

**AGENDA FOR COUNCIL MEETING
KLAMATH FALLS CITY COUNCIL
MAY 16, 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

PROCLAMATION – POLICE WEEK AND PEACE OFFICERS MEMORIAL DAY

PRESENTATION OF SERVICE AWARDS

KURT WALL CODE ENFORCEMENT DIVISION 15 YEARS

PUBLIC COMMENT

1. CONSENT AGENDA

- a. Approval of May 16, 2016 agenda and May 2, 2016 regular meeting minutes

LAND USE PUBLIC HEARING - QUASI JUDICIAL - NONE

LAND USE PUBLIC HEARING – LEGISLATIVE - NONE

GENERAL PUBLIC HEARING

2. RESOLUTION APPROVING THE ISSUANCE OF REVENUE AND REFUNDING BONDS, SERIES 2016 IN AN AGGREGATE PRINCIPAL AMOUNT NOT EXCEEDING \$58,000,000 THROUGH THE KLAMATH FALLS INTERCOMMUNITY HOSPITAL AUTHORITY (HA)

- a. Report of City Attorney
- b. Public Hearing
- c. Move to introduce the Resolution by title;
- d. Move to approve the Resolution and Authority's actions

3. **REQUEST FOR (1) SPECIAL EVENTS AUTHORIZATION, AND (2) A WAIVER OF CITY CODE SECTIONS 5.438 AND 7.620 FOR THE KLAMATH FALLS DOWNTOWN ASSOCIATION IN CONJUNCTION WITH THE CELEBRATE THE BLUES SUMMER KICKOFF EVENT**
 - a. Report of Planning Manager
 - b. Public Hearing
 - c. Move to allow the Celebrate the Blues Summer Kick Off Event and waive City Code Sections 5.438 and 7.620 within the two designated areas on Main Street

LEGISLATIVE ACTION

4. **AUTHORIZATION TO EXECUTE A CONSTRUCTION SERVICES CONTRACT WITH BOB'S EXCAVATING, INC. FOR THE MELROSE STREET UTILITIES IMPROVEMENT PROJECT IN AN AMOUNT NOT-TO-EXCEED \$205,630.00**
 - a. Report of City Engineer
 - b. Move to authorize a Construction Services Contract with Bob's Excavating, Inc. for the Melrose Street Utilities Improvement Project in an amount not-to-exceed \$205,630.00
5. **ADOPTION OF THE CHANGE OF USE GRANT AND FAÇADE GRANT PROGRAMS TO ASSIST DOWNTOWN BUILDING REDEVELOPMENT**
 - a. Report of City Manager
 - b. Move to adopt the presented policies
6. **APPOINTMENT OF ATTORNEYS MIKA BLAIN AND NOEL KERSEY AS MUNICIPAL COURT PRO TEM JUDGES**
 - a. Report of Support Services Director
 - b. Move to appoint attorneys Mika Blain and Noel Kersey as Municipal Court Pro Tem Judges
7. **RESOLUTION ADOPTING A TRANSFER OF APPROPRIATIONS FOR FISCAL YEAR 2015/2016 WITHIN THE GENERAL FUND**
 - a. Report of Support Services Director
 - b. Move to introduce the Resolution by title
 - c. Move to approve the Resolution

8. ORDINANCE AMENDING SECTION 6.645 RELATING TO PARKING ENFORCEMENT ON PARKING LOTS OPERATED BY THE CITY – SECOND AND FINAL READING

- a. Move to pass the Ordinance by title for second and final reading
- b. Move to adopt the Ordinance

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



CITY OF KLAMATH FALLS, OREGON

500 KLAMATH AVENUE – P.O. BOX 237
KLAMATH FALLS, OREGON 97601



PROCLAMATION

WHEREAS, the Congress and President of the United States have designated May 15 as Peace Officers Memorial Day, and the week in which it falls as Police Week; and

WHEREAS, the members of the City of Klamath Falls Police Department play an essential role in safeguarding the rights and freedoms of the citizens of Klamath Falls; and

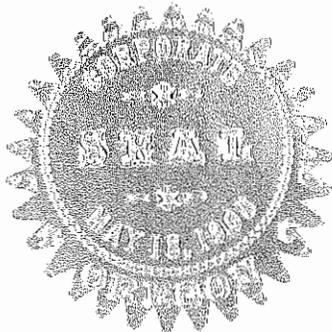
WHEREAS, it is important that all citizens know and understand the problems, duties and responsibilities of their police department, and that members of our police department recognize their duty to serve the people by safeguarding life and property, by protecting them against violence or disorder, and by protecting the innocent against deception and the weak against oppression or intimidation; and

WHEREAS, the City of Klamath Falls Police department of has grown to be a modern and scientific law enforcement agency which unceasingly provides a vital public service;

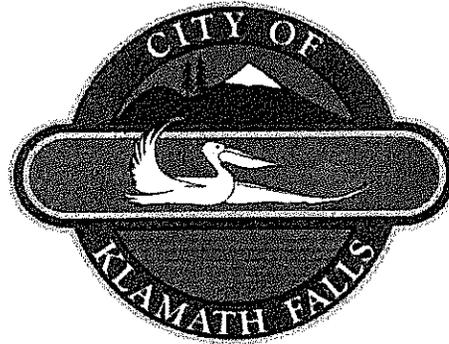
NOW, THEREFORE, I, Todd Kellstrom, call upon all citizens of Klamath Falls and upon all patriotic, civil, and educational organizations to observe the week of May 15 through 21, 2016, as Police Week with appropriate ceremonies in which all of our people may join in commemorating police officers, past and present, who by their faithful and loyal devotion to their responsibilities have rendered a dedicated service to their communities and, in doing so, have established for themselves an enviable and enduring reputation for preserving the rights and security of all citizens.

I FURTHER call upon all citizens of Klamath Falls to recognize that Sunday, May 15, 2016 was Peace Officers Memorial Day in honor of those peace officers who, through their courageous deeds, have lost their lives or have become disabled in the performance of duty.

IN WITNESS WHEREOF, I have hereunto set my hand this 12th day of May, 2016.



TODD KELLSTROM
MAYOR



Certificate of Service

Awarded to:
Kurt Wall
Code Enforcement

For completion of:
15 Years of Service
on
May 29, 2016



Nathan Cherpeski, City Manager

MINUTES
KLAMATH FALLS CITY COUNCIL
May 2, 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. Council President Trish Seiler 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
Mark Willrett, Public Works Director
Dave Henslee, Police Chief
John Barsalou, Airport Director
Scott Souders, City Engineer
Tom Rosales, Wastewater Manager
Kelly Brennan, Facilities Maintenance
Manager
Joe Goetz, Airport Business Operations
Manager
Joe Wall, Management Assistant to the
City Manager
Kristina Buckley, Assistant to the City
Recorder

Councilman Hart moved to excuse Mayor Kellstrom's absence. Councilman Dodson seconded. The motion carried unanimously with all Council members present voting aye.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited

PUBLIC COMMENT

Council President Seiler opened the public comment.

Gavin Goebel. Mr. Goebel stated he was a resident of the north block of North 7th Street. He stated the street had not been maintained to adequate standards and was extremely narrow, forcing the residents of the 400-500 blocks to park on the sidewalk. A few years ago the residents attempted to comply with a Code Enforcement order and parked fully on the street but were met by honking and yelling from traffic, trash removal trucks and UPS drivers could not get their trucks up or down the street due to the vehicles parking on the street also. The safety reason requires residents to park halfway on the sidewalk. He continued that recently seven cars were ticketed at \$110 each. It was the City's responsibility to maintain the street, to meet ADA requirements and to widen the street. He realized the project would not happen overnight so in the meantime the residents were requesting the following:

Immediate:

- Provide signage to permit sidewalk parking for the 400-500 blocks;
OR
- Written directive to City Police and Code Enforcement to not enforce sidewalk parking regulations for the 400-500 blocks of North 7th Street; AND
- Written letter of recommendation to the City Municipal Court to dismiss sidewalk parking tickets due to unsafe street conditions.

Future:

- Reduce median strip,
- Provide functional, aesthetic retaining wall,
- Repair and widen street,
- Repair and realign sewer lines, and
- Repair or replace curbing.

He noted there was a May 19, 2016 pending court date for each of the citations and he requested resolution before that date. He distributed photos, a sketched map of the area and a summary of his requests, on file with the City Recorder.

Councilman Dodson asked if the residents had always parked on the sidewalk. Mr. Goebel responded yes, for the past 30 years. He noted that approximately 20 years ago several residents were ticketed and all of the cited residents went to the Police Department where a Lieutenant tore the tickets up.

Councilwoman Seiler stated she drove the street recently and appreciated the dilemma. City Manager Nathan Cherpeski addressed the question of who maintained the median strip and it was not City Parks. He would have to check with other Departments; perhaps Streets, to determine who maintained it. Councilman Dodson asked if most of the properties that joined along 7th Street had offsite parking or if most of them did not. Mr. Goebel responded approximately about half had some off street parking but those that did not have it, never had it. Councilman Adams stated the street surface was adequate; it was the width that was the problem so if the City allowed the residents to park on the sidewalk it would alleviate the situation. He noted he had operated a tow truck down the street in the snow so he realized how difficult it was to drive and maneuver vehicles at the location. He suspected the City built some retaining walls in the past and it was extremely expensive and inconvenienced people on a street similar to North 7th Street. He was not sure if putting a retaining wall in was the thing to do but the City needed to look at dismissing the tickets and he suggested perhaps the sidewalks needed to be taken out and the roadway extended out. Councilman Adams further suggested Council reimburse the gentleman for having pictures made up for Council members.

Terry Kissel. Mr. Kissel stated now that demolition had begun on the Balsiger building and based on some of the information from the Herald and News he asked what the cost was, not including urban renewal funds, to partner with the developer and where the funds came from. He had seen percentages and inquired about dollar amounts. City Manager Nathan Cherpeski stated that, as Council was aware, the City had entered into an exclusive negotiating agreement with Tokola Properties and that agreement had percentages within it. The total project was estimated at approximately \$12 million and the City's share was 18% to 24% of that if it moved forward. Mr. Kissel stated he heard the proposed development was

high-end apartments and he did not know what the demand was for high-end apartments. He asked if there would be any low income apartments in the complex. Mr. Cherpeski responded they would be market rate residences.

Kevin Alexander. Mr. Alexander addressed the Balsiger demolition and stated "they" had funding to help save the building and if the City had given "them" ample time to raise community awareness "they" could have prevented demolition. The City wasted energy that could have been used to help with the historical building downtown. He stated he recalled a few months ago there was discussion about second floor apartments in existing buildings downtown and that still had not happened and the proposed development would conflict with that. He stated Timbermill Shores was a good idea and eventually it would be built but it was another case of "at some point it may be built" just as the Balsiger property would become. He noted Council may have created opposition to elections.

Marge Balsiger. Ms. Balsiger stated the building was gone and asked why "we" waited so long for local opposition from citizens. When the City first bought the building, she thought the City Council would take care of the building; restore it, bring it back to its beauty and uniqueness but it was destined to be demolished. That was why she and others did not speak out initially and she was sorry for that because she thought things would have been different. She apologized to Council President Seiler for her diligent work but she noted Ms. Seiler should have reached out to the community who could have helped her. Recently there was very rapid demolition of the building when the contract had a 90 day window written in it and to her knowledge no other details of the contract were made public and; therefore, there were rumors, misconceptions and unfortunately there was a backlash now against things they should not be against. She further stated the City needed a lot more transparency because she had to dig around to find information in a contract that she could understand. She requested Council pay more attention to the public.

Ed Silling. Mr. Silling discussed the Balsiger and apologized for any broad, brisk statements he might make. He felt the rush to demolish the building was really unnecessary and that the intention was to take the restoration

off the table and to eliminate the public as stakeholders in the process. That the building was in danger of falling down did not hold up. The problem was that the City was rushing the community into an expensive, high-risk venture; calling for (quoting Dwight Unti) "A tremendous commitment on the part of the public." Mr. Silling thought it was related to the reason for the big rush because Mr. Unti wants everyone "running forward on all cylinders," as stated in a September 15, 2015 Herald and News article. But of course that was not the right way to approach it as stewards of the public trust. He stated Councilman Hart had advised Mr. Silling in an email to do a referendum as a referendum might influence the members of Council and that was a pretty good insight. The City's proposal was so high stakes and high risk and the City ought to have the public behind it but the process so far suggested that the City did not and the City had made some mistakes. The biggest was in destroying a heritage site with nothing from the developer; nothing signed on the dotted line so there was nothing but a pile of rubble. He forwarded some advice from Chuck Wells, "For the sake of your community do two things, lay out your plans including your funding sources; the escrow fund, the Tax Increment Funding plan, the public assets you'll be gifting to Tokola so the public can make a very informed decision on this big commitment we're supposed to be making. The second point is to put it to a vote."

Councilman Adams appreciated the response from the community on the Balsiger demolition and while he did not disapprove of the building coming down, he had a problem with the City spending \$2 to \$3 million on something the City would not get back and there could be other persons on Council who felt the same way. He noted going to the people for a vote may be the way to go. He further stated he had a problem with subsidies on anything; it was the same thing with solar panels and green energy because green energy did not pencil out. He appreciated that people did not want to see the City giving away subsidies to anybody out of town.

Councilman Hart clarified that the vote of the people on the demolition was already a "bridge that had been crossed." What Councilman Adams referred to was similar to many cities in Oregon who called for a vote before any Urban Renewal District was formed and it would support getting more public input. He noted it was not required but Council could

form an Urban Renewal District without the consent of the other Taxing Districts and he would personally feel that at a bare minimum, written consent of the other Taxing Districts should be received before moving forward.

Hearing or seeing no one further, Council President Seiler closed the public comment.

1. CONSENT AGENDA. Councilman Hart moved to approve the Consent Agenda as follows: **Approved the Consent Agenda for May 2, 2016; Approved the April 18, 2016 regular meeting minutes.** 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

2. There were no general public hearing matters.

LEGISLATIVE ACTION

3. AWARD OF CONTRACT WITH HDR TO PROVIDE OWNERS REPRESENTATIVE SERVICES FOR THE SPRING STREET SEWAGE TREATMENT PLANT PROGRESSIVE DESIGN/BUILD PROJECT IN THE AMOUNT NOT TO EXCEED \$836,246. Wastewater Manager Tom Rosales reviewed his written report. Councilman Hart stated the City did not have sufficient resources on City staff to do the work, which was why the owner's representative was needed. He asked about local firms being utilized. Mr. Rosales explained the City received one proposal from SHN who had a local office; however, HDR in their proposal would be teaming with a local firm, Adkins Engineering for the construction management phase of the project to perform some of the tasks.

Councilman Hart moved to authorize City staff to enter into a contract with HDR to provide Owners Representative services for the Spring Street Sewage Treatment Plant progressive Design/Build Project in the amount not to exceed \$836,246. Councilman Adams seconded. The motion carried with Councilman Tofell, Councilman Hart, Councilman Adams, and Councilwoman Seiler voting aye. Councilman Dodson voted no.

Councilman Dodson stated the item was discussed at the Work Session prior to the Council meeting and he felt like the City was going through some transition and for \$800,000 the City could hire several people to do the work. It was for a short time frame for expenditures on personnel and perhaps the City needed to drag its feet until the personnel were in place to manage the project from the beginning and not join the project team in the middle of the project.

3. ORDINANCE AMENDING SECTION 6.645 RELATING TO PARKING ENFORCEMENT ON PARKING LOTS OPERATED BY THE CITY - FIRST READING. City Attorney Joanna Lyons-Antley reviewed her written report. Councilman Hart stated he assumed approval of the Ordinance also approved execution of the Parking Lot Agreement with Klamath County and asked if that was correct. Ms. Lyons-Antley responded Council approval of the Agreement was not necessary as the City Manager had the authority to approve it; however, if Council did not approve the Ordinance, the Agreement would not be approved. Council President Seiler asked if the extra enforcement would add to City costs or staff time to enforce the parking lot. City Manager Nathan Cherpeski responded staff did not believe so. The Parking Enforcement Officer would include the lot in the regular route and he had plenty of time in his route for the lot's inclusion. Council President Seiler noted the County stated they would continue to maintain the lot with snow removal. She asked if they would maintain it year round. Mr. Cherpeski responded yes, that it would remain a County lot. The agreement would give them the ability to cancel it and take the lot back for their employees should they begin to hire more staff. He noted the City would have no investment in the lot other than some signage. Council President Seiler asked what the cost of signage would be. Mr. Cherpeski responded it would cost approximately \$30 each.

