Fund – The FAA Grant Division needs to increase capital outlay by \$137,150 for Mead & Hunt contract amendments for the Modoc Environmental project (\$28,300) and the Taxiway B (formerly J) Design project (\$132,269). Grant revenue will be increased by \$128,600 and the remaining \$8,550 will be an increase in net working capital.

Downtown Maintenance District Fund – Materials and services need to increase by \$5,500 to cover the downtown flower expenses, which were previously budgeted under the Downtown Urban Renewal Fund. Net working capital will be increased by the same amount.

Parks, Streets, and Street Lighting Funds – The transfer out to the General Fund and net working capital will need to increase by the following amount per fund: Parks - \$177,525, Streets - \$586,025, and Street Light - \$32,050.

FINANCIAL IMPACT: Appropriations will be increased by \$952,250 and resources will be increased by \$938,250 with a net effect of \$14,000.

COUNCIL OPTIONS: Adopt the supplemental budget as presented or choose not to and provide staff with further direction.

2

DOCUMENTS ATTACHED:

- Resolution

RECOMMENDED MOTION/ACTION:

- Hold a public hearing
- Move to introduce the Resolution read by title
- Move to approve the Resolution

NOTICE SENT TO:

Citizen Budget Committee Members

2

RESOLUTION NO. 16 - _____

**A RESOLUTION ADOPTING A SUPPLEMENTAL BUDGET
FOR FISCAL YEAR 2015-2016 WITHIN THE FOOTPATHS/BICYCLE TRAILS FUND,
AIRPORT FUND, DOWNTOWN MAINTENANCE DISTRICT FUND, PARKS FUND,
STREETS FUND, AND STREET LIGHTING FUND**

WHEREAS, the City of Klamath Falls adopted the Fiscal Year 2015-2016 Budget on June 15, 2015; and

WHEREAS, the City of Klamath Falls adopted a supplemental budget for Fiscal Year 2015-2016 on October 19, 2015 for the Footpaths/Bicycle Trails Fund; and

WHEREAS, the following changes need to be made in the Footpaths/Bicycle Trails Fund: Capital Outlay needs to increase \$14,000 for right of way exhibits on Phase II of the Washburn Way sidewalks project, and Reserves will be reduced by \$14,000; and

WHEREAS, the following changes need to be made in the Airport Fund: Capital Outlay needs to increase \$137,150 in the FAA Grant Division for Modoc environmental and Taxiway B Design contract amendments with Mead and Hunt, and Grant Revenue will increase \$128,600 along with a Net Working Capital increase of \$8,550; and

WHEREAS, the following changes need to be made in the Downtown Maintenance District Fund: Materials and Services needs to increase \$5,500 for downtown flower expenses, and Net Working Capital will increase \$5,500; and

WHEREAS, the following changes need to be made in the Parks Fund: Transfer Out to the General Fund needs to increase \$177,525, and Net Working Capital will increase \$177,525; and

WHEREAS, the following changes need to be made in the Streets Fund: Transfer Out to the General Fund needs to increase \$586,025, and Net Working Capital will increase \$586,025; and

WHEREAS, the following changes need to be made in the Street Lighting Fund: Transfer Out to the General Fund needs to increase \$32,050, and Net Working Capital will increase \$32,050; and

WHEREAS, Supplemental Budgets are permitted under the provisions of the State of Oregon Local Budget Laws, ORS 294.471, and this proposed Supplemental Budget was published in the Herald and News on April 13, 2016, pursuant to ORS 294.473; NOW, THEREFORE,

2

THE CITY OF KLAMATH FALLS RESOLVES AS FOLLOWS:

Section 1

The City Council of the City of Klamath Falls, Oregon hereby adopts a Supplemental Budget for the fiscal year 2015-2016, as submitted by the Budget Officer of the City of Klamath Falls, Oregon, on April 18, 2016, and now on file in the office of the City Recorder.

Section 2

The amounts for the Supplemental Budget for the fiscal year beginning July 1, 2015, for the purposes shown below, are hereby appropriated as follows:

	<u>Current Budget Fiscal Year 15/16</u>	<u>Proposed Change</u>	<u>Revised Budget Fiscal Year 15/16</u>
Footpaths/Bicycle Trails Fund			
Footpaths/Bicycle Trails	\$ 11,475	\$ 14,000	\$ 25,475
Total Fund Appropriations	<u>\$ 11,475</u>	<u>\$ 14,000</u>	<u>\$ 25,475</u>
Airport Fund			
FAA Grants	\$ 572,700	\$ 137,150	\$ 709,850
Total Fund Appropriations	<u>\$ 2,167,550</u>	<u>\$ 137,150</u>	<u>\$ 2,304,700</u>
Downtown Maintenance District Fund			
Downtown Maintenance	\$ 23,925	\$ 5,500	\$ 29,425
Total Fund Appropriations	<u>\$ 23,925</u>	<u>\$ 5,500</u>	<u>\$ 29,425</u>
Parks Fund			
Transfers Out	\$ 1,447,100	\$ 177,525	\$ 1,624,625
Total Fund Appropriations	<u>\$ 1,447,100</u>	<u>\$ 177,525</u>	<u>\$ 1,624,625</u>
Streets Fund			
Transfers Out	\$ 3,990,750	\$ 586,025	\$ 4,576,775
Total Fund Appropriations	<u>\$ 3,990,750</u>	<u>\$ 586,025</u>	<u>\$ 4,576,775</u>
Street Lighting Fund			
Transfers Out	\$ 433,625	\$ 32,050	\$ 465,675
Total Fund Appropriations	<u>\$ 433,625</u>	<u>\$ 32,050</u>	<u>\$ 465,675</u>

Section 3

This Resolution shall become effective immediately upon enactment.