Councilman Dodson asked if the City enforced any other County lots. Mr. Cherpeski responded no. Councilman Dodson asked if the proposed lot had no enforcement on it. Mr. Cherpeski responded the County could tow

vehicles but the group that approached the County wanted assurance they could have access to those spaces. Councilman Dodson stated a lot that had no enforcement was now going to be signed to enforce seemed like enacting government regulations when they were not needed but the request was coming from the County and if that was what it took to get the spaces in the lot opened up to property owners, then the City should support it.

Council President Seiler opened the public comment. Seeing or hearing no one, she closed the public comment.

Councilman Tofell **moved to introduce the Ordinance for first reading by title.** Councilman Dodson seconded. The motion carried unanimously with all Council members present voting aye. City Manager Nathan Cherpeski read the Ordinance by title.

4. SOLE SOURCE PURCHASE OF LED COBRA HEAD FIXTURES FROM NORTH COAST ELECTRIC IN THE AMOUNT OF \$155,390.75. Maintenance Manager Kelly Brennan reviewed his written report. Councilman Adams stated he appreciated what the project had done with the amount of savings that was achieved. The payback was around seven years on most of the fixtures with a 10 year guarantee and even after that he did not think there would be many problems. Councilman Hart stated there were new fixtures in his neighborhood and he appreciated how much brighter and how clear the colors under the lights were; not faded and yellowed. He noted the source of street lighting funds was an assessment; a fee on the water bill and was not a property tax. The Energy Trust of Oregon Grant was also assisting in paying for the project. Mr. Brennan concurred and noted \$37,000 of the \$155,000 for the current purchase would be paid for by the Energy Trust and each phase received incentives.

Councilman Dodson **moved to authorize a sole source purchase of Holophane brand LED fixtures from North Coast Electric in the amount of \$155,390.75.** Councilman Tofell seconded. The motion carried unanimously with all Council members present voting aye.

5. REQUEST TO FORGIVE OUTSTANDING LIENS ON THREE COUNTY-OWNED PROPERTIES. Management Assistant Joe Wall reviewed his written report. Councilman Adams stated he did not disagree

completely with what was proposed because the County had a real problem with the way they were handling their properties. Two houses were both rehabilitatable in the condition they were in and would have been purchased at the last Sheriff's sale if they had been placed on the list so he thought the City was making a mistake. The property on North 8th Street needed to come down so he understood that particular house being part of the proposal; however, the other two should be sold and liens collected on. He referenced a previous statement made by Councilman Dodson at a prior Council meeting about the cost per unit to construct affordable housing and how it was considerably higher to build than to rehabilitate. Councilman Dodson stated 10 units cost \$2 million to construct at a recent project so it was \$200,000 per unit, which made them luxury one bedroom housing units apparently by comments made by others. Councilman Adams stated the two houses could be purchased and rehabilitated and rented for the \$400 a month range rather than putting public money into something that did not need public money put behind it.

Councilman Tofell stated it took years to accumulate fees of \$71,000 on the properties and the City needed to find a way to get the properties "turned around." If the City could remove the fees and get the properties listed on the Sheriff's sale, then somebody could buy them but at the high fees no one was going to buy them. Mr. Cherpeski stated the City was not doing that anymore; the properties were "legacy" items. At the Sheriff's sale, the taxes were paid first and on North 8th, which was where \$70,000 of the liens were at, he believed it had been for auction twice and it needed to go away.

Councilman Dodson stated the letter from Luckenbill-Drayton in the Agenda Packet referenced the transfer of six lots but the City was only involved in three of the properties. Mr. Wall concurred. Councilman Hart asked if Council had an appetite for giving the North 8th Street property and having staff come back with more detail and information on the other two properties. Councilman Adams stated that was fine with him and noted he had looked at all of them.

Diana Otero, Director Klamath County Housing Authority. Council President Seiler asked if the City only approved the most derelict of the properties and held back on the other two properties what affect that would have on the Housing Authority's grant application. Ms. Otero responded she was unsure as she had not put the application together yet. She acknowledged what Councilman Adams said about the funding being

“our money” but the state was going to put the funds out to some communities and Klamath County Housing Authority was having a hard time competing against urban areas because of size and poverty levels. By including the houses it strengthened their application and they earned more points. Council President Seiler asked if it would show as an in kind contribution from the City. Ms. Otero responded yes and stated it showed the Housing Authority was developing more of the poverty levels.

Councilman Dodson asked if the homes would be “beaded” to a bigger development in the packet going to the state. Ms. Otero responded yes. Councilman Dodson asked if the City could be made whole on what the City spent on the properties and forego the interest. Ms. Otero responded she did not know but assumed yes. Councilman Hart asked if Ms. Otero had a contract to purchase the properties. Ms. Otero responded she talked to the County and they would transfer the properties to the Housing Authority at no cost but the Housing Authority would pay the transfer fees and would guarantee they would take the houses down.

Councilman Tofell asked if, when the Housing Authority went into partnership with a private developer, it was the same person every time or if they put it out for bid. Ms. Otero responded if the Housing Authority was driving the contract, it would be out for public bid. Councilman Tofell asked if any developer could come to the Housing Authority with a similar proposal. Ms. Otero responded that was correct then it would be up to the board to select.

Councilman Dodson asked if the three home sites were redeveloped, would they stay in ownership of the Housing Authority for 15 years then there would be an attempt to sell them. Ms. Otero responded yes. Councilman Dodson asked if the properties would be off the tax rolls while in ownership of Klamath Housing Authority. Ms. Otero responded yes.

Councilman Adams stated the County went three years without selling any of their foreclosure property, which was why there were so many listed in the most recent sale in their current condition. Unfortunately, the City did not have the ability to force the County to take care of the situation; however, two of the properties proposed in the Agenda Item could be sold to a private owner, rehabilitated and rented or sold without any state funds being involved and it would be a disservice to the public by taking them off the tax rolls. He noted the properties were not on the list of sale

properties probably because the Housing Authority had talked to the Assessor's office about the proposal. Ms. Otero stated Rafael Hernandez made the recommendation to the Commissioners.

Councilman Hart moved to approve the Forgiveness of Outstanding City Liens for one County-Owned property located at 530 N 8th Street and directed staff to return to Council with additional information on the two properties located at 2004 Orchard Avenue and 1919 Tunnel Street. Councilman Adams seconded. The motion carried with Councilman Tofell, Councilman Hart, Councilman Dodson, and Councilman Adams voting aye. Councilwoman Seiler voted no.

OTHER MATTERS

Tokola Properties. Councilman Tofell asked if the City had any official signed contracts with Tokola Properties. City Manager Nathan Cherpeski responded there was only a due diligence agreement.

Receivership Program. Councilman Hart stated he hoped that at some point the City Manager and staff would do some more about the Receivership Program the City had instituted for dilapidated properties.

Traffic Control Concerns. Councilman Adams stated Council received a copy of a letter concerning a traffic situation on Crescent near Klamath Union High School. Public Works Director Mark Willrett stated staff had just received a copy of the letter so nothing had been done yet. He noted it may be taken before the Traffic Control Board for discussion possibly in June. Councilman Adams requested staff notify the individual and let her know the City was going to look into it. He continued and stated it brought to light concerns about parking situation at Klamath Union High School and he asked if parking was reviewed in the remodel of the high school. Mr. Willrett responded not that he was aware of. Councilman Adams asked if it was required for review by the Planning Department. City Manager Nathan Cherpeski responded the remodel was not a change of use. The school would remain a school so the parking requirement did not change.

ADJOURNMENT

Councilman Hart moved to adjourn the meeting to Executive Session under ORS 192.660(2)(e) Real Property and ORS 192.660(2)(h) Consultation with Legal Counsel. Councilman Dodson seconded. The motion carried unanimously with all Council members present voting aye. The meeting was adjourned to Executive Session at 8:20 p.m.

Kristina Buckley
Assistant to the City Recorder

**KLAMATH FALLS CITY COUNCIL
AGENDA REPORT**



Agenda Item No. 2

Date: May 16, 2016

Department: Legal Department	Contact/Title: Nathan Cherpeski, City Manager
Staff Presenter: Nathan Cherpeski	Telephone No.: 541-883-5316
City Manager Review: 	Email: ncherpeski@klamathfalls.city

TOPIC: A Resolution Approving the Issuance of Revenue and Refunding Bonds, Series 2016 in an Aggregate Principal Amount Not Exceeding \$58,000,000 through the Klamath Falls Intercommunity Hospital Authority (HA)

SUMMARY AND BACKGROUND:

Sky Lakes Medical Center ("SLMC") is requesting the Intercommunity Hospital Authority ("Authority") issue revenue and refunding bonds in an amount not to exceed \$58,000,000 to finance the costs of the following (also mostly stated on the attached letter dated 4/12/16 from Richard Rico):

1. Currently refund all of the Authority's Revenue and Refunding Bonds, Series 2006 (Merle West Medical Center Project) that remain outstanding;
2. Pay, or reimburse the Borrower for the payment of, costs of developing, constructing and equipping a new medical office building, erecting a parking structure for the new facility, purchasing equipment and completing other capital improvement projects to be used in the provision of health care services; and
3. Funding of a debt service reserve fund, if deemed necessary and appropriate, and pay certain costs of issuance of the Series 2016 Bonds.

The Council is being asked to approve the Authority's actions, as well as hold a hearing for Section 147(f) of the Internal Revenue Code to provide the opportunity for members of the public to express their views, orally, or in writing, regarding the issuance of the Series 2016 Bonds and the financing of the Project(s).

FINANCIAL IMPACT:

There is no financial impact for the City; the Bonds will be exclusively repaid from SLMC revenues and secured by SLMC assets. There would be no recourse to the City revenues or assets pursuant to this financing.

COUNCIL OPTIONS:

- 1) Approve HA actions and approve the Resolution; or
- 2) Not Approve HA actions and Resolution.

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DOCUMENTS ATTACHED:

- Documents from HA Meeting on May 5, 2016
 - Amended Resolution approving the Revenue and Refunding Bonds, Series 2016
 - Amended Letter of Intent between Authority and SLMC
- Letter addressed to the Authority dated 4/12/16 from Richard Rico
- Notice of Public Hearing on 5/16/16 to Herald and News
- Proposed Council Resolution approving the Authority's actions

RECOMMENDED MOTION/ACTION:

- Hold a Public Hearing;
- Move to introduce the Resolution by title;
- Move to approve the Resolution and Authority's actions

NOTICE SENT TO:

- Paul Stewart, SLMC
- Richard Rico, SLMC
- Barbara DiIaconi, Attorney for SLMC
- Michael Schrader, ORRICK-Bond Counsel

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KLAMATH FALLS INTERCOMMUNITY HOSPITAL AUTHORITY

AMENDED RESOLUTION NO. 16-02

AN AMENDED BOND RESOLUTION AUTHORIZING APPROVAL OF REVENUE AND REFUNDING BONDS, SERIES 2016 (SKY LAKES MEDICAL CENTER PROJECT) IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$58,000,000; AUTHORIZING THE EXECUTION OF AN AMENDED LETTER OF INTENT WITH SKY LAKES MEDICAL CENTER, INC.; AND RELATED MATTERS.

The Board of Directors of the Klamath Falls Intercommunity Hospital Authority Finds:

- a. The Board of Directors of the Klamath Falls Intercommunity Hospital Authority of the City of Klamath Falls, Oregon (the "Authority"), a public authority organized and existing pursuant to Oregon Revised Statutes ("ORS") Sections 441.525 to 441.595, inclusive (the "Act"), at the request of Sky Lakes Medical Center, Inc., an Oregon nonprofit corporation (the "Borrower"), and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986 (the "Code"), adopted a Resolution, dated April 12, 2016 (the "Resolution" and read together with this Amended Resolution, collectively, the "Bond Resolution"), to, among other things, (i) authorize and approve the execution, sale, delivery and issuance by the Authority of its Revenue and Refunding Bonds, in one or more series (the "Series 2016 Bonds"), in an aggregate principal amount not to exceed \$53,000,000, for the benefit of the Borrower, to finance the costs of the Project (as defined in the Resolution); (ii) designate Authorized Representatives of the Authority; (iii) authorize the Authorized Representatives to review and approve the terms and provisions of the Financing Documents and (iv) authorize the execution of a letter of intent with the Borrower.
- b. Following the adoption of the Resolution, the Borrower, at the direction of its Board of Directors, has requested that the maximum aggregate principal amount of the Series 2016 Bonds be increased to \$58,000,000.
- c. In addition to the costs of the Project being financed with proceeds of the Series 2016 Bonds identified in the Resolution, the Borrower has also requested that proceeds of the Series 2016 Bonds be used to pay costs of constructing parking facilities at the new medical office building being financed with the Series 2016 Bonds.
- d. On April 12, 2016, the Authority and the Borrower executed and delivered a Letter of Intent regarding the Series 2016 Bonds.
- e. The parties to the Letter of Intent wish to amend the Letter of Intent to increase the maximum aggregate principal amount of the Series 2016 Bonds to \$58,000,000 (the "Amended Letter of Intent").
- f. The City of Klamath Falls, Oregon (the "City") is currently scheduled to conduct a public hearing on May 16, 2016 to provide the opportunity for members of the public to express

their views, orally, or in writing, regarding the issuance of the Series 2016 Bonds and the financing of the Project. The notice of public hearing (TEFRA Notice) was published in the May 1, 2016 edition of the *Klamath Falls Herald and News*; such publication meets the requirements of publication at least 14 days prior to the public hearing.

- g. The Board determines that it is in the best interest for the Authority to provide adequate medical care facilities and related services within the City of Klamath Falls, Oregon and to adopt this Amended Resolution in connection with the execution, sale, delivery and issuance of the Series 2016 Bonds and the financing of the Project.
- h. Capitalized terms not defined herein shall have the meanings set forth in the Resolution.

The Board of Directors of the Klamath Falls Intercommunity Hospital Authority Resolves:

Section 1. The Authority does hereby authorize and approve of the provisions of and directs the execution, sale, delivery and issuance by the Authority of the Series 2016 Bonds, in one or more series, in an aggregate principal amount not to exceed \$58,000,000 to finance the Project.

Section 2. The constructing of parking facilities at the new medical office building is hereby added to the definition of "Project" in the Bond Resolution.

Section 3. An Authorized Representative of the Authority is authorized to execute and deliver the Amended Letter of Intent, substantially in the form attached hereto as Exhibit A.

Section 4. Except as supplemented by Sections 1 and 2 of this Amended Resolution, the provisions of the Resolution shall remain unchanged and in full force and effect. The Resolution and this Amended Resolution shall be read together and shall constitute the full and complete Bond Resolution authorizing and approving the issuance of the Series 2016 Bonds and related matters.

ADOPTED and effective this 5th day of May 2016.

**KLAMATH FALLS INTERCOMMUNITY
HOSPITAL AUTHORITY**

By: 
Chair

ATTEST:

By: 
Recording Secretary

STATE OF OREGON)
County of Klamath) ss.
City of Klamath Falls)

I, Nickole M. Barrington, Recording Secretary for the Klamath Falls Intercommunity Hospital Authority of the City of Klamath Falls, Oregon (the "Authority"), hereby certify that the foregoing is a true and correct copy of the Amended Resolution duly adopted by the Authority, at a special meeting held on the 5th day of May, 2016, and thereafter approved and signed by the Chair and attested to by the Recording Secretary.

Nickole M. Barrington
Recording Secretary

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EXHIBIT A

AMENDED LETTER OF INTENT

between

KLAMATH FALLS INTERCOMMUNITY HOSPITAL AUTHORITY

and

SKY LAKES MEDICAL CENTER, INC.

THIS AMENDED LETTER OF INTENT is between the KLAMATH FALLS INTERCOMMUNITY HOSPITAL AUTHORITY of the City of Klamath Falls, Oregon, a public authority of the State of Oregon (the "Authority"), and SKY LAKES MEDICAL CENTER, INC., an Oregon nonprofit corporation (the "Borrower").

1. **Preliminary Statement.** Among the matters of mutual inducement, which have resulted in the execution of this Amended Letter of Intent are the following:

a. The Authority is a public authority, authorized and empowered by ORS 441.525 to 441.595 (the "Act") to issue revenue bonds for the purposes specified therein, including providing funds to nonprofit corporations sufficient to improve, extend, maintain, equip and furnish hospital facilities under the Act, upon such terms and conditions as the Authority may deem advisable.

b. The Authority proposes to issue its Revenue and Refunding Bonds, Series 2016 (Sky Lakes Medical Center Project), in one or more series, and in any combination of tax-exempt fixed rate bonds (collectively, the "Bonds"). The proceeds of the Bonds will be used to make a loan to the Borrower to finance and/or refinance the costs of: (1) currently refunding all of the Authority's Revenue and Refunding Bonds, Series 2006 (Merle West Medical Center Project) that remain outstanding; (2) paying, or reimbursing the Borrower for the payment of, costs of developing, constructing and equipping a new medical office building, constructing parking facilities at the new medical office building, purchasing equipment and completing other capital improvement projects to be used in the provision of health care services; and (3) funding a debt service reserve fund, if deemed necessary and appropriate, and paying certain costs of issuance of the Bonds (collectively, the "Project").

The total costs of the Project to be financed with the proceeds of the Bonds will be in an aggregate principal amount not to exceed \$58,000,000.

c. The Authority deems it necessary and advisable that it take such action as may be required under the Act to authorize and issue the Bonds to finance all or a portion of the costs of the Project.

d. The Authority finds that the issuance of the Bonds to finance the costs of the Project, and the loaning of the proceeds thereof to the Borrower constitutes a valid public purpose.

e. All references in this Amended Letter of Intent to the Authority shall be deemed to include where appropriate its elected and appointed officials, employees and agents.

2. **Undertakings on the Part of the Authority.** Subject to (a) the conditions stated herein and (b) the preparation and approval of the various financing documents and review and approval by bond counsel, the Authority agrees and represents as follows:

a. The Authority will, upon satisfaction by the Borrower of all conditions stated herein and all other conditions imposed on the Borrower by the Authority prior to issuance of the Bonds, authorize and cause the issuance of its Bonds to be payable solely from revenues of the Borrower payable to the Authority pursuant to a loan agreement or other financing agreement between the Borrower and the Authority, which Bonds will be in an aggregate principal amount not to exceed \$58,000,000.

b. The Authority will adopt such proceedings and authorize the execution of such documents as may be necessary and advisable for the authorization, issuance, sale and delivery of the Bonds, and loan the proceeds of the Bonds to the Borrower to finance the Project, all as authorized by law and as mutually satisfactory to the Borrower and the Authority.

c. The amounts payable to the Authority under the loan agreement or other financing agreement will be sufficient to pay the principal of and the interest on, and redemption premium, if any, of the Bonds as and when the same become due and payable.

d. The Authority has appointed Orrick, Herrington & Sutcliffe LLP as bond counsel and special counsel to the Authority (collectively, "Bond Counsel"), to supervise the proceedings and to approve the legality of the Bonds, the tax-exempt status of the Bonds and to conduct due diligence with respect to the Borrower and to assist in the review of the official statement for the Bonds.

e. The Bonds will be limited obligations of the Authority payable only from revenues or assets provided or arranged by the Borrower. Neither the Bonds nor the interest thereon shall be an obligation of the Authority, the City of Klamath Falls, Oregon (the "City") or the State of Oregon, or the personal obligations of the elected or appointed officials, employees or agents of the Authority, the City or the State of Oregon within the meaning of any constitutional or statutory provisions whatsoever, but shall be payable solely from revenues or assets provided or arranged by the Borrower. The Bonds shall not be a general obligation of the Authority or its elected or appointed officials, employees or agents nor a pledge of the faith and credit of the Authority or its elected or appointed officials, employees or agents nor a debt or pledge of the faith and credit of the City or the State of Oregon. The Authority has no taxing authority.

f. No presently existing assets of the Authority or the City shall be given to secure the Bonds and the Bonds shall be repayable out of, and only out of, revenues or assets provided or arranged by the Borrower.

3. **Undertakings on the Part of the Borrower.** Subject to the conditions above stated, the Borrower agrees as follows:

a. If the Bond financing herein contemplated is available, it is the intent of the Borrower to cause the Project, as described in Section 1. above, to be completed.

b. The Borrower will cooperate with the Authority for the approval of all of the terms and conditions of the issuance of the Bonds, and in the sale of the Bonds in an aggregate principal amount not to exceed \$58,000,000 to be used to finance the Project.

c. At the time of closing of the Bonds, the Borrower will pay from Bond proceeds or other available Borrower funds, to Bond Counsel, fees based on the time incurred with respect to the Bonds and the Project based on its standard hourly rates plus its out-of-pocket expenses.

d. At the time of closing of the Bonds, the Borrower will deliver an executed loan agreement or other financing agreement with the Authority, under which terms the Borrower will agree to pay the Authority loan payments sufficient in the aggregate to pay the principal of and interest on, and redemption premium, if any, of the Bonds as and when the same shall become due and payable.

e. In addition to the indemnification and hold harmless obligations of the Borrower under Section 5(a) hereof, the loan agreement or other financing agreement shall contain provisions in which the Borrower shall indemnify and hold the Authority and the City and their elected or appointed officials, employees and agents harmless from all liabilities incurred in connection with the Project or the sale, issuance, marketing or administration of the Bonds.

f. The Borrower will cause Borrower's counsel to provide the Authority with a legal opinion substantially the same in form and substance as the legal opinion provided by Borrower's counsel to the underwriter with respect to the Bonds.

g. The loan agreement shall also contain such other provisions as may be required or permitted by law and as are mutually acceptable to the parties.

h. In accordance with the provisions of Rule 15c2-12 promulgated by the Securities and Exchange Commission, the Borrower, as an "Obligated Person" within the meaning of the Rule, agrees to execute and deliver a Continuing Disclosure Certificate, in a form satisfactory to the Authority and Bond Counsel and agrees to provide information as specified in the Continuing Disclosure Certificate on an annual basis and will undertake to provide in a timely manner notices of a material event, as defined in the Continuing Disclosure Certificate, with respect to the Bonds.

i. In addition to the indemnification and hold harmless obligations of the Borrower under Section 5(a) hereof, the Borrower shall indemnify and save the Authority and the City, their appointed or elected officials, employees or agents harmless against and from all claims by or on behalf of any person, firm, corporation or other legal entity arising from any fees or costs incurred by the Authority or the City in responding to any Internal Revenue Service

audit, Securities and Exchange Commission inquiry or any other federal, state or regulatory action or proceeding with respect to the Bonds or the Project. The Authority may employ, at the Borrower's expense, any counsel (internal or otherwise) or experts required in responding to any audit, inquiry, regulatory action or proceeding with respect to the Bonds or the Project.

j. The Borrower will take such further action and adopt such further proceedings as may be required to implement these understandings.

4. General Provisions.

a. Except as provided in Section 4(b) and Section 5(a) hereof or as otherwise provided herein, all obligations arising under this Amended Letter of Intent are conditioned upon the parties agreeing to mutually acceptable terms for the sale of the Bonds and mutually acceptable terms and conditions for the contracts and agreements contemplated herein; provided, however, that the Authority shall not participate in or be responsible for the marketing of the Bonds.

b. Notwithstanding anything to the contrary stated herein, the Borrower will pay, or cause to be paid, whether the Bonds are actually issued or not, any fees and expenses incurred in connection with the issuance, sale and on-going administration of the Bonds, including without limitation, the reasonable fees and expenses of Bond Counsel, the Authority's financial advisor, if any, and the Bond Trustee, registrar, paying agent and escrow agent. In addition, the Borrower shall pay the out-of-pocket costs of Bond Counsel, the Authority's financial advisor, if any, and City staff. The Borrower will also pay the cost and fees of its counsel, underwriter's fees and any other costs incurred in connection with the Project or the Bonds.

c. The Borrower shall obtain, at its expense, all necessary governmental approvals and opinions of Bond Counsel to ensure the legality and tax-exempt status of the Bonds. In addition, the Borrower shall make no use of the Bond proceeds so as to cause the Bonds to be classified as arbitrage bonds as that term is defined in the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder (the "Code") or cease to be "qualified 501(c)(3) bonds" as that term is defined in Section 145 of the Code.

d. The Borrower agrees to execute and deliver the Continuing Disclosure Certificate as required by Section 3h. hereof.

5. Miscellaneous Provisions.

a. The Borrower shall and hereby agrees to indemnify and save the Authority and the City, their appointed or elected officials, employees or agents harmless against and from all claims by or on behalf of any person, firm, corporation or other legal entity arising from the execution of this Amended Letter of Intent and any and all other actions to be taken by the Authority or the City relating to the Project or the issuance of the Bonds for so long as the Bonds remain outstanding, including, without limitation, the conduct or management of, or from any work or thing done related to the Project, including without limitation, (i) any condition related to the Project, (ii) any breach or default on the part of the Borrower in the performance of any of its obligations under this Amended Letter of Intent, (iii) any act or negligence of the Borrower or

of any of its agents, contractors, servants, employees or licensees, (iv) any act or negligence of any assignee or lessee of the Borrower, or of any agents, contractors, servants, employees or licensees of any assignee or lessee of the Borrower, (v) any omission or misstatements of any material fact in any official statement or other offering document (collectively, the "Offering Statement") or any other liability arising from the sale, issuance, marketing or administration of the Bonds, or (vi) any Internal Revenue Service audit or proceeding or any Securities and Exchange Commission investigation proceeding or any inquiry or any other federal, state or local regulatory action, investigation or proceeding. The Borrower shall indemnify and save the Authority and the City and their elected or appointed officials, employees or agents harmless from any such claim arising as aforesaid, or in connection with any action or proceeding or costs or fees incurred in any action or proceedings brought thereon whether at trial, on appeal, in bankruptcy proceedings or otherwise, and upon notice from the Authority or its elected or appointed officials, employees or agents, the Borrower shall defend them or either of them in any such action or proceeding at the Borrower's expense.

Notwithstanding the fact that is the intention of the parties hereto that the Authority and the City and their elected or appointed officials, employees or agents shall not incur any pecuniary liability by reason of the terms of this Amended Letter of Intent or the undertakings required of the Authority or the City or their elected or appointed officials, employees or agents hereunder, by reason of the issuance of the Bonds or by reason of the execution of any financing documents relating thereto, or by reason of the performance of any act requested by the Authority or the City, its elected or appointed officials, employees or agents or by the Borrower, including all claims, liabilities or losses arising in connection with the violation of any statutes or regulation pertaining to the foregoing; nevertheless, if the Authority or the City or its elected or appointed officials, employees or agents should incur any such pecuniary liability, then in such event the Borrower shall indemnify and hold the Authority and the City and their elected or appointed officials, employees or agents harmless against all claims, demands or causes of action whatsoever, by or on behalf of any person, firm or corporation or other legal entity arising out of the same or out of any Offering Statement or lack of Offering Statement in connection with the sale or resale of the Bonds and all costs, fees and expenses, including without limitation, legal fees and expenses whether incurred at trial, on appeal, in bankruptcy proceedings or otherwise incurred in connection with any such claim or in connection with any action or proceeding brought thereon, and upon notice from the Authority or its elected or appointed officials, employees or agents, the Borrower shall defend the Authority and its elected or appointed officials, employees or agents in any such action or proceeding.

Notwithstanding anything to the contrary contained herein, the Borrower shall have no liability to indemnify the Authority or the City, or its elected or appointed officials, employees or agents, against claims or damages resulting from the Authority's or the City or their elected or appointed officials, employees or agents own gross negligence or willful misconduct.

In the event any claim is made against the Authority or the City, their elected or appointed officials, employees or agents (collectively, the "Indemnified Parties") for which indemnification may be sought from the Borrower under the foregoing provisions, the Indemnified Parties shall promptly give written notice thereof to the Borrower; provided that any failure to give or delay in giving such written notice shall not relieve the Borrower's

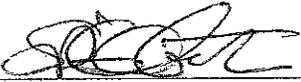
indemnification obligations as set forth above except to the extent such failure or delay prejudices the Borrower's ability to defend or settle such claim. Upon receipt of such notice, the Borrower shall assume the defense thereof in all respects and may settle such claim in such manner as it deems appropriate so long as there is no liability, cost or expense to the Indemnified Party.

b. If Bond proceeds are not sufficient to complete the Project, the Borrower agrees to pay, or cause to be paid, the deficiency.

c. The Authority and the Borrower have caused this Amended Letter of Intent to be authorized by their respective governing body or board of directors, and executed by their duly authorized officers as of the 5th day of May 2016.

**KLAMATH FALLS INTERCOMMUNITY
HOSPITAL AUTHORITY**

SKY LAKES MEDICAL CENTER, INC.

By: 
Authorized Representative

By: _____
Authorized Representative

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* Written Notice of Bond Project



SKY LAKES

MEDICAL CENTER

LIFE : HEALING : PEACE™

2865 Daggett Avenue
Klamath Falls, OR 97601
Ph 541 882 6311

Paul R. Stewart
President & CEO

SkyLakes.org

April 12, 2016

Klamath Falls Intercommunity
Hospital Authority
Klamath Falls, Oregon 97601

Board of Directors:

Sky Lakes Medical Center, Inc., an Oregon nonprofit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986 (the "Borrower"), respectfully requests the Klamath Falls Intercommunity Hospital Authority (the "Authority") to issue to issue Revenue and Refunding Bonds, in one or more series, in an aggregate principal amount not to exceed \$53,000,000 (the "Series 2016 Bonds"), for the benefit of the Borrower, to finance the costs of the following projects (collectively, the "Project"):

1. currently refund all of the Authority's Revenue and Refunding Bonds, Series 2006 (Merle West Medical Center Project) that remain outstanding;
2. pay, or reimburse the Borrower for the payment of, costs of developing, constructing and equipping a new medical office building, purchasing equipment and completing other capital improvement projects to be used in the provision of health care services; and
3. funding of a debt service reserve fund, if deemed necessary and appropriate, and paying certain costs of issuance of the Series 2016 Bonds.

We are requesting that the Authority serve as the issuer of the 2016 Bonds.

- **Structure.** The Series 2016 Bonds will be issued as non-recourse, tax-exempt fixed rate revenue bonds payable from revenues of the Borrower.
- **Finance Team.** Orrick, Herrington & Sutcliffe LLP, as special counsel to the Authority will also serve as Bond Counsel to the Authority in connection with the issuance of the Series 2016 Bonds. We have retained Piper Jaffray & Co. as underwriter of the Series 2016 Bonds and U.S. Bank National Association will serve as bond trustee, paying agent and registrar.
- **Timetable.** The sale date of the Series 2016 Bonds is tentatively scheduled for mid-May, 2016 and the closing date is tentatively scheduled for late May, each as set forth on the Financing Schedule included with this letter.

We have included in this packet the Financing Schedule, a Working Group Participant's List, a preliminary breakdown of Sources and Uses of Funds for the Project and copies of our Consolidated Financial Statements for fiscal years ending September 30, 2015 and September 30, 2014.

We look forward to the opportunity to work with you as the issuer of the Series 2016 Bonds for this important transaction.

If you have any questions, please feel free to call me at (541) 274-6154.