Passed by the Council of the City of Klamath Falls, Oregon on the ____ day of April, 2016.

Presented to the Mayor, approved and signed this ____ day of April, 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 certify that the foregoing is a true and correct copy of a Resolution duly adopted by the Council of the City of Klamath Falls, Oregon, at the meeting held on the ____ day of April, 2016, and thereafter approved and signed by the Mayor and attested by the City Recorder.

City Recorder



**KLAMATH FALLS CITY COUNCIL
AGENDA REPORT**



Agenda Item No. 3

Date: April 18, 2016

Department: Public Works

Contact/Title: Scott Souders/City Engineer

Staff Presenter: Scott Souders

Telephone No.: 541-883-5290

City Manager Review: 

Email: ssouders@klamathfalls.city

TOPIC: Authorization to Enter a Consulting Services Contract with Foundation Engineering, Inc. for Balsiger Block Geotechnical Work in an Amount Not to Exceed \$24,610

SUMMARY AND BACKGROUND:

In November, 2015, the City entered an Exclusive Negotiating Agreement (ENA) with Tokola Properties, Inc. to determine the feasibility of new on-site development. The ENA's Base Development Criteria describes the development of a landmark mixed use development consisting of market rate apartments and commercial space. To prepare the Balsiger Block for new construction and better scope future development, a Geotechnical Report is requested to perform exploratory subsurface investigation to determine needed site preparation, earthwork, and footing and foundation designs. The Geotechnical Report will additionally include structural fill analysis for the backfill of the Balsiger Building's basement.

As part of the ENA, the City is responsible for costs related to the Balsiger Block's general site preparation including costs associated with Geotechnical Report preparation. The completed Geotechnical Report will remain the property of the City. Whether redevelopment proceeds with Tokola Properties, Inc. or a different entity, the report will be available to the City to guide our efforts at redeveloping the site. If authorized, the Report is anticipated to be complete within a period of 5 to 7 weeks following receipt of notice-to-proceed.

FINANCIAL IMPACT:

Funding for this project will be provided from the Downtown Urban Renewal District account.

COUNCIL OPTIONS:

1. Approve a Consulting Services Contract with Foundation Engineering, Inc. in an amount not-to-exceed \$24,610
2. Deny a Consulting Services Contract with Foundation Engineering, Inc. and postpone the project

3

DOCUMENTS ATTACHED:

- Proposal
- Sample Contract

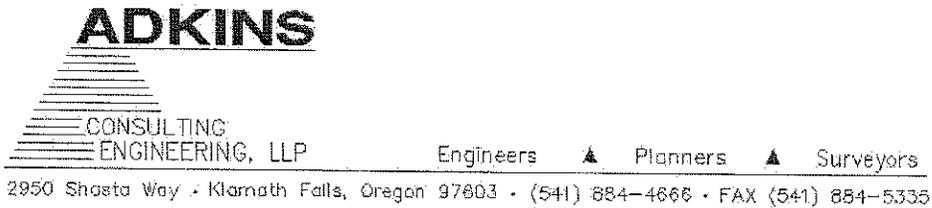
RECOMMENDED MOTION/ACTION:

Move to authorize execution of a Consulting Services Contract with Foundation Engineering, Inc. to complete Balsiger Block Geotechnical Work in an amount not to exceed \$24,610.

NOTICE SENT TO:

- Foundation Engineering, Inc.
 - Tokola Properties, Inc.
-

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March 21, 2016

Joe Wall
Management Assistant to the City Manager
City of Klamath Falls
500 Klamath Avenue
Klamath Falls, OR 97601

RE: Balsiger Redevelopment (Klamath Falls, Oregon)
Proposal for Geotechnical Services

Dear Joe:

It is our understanding from our discussions with Tokola Properties, Inc. that the City of Klamath Falls is responsible for performing the geotechnical investigations for the Balsiger Redevelopment project. Adkins would like to propose as the geotechnical prime consultant and utilize Foundation Engineering Inc. (FEI) as a subconsultant to perform these geotechnical investigations. FEI is a registered geologist and geotechnical engineer professionally licensed in Oregon and we have attached details of FEI's proposed scope of work, estimated costs and schedule to perform this work.

We (Adkins) would coordinate utility locates, arrange for the test pits and assist FEI with laboratory testing as a local representative. Adkins proposes to perform our portion of the geotechnical services on a time and materials basis, and estimate our services to be \$2,000. FEI's portion for the Balsiger site is \$22,610. The total amount is \$24,610 for the Balsiger site. According to ORS 279C.110, it is our understanding the City is able to direct hire consultants if the overall contract amount of work is less than \$250,000.

We would appreciate the opportunity to work with the City on this phase of the project and continue our working relationship with the City. Please do not hesitate to call Jeremy Morris or myself if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Jonathan Moritz", is written over a horizontal line.

Jonathan Moritz, P.E.
LLP Partner/Project Manager

3



Adkins Consulting Engineering, LLP
Jeremy Morris, P.E. & C.W.R.E.
Project Manager
2950 Shasta Way
Klamath Falls, OR 97603

March 2, 2016

**Balsiger Block Redevelopment
Proposal for Geotechnical Services
Klamath Falls, Oregon**

Proposal 162003

Dear Mr. Morris:

Please consider this letter as our proposal to provide the required geotechnical services for the above-referenced project in Klamath Falls, Oregon. Details of our proposed scope of work, estimated costs and schedule are summarized below.

BACKGROUND

We understand Tokola Properties Inc. is proposing to construct a mixed use development, residential housing, and commercial buildings on the Balsiger Block property in downtown Klamath Falls. Adkins Consulting Engineering, LLP (Adkins) is the prime civil engineering consultant. For the geotechnical investigation, Foundation Engineering could contract directly with Tokola Properties Inc. as the prime contractor or as a subcontractor for Adkins.

Details of the proposed development are not available at this time. However, we understand preliminary plans include a three to five-story mixed-use building with street level retail, second floor commercial, and residential upper floors. Two to three story townhouses are also planned as well as several one to two story commercial structures. Parking is currently planned at street level.

The Balsiger Block covers ± 2.3 acres and is presently occupied by three buildings. One of the buildings is in structural disrepair and will be demolished to street level, leaving a $\pm 12,700$ square foot basement. During construction, we understand the basement will be filled with structural fill up to street level. The second building consists of a former two-story parking garage that will remain. A third much smaller outbuilding will be demolished.

A review of previous borings by ODOT near the site indicate the presence of silty sand to sandy silt with trace clay and gravel to ± 17 to 18 feet. Extremely soft (R0) to very soft (R1), decomposed to moderately weathered, tuffaceous mudstone extends to a depth of at least 75 feet (the limits of the ODOT explorations). We understand the site originally contained a hotel. Therefore, it is possible site fill, including demolition debris, may also be present.

3

Based on our understanding of the preliminary plans, we anticipate the proposed structures can be supported on spread footings or mat foundations bearing on the native alluvium or engineered fill (including compacted rubble generated from on-site demolition debris). If needed, we will evaluate a pile foundation option. If piles are required, we anticipate they would consist of relatively short, end-bearing piles driven into the mudstone.

PROPOSED SCOPE OF WORK

Subsurface Investigation

We propose drilling two geotechnical borings to investigate the subsurface conditions and obtain samples for laboratory testing. We anticipate the drilling information can be supplemented by the available subsurface information immediately north of the subject site.

The two borings will extend to a depth of ± 30 to 35 feet (i.e., ± 12 to 17 feet below the anticipated surface of the mudstone). That drilling depth will allow us to evaluate the options of piles (if needed). Drill cuttings will be collected and disposed of off-site.

The borings will be drilled with a truck-mounted drill rig and mud-rotary drilling methods. The soils encountered in the borings will be sampled at 2.5-foot intervals to ± 20 feet, or to the surface of the mudstone. The sampling will be done with a split-spoon sampler as part of the Standard Penetration Test (SPT). Up to four relatively undisturbed Shelby tube samples will be collected if appropriate fine-grained soils are encountered. Once the mudstone is encountered, we will sample at 5-foot intervals to the bottom of the boring. No coring of the mudstone is planned.

A geotechnical engineer from our office will log the borings in the field. Samples will be retained for possible laboratory testing. The results of the exploration will be summarized on boring logs.

We also propose to excavate several exploratory test pits on the site to supplement the borings. The test pits are intended to confirm the presence (or absence) of any site fill and to help evaluate subgrade conditions under planned pavement areas. The actual number and depth of the test pits will depend on the variability of the subsurface conditions and potential presence of fill. Soil samples will be obtained from the test pits and retained for possible laboratory testing. Dynamic Cone Penetration (DCP) tests will be run at selected locations for pavement analysis and design. We plan to saw cut the asphalt pavement and, where needed, concrete slab to expedite the explorations. The test pits will be backfilled with the excavated material and tamped with the backhoe bucket. However, some settlement of the backfill surface should be expected.

Levels of ground water infiltration in the test pits, if any, will be noted. However, no piezometer installation or infiltration tests are planned.

3

Laboratory Testing

The laboratory testing will include natural water contents, Atterberg limits or percent fines tests on selected samples to classify the foundation soils and evaluate their overall engineering properties. We have also budgeted for a one-dimensional consolidation test to evaluate the compressibility of any soft materials that may be encountered at the foundation level or below the existing basement.

Engineering Analysis

The new structures will likely be supported on spread footings or mat foundations. Therefore, our proposed scope of work includes bearing capacity and settlement analyses for spread footings and mat foundations. We will also develop recommendations for site preparation, re-use of demolition debris, and new pavement sections. If piles are required, we will complete a preliminary analysis to estimate the axial resistance and pile length. However, lateral pile analysis is not part of the current scope of work.

We do not anticipate the proposed development will require a site-specific seismic hazard study. However, we will provide a IBC/OSSC seismic response spectra, along with appropriate seismic design parameters. A liquefaction evaluation will be performed based on the SPT testing conducted during drilling. However, development of detailed design recommendations for liquefaction mitigation, if needed, is beyond the present scope of work.