Sincerely,

Richard E. Rico
Chief Financial Officer

Enclosures

AFFIDAVIT OF PUBLICATION
STATE OF OREGON,
COUNTY OF KLAMATH

I, Pat Bergstrom, Legal Specialist, being duly sworn, depose and say that I am the principle clerk of the publisher of the Herald and News, a newspaper in general circulation, as defined by Chapter 193 ORS, printed and published at 2701 Foothills Blvd, Klamath Falls, OR 97603 in the aforesaid county and state; that I know from my personal knowledge that the Legal#17050 PUBLIC HEARING MAY 16, 2016 a printed copy of which is hereto annexed, was published in the entire issue of said newspaper for: 1

Insertion(s) in the following issues:
05/01/2016

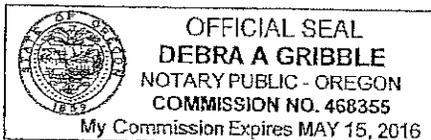
Total Cost: \$338.00

Pat Bergstrom

Subscribed and sworn by Pat Bergstrom before me on:
2nd day of May in the year of 2016

Debra A Gribble

Notary Public of Oregon
My commission expires on May 15, 2016



NOTICE OF PUBLIC HEARING

May 16, 2016

7:00 p.m.

Klamath Falls City Hall, City Council Chambers,
500 Klamath Avenue, Klamath Falls, Oregon 97601

NOTICE IS HEREBY GIVEN that a public hearing will be conducted before the City Council of the City of Klamath Falls, Oregon (the "City") on Monday, May 16, 2016, at 7:00 p.m. in City Council Chambers at Klamath Falls City Hall, 500 Klamath Avenue, Klamath Falls, Oregon 97601 for the purpose of hearing public comments on a request by Sky Lakes Medical Center (the "Borrower") to the Klamath Falls Intercommunity Hospital Authority (the "Authority") to issue Revenue and Refunding Bonds, Series 2016 (Sky Lakes Medical Center), with an aggregate issue price not to exceed \$60,000,000 (the "Bonds").

The maximum dollar amount of Bonds to be issued to finance and/or refinance all of the projects below (collectively the "Projects") is \$60,000,000. The actual amount of Bonds issued for any specific Project may be less than the maximum amount indicated. The proceeds of the Bonds shall be used for the following purposes:

Refunding Component: An amount not exceeding \$34,000,000 will be used to refinance directly or indirectly prior obligations of the Authority that financed capital improvements to the Borrower's health care facilities located at 2865 Daggett Avenue, Klamath Falls, OR 97601; 2801 Daggett Avenue, Klamath Falls, OR 97601; and 2610 Uhrmann Road, Klamath Falls, OR 97601.

New Money Component: An amount not exceeding \$26,000,000 will be used to finance the costs of the development, construction and equipping of a new medical office building and parking lot, along with the acquisition of equipment and other capital improvement projects by the Borrower to be used in the provision of hospital and health care and any additions, enlargements, replacements, extensions or improvements to the various health care facilities of the Borrower located at 2865 Daggett Avenue, Klamath Falls, OR 97601; 2801 Daggett Avenue, Klamath Falls, OR 97601; 2900 Daggett Avenue, Klamath Falls, OR 97601; 2610 Uhrmann Road, Klamath Falls, OR 97601; and on the northwest corner of the current Sky Lakes Medical Center parking lot due west of the current medical center building located at 2865 Daggett Avenue, Klamath Falls, OR 97601 and due north of the Cascade East Family Practice Medicine Center located at 2801 Daggett Avenue, Klamath Falls, OR 97601, being bordered on the west by Campus Drive and on the north by Dan O'Brien Way, Klamath Falls, OR.

The Borrower will be the owner of all Projects financed and refinanced by the Bonds.

Section 147(f) of the Internal Revenue Code of 1986, as amended, requires that qualified 501(c)(3) bonds be approved by the applicable elected representatives of the governmental unit issuing such bonds and having jurisdiction over the area in which Projects are located. The City Council of the City of Klamath Falls, Oregon as the applicable elected representatives of the governmental unit having jurisdiction over the Authority and having jurisdiction over the area in which the Projects are located, will consider a Resolution approving of the issuance of the Bonds by the Authority.

The principal of and interest on the Bonds will not constitute a debt of the City of Klamath Falls, Oregon, nor shall the Bonds be payable from a tax of any nature levied upon any property within the City of Klamath Falls, Oregon nor any other political subdivision of the State of Oregon. The Bonds will be a limited obligation of the Authority payable only from the revenues and resources of the Borrower pledged to the payment of the Bonds and any credit enhancement arranged for by the Borrower.

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The purpose of the public hearing will be to provide a reasonable opportunity for members of the public to express their views, orally or in writing, regarding the issuance of the Bonds and the uses and purposes of the proceeds of the Bonds. The hearing will be conducted in a manner that provides a reasonable opportunity for persons with differing views to be heard on the question of the issuance of the Bonds. Written comments may be delivered at the public hearing or mailed to the City at the address indicated above.

This notice is published pursuant to the public approval requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended and the regulations and rulings issued thereunder.

CITY OF KLAMATH FALLS, OREGON
Published: May 1, 2016 in the
Klamath Falls Herald and News
#17050 May 01, 2016

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RESOLUTION NO. 16-_____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KLAMATH FALLS, OREGON APPROVING THE ACTIONS OF THE BOARD OF DIRECTORS OF THE KLAMATH FALLS INTERCOMMUNITY HOSPITAL AUTHORITY PURSUANT TO A REQUEST FROM SKY LAKES MEDICAL CENTER, INC. TO THE AUTHORITY TO APPROVE THE AUTHORITY'S ISSUANCE OF REVENUE AND REFUNDING BONDS, SERIES 2016 (SKY LAKES MEDICAL CENTER PROJECT) IN AN AGGREGATE PRINCIPAL AMOUNT NOT EXCEEDING \$58,000,000 TO FINANCE THE PROJECT DESCRIBED HEREIN; AND RELATED MATTERS

WHEREAS, the Board of Directors of the Klamath Falls Intercommunity Hospital Authority (the "Authority"), received a request from Sky Lakes Medical Center, Inc., a nonprofit corporation organized and existing under the laws of the State of Oregon (the "Borrower"), to issue Revenue and Refunding Bonds, Series 2016 (Sky Lakes Medical Center Project), in an aggregate principal amount not exceeding \$58,000,000 (the "Bonds"), to finance the costs of the following projects: (i) currently refund all of the Authority's Revenue and Refunding Bonds, Series 2006 (Merle West Medical Center Project) that remain outstanding; (ii) pay, or reimburse the Borrower for the payment of, costs of developing, constructing and equipping a new medical office building, constructing parking facilities at the new medical office building, purchasing equipment and completing other capital improvement projects to be used in the provision of health care services and any additions, enlargements, extensions or improvement to the various health care facilities of the Borrower; and (iii) funding of a debt service reserve fund, if deemed necessary and appropriate, and paying certain costs of issuance of the Bonds (collectively, the "Project");

WHEREAS, on April 12, 2016 the Authority adopted a Bond Resolution, and as Amended on May 5, 2016 approving of the issuance of the Bonds and agreeing to loan the proceeds of the Bonds to the Borrower to finance the Project;

WHEREAS, the City Council conducted a public hearing on May 16, 2016 regarding the issuance and sale of the Bonds following notice duly given in the *Klamath Falls Herald and News* on May 1, 2016;

WHEREAS, Section 147 of the Internal Revenue Code (the "Code") requires that qualified 501(c)(3) bonds, such as the Bonds, be approved (1) by the applicable elected representatives of the governmental unit having jurisdiction over the area in which the Project is located; and (2) by the applicable elected representatives of the governmental unit issuing such bonds;

WHEREAS, the Board of Directors of the Authority are not elected representatives. The members of the City Council of the City are the applicable elected representatives for the Authority. The proposed Project is located entirely inside the municipal boundaries of the City;

WHEREAS, the Authority and the Borrower have requested that the City Council approve the issuance of the Bonds by the Authority to satisfy the public approval requirements of Section 147(f) of the Code;

WHEREAS, the City Council of the City of Klamath Falls, Oregon has been advised by Orrick, Herrington & Sutcliffe LLP, as bond counsel to the Authority, that the principal of and interest on the Bonds will not constitute a debt of the City of Klamath Falls, Oregon, nor shall the Bonds be payable from a tax of any nature levied upon any property within the City of Klamath Falls, Oregon or any other political subdivision of the State of Oregon. The Bonds will be a limited obligation of the Authority payable only from the revenues and resources provided by the Borrower; and

WHEREAS, the City finds that it is in the best interest of the City to approve of the issuance of the Bonds by the Authority pursuant to the requirements of Section 147(f) of the Code; NOW THEREFORE,

THE CITY OF KLAMATH FALLS RESOLVES AS FOLLOWS:

Section 1. Approval of Bonds. As the applicable elected representatives of the governmental unit having jurisdiction over the Authority and as the applicable elected representatives of the governmental unit having jurisdiction over the area in which the Project is located, and having held the public hearing, the City Council of the City of Klamath Falls, Oregon, hereby approves the Bonds and approves the actions of the Board of Directors of the Authority regarding the issuance of the Bonds, as described above.

Section 2. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption by the City Council.

Passed by the Council of the City of Klamath Falls, Oregon the 16th day of May, 2016.

Presented to the Mayor, approved and signed this 17th day of May, 2016.

Mayor

ATTEST:

City Recorder

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

I, _____ City Recorder for the City of Klamath Falls, Oregon, 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 regular meeting held on the 16th day of May, 2016, and thereafter approved and signed by the Mayor and attested to by the City Recorder.

City Recorder



**KLAMATH FALLS CITY COUNCIL
AGENDA REPORT**



Agenda Item No. 3

Date: May 16, 2016

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

TOPIC: Request for (1) Special Events Authorization, and (2) a Waiver of City Code Sections 5.438 and 7.620 for the Klamath Falls Downtown Association in Conjunction with the Celebrate the Blues Summer Kickoff Event

SUMMARY AND BACKGROUND:

The Klamath Falls Downtown Association is applying for a waiver from City Code Sections 5.438 and 7.620 to allow beer and wine sales and consumption and a special events authorization for public gatherings within the City right-of-way. The Celebrate the Blues Summer Kickoff Event is scheduled for Thursday, June 16, 2016

The event will be held on Main Street from the 800 Block to the 500 Block and will take place between 6 p.m. and 9 p.m. The applicant is aware of the application process through the City Engineering Department for street closure and has begun that application process. Conditions related to blocking the street will be addressed in the permit, and not through the waiver or special event request.

If alcohol will be served and consumed within the City right-of-way (street, sidewalk, or parking lot), the Klamath Falls Downtown Association must request, and be granted by City Council, a waiver of City Code Sections 5.438 permitting public drinking and Section 7.620 to allow intoxicating liquor at the events. Specifically, the Klamath Falls Downtown Association is requesting two 40 foot by 20 foot areas for the sales and consumption of alcoholic beverages.

The first location will be in the 500 block of Main Street, and will be operated by Klamath Basin Brewing. Beer will be the only alcoholic beverage sold at this location. The area will be fenced with only one entry / exit point. Klamath Falls Downtown Association will hire a local security firm to monitor the entry / exit point making sure that only individuals over 21 years of age enter the fenced area.

The second location will be in the 800 block of Main Street, and the operator of that site has not been selected yet. Beer or wine will be the only alcoholic beverage sold at this location. The area will be fenced with only one entry / exit point. Klamath Falls Downtown Association will hire a local security firm to monitor the entry / exit point making sure that only individuals over 21 years of age enter the fenced area.

FINANCIAL IMPACT:

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

COUNCIL OPTIONS:

1. Recommend allowing the Klamath Falls Downtown Association to hold the Celebrate the Blues Summer Kick Off Event special event on June 16, 2016 within the Main Street right-of-way and waive City Code Sections 5.438 and 7.620 to allow public drinking within 2 designated areas in the Main Street right-of-way in conjunction with the Klamath Falls Downtown Association event scheduled for June 16, 2016. One area shall be permitted in the 500 Block of Main Street and the other in the 800 block of Main Street.
2. Deny the Special Event request and waiver of City Code Sections to allow public drinking.

DOCUMENTS ATTACHED:

- Aerial Photos
 - Celebrated the Blues Event Site Plan
 - Site plan for the 800 Block of Main Street
 - Site plan for the 500 Block of Main Street
- Letter from the Klamath Falls Downtown Association
- Alcohol Control Plan

REQUESTED MOTION/ACTION:

- Hold a Public Hearing
- Move to allow the Celebrate the Blues Summer Kick Off Event and waive City Code Sections 5.438 and 7.620 within the two designated areas on Main Street.

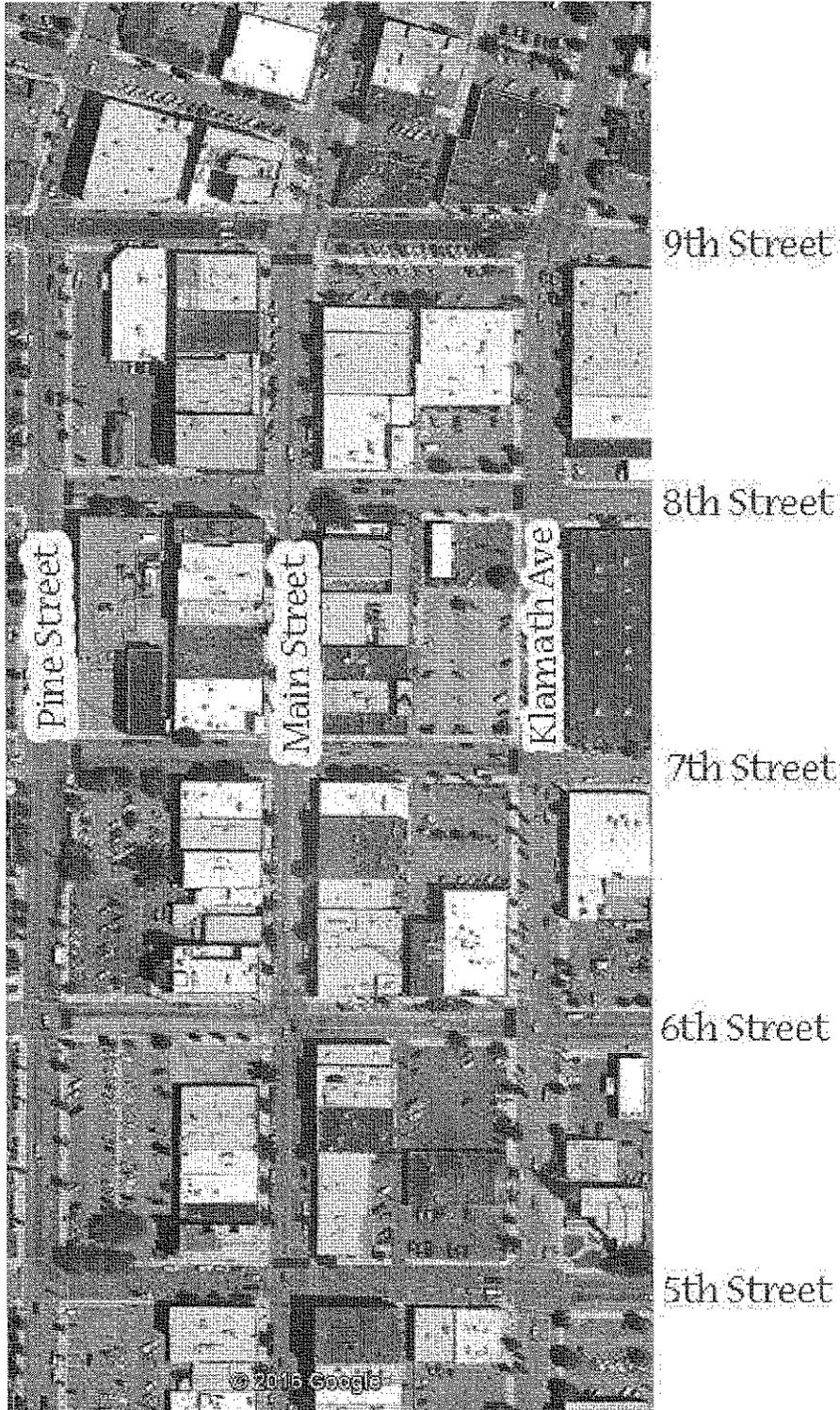
NOTICE SENT TO:

OLCC
Kent Oldham
107 S 7th Street
Klamath Falls, OR 96701

Klamath Falls Downtown Association
via email

3

Celebrated the Blues Event Site Plan

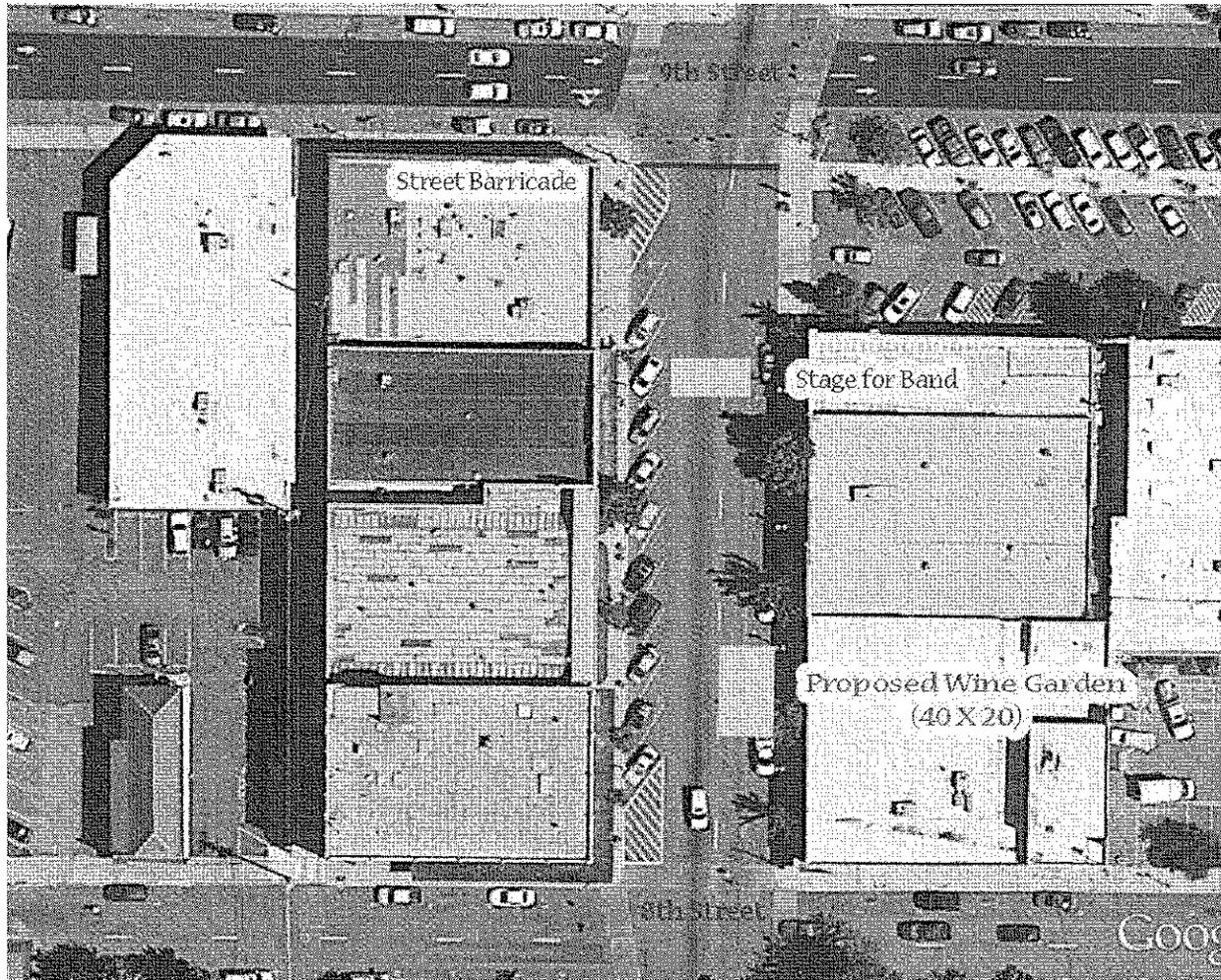


500 Block Site Plan



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800 Block Site Plan



3

Klamath Falls Downtown Association Letter

May 5, 2016

RE: Planned Beer Garden for our "Celebrate the Blues" Summer Kick off Event

The Klamath Falls Downtown Association would like to add a Beer Garden to our Summer Kick Off event on Main Street In June. It is June 16, 6-9 pm. This event is in place of the June Third Thursday but will function much like Third Thursday. Live music, food, vendors and interactive activities.

We would like to add the Beer Garden in order to add the the enjoyment for adults as well as use it as a fundraiser. We anticipate that our vendors and sponsorships will be down a bit because of the change in direction for the event. Part of the proceeds from the Beer Garden will go to the KFDA to help off set lost revenue.

We are also working on a plan to offer a wine garden as well. This is pending a sponsorship from an area winery. If we were to obtain this we plan to have it at the other end of the festival.

We are working closely with our local OLCC representative to ensure a safe and fun addition to our event.

We would like to ask to have City Code 5.438 and 7.620 waived for this event.

We are hoping to have this on the May 16th Council Agenda.

Thank you, Kendall
KFDA

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**Celebrate the Blues Summer Kick-off Festival
June 16, 2016 6pm-9pm
Main Street**

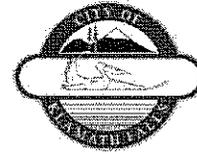
Alcohol Control Plan

For the purposes of this application, the sale and service of alcohol by Klamath Basin Brewing and other approved Celebrate the Blues vendors.

- The sale of beer is permitted only in the "Beer Garden" designated area as described in the attached licensed area map.
- One security guard from Blade Security will check ID's and place a band on the wrist of the over 21 years of age patron's wrist. One mark will be made for each drink purchased and will be limited to 2 drinks.
- Patron possession of open-containers of alcohol purchased from this space is only allowed within the closed area of the beer garden.
- One professional security guard from Blade Security will be stationed at the entrance/exit of the closed area. All security will have followed the required OLCC guidelines for alcohol monitoring at special events.
- One sign will be posted at the entrance/exit stating the "No Alcohol Permitted Past this Point".
- The sale, service and patron consumption of alcohol is allowed only between 6pm and 9 pm.
- A patron may possess no more than one open container of alcohol at one time. Each open container will contain no more than 12 ounces of a malt beverage or 6 ounces of wine.
- Containers used exclusively by the alcohol vendor will be blue plastic cups.

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**KLAMATH FALLS CITY COUNCIL
AGENDA REPORT**



Agenda Item No. 4

Date: May 16, 2016

Department: Public Works	Contact/Title: Scott Souders/City Engineer
Staff Presenter: Scott Souders	Telephone No.: 541-883-5290
City Manager Review: <i>SS</i>	Email: ssouders@klamathfalls.city

TOPIC: Authorization to Execute a Construction Services Contract with Bob's Excavating, Inc. for the Melrose Street Utilities Improvement Project in an Amount Not-to-Exceed \$205,630

SUMMARY AND BACKGROUND:

The Water Division identified a need to replace the existing waterline in Melrose Street between the Melrose Tank and Pacific Terrace and in Haskins Alley between Portland Street and Earle Street. The installation of approximately 985 lineal feet of new 8 inch waterline will allow the Water Division to abandon existing 2 inch cast iron and steel water mains at these locations. The new 8 inch waterline will reduce water losses, reduce maintenance costs, and provide fire flow to the immediate area allowing for new fire hydrant installations.

The City of Klamath Falls Engineering Division began designing this project in-house. Due to City staff work load, it was determined an outside consultant would be needed to help finalize the construction documents in a timely manner. Due to the firm's familiarity with this project and staffing availability, ZCS Engineering was contacted to finalize design and aide in preparing the bid documents.

A formal request for construction bids was publicly advertised in the Herald and News and the Daily Journal of Commerce. A non-mandatory pre-bid meeting was held on April 12, 2016, where bidders had the opportunity to discuss the project with the design team and staff. Bids were received from three companies on April 21, 2016.

The design team and staff reviewed the bids and found the required supporting documentation was submitted by all three bidders and the low bid was acceptable. The bidders and their bid prices are listed on the attached Confirmation of Bid Opening. The published engineers estimate for this project was between \$210,000 and \$250,000. A Notice of Intent to Award was sent to all bidders on April 22, 2016. The Bidders and their bid prices are listed below:

<u>Engineers Estimate (Published)</u>	\$ 210,000 - \$250,000
Bob's Excavating Inc.	\$ 205,630.00
Grimes Construction	\$ 234,918.25
Kogap Enterprises Inc.	\$ 228,424.00

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FINANCIAL IMPACT:

The funds for this project are identified in the City's FY 2015-16 Adopted Budget in the Water Division Capital Fund identified for Melrose St. Water Main Replacement Project in the amount of \$400,000.

COUNCIL OPTIONS:

1. Approve a Construction Services Contract with Bob's Excavating, Inc. in an amount not-to-exceed \$205,630.
2. Deny a Construction Services Contract with Bob's Excavating, Inc., modify the project scope and rebid the project.
3. Deny a Construction Services Contract with Bob's Excavating, Inc. and postpone the project.

DOCUMENTS ATTACHED:

- Confirmation of Bid Opening
- Bid Analysis Form
- Notice of Intent to Award
- Exhibit Map
- Sample Contract

RECOMMENDED MOTION/ACTION:

Move to authorize a Construction Services Contract with Bob's Excavating, Inc. for the Melrose Street Utilities Improvement Project in an amount not-to-exceed \$205,630

NOTICE SENT TO:

All parties who submitted bids for this project as listed in the attached Confirmation of Bid Opening.

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CONFIRMATION OF BID OPENING

PROJECT NAME: Melrose Street Utilities Improvements Project

DATE AND TIME OPENED: 4/21/2016 @ 2 P.M.

STAFF REPRESENTATIVE(S) PRESENT:

Elisa Olson, City Recorder
 Andrew Lakey, Associate Engineer/Project Manager
 Rod Denson, Water Infrastructure Supervisor

BIDDER NAME & ADDRESS	CCB#	BID BOND INCLUDED	ADDENDUM(S) ACKNOWLEDGED (if applicable)	BID AMOUNT
Bob's Excavating, Inc. 4821 Tingley Lane Klamath Falls, OR 97603	157856	X	X	205,630.00
Grimes Construction 12049 Hwy 140 East Klamath Falls OR 97603	64579	X	X	234,918.25
KOGAP Enterprises Inc. PO Box 1608 Medford, OR 97501	93497	X	X	228,424.00

Engineer's Estimate: **\$210,000 to \$250,000**

If matter goes to Council, the date for award of contract at Council: May 16, 2016

/s/ Elisa Olson
 Elisa Olson
 City Recorder

TENTATIVE DATE BID TO BE AWARDED BY COUNCIL: Email to: bids@bidocean.com, Webmaster, Legal (Contracts), Public Works (Admin) & Engineering

Y:\ADMIN\DOCS\ADMIN\FORMS\BID CONFIRMATION FORM-MELROSE STREET IMPROVEMENTS PROJECT.DOC

4

**CITY OF KLAMATH FALLS
PUBLIC WORKS ENGINEERING/CAPITAL PROJECTS
CIP PROJECT
DESIGN / BID PHASE BUDGET ANALYSIS FORM**



Date: 27-Apr-16

Prepared By: Andrew Lahey Associate Engineer/Project Manager

Pre-Bid Post-Bid (check one)

Project Name: Melrose Street Utilities Improvement Project

Project No: 276515

Project Engineer: Andrew Lahey

	<u>Expenditure to Date</u>	<u>Projected Future Expenditure</u>	<u>Total Current + Projected Expenditure</u>
<u>DESIGN PHASE AND BID PHASE</u>			
Design Consultant Costs	\$ 14,180	\$ 3,870	\$ 18,050
Engineering Staff Costs	\$ 5,168	\$ -	\$ 5,168
Butler Sewer and Drain	\$ 1,155	\$ -	\$ 1,155
Bidding advertisement	\$ 582	\$ -	\$ 582
SUBTOTAL =	\$ 21,085	\$ 3,870	\$ 24,955
<u>CONSTRUCTION PHASE</u>			
Construction Contract: <input type="checkbox"/> Estimate <input checked="" type="checkbox"/> Bid (check one)	\$ -	\$ 244,944	\$ 244,944
Consultant Construction Inspection	\$ -	\$ 500	\$ 500
Materials Testing	\$ -	\$ -	\$ -
Engineering Division	\$ -	\$ 7,500	\$ 7,500
SUBTOTAL =	\$ -	\$ 252,944	\$ 252,944
<u>OTHER COSTS</u>			
	\$ -	\$ -	\$ -
TOTAL =	\$ 21,085	\$ 256,814	\$ 277,899

Budgeted Funds

Melrose St. Water Main Replacement \$ 400,000

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City of Klamath Falls
Public Works Department - Engineering Division
PO Box 237, Klamath Falls, OR 97601
Capital Projects Section - 226 South 5th St
TEL (541) 883-5368; FAX (541) 882-3513

Date: 04/22/16

To: All Bidders

From: Andrew Lakey, PE

CC: Mark Willrett, PE; Elisa Olson, Scott Souders, PE

Re: Notice of Intent to Award – Melrose Street Utilities Improvement Project

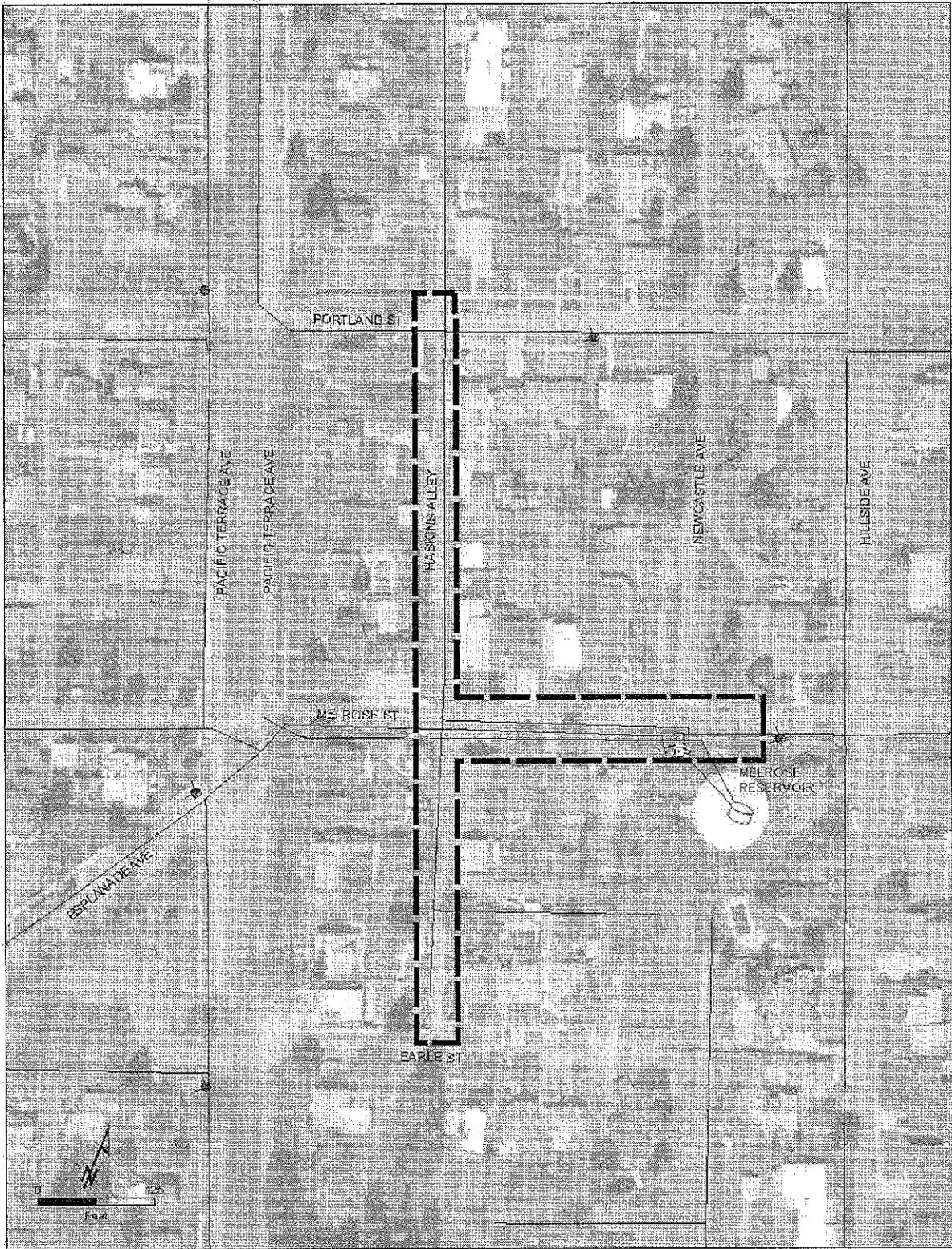
Thank you for your interest and submitting a Bid on this project. In accordance with the City of Klamath Falls policies and procedures for awarding contracts, the City is hereby notifying all parties who submitted a Bid for the Melrose Street Utilities Improvement Project of their intent to award.

The City of Klamath Falls intends to award a construction services contract to Bob's Excavating, Inc. for the Melrose Street Utilities Improvement Project in the not-to-exceed amount of \$205,630.00 at the City's May 16, 2016 City Council meeting.

If you have any questions or comments please contact me during regular business hours at 541-883-5283.

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**SECTION 00410
CONTRACT AGREEMENT**

THIS AGREEMENT, made and entered into on the date last executed below, by and between the City of Klamath Falls, Oregon, hereinafter called the "City" and Bob's Excavating, Inc., hereinafter called the "Contractor".

WITNESSETH:

On April 3, 2016, a City Improvement project, known as: Melrose Street Utilities Improvements Project published notice calling for bids for the construction of said improvements.

That on April 21, 2016, the day fixed for opening and considering such bids, the Contractor submitted a Bid for said improvement, which Bid is attached hereto and made a part of the Contract Documents, said Bid having been regularly and duly accepted on the 21st day of April, 2016, all in full compliance with the "Contract Documents" referred to herein.

The "Bidding Requirements and General Conditions", the "Plans and Specifications," the "Drawings" and "Addendum or Addenda" hereby by reference made a part of this Contract as the "Contract Documents", and shall have the same force and effect as though all of the same were fully inserted herein.

NOW THEREFORE, the Contractor, in consideration of the sums to be paid it by the City in the manner and at the times as provided in the Contract Documents, and of the other covenants, agrees to complete the Work herein before described within the time limit specified herein and to accept as full payment hereunder the amounts computed as determined by the Contract Documents and based on said **Base Bid** and the following Alternate Bids: **NONE**

Any or all of the Alternates, if applicable, may be accepted or reinstated by the City at any within 60 Calendar Days after the date of Contract Award by the City. If any or all of the Alternates are accepted or reinstated, payment or deductions shall be made at the respective amounts identified herein. If, prior to acceptance of any Alternate Bid, other Work is undertaken which affects the Alternate Bid Work, the Alternate Bid Sum shall be adjusted accordingly.

Payment of State Prevailing Wages and Fringe Benefits: Contractor acknowledges that this Contract is subject to the prevailing wage rate requirements of ORS 279C.800 through 279C.870 and agrees to pay the wage rate and fringe benefits listed in the BOLI publication titled "Prevailing Wage Rates for Public Works Contracts in Oregon" which is incorporated by this reference. The applicable prevailing wage rates (including all amendments) are those in effect at the time the project was first advertised for bid. See Section 00620 for the specific wage rates and conditions that apply.

It is agreed that the time allowed for the completion of this Contract is based upon the Bid and the appropriate clauses of the Contract Documents. In the event the Contractor fails to complete the Work within the time limit or the extended time limit agreed upon, as more particularly set forth in the Contract Documents, liquidated damages shall be computed at the rate set forth in the Contract Documents. Saturdays, Sundays and legal holidays shall be excluded in determining days of default.

IN WITNESS WHEREOF, we, the parties hereto, each herewith subscribed the same this _____ day of _____, 2016.

CONTRACTOR

CITY OF KLAMATH FALLS, OREGON

By: _____

By: _____
Mayor

Date: _____

Date: _____

Approved as to form:

Attest:

City Attorney

City Recorder

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**SECTION 00310
BID**

TO: The Honorable Mayor and Council
of the City of Klamath Falls
City Hall
Klamath Falls, Oregon 97601

Project Name: Melrose Street Utilities Improvement Project, Master File# 276515

The undersigned, hereinafter called the Bidder, declares that the only persons or parties interested in this Bid are those named herein; that this Bid is in all respects fair and without fraud; that it is made without collusion with any official of the City of Klamath Falls; and that the Bid is made without any connection or collusion with any person making another Bid on this Contract.

The Bidder further declares that he has carefully examined the Contract Documents for the construction detailed therein; that he has personally inspected the site; that he has satisfied himself as to the quantities and qualities of materials, items of equipment and conditions of Work involved, the means and technique of construction, and that this Bid is made according to the provisions and under the terms of the Contract Documents.

The Bidder agrees to furnish all machinery, tools, labor, apparatus and other means of construction, and do the Work and furnish all the material necessary to complete the Work as specified in the Contract Documents.

The Bidder further agrees to commence Work promptly after the effective date of the "Notice to Proceed" and to **fully** complete the project no later than **60 Calendar Days**. In the event a Bidder is awarded the Contract and fails to complete the Work within the time limit, or extended time limit agreed upon, as set forth in the Contract Documents, liquidated damages shall be paid to the City by the Bidder at the rate set forth in the Contract Documents (**see Section 00800-1.01**) per working day until the Work is completed.

The award of the contract will be based on the Base Bid and any Alternates. The Bidder further proposes to accept as full payment for the Work proposed herein the lump sum amounts or unit price amounts listed as follows:

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00310

BID AND
SCHEDULE OF BID PRICES

The name of the Bidder is: Bob's Excavating, Inc.
MELROSE STREET UTILITIES IMPROVEMENT PROJECT
CITY PROJECT #: 276515

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BID SCHEDULE
Melrose Street Utilities Improvement Project

Bid Item	Description	Quantity	Unit	Unit Price	Total
1	Mobilization	1	LS	16,594.00	16,594.00
2	Temporary Protection and Direction of Traffic	1	LS	1,500.00	1,500.00
3	Traffic Control Flagging	144	HOUR	40.00	5760.00
4	Excavate and Lay Pipe - 8"Ø (Water)	985	LF	62.00	61,070.00
5	Connection - Portland Street	1	LS	3600.00	3600.00
6	Connection - Haskins Alley	1	LS	2250.00	2250.00
7	Hydrant Assembly	1	EA	5100.00	5100.00
8	Combination Air/Vac Assembly	1	EA	1500.00	1500.00
9	Blow-off Assembly	2	EA	1680.00	3360.00
10	Water Service Connections	19	EA	1150.00	21850.00
11	Testing and Disinfection	1	LS	3500.00	3500.00
12	Bedding (3/4"-Ø Crushed Aggregate)	477	TON	18.00	8586.00
13	Slurry Backfill	251	CY	80.00	20,080.00
14	Rock Excavation	45	CY	70.00	3150.00
15	Cold Plan Asphalt Removal (2" - Depth)	400	SY	10.00	4000.00
16	Asphalt Paving - Melrose Inlay (2" - Thick)	43	TON	160.00	6880.00
17	Asphalt Paving - Melrose Trench Patch	18	TON	300.00	5400.00
18	Asphalt Paving - Haskins Alley (3" - Thick)	160	TON	175.00	28,000.00
19	Curb Replacement (Cast-in-place)	25	FT	30.00	750.00
20	Asphalt Drainage Curb	225	FT	12.00	2700.00

TOTAL OF ALL BID SCHEDULES \$ 205,630.00

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00310

BID AND
SCHEDULE OF BID PRICES

The name of the Bidder is: Bob's Excavating, Inc.
MELROSE STREET UTILITIES IMPROVEMENT PROJECT
CITY PROJECT #: 276515

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Contract with Bob's Excavating
Melrose Street Utilities Improvement
Page 4 of 17

The name of the Company who is submitting this Bid is:

Bob's Excavating, Inc.
doing business at 4821 Tingley Lane
(Street Address)
Klamath Falls Klamath Oregon
City County State

which address is the address to which all communications concerning this Bid and Contract shall be sent.

I (We), acknowledge that **Addenda numbers** **through** have been received and have been examined as part of the Contract Documents. (If none have been received, write "none" in the above space.) The President's Executive Order 11246, the Certification of Nonsegregated Facilities and the Certification of Nondiscrimination in Employment contained herein and executed by the Bidder are hereby made a part of this Bid.

The Contractor and/or each Subcontractor, in preparing the Bid submitted, shall pay each employee an amount not less than the applicable prevailing rate of wage for an hour's work in the same trade or occupation in the locality where such labor is performed. Any employee whose type of work is not covered by any of the classified wage rates shall be paid not less than the rate of wage listed for the classification which most nearly corresponds to the type of work to be performed.

The name(s) of the principal officers of the corporation or members of the partnership, or individual submitting this Bid are:

Randall A Hirschback, President

Rebecca D. Hirschback, Vice President

The name of the Bidder is: Bob's Excavating, Inc.

Anyone signing the Bid, other than an individual sole proprietor, shall attach to the Bid legal evidence of signing authority.

159856
Contractor Board License Number

R Hirschback
Signature of Bidder (attach proof of signing authority)

Title: Vice President

Date: 4/21/16

The name of the Bidder is: Bob's Excavating, Inc.
MELROSE STREET UTILITIES IMPROVEMENT PROJECT
CITY PROJECT #: 276515

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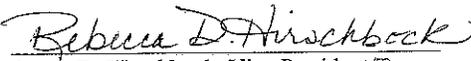
Bob's Excavating, Inc.

CORPORATE RESOLUTION

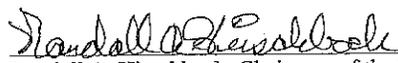
The undersigned, being the Chairman of the board of the board of Bob's Excavating, Inc., a corporation, hereby consents to the adoption of the following resolution in lieu of a special meeting of the Board of Directors of the corporation, effective February 4, 2005.

RESOLVED, that Randall A. Hirschbock, President designated the following personnel to have the authorization to enter into and sign contracts, proposal, Bids, Performance and Payment Bonds, and other legal documents related to the business of Bob's Excavating, Inc.


Randall A. Hirschbock, President/Secretary


Rebecca D. Hirschbock, Vice-President/Treasurer

Date: February 4, 2005


Randall A. Hirschbock, Chairman of the Board
Bob's Excavating, Inc.

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**MINUTES OF THE ORGANIZATION MEETING
OF
THE BOARD OF DIRECTORS & SHAREHOLDERS
OF
Bob's Excavating, Inc.**

The organizational meeting of the initial Board of Directors and shareholders was held on February 4, 2004 pursuant to call by the incorporators. By their signature hereon, the directors and shareholders waive notice of meeting.

The following persons were present: Randall Hirschbock

Randall Hirschbock acted as Chairman and recording Secretary for the purpose of recording the minutes.

The Chairman presented at the meeting the Articles of Incorporation and reported that they were filed in the office of the Secretary of State on the 4th day of February, 2004. The Articles of Incorporation were ordered appended to the Minutes of the meeting.

The Chairman then presented to the meeting a proposed form of By-laws for the management of the internal affairs of the Corporation. The proposed By-laws were read to the meeting, considered, and upon motion duly made, seconded and carried, were adopted as and for the By-laws of the Corporation and ordered appended to the Minutes of the meeting.

The Chairman stated that the following persons desire to purchase the below listed number of shares of the capital stock of the Corporation in exchange for the cash, property, or service as set forth below:

NAME	NUMBER OF SHARES	CONSIDERATION
Randall Hirschbock	100	See attached Exhibit A

Upon motion duly made, seconded, and carried, it was:

RESOLVED, that 100 shares of no par value common stock of the Corporation be issued to the above-named person in the amount and for the value set forth above.

BE IT FURTHER RESOLVED, that upon payment to the Corporation of the value described above, the President of the Corporation is authorized and directed to issue certificates for the stock to each of the above-named persons and to enter the same upon the stock transfer ledger of the Corporation without further Board action.

The Chairman next stated that it would be appropriate to adopt a restriction to be placed on the back of the stock certificates. The restriction would read as follows:

"The shares of stock represented by this certificate are subject to transfer and other restrictions as set forth in the Articles of Incorporation of the Corporation and in such Agreements of the shareholders as are filed with the Corporation at its principal

MINUTES -1-

office. No transfer or other disposition of the shares represented by this certificate shall be valid or recognized by the Corporation unless the requirements set forth in those documents are first complied with to the satisfaction of the Corporation.

The corporation will not transfer this certificate without first receiving an opinion of counsel that the proposed transfer will not subject the corporation to liability under any applicable state or federal securities laws.

The shares represented by this certificate have not been registered under the Securities act of 1933, the Oregon Securities Act, or any other state's securities laws and, thus, may not be transferred or hypothecated unless registered under the Securities Act of 1933 or any other applicable state's securities laws."

Upon motion duly made, seconded, and carried it was:

RESOLVED, that the restriction, as shown above, hereby be adopted by the Corporation and placed on the back of each stock certificate when issued.

The Chairman then submitted to the meeting a seal proposed for use as the Corporate Seal, a specimen stock certificate proposed for use as the Corporate Certificate for stock, the Corporate Record Book, and the Stock Transfer Ledger.

Upon motion duly made, seconded, and carried it was:

RESOLVED, that the seal now presented at this meeting, an impression of which is directed to be made in the Corporate Book herein, adjacent to this resolution, be and the same hereby is adopted as a seal of the corporation,

BE IT FURTHER RESOLVED, that the specimen stock certificate presented at this meeting be and it hereby is adopted as the form of Certificate of Stock issued to represent shares in the Corporation.

And further,

RESOLVED, that the Corporate Record Book, including the Stock Transfer Ledger, be and hereby are adopted as the Record Book and Stock Transfer ledger of the Corporation.

Upon motion duly made, seconded, and carried it was:

RESOLVED, that an office of the Corporation be established and maintained at 5800 Airway Drive, Klamath Falls, Oregon, 97603, that meetings of the Board of Directors be held either at the principal office designated or at such other place as the Board of Directors may from time to time order.

Upon motion duly made, seconded, and carried it was:

RESOLVED, that Randall Hirschbock, 5800 Airway Dr. Klamath Falls, Oregon, 97603, be and hereby is

MINUTES -2-

designated by the Directors as the Registered Agent of the Corporation and is instructed to file notice of such designation with the Corporation Commission for the State of Oregon.

The Chairman of the meeting then stated that it is appropriate to elect officers and directors of the Corporation to implement the various action designated by the Board. Nominations were called for and the following persons were nominated for the office preceding their name:

President/Secretary
Vice-President/Treasurer

Randall Hirschbock
Rebecca Hirschbock

No further nominations being made, the nominations were closed and the Directors proceeded to vote on the nominees. Upon count of the vote, the Chairman announced that the foregoing nominees had been elected to the offices set forth before their respective names.

The Chairman then stated that it was desirable to designate a depository for the funds of the Corporation thereupon, on motion duly made, seconded, and unanimously adopted, it was:

RESOLVED, that the President and/or Vice-President be and hereby are authorized to open a bank account on behalf of the Corporation with South Valley Bank & Trust located in Klamath Falls, Oregon.

BE IT FURTHER RESOLVED, that the following named officers and employees of the Corporation be authorized as signatories on the Corporate bank account:

Randall Hirschbock
Rebecca Hirschbock

Such authority to act on behalf of the Corporation shall remain in full force and effect until revoked by written notification to the Bank by the Board of Directors of the Corporation.

The Chairman then proposed that the Board of Directors should authorize Randall Hirschbock as officer of the Corporation, to borrow funds and establish obligations with respect to contracting in the name of the Corporation. After discussion and upon motion duly made, seconded, and carried it was:

RESOLVED, that Randall Hirschbock acting as officer of this Corporation, shall have full power, right, and authority in his discretion and without further action of the Board of Directors, but subject to review by them to buy, lease, or otherwise acquire, sell, encumber, or otherwise dispose of or exchange real and personal property of all kinds and interest herein for and in the name of the Corporation. He shall have the power to borrow money or otherwise obligate the Corporation by giving or receiving cash, property, or other evidence of indebtedness, and to execute, deliver, and cause to be recorded deeds, mortgages, trust deeds, satisfactions, evidence of indebtedness, contracts, certificates, and other documents on his signature with or without the Corporate Seal, as he deems necessary or appropriate in the furtherance of the business of the Corporation, and to establish lines of credit, checking, savings and loan accounts, factoring arrangements, or other loan arrangements for the purposes of this Corporation.