Engineering Report

We will summarize our findings in a geotechnical report. The report will include a description of our work, a discussion of site conditions, and recommendations for site preparation and earthwork construction, foundation design and construction, and the design and construction of parking lot pavements. The report will also include the logs for the exploratory borings and test pits and a summary of laboratory test results. We anticipate the report will address the following:

Site Preparation and Earthwork Construction

- Site demolition and stripping
- Removal/mitigation of fill or unsuitable soil
- Subgrade preparation, compaction and stabilization
- Structural fill material, placement, and compaction
- Preparation and backfill of the basement
- Recommendations for processing and re-use of concrete rubble
- Construction access and wet weather construction

Spread Footing and Mat Foundation Design

- Allowable bearing pressure
- Estimated total and differential settlement
- Sliding and passive resistance
- Foundation drainage

3

Slab Design

- Modulus of subgrade reaction
- Base rock thickness

Seismic Evaluation

- IBC/OSSC seismic design parameters and response spectra
- Liquefaction evaluation

Flexible Pavement Analysis and Design

- Subgrade preparation
- Minimum flexible pavement section

Estimated Costs

Table 1 provides a breakdown in the estimated costs for the proposed scope of work. These costs are based on our normal hourly rates (copy attached).

Table 1. Estimated Costs

Item	Estimated Costs
Field exploration and sampling, boring and test pit logs	\$5,055
Laboratory testing	\$1,890
Engineering analysis and report preparation	\$6,965
Project expenses	\$780
Drilling subcontractor	\$7,060
Excavation and saw cutting subcontractor	\$1,060
TOTAL	\$22,810

This total represents our best estimate of the project costs. We will notify you immediately following the field work in the event we encounter unanticipated soil conditions that would require modifying our proposed scope of work.

Schedule

We are prepared to begin work immediately upon notification to proceed. The field exploration for the two projects could be completed in four days on-site. Depending on the availability of drilling subcontractor, we anticipate the subsurface exploration can be completed in ± 2 to 3 weeks following receipt of notice-to-proceed. Following the completion of the field work, an additional ± 3 to 4 weeks will be required for the laboratory testing, engineering analysis, and report preparation. We will provide interim information to you as soon as it becomes available. Our first task, upon authorization to proceed, will be to locate underground utilities and coordinate the field exploration.

3

We appreciate the opportunity to submit this proposal and look forward to the possibility of working with you on this project. Please do not hesitate to call if you have any questions regarding the proposed scope of work, estimated costs or schedule.

Sincerely,

FOUNDATION ENGINEERING, INC.



Tim Pfeiffer, P.E., G.E.
Senior Project Manager

TJP/my

3

CONTRACT AGREEMENT

[CONSULTANT SERVICES – FOUNDATION ENGINEERING, INC., PREPARATION OF A GEOTHECNICAL REPORT FOR THE BALSIGER BLOCK]

THIS AGREEMENT is made this _____ day of _____, 20____, by and between the CITY OF KLAMATH FALLS, a municipal corporation, herein referred to as "CITY," and FOUNDATION ENGINEERING, INC., herein referred to as "CONSULTANT."

In consideration of the mutual promises set forth herein, CITY and CONSULTANT agree as follows:

1. Description of Work: CONSULTANT agrees to prepare and complete the Geotechnical Report set forth in attached Exhibit A incorporated herein by this reference.
2. Payment: CITY agrees to pay CONSULTANT a sum not to exceed Twenty Four Thousand Six Hundred Ten Dollars (\$24,610) on a lump-sum basis for Geotechnical Report preparation. Payment is to be made in periodic installments upon receipt of CONSULTANT's billing. Payment is to be made according to the Estimated Costs, Table 1 set forth in Exhibit A on a time and expense basis within thirty (30) days of receipt of CONSULTANT's monthly billings.
3. Relationship of the Parties: The parties intend that an independent consultant relationship will be created by this Contract. CITY is interested only in the results to be achieved, and the conduct and control of the work will lie solely with CONSULTANT. CONSULTANT is not to be considered an agent or employee of CITY for any purpose, and the employees of CONSULTANT are not entitled to any of the benefits that CITY provides for CITY's employees. It is understood that CITY does not agree to use CONSULTANT exclusively. It is further understood that CONSULTANT is free to contract for similar services to be performed for other persons while they are under contract with CITY.
4. Liability and Insurance: The work to be performed under this Contract will be performed entirely at CONSULTANT's risk. CONSULTANT shall acquire, and maintain at its own expense for the duration of this Contract, Professional Liability Insurance issued by a responsible insurance company licensed to do business in the State of Oregon. The insurance shall afford limits of liability of \$1,000,000 to protect CITY against claims for damages occurring by reason of negligent acts, errors or omissions of CONSULTANT in conjunction with performance under this Agreement. The Professional Liability Insurance coverage shall be in an amount at least equal to the greater of either the amount required by Oregon Revised Statute 30.270 or such other insurance coverage amounts as may be required by the bid specifications of this Contract. CONSULTANT shall not commence work under the Contract until it has furnished CITY with a copy of said Professional Liability Insurance and required coverage as stated below:

3

4.1 Workers' compensation coverage as required by law and to include employer's liability with limits of not less than \$500,000 per occurrence; or, alternatively, CONSULTANT shall provide documentation establishing that CONSULTANT is exempt from workers' compensation coverage pursuant to ORS Chapter 656.

4.2 If CONSULTANT uses automobiles to complete the contract, automobile liability insurance as a result of death or bodily injury to any persons, or destruction of or damage to any property arising out of the ownership, maintenance or use of any owned, non-owned or hired motor vehicle with limits of not less than \$500,000 per occurrence. All coverage shall be on an occurrence basis.