The Chairman then reported that prior to the actual incorporation of the business that Randall Hirschbock acting as promoter of the Corporation, had entered into certain business transactions and incurred certain expenses, including the legal costs of the Corporation, and have done certain acts on behalf of the Corporation which the Corporation's Board of Directors should consider, accept the benefits hereof, and ratify as acts of the Corporation. After discussion and upon motion duly made, seconded, and carried it was:

MINUTES -3-

RESOLVED, that the Board of Directors of the Corporation approve and ratify the prior acts done for the benefit of the Corporation by Randall Hirschbock and assume liability for the expenses incurred by him on behalf of the Corporation.

BE IT FURTHER RESOLVED, that the President and/or Vice-President are directed to pay the expenses incurred in the process of incorporation and organization of this Corporation, including those incurred prior to the date of this meeting and are directed to reimburse officers, directors, and shareholders who may previously have paid such expenses.

After some further discussion upon motion duly made, seconded, and carried it was:

RESOLVED, that the Corporation proceed to carry on the business for which it was incorporated beginning February 2, 2004.

The Chairman then reported that the next order of business was the adoption of the Corporation's fiscal year. On motion duly made, seconded, and unanimously carried, it was:

RESOLVED, that the Corporation's fiscal year shall end on the last day of December of each year.

The Chairman reported that the next order of business was the approval of employment by the Corporation of Bob's Excavating, Inc. After some discussion, upon a motion duly made, seconded, and unanimously carried it was:

RESOLVED, that the Corporation shall employ Randall Hirschbock upon the terms as agreed to by the parties.

There being no further business to come before the meeting, upon motion duly made, seconded, and carried the meeting was adjourned.

DATED this 4th day of February, 2004.

APPROVED:


Director/Shareholder/President

MINUTES -4-

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SUBSCRIPTION AGREEMENT

The undersigned, hereby subscribes to purchase 100 of the common shares of Bob's Excavating, Inc. and agrees to pay the consideration as described herein.

This subscription agreement is made upon the following conditions:

1. It is expressly agreed that no shares are to be issued to the undersigned until the consideration set forth in this subscription agreement is fully paid, and shares shall be issued fully paid and non-assessable.
2. If any payment of money becoming due on the shares hereby subscribed for is not paid within twenty days after the corporation sends written demand for payment, the corporation shall, at its option, cause this subscription to become null and void, and all payments made on this subscription by the undersigned shall become the property of the corporation absolutely as liquidated damages for the failure of the subscriber to carry out this agreement.
3. The undersigned hereby makes the following representations and warranties, to induce the corporation to issue the shares hereby subscribed for:
 - A. I am a bona fide resident of the State of Oregon. I am purchasing the common shares for my own account and for reinvestment and with no present intention of distributing, reselling, pledging, or otherwise disposing of them;
 - B. The corporation's common shares are subject to restrictions on transfer;
 - C. I have been informed that whoever is in charge of the corporation's share transfer records and books will be informed of the restrictions on resale of these shares;
 - D. There are fewer than 10 shareholders.
 - E. I acknowledge, understand and, by acceptance of the certificates, do hereby agree that:
 - F. No solicitations to purchase these shares were made in any state other than in Oregon. All discussions regarding this transaction occurred in Oregon and all shareholders have met and discussed all factors affecting the future financial success of the corporation.
 - (1) The common shares of the corporation have not and will not be registered under the Securities Act of 1933, the Oregon Securities Act, or any other state's securities laws; and
 - (2) The certificate of common shares to be issued shall be stamped with a legend in substantially the following form:

"The shares of stock represented by this certificate are subject to transfer and other restrictions as set forth in the Articles of Incorporation of the Corporation and in such Agreements of the shareholders as are filed with the Corporation at its principal office. No transfer or other disposition of the shares represented by this certificate shall be valid or recognized by the Corporation unless the requirements set forth in those documents are first complied with to the satisfaction of the Corporation.

The corporation will not transfer this certificate without first receiving an opinion of counsel that the proposed transfer will not subject the corporation to liability under any applicable state or federal securities laws.

DATED this 4th day of February, 2004.


Randall Hirschbock

SUBSCRIPTION AGREEMENT -1-

**SECTION 00320
CERTIFICATION OF BIDDER AS PRIMARY CONTRACTOR**

I, Rebecca Hirschbock, as a principal official of the Bidder, certify that Bob's Excavating, Inc. is directly responsible for and will accomplish a minimum of thirty-three percent (33%) of the dollar value of the project based on the Bid prices submitted. "Directly responsible for and will accomplish" means that employees of the Bidder will perform all those work tasks not indicated as being performed by separate subcontractors. As an additional condition, the Bidder represents that he, or she, shall be responsible for the greatest share of the dollar value of the Work, i.e., no subcontractor is responsible for a greater share of the dollar value of the Work.

Rebecca Hirschbock
Signature

4-21-16
Date

Rebecca Hirschbock
Vice President
Name & Title of Signer
(Please Print or Type)

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**SECTION 00330
FIRST-TIER SUBCONTRACTOR DISCLOSURE FORM
[ORS 279C.370]**

Project Name: Melrose Street Utilities Improvement Project, City Master File # 276515
Bid Closing Date and Time: April 21, 2016 at 2:00p.m.

**DEADLINE FOR SUBMISSION OF THIS DISCLOSURE FORM:
April 21, 2016 at 4:00 p.m.**

In accordance with ORS 279C.370, Each Bidder shall submit to the City Recorder, within two working hours of the date and time of when the Bids are due, this completed "First-Tier Subcontractors Disclosure Form". This form shall be submitted to the City Recorder at the same location where the Bids are identified to be received. The Bidder shall submit the name, business address, and portion of Work (description of Work to be performed) for each subcontractor that will be used in the Project if the Bidder is awarded the contract. The disclosure shall include all first-tier subcontractors that are proposed to furnish labor, or labor and materials whose contract value equals or exceeds: five percent (5%) of the Contract Price or \$15,000, whichever is greater; or \$350,000, regardless of the percentage of the contract bid. Bidders shall disclose the category of Work that the subcontractor will be performing and the dollar value of the subcontract. Enter "NONE" if there are no subcontractors that need to be disclosed. **Failure to submit this form by the disclosure deadline will result in a non-responsive bid that will not be considered for award (even if no subcontractors need to be disclosed).**

1. Bid Item No.(s) 1,15-18,20, Bid Item Name(s): MOBILIZATION, PAVING
 Subcontractor Name: ROCKY MOUNTAIN CONSTRUCTION
 CCB License # 124715 Address: 4815 TINGREY LANE KAMATH FALLS OR 97603
 Dollar Value of Contract: \$45,000.00
 Description of Services/Category of Work: PAVING

2. Bid Item No.(s) _____, Bid Item Name(s): _____
 Subcontractor Name: _____
 CCB License # _____ Address: _____
 Dollar Value of Contract _____
 Description of Services/Category of Work: _____

3. Bid Item No.(s) _____, Bid Item Name(s): _____
 Subcontractor Name: _____
 CCB License # _____ Address: _____
 Dollar Value of Contract _____
 Description of Services/Category of Work: _____

Page 19 of 110 00330 STATEMENT OF SUBCONTRACT
 The name of the Bidder is: Bob's Excavating, Inc
MELROSE STREET UTILITIES IMPROVEMENT PROJECT
 CITY PROJECT #: 276515

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4. Bid Item No.(s) _____, Bid Item Name(s): _____
 Subcontractor Name: _____
 CCB License # _____ Address: _____
 Dollar Value of Contract _____
 Description of Services/Category of Work: _____
5. Bid Item No.(s) _____, Bid Item Name(s): _____
 Subcontractor Name: _____
 CCB License # _____ Address: _____
 Dollar Value of Contract _____
 Description of Services/Category of Work: _____
6. Bid Item No.(s) _____, Bid Item Name(s): _____
 Subcontractor Name: _____
 CCB License # _____ Address: _____
 Dollar Value of Contract _____
 Description of Services/Category of Work: _____

Bob's Excavating, Inc. _____ Date 4-21-16
 Name of Bidder

B. Hirschbock
 Signature
 Title: Vice President

***NOTE: If you have more than six subcontractors, submit the above information for each on a separate sheet.

***NOTE: Any proposed changes in the above list after award shall be subject to the prior review and approval of the City, and in no case shall have the effect of increasing the Contract Amount.

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**SECTION 00340
BIDDER CERTIFICATIONS**

The Bidder hereby certifies the following:

A. **Non-discrimination:** The Bidder certifies that he or she does not and will not maintain or provide for his employees any segregated facilities at any of his establishments, and that he does not and will not permit his employees to perform their services at any location, under his control, where segregated facilities are maintained. The Bidder agrees that he will obtain identical certifications from proposed subcontractors exceeding \$10,000.00 which are not exempt from the provisions of the Equal Opportunity clause, and that he will retain such certifications in his files. The Bidder further certifies pursuant to ORS 279A.110 that Bidder has not discriminated against minority women or emerging small business enterprises in obtaining any required subcontractors.

B. **Resident Bidder:** The Bidder hereby certifies that it: is is not a "resident bidder". Resident Bidder means a Bidder that has a business address in the State of Oregon and has paid unemployment taxes or income taxes in Oregon during the twelve (12) calendar months immediately preceding submission of the bid. In accordance with ORS 279A-120, preference to Oregon residents will be given when awarding this Contract by adding to a non-resident's Bid the same percentage, if any, given to the Bidder by the Bidder's home State. Accordingly, Bidders will be required to indicate on the Bid Form whether or not the Bidder is an Oregon Resident Bidder.

C. **Employee Drug Testing Program:** The Bidder hereby certifies that it has an employee drug testing program in place and will produce evidence of such if requested by the City. [ORS 279C.505(2)]

D. **Public Works Bond:** Bidder certifies it will file the public works bond with the Construction Contractors Board before executing the Contract with the City, unless exempted. [ORS 279C.830(3)(a)] Bidder certifies it will include in every subcontract under this project, a provision requiring the subcontractor to have a public works bond filed with the CCB before starting Work on this Project, unless exempted. [ORS 279C.830(3)(b)]

E. **Prevailing Wages:** Bidder certifies it shall pay workers the applicable minimum wage rates as follows: The state prevailing wages, including amendments, under ORS 279C.800 to 279C.870; or the federal prevailing rates of wage under the Davis-Bacon Act (40 U.S.C. 3141 et seq.) including amendments; or the higher of the state and federal prevailing rates of wage rate (including amendments). See Section 00620 for the wage rates applicable for this project. [ORS 279C.830(1)(c); OAR 839-025-0020(3)] Any person employed on a public works project and whose duties are manual or physical in nature are workers required to be paid the applicable prevailing wage rate. [OAR 839-025-0004(30)]

F. Compliance with State Rules and Regulations: CONTRACTOR 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:

- a. CONTRACTOR shall make payment promptly, as due, to all persons supplying to CONTRACTOR labor or material for the performance of the work to be performed under this Contract. CONTRACTOR 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)]
- b. CONTRACTOR shall pay all contributions or amounts due the Industrial Accident Fund from CONTRACTOR, or any subcontractor, incurred in the performance of this Contract. [ORS 279B.220(2)]
- c. CONTRACTOR shall pay to the Oregon Department of Revenue all sums withheld from employees pursuant to ORS 316.167. [ORS 279B.220(4)]
- d. CONTRACTOR shall comply with the overtime and maximum hours of labor provisions of ORS 279B.020 and 279B.235.
- e. CONTRACTOR, and all other employers working under this Contract, will comply with the workers' compensation provisions of ORS 656.017 (unless CONTRACTOR or other employers are exempt under ORS 656.126.) [ORS 279B.230(2)]
- f. If the CONTRACTOR fails, neglects or refuses to make prompt payment of any claim for labor or services furnished to the CONTRACTOR 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 CONTRACTOR by reason of this Contract. [ORS 279C.515(1)]
- g. CONTRACTOR 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 CONTRACTOR, of all sums that the CONTRACTOR agrees to pay for the services and all moneys and sums that the CONTRACTOR collected or deducted from the wages of the CONTRACTOR'S employees under any law, contract or agreement for the purpose of providing or paying for the services. [ORS 279B.230(1)]
- h. If this Contract is for landscaping services, CONTRACTOR shall, if feasible and cost-effective, compost or mulch yard waste material at an appropriate site. [ORS 279C.510(2)]
- i. CONTRACTOR 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. CONTRACTOR 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. CONTRACTOR'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.

Bob's Excavating, Inc.
Rebecca Hirschbock
Name of Bidder

Vice President
Title (Please Print or Type)

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**SECTION 00350
NONDISCRIMINATION IN EMPLOYMENT**

To: The City of Klamath Falls, Oregon

Regarding a Construction Contract for: **Melrose Street Utilities Improvement Project**

You are advised that, under the provisions of the above Contract(s) or subcontract(s) and in accordance with Section 202 of Executive Order No. 11246 dated September 24, 1965, the undersigned will not discriminate against any employee or applicant for employment because of race, color, creed or national origin. This obligation not to discriminate in employment includes, but is not limited to, the following:

EMPLOYMENT, UPGRADING, TRANSFER OR DEMOTION

RECRUITMENT AND ADVERTISING

RATES OF PAY OR OTHER FORMS OF COMPENSATION

SELECTION FOR TRAINING INCLUDING APPRENTICESHIP, LAYOFF OR TERMINATION

This notice is furnished you pursuant to the provisions of the above contract(s) or subcontract(s) and Executive Order No. 11246.

Copies of this notice will be posted by the undersigned in conspicuous places to employees or applicants for employment upon award of the above Contract(s).

Rebecca Hirschbock

Bob's Excavating, Inc.
Contractor or Subcontractor

Hirschbock 4/21/16
Signature Date

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**KLAMATH FALLS CITY COUNCIL
AGENDA REPORT**



Agenda Item No 5

Date: May 16, 2016

Department: Administration	Contact/Title: Nathan Cherpeski / City Manager
Staff Presenter: Nathan Cherpeski	Telephone No.: 541-883-5316
City Manager Review: <i>MC</i>	Email: ncherpeski@klamathfalls.city

TOPIC: Adoption of the Change of Use Grant and Façade Grant Programs to Assist Downtown Building Redevelopment

SUMMARY AND BACKGROUND:

During last October's retreat, the Council and staff discussed creating two grant programs to incentivize investment in downtown buildings. Attached are the two proposed grant programs -- Change of Use Grant Program and Façade Grant Program. The two proposed grant programs are designed to leverage City dollars, similar to the successful security camera grant program, to fund larger value projects that otherwise may not occur.

The Change of Use Grant Program addresses the issue when reoccupying and changing the use of existing buildings triggers building code requirements, accessibility issues, and seismic updates. The costs of these mandated improvements often derail projects before they start and perpetuate building underutilization.

Both proposed grant programs limit the City's contribution to 25% of project costs or up to \$15,000 for change of use improvements and \$10,000 for façade improvements. Eligible change of use improvements include the installation of elevator and fire sprinkler systems, while general building repair and maintenance items are ineligible. Eligible facade improvements include the restoration of architectural detail and the repair or installation of awnings or canopies, and all work must result in a publicly visible improvement. To qualify for either grant program, a property must be current on all property taxes and may not be tax-exempt.

Through introducing the above programs, the City seeks to stimulate building improvements that may not otherwise occur and to multiply private investment dollars through a capped public contribution. Funding for these concepts will be included in next year's proposed budget. If Council opts to not move forward with these programs, we will it from the budget at the budget hearing. Staff proposes both grant programs be implemented for one year or until all allocated funds are utilized, and to reevaluate the success and extension of the programs thereafter.

FINANCIAL IMPACT:

If Council chooses to adopt the grant program policies and they are confirmed through budget

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hearing review, \$50,000 will be allocated to fund both programs through fiscal year 2016/17.