4.3 CONSULTANT shall maintain an excess/umbrella liability policy of not less than \$2,000,000 each occurrence and aggregate that will provide excess limits of liability over the commercial general liability, automobile liability, and employer's liability.

4.4 The following inclusions to CONSULTANT'S certificate of insurance shall be made:

4.4.1 Waiver of transfer of rights of recovery against others to City of Klamath Falls;

4.4.2 The insurance is primary to and non-contributory with any insurance maintained by City of Klamath Falls;

4.4.3 All required coverage shall be written with companies that have at least an AmBest rating of A-; and

4.4.4 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. The additional insured endorsement shall be attached to the certificate of insurance. The additional insured shall contain a severability of interest provision in favor of City of Klamath Falls and a waiver of subrogation in favor of City of Klamath Falls.

5. Compliance with Rules and Regulations: CONSULTANT shall comply with all rules and regulations as contained in all applicable Federal, State and local laws, rules and regulations and shall require any and all subcontractors to comply with all applicable provisions of the same and of this Contract, including the following Oregon Statutory provisions:

5.1 CONSULTANT shall make payment promptly, as due, to all persons supplying to CONSULTANT labor or material for the performance of the work to be performed under this Contract. CONSULTANT shall not permit any lien or claim to be filed or prosecuted against the City on account of any labor or material furnished. [ORS 279B.220(1)&(3)]

5.2 CONSULTANT shall pay all contributions or amounts due the Industrial Accident Fund from CONSULTANT, or any subcontractor, incurred in the performance of this Contract. [ORS 279B.220(2)]

5.3 CONSULTANT shall pay to the Oregon Department of Revenue all sums withheld from employees pursuant to ORS 316.167. [ORS 279B.220(4)]

5.4 CONSULTANT shall comply with the overtime and maximum hours of labor provisions of ORS 279B.020 and 279B.235.

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5.5 CONSULTANT, and all other employers working under this Contract, will comply with the workers' compensation provisions of ORS 656.017 (unless CONSULTANT or other employers are exempt under ORS 656.126.) [ORS 279B.230(2)]

5.6 If the CONSULTANT fails, neglects or refuses to make prompt payment of any claim for labor or services furnished to the CONSULTANT or a subcontractor by any person, or the assignee of the person in connection with this Contract as the claim becomes due, CITY may, at its option, pay such claim and charge the amount of payment against funds due or to become due CONSULTANT by reason of this Contract. [ORS 279C.515(1)]

5.7 CONSULTANT shall promptly, as due, make payment to any person, co-partnership, association or corporation, furnishing medical, surgical and hospital care services or other needed care and attention, incident to sickness or injury, to employees of CONSULTANT, of all sums that the CONSULTANT agrees to pay for the services and all moneys and sums that the CONSULTANT collected or deducted from the wages of the CONSULTANT'S employees under any law, contract or agreement for the purpose of providing or paying for the services. [ORS 279B.230(1)]

5.8 CONSULTANT warrants that it has complied with the tax laws of this state or a political subdivision of this state, including but not limited to ORS 305.620 and ORS chapters 316, 317 and 318. CONSULTANT agrees it will continue to comply with the tax laws of this state or a political subdivision of this state during the term of the public contract. CONSULTANT'S failure to comply with the tax laws of this state or a political subdivision of this state is a default for which CITY may terminate the contract and seek damages and other relief available under the terms of the contract or under applicable law.

6. Responsibility of CONSULTANT: CONSULTANT shall provide the services set forth herein in an efficient, expeditious, and professional manner in accordance with all applicable laws governing such work, and shall work closely with and be guided by CITY. CONSULTANT shall be responsible for the professional quality, technical adequacy and accuracy, and timely completion of services performed by CONSULTANT as set forth herein. It is the intent of CITY that said services be completed to achieve the best possible results in accordance with generally accepted professional standards applicable to the types of services and work provided hereunder at the most economical cost. CONSULTANT shall be and remain liable, in accordance with applicable law, for all damage to and costs incurred by the CITY to the extent caused by, arising from or connected with the CONSULTANT's negligent errors, omissions or performance of any of the services furnished under this Agreement.

7. Equal Employment Opportunity/Affirmative Action/Minority Business Enterprises:

7.1 Throughout the term of this Contract, CONSULTANT shall fully comply with the equal employment opportunity requirements of federal, state and local law and shall maintain a policy that all employment decisions, practices and procedures are based on merit and ability without discrimination on the basis of an individual's race, color, religion, age, sex, national origin, or physical or mental disability. CONSULTANT'S

3

policy shall apply to all employment actions including advertising, recruiting, hiring, promotion, transfer, disciplinary action, lay-off and termination.

7.2 CONSULTANT shall carry out its equal employment opportunity policy by making a determined and good-faith effort at affirmative action to employ, and advance in employment, women, minorities, the physically and mentally disabled and other disadvantaged groups.

7.3 CONSULTANT shall make a determined and good faith effort to utilize minority and female business enterprises in its contracted expenditures, including without limitation contracts for the acquisition of goods, services, materials, supplies and equipment used in the performance of this Contract.

7.4 CONSULTANT may not discriminate against a subcontractor in the awarding of a subcontract because the subcontractor is a minority, women or emerging small business enterprise certified under ORS 200.055. By executing this Contract, CONSULTANT certifies that CONSULTANT has not discriminated and will not discriminate, in violation of this subsection, against any minority, women or emerging small business enterprise in obtaining any required subcontract. If the CONSULTANT violates this certification, the CITY may regard the violation as a breach of contract that permits: (a) termination of the contract; or (b) the CITY to exercise any remedies for breach of contract that are reserved or allowed in this Contract. [ORS 279A.110]

8. Indemnification: CONSULTANT shall indemnify, hold harmless and defend CITY, its officers and employees, against all liability or loss, and against all suits, claims, actions, losses, costs, penalties and damages of whatsoever kind or nature based upon, caused by or arising out of the negligent acts, errors or omissions of CONSULTANT, or violation of any statute, ordinance or regulation. CONSULTANT shall also indemnify CITY against all liability and loss in connection with, and shall assume full responsibility for, payment of all Federal, State and local taxes or contributions imposed or required under unemployment insurance, social security and income tax laws, with respect to CONSULTANT's employees, including any subcontractors, engaged in performance of the contract.

9. Assignment: The parties each hereby bind themselves, their successors, assigns and legal representatives to each other with respect to the terms of this Agreement. Neither party shall assign, sublet or transfer any interest in this Agreement without written authorization of the other.

10. Notices: All written notices given to the CITY by CONSULTANT 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 from the CITY to CONSULTANT shall be addressed to Project Manager/Principal, Elaine Howard at Elaine Howard Consulting LLC, 4763 SW Admiral St. Portland, OR 97221, unless notice of change of address is received by the CITY.

11. Legal Actions:

11.1 This Agreement shall be enforceable in Klamath County, Oregon, and if legal action is necessary by either party with respect to the enforcement of any or all of the terms or conditions herein, exclusive venue for the enforcement of same shall lie in the Klamath County, Circuit Court.

11.2 If suit or action is taken to enforce any of the provisions of this Agreement, the party prevailing therein shall be entitled to recover from the other such sum as the Court may adjudge reasonable as attorney fees therein, including any appeal thereof, in addition to all other sums provided by law.

12. Termination: This Contract may be terminated at any time by mutual written consent of the parties. Upon receiving a notice of termination of this Contract, CONSULTANT shall immediately cease all activities under this Contract, unless CITY expressly directs otherwise in such notice of termination.

12.1 Upon termination of this Contract, CONSULTANT shall deliver to CITY all documents, information, works in progress and other property that are or would be deliverables had the contract been completed. CITY shall have full ownership, including, but not limited to, intellectual property rights, and control of all such finished and unfinished reports, data, studies, photographs, charts or other work product.

12.2 Expiration or termination of this Contract shall not extinguish or prejudice CITY'S right to enforce this Contract with respect to any breach of a CONSULTANT warranty or any default or defect in CONSULTANT performance that has not been cured.

12.3 In the event that CITY terminates the Contract, CITY shall pay CONSULTANT the reasonable value of services rendered by CONSULTANT pursuant to this Contract; provided, however, that CITY shall not in any manner be liable for lost profits which might have been made by CONSULTANT had CONSULTANT completed the services required by this Contract. CONSULTANT shall, not later than ten (10) calendar days after termination of this Contract by CITY, furnish to CITY such financial information as in the judgment of the CITY'S representative is necessary to determine the reasonable value of the services rendered by CONSULTANT.

12.4 CITY may terminate this Contract, in whole or in part, if any of the following occur:

12.1.1 If CONSULTANT fails to perform its duties to the satisfaction of CITY, or if consultant fails to fulfill in a timely and professional manner its obligations under this Contract, then CITY shall have the right to terminate this Contract effective immediately upon CITY giving written notice thereof to CONSULTANT.

12.1.2 CITY fails to receive funding, or appropriations, limitations or other expenditure authority at levels sufficient to pay for CONSULTANT'S work;

12.1.3 Federal or state laws, regulations or guidelines are modified or interpreted in such a way that either the work under this Contract is prohibited or CITY is prohibited from paying for such work from the planned funding source;

12.1.4 CONSULTANT no longer holds any license or certificate that is required to perform the work, or any license or certificate required by statute, rule,

regulation or other law to be held by the CONSULTANT to provide the services required by this Contract is for any reason denied, revoked, suspended, not renewed or changed in such a way that CONSULTANT no longer meets requirements for such license or certificate; or
12.1.5 CONSULTANT commits any material breach or default of any covenant, warranty, obligation or agreement under this Contract, fails to perform the work under this Contract within the time specified herein or any extension thereof, or so fails to pursue the work as to endanger CONSULTANT'S performance under this Contract in accordance with its terms, and such breach, default or failure is not cured within ten business days after delivery of CITY's notice, or such longer period of cure as CITY may specify in such notice.

IN WITNESS WHEREOF, the parties have executed this Agreement at Klamath Falls, Oregon, the day and year first above written.

CITY OF KLAMATH FALLS

CONSULTANT

By: _____
City Manager

By: _____
Consultant/CEO

Attest: _____
City Recorder

Attest: _____
Secretary

APPROVED AS TO FORM:

City Attorney

3

**KLAMATH FALLS CITY COUNCIL
AGENDA REPORT**



Agenda Item No. 4

Date: April 18, 2016

Department: Finance

Contact/Title: Sue Kirby, Support Services
Director

Staff Presenter: Sue Kirby

Telephone No.: 541-883-5326

City Manager Review: 

Email: SGKirby@klamathfalls.city

TITLE: A Resolution Approving a Transfer of Appropriations for Fiscal Year 2015/2016 within the Downtown Urban Renewal Fund and General Fund

SUMMARY AND BACKGROUND:

On June 15, 2015, the City Council adopted the fiscal year 2015/2016 budgets for the City of Klamath Falls and the Klamath Falls Urban Renewal Agency. The following items have occurred that require a change in appropriations:

Downtown Urban Renewal Fund - \$50,000 was budgeted in a Transfer Out to the General Fund to cover future repairs to the South Portal building. It has been determined that the roof at 203 Riverside needs to be replaced this fiscal year. This requires a transfer of appropriations from Transfer Out to Capital Outlay.

General Fund – A transfer of appropriations of \$5,675 from Finance to City Manager is needed to cover the cost of the Tyler TCM software maintenance.

Transfers of appropriations are authorized under ORS 294.463.

FINANCIAL IMPACT:

There is no financial impact.

DOCUMENTS ATTACHED:

- Resolution

REQUESTED MOTION/ACTION:

- Move to introduce the Resolution by title
- Move to approve the Resolution

4

NOTICE SENT TO:

Budget Committee

4

RESOLUTION NO. 16 - _____

**A RESOLUTION ADOPTING A TRANSFER OF APPROPRIATIONS
FOR FISCAL YEAR 2015/2016 WITHIN THE DOWNTOWN URBAN RENEWAL
FUND AND THE GENERAL FUND**

WHEREAS, the City of Klamath Falls and the Klamath Falls Urban Renewal Agency adopted the Fiscal Year 2015-2016 Budgets on June 15, 2015; and

WHEREAS, it is necessary to transfer \$50,000 from Transfer Out to Capital Outlay in the Downtown Urban Renewal Fund to replace the roof at 203 Riverside (South Portal); and

WHEREAS, it is necessary to transfer \$5,675 from the Finance division's Materials and Services to the City Manager division's Materials and Services within the General Fund for software maintenance; and

WHEREAS, transfers of appropriations are permitted under the provisions of the State of Oregon Local Budget Laws, ORS 294.463; NOW, THEREFORE,

THE CITY OF KLAMATH FALLS RESOLVES AS FOLLOWS:

Section 1

The City Council of the City of Klamath Falls, Oregon hereby approves a transfer of appropriations for fiscal year 2015-2016.

Section 2

The amounts being transferred are hereby appropriated as follows:

	<u>Current Budget Fiscal Year 15/16</u>	<u>Proposed Change</u>	<u>Revised Budget Fiscal Year 15/16</u>
Downtown Urban Renewal Fund			
Downtown Urban Renewal	\$ 702,675	\$ 50,000	\$ 752,675
Transfer Out	<u>57,000</u>	<u>(50,000)</u>	<u>7,000</u>
Total Fund Appropriations	<u><u>759,675</u></u>	<u><u>-</u></u>	<u><u>759,675</u></u>
General Fund			
City Manager	\$ 669,100	\$ 5,675	\$ 674,775
Finance	<u>702,675</u>	<u>(5,675)</u>	<u>697,000</u>
Total Fund Appropriations	<u><u>13,100,375</u></u>	<u><u>-</u></u>	<u><u>13,100,375</u></u>

4

Section 3

This Resolution shall become effective immediately upon enactment.

Passed by the Council of the City of Klamath Falls, Oregon on the ____ day of April 2016.

Presented to the Mayor, approved and signed this ____ day of April, 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 certify that the foregoing is a true and correct copy of a Resolution duly adopted by the Council of the City of Klamath Falls, Oregon, at the meeting held on the ____ day of April, 2016, and thereafter approved and signed by the Mayor and attested by the City Recorder.

City Recorder

4

**KLAMATH FALLS CITY COUNCIL
AGENDA REPORT**



Agenda Item No. 5

Date: April 18, 2016

Department: Police

Contact/Title: Capt. Ryan Brosterhous

Staff Presenter: Captain Brosterhous

Telephone No.: (541) 883-5336

City Manager Review: 

Email: rbrosterhous@klamathfalls.city

TOPIC: Purchase of Tasers from Taser International Inc. in the Amount of \$49,870

SUMMARY AND BACKGROUND:

The Police Department has traditionally used 13 Tasers, a brand of Conducted Energy Weapons (CEWs), on a rotational sign-in, sign-out basis. With the current size of patrol squads and number of reserve officers, this has made it difficult at times to equip every officer/reserve officer with a Taser, especially during large events or critical events such as a SWAT call-out. This is problematic and creates situations where officers are deployed without a full complement of less lethal force options. The proposed purchase would allow the Department to issue a Taser to every police officer and reserve police officer so every officer is equipped with less lethal force response options while working.

Taser has an estimated lifespan of five years. The current model of Taser the City utilizes is no longer manufactured; therefore, replacement and/or repair of any of the current Tasers is impossible. Studies suggest Taser devices lead to reduced injuries to suspects and officers, reduced response to force litigation, and reduced worker's compensation claims. If approved, the Department will enact a replacement schedule for Tasers to avoid this type of concern in the future.

Taser International is the sole source for Taser brand CEWs. There are other brands of Tasers; however, it would require additional expense for instructor certification and retraining of officers in specific Taser use. The City also owns batteries, probe impact cartridges and other materials specific to Taser International. Taser International Inc. is regarded as the preferred provider of Tasers to law enforcement agencies throughout the United States.

FINANCIAL IMPACT:

- An increase to FY 15/16 Police Department Capital Outlay in the amount of \$49,870.
- There are also unknown, but forecasted savings, due to reduced litigation and worker's compensation claims.
- The department is able to absorb the expense in the current budget through salary savings throughout the year.

5

COUNCIL OPTIONS:

- Approval of purchase from Taser International Inc.
- Denial of purchase from Taser International Inc.

DOCUMENTS ATTACHED:

- Quote from Taser International Inc.

RECOMMENDED MOTION/ACTION:

Move to approve the purchase of Tasers from Taser International Inc. in the amount of \$49,870.

NOTICE SENT TO:

N/A

5

TASER International
Protect Life. Protect Truth.

17800 N 85th St.
Scottsdale, Arizona 85255
United States
Phone: (800) 978-2737
Fax: (480) 360-7713

Ryan Brosterhous
(541) 883-5345
rbrosterhous@ci.klamath-falls.or.us



Quotation

Quote: Q-62867-1
Date: 3/22/2016 10:12 AM
Quote Expiration: 6/30/2016
Contract Start Date*: 3/22/2016
Contract Term: 1 year

AX Account Number:
109656

Bill To:
Klamath Falls Police Dept. - OR
2501 Shasta Way
Klamath Falls, OR 97601
US

Ship To:
Ryan Brosterhous
Klamath Falls Police Dept. - OR
2501 Shasta Way
Klamath Falls, OR 97601
US

SALESPERSON	PHONE	EMAIL	DELIVERY METHOD	PAYMENT METHOD
Joseph Marioni	(480) 515-6328	jmarioni@taser.com	Fedex - Ground	Net 30

*Note this will vary based on the shipment date of the product.

Hardware

QTY	ITEM #	DESCRIPTION	UNIT PRICE	TOTAL BEFORE DISCOUNT	DISCOUNT (\$)	NET TOTAL
1	22013	KIT, DATAPORT DOWNLOAD, USB, X2/ X26P	USD 170.52	USD 170.52	USD 0.00	USD 170.52
37	11002	HANDLE, BLACK, CLASS III, X26P	USD 931.45	USD 34,463.65	USD 0.00	USD 34,463.65
30	11501	HOLSTER, BLACKHAWK, RIGHT, X26P	USD 55.11	USD 1,653.30	USD 0.00	USD 1,653.30
7	11504	HOLSTER, BLACKHAWK, LEFT, X26P	USD 55.11	USD 385.77	USD 0.00	USD 385.77
37	22010	PPM, BATTERY PACK, STANDARD, X2/ X26P	USD 56.41	USD 2,087.17	USD 0.00	USD 2,087.17
Hardware Total Before Discounts:						USD 38,760.41
Hardware Net Amount Due:						USD 38,760.41

Extended Warranties

QTY	ITEM #	DESCRIPTION	UNIT PRICE	TOTAL BEFORE DISCOUNT	DISCOUNT (\$)	NET TOTAL
37	11004	WARRANTY, 4 YEAR, X26P	USD 287.68	USD 10,644.16	USD 0.00	USD 10,644.16
Extended Warranties Total Before Discounts:						USD 10,644.16
Extended Warranties Net Amount Due:						USD 10,644.16

5

Subtotal	USD 49,404.57
Estimated Shipping & Handling Cost	USD 465.12
Grand Total	USD 49,869.69

**TASER International, Inc.'s Sales Terms and Conditions
for Direct Sales to End User Purchasers**

By signing this Quote, you are entering into a contract and you certify that you have read and agree to the provisions set forth in this Quote and TASER's current Sales Terms and Conditions for Direct Sales to End User Purchasers or, in the alternative, TASER's current Sales Terms and Conditions for Direct Sales to End User Purchasers for Sales with Financing if your purchase involves financing with TASER. If your purchase includes the TASER Assurance Plan (TAP), then you are also agreeing to TASER's current Sales Terms and Conditions for the AXON Flex™ and AXON Body™ Cameras TASER Assurance Plan (U.S. Only) and/or Sales Terms and Conditions for the X2/X26P and TASER CAM HD Recorder TASER Assurance Plan (U.S. Only), as applicable to your product purchase. All of the sales terms and conditions, as well as, the TAP terms and conditions are posted at <http://www.taser.com/sales-terms-and-conditions>. If your purchase includes AXON hardware and/or EVIDENCE.com services you are also agreeing to the terms in the EVIDENCE.com Master Service Agreement posted at <https://www.taser.com/serviceagreement113>. If your purchase includes Professional Services, you are also agreeing to the terms in the Professional Service Agreement posted at <https://www.taser.com/professional-services-agreement>. If your purchase includes Integration Services, you are also agreeing to the terms in the SOW posted at <https://www.taser.com/integrationstatementofwork14>. You represent that you are lawfully able to enter into contracts and if you are entering into this agreement for an entity, such as the company, municipality, or government agency you work for, you represent to TASER that you have legal authority to bind that entity. If you do not have this authority, do not sign this Quote.

Signature: _____ Date: _____
Name (Print): _____ Title: _____
PO# (if needed): _____

Quote: Q-62867-1

Please sign and email to Joseph Marioni at jmarioni@taser.com or fax to (480) 360-7713

THANK YOU FOR YOUR BUSINESS!

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5