COUNCIL OPTIONS:

1. Adopt policies to promote downtown building change of use and façade improvement
2. Decline to act at this time and provide staff further direction

DOCUMENTS ATTACHED:

- Change of Use Grant Program Guidelines
- Façade Grant Program Guidelines

RECOMMENDED MOTION/ACTION:

Move to adopt the presented policies.

NOTICE SENT TO:

N/A

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Façade Grant Program

The City of Klamath Falls intends to assist building owners in improving the outward appearance of their buildings within the Downtown Business Overlay District, through the creation of a Façade improvement program. The city will provide financial assistance to building owners willing to make significant private investment in their own buildings. Funds will be distributed via a competitive application process and funds will be limited to those made available by City Council during the budget process.

Financial Incentive:

Approved applicants will be granted up to \$10,000 or 25% of their total project improvements (whichever is less). Grant disbursements shall only be made to reimburse actual expenses incurred, as demonstrated through verified receipts.

Eligibility:

- Building must be located in the Downtown Business Overlay District
- Support will be provided for exterior building improvements
- Buildings shall be structurally sound
- When an application is made by a lessee, written permission from the property owner to facilitate the improvements must accompany the application.
- Property must be up-to-date on all property taxes
- All work must be done on the exterior of the building and result in a publicly visible improvement. Work on the rear or roof of the building is not eligible for a façade grant.
- All work must be done on a street facing side of an existing building
- Project cost must exceed \$2,000 to be considered for a façade grant.
- Tax exempt properties are ineligible

Eligible Exterior Façade Improvements:

All improvements shall adhere to Downtown Business Design Review Standards (CDO 12.750-12.796)

- Exterior painting, re-siding, refinishing.
- Restoration of exterior finishes and materials
- Masonry repairs and tuck pointing
- Removal of architecturally inappropriate or in compatible exterior finishes and materials
- Restoration of architectural details or removal of materials that cover architectural details
- Repair or replacement of windows and doors (if replacement, windows and doors must be architecturally appropriate)

- Window and cornice flashing and repair
- Canopy or awning installation or repair
- Murals
- Installation or repair of exterior signage advertising the business name and identity (backlit cabinet signs shall not qualify for the Façade Grant Program)
- Removal of barriers to access the building from outside for people with disabilities
- Exterior lighting

Reimbursement

To be reimbursed, the approved applicant must provide the following:

- Copies of all paid invoices, canceled checks (bank statements) and lien waiver for all of the façade work covered by grant. These must equal at least the required matching amount. The invoices must be marked paid, signed, and dated by the contractors.
- Lien waivers cannot be substituted for canceled checks or bank statements.
- Color photographs of completed project.
- Properties that receive grants in excess of \$5,000 must execute a trust deed to ensure payment within three years of reimbursement. If the property is sold or transferred within that time period a portion of the award will be deducted from the proceeds of the sale. A property sold or transferred within one year will require repayment of the full amount, within two years 66% and within three years 33%

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Façade Grant Program

APPLICATION

Contact:

500 Klamath Ave
Klamath Falls, OR 97601
541-883-5316

APPLICANT INFORMATION

Name:
Phone:
Referred by:

FOR OFFICE USE ONLY

Application Date:
Approval Date:
Amount:

PROPERTY OWNER INFORMATION

Name:	Years Owned:
Address:	Phone:

BUSINESS AND / OR PROJECT INFORMATION

Name of Business:	Business / Project Owner's Name:
Address:	Phone:

PROPOSED IMPROVEMENTS

Façade Improvements: (attach additional pages if needed)	
Upper Façade Improvements:	
Other Improvements:	Estimated Cost of Improvements:
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Check appropriately:

I own the property in consideration I lease the property in consideration

I have read the Façade Grant Program Guidelines. I understand that if the proposal is approved, I will make the above improvements to the property within the specified time allowed.

APPLICANT'S SIGNATURE:



DATE:

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Building Improvement Grant Program

Changing uses in a building can trigger building code requirements, accessibility issues, and seismic updates. Often these costs derail projects before they even start. The City of Klamath Falls intends to assist building owners in their efforts to establish a new use or change the use of all or a portion of a building.

Financial Incentive:

Approved applicants will be granted up to \$15,000 or 25% of their total project improvements (whichever is less). Grant disbursements shall only be made to reimburse actual expenses incurred, as demonstrated through verified receipts.

Eligibility:

- Building must be located in the Downtown Business Overlay District
- Buildings shall be structurally sound
- Property owner must apply – no awards to lessees.
- Property must be up-to-date on all property taxes
- Project cost must exceed \$2,000 to be considered for a Building Improvement Grant.

Ineligible Costs or Projects

- Tax exempt properties are ineligible
- General Maintenance or repair items such as roofs, flooring, etc., are ineligible.
- Façade work, painting etc., are also ineligible.

Eligible Improvements:

- Fire Sprinkler Systems.
- Elevators
- Seismic improvements
- ADA accessibility improvements required by change of use.
- HVAC improvements required by change of use.
- Electrical Upgrades required to change of use.
- Other improvements reasonably related to assisting the change of use be successful. A determination will be made at the time of application if the improvements will qualify.

Reimbursement

To be reimbursed, the approved applicant must provide the following:

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- Copies of all paid invoices, canceled checks (bank statements) and lien waiver for all of the work covered by grant. These must equal at least the required matching amount. The invoices must be marked paid, signed, and dated by the contractors.
- Lien waivers cannot be substituted for canceled checks or bank statements.
- Color photographs of completed project.
- Properties that receive grants in excess of \$7,500 must execute a trust deed to ensure payment within three years of reimbursement. If the property is sold or transferred within that time period a portion of the award will be deducted from the proceeds of the sale. A property sold or transferred within one year will require repayment of the full amount, within two years 66% and within three years 33%.

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PROPOSED IMPROVEMENTS

Describe Improvements Needed: (attach additional pages if needed)

Total Project Costs: _____

Estimated Cost of Improvements

Related to Change of Use: _____

Amount Requested: _____

Check appropriately:

I own the property in consideration

The proposed property is current on all property taxes

I have read the Change of Use Grant Program Guidelines. I understand that if the proposal is approved, I will make the above improvements to the property within the specified time allowed.

APPLICANT'S SIGNATURE:

_____ DATE: _____

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**KLAMATH FALLS CITY COUNCIL
AGENDA REPORT**



Agenda Item No. 6

Date: May 16, 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

TOPIC: Appointment of Attorneys Mika Blain and Noel Kersey as Municipal Court Pro Tem Municipal Court Judges

SUMMARY AND BACKGROUND:

Municipal Court Judge Nathan Ratliff requested that attorneys Mika Blain and Noel Kersey be appointed as pro tem municipal court judges.

Mika was born and raised in Klamath Falls, graduating from Henley High School and attending Oregon Institute of Technology before transferring to Rutgers University to finish her Bachelor's degree. She is a graduate of Seattle University's School of Law. Currently, she is an Associate Attorney with the law offices of Melinda M. Brown in Klamath Falls. Her letter of interest and full resume are attached.

Noel is a graduate of Sonoma State University and Willamette University College of Law. He has the founder and owner of Kersey Edgeworth Kersey, PC in Klamath Falls. His letter of interest and full resume are attached.

The City has currently two pro tem judges - Valerie Hedrick and Steven Hedlund. Additional appointments would benefit the City if Judge Ratliff is unavailable or has a conflict of interest.

FINANCIAL IMPACT:

The hourly rate for pro tem municipal court judges is \$79/hour. The amount is budgeted in the current Municipal Court budget.

DOCUMENTS ATTACHED:

- Mika Blain – Letter of Interest and Resume
- Noel Kersey – Letter of Interest and Resume

REQUESTED MOTION/ACTION:

Move to appoint attorneys Mika Blain and Noel Kersey as Municipal Court Pro-Tem Judges.

NOTICE SENT TO:

Judge Nathan Ratliff
Mika Blain
Noel Kersey

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Attorneys:
Mika N. Blain*
Melinda M. Brown**
Jennifer J. Schade

**Law Offices of
Melinda M. Brown, P.C.**

www.melindambrown.com
Facsimile: (541) 884-4600



Case Management Team:

Eva M. Barker
Kayla K.S. Breedlove
Emily M. Finicle
Kimberly M. Jones
Dawn L. Laidig
Donna M. Van Eaton
Sherry D. Wells

Klamath Falls Office:
419 Main Street
Klamath Falls, OR 97601
Phone: (541) 884-4100

Albany Office:
726 Ellsworth Street SW
Albany, OR 97321
Phone: (541) 967-7776

Kelso Office:
209 West Main Street, Ste. 201
Kelso, WA 98626
Phone: (360) 577-0000

April 18, 2016

Via Email: sgkirby@klamathfalls.city

Sue Kirby, Support Services Director
City of Klamath Falls
500 Klamath Avenue
Klamath Falls, OR 97601

Re: *Pro Tempore Municipal Court Judge*

Dear Ms. Kirby:

Enclosed, and for your consideration, please find my letter of interest and resume regarding a potential Pro Tempore Municipal Court Judge appointment.

Born and raised in Klamath Falls, I graduated from Henley High School and attended Oregon Institute of Technology before transferring to Rutgers University, in New Jersey, to finish my Bachelor's degree. After spending time in New Jersey, I moved to Seattle, Washington where I attended Seattle University's School of Law. I practiced law in Washington before moving back to Klamath Falls to do the same in my home town.

I believe my extensive experience makes me fully capable of adjudicating actions on traffic and city code offenses. I practice in both Oregon and Washington state and federal courts, including bankruptcy court. I engage in extensive research of statutes, administrative rules, municipal code, state and federal legislation, and case law. As of May 2015, I am a court appointed arbitrator for Klamath County Circuit Court. I believe the combination of my education, work experience and skills provide the type of knowledge, skills and abilities that the City currently seeks. Thank you in advance for your consideration.

Very truly yours;

/s/ Mika N. Blain

Mika N. Blain,
Attorney at Law

* Licensed in Oregon and Washington
** Licensed in Oregon, California, and Washington

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Mika N. Blain
1511 Pacific Ter
Klamath Falls, OR 97603
(541) 891-2721
Bairm78@aol.com

PROFESSIONAL EXPERIENCE:

Associate Attorney June 2013-Present
Law Offices of Melinda M. Brown, Klamath Falls, OR

As an associate attorney, I am responsible for my own book of clients as well as firm clients. I work on a variety of civil cases including general litigation, construction disputes, timber trespass, water rights and property disputes, estates and trusts formation and litigation, contract formation, negotiation and disputes, bankruptcy, employment law, business transactions (including business acquisitions, negotiations, entity formation, and set up), appeals, administrative law and family law. I am also a court appointed arbitrator.

Associate/Contract Attorney August 2010-May 2012
McDonough's Law Office, Edmonds, WA

I began working at McDonough's Law Office as a contract attorney and was hired as an associate in May 2011. Duties included, but were not limited to, legal research and analysis, drafting pleadings, client correspondence, preparing for and attending depositions, hearings, meetings, and trials. My case load included employment law, general civil litigation, administrative law, personal injury, appeals, and bankruptcy.

Contract Attorney May 2010-February 2011
Robert Half Legal, Seattle, WA

I worked for various law firms as a legal assistant or contract attorney (including Keller Rhorback and Liberty Mutual). I had the opportunity to conduct multiple depositions, draft discovery, attend mediation, perform legal research and draft pleadings.

Associate Attorney March 2009 to December 2009
Lybeck Murphy, LLP, Mercer Island, WA

Duties included, but were not limited to, legal research and analysis, drafting pleadings, answering and propounding discovery, preparing motions, and attending hearings and trials. Assisted senior attorneys with multiple case including employment, environmental CERCLA cleanup cases, administrative appeals, product defect, and construction defect law.

Legal Assistant February 2006-February 2009
Lybeck Murphy, LLP

Legal Assistant for eight (8) attorney litigation law firm. Duties included drafting and proof reading pleadings, client correspondence, legal research and memorandums, and coordination of discovery, production and subpoenas. Performed administrative tasks including billing, calendaring, and general office duties.

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Poole & Associates, P.C.

April 2004-January 2006

As a legal assistant, I provided support to two attorneys. Duties included drafting and proof reading pleadings, preparing documents for motions and discovery, depositions, memoranda in support, and client meetings. Coordinated discovery, production and subpoenas and performed general office duties.

EDUCATION:

Seattle University School of Law J.D., Graduated <i>Cum Laude</i>	2005-2008 G.P.A. 3.00
Rutgers, State University of New Jersey Bachelor's Degree: Graduated <i>With Honors</i> Major: History Minor: Art History	1999-2001 G.P.A. 3.645
Oregon Institute of Technology Associates of Arts Transfer Degree	1998-1999

ADMITTED TO PRACTICE:

Oregon Courts
Washington Courts
Western Washington U.S. District Court
Oregon U.S. District Court
Washington U.S. Bankruptcy Court
Oregon U.S. Bankruptcy Court
Klamath County Court Appointed Arbitrator

PROFESSIONAL ASSOCIATIONS:

President, Klamath County Bar Association (February 2015 to Present)
Board Member, Klamath Lake Land Trust (January 2015-Present)
Washington State Bar Association
Oregon State Bar Association
Multnomah Bar Association
Klamath County Circuit Court Arbitrator

REFERENCES:

Reference shall be provided upon request.

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Klamath Falls City Counsel
226 S. Fifth Street
Klamath Falls, OR 97601

Please accept this letter and attached resume as an application for the position of Klamath Falls Municipal Judge, Pro Tempore. I understand that your time is valuable and I pledge not to waste it with this letter.

I believe that an ideal Judge must be equal parts lawyer, listener and lion tamer. I have the experience in all three areas to make me an ideal candidate.

Lawyer: I was admitted to practice law in Oregon five years ago. Since then, I have always run a general practice, meaning that I built, and work from, a wide knowledge base. This made for a robust business but, more importantly, primed me to understand how different fields of law interact with each-other. As a Judge I will strive to understand how my actions will ripple or domino through the community, not just how they will affect the person in front of me.

Listener: The true beauty of the courtroom is that people get a chance to make their case. The chance to explain oneself or share a feeling helps a litigant trust in the system and take ownership of the outcome. I intend to bring patience and compassion to the bench. I have a natural ability to connect with people regardless of background. I make people feel heard. This makes it easier for people to accept the bad news which a judge inevitably must deliver.

Lion-tamer: Authority can not waiver. As a judge, I will be careful about reaching conclusions, but firm once I do. As an attorney, I have extensive experience with shameless litigants and defendants. Through my mediation training and experience, I have learned how to disarm charged situations and help people calm themselves.

Thank you for taking the time to read this letter and consider my candidacy. I am,

Yours truly,

Noel Kersey

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NOEL FORSTER KERSEY

Oregon State Bar #104254
303 Pine Street, Suite 303
Klamath Falls, OR 97601
noel@roguelawyers.com
(541) 887-8125

EXPERIENCE

Founder/Owner, Kersey Edgeworth Kersey, P.C. Klamath Falls, OR.

Full service law firm with strong emphasis in Criminal, Water, and Business Law.

Oregon Water Resources Department, Protest Clerk, Salem, OR.

Contested Case Hearings research and advising. Briefed weekly with OWRD Deputy Director and Protest Coordinator on current Municipal and private water rights issues.

Rotary International, Water Infrastructure Coordinator, Guatemala City.

Coordinated water quality and water storage projects between U.S. and Guatemalan Rotary Clubs. Provided field support and accounting for associated Rotary Micro-Banks. Developed water infrastructure for Guatemalan refugees.

EDUCATION

Willamette University College of Law, Juris Doctor.
Salem, OR. May 2010.

Sonoma State University, Bachelor of Arts.
Political Science. Rohnert Park, CA. 2001.

MEMBERSHIPS

- Klamath County Circuit Court Arbitrator
- Jackson County Circuit Court Landlord/Tenant Mediator
- Klamath Project Water Users, Adjudication Steering Committee Member
- Oregon Trial Lawyers Association
- Oregon Criminal Defense Lawyers Association
- Legal Aid Pro-Bono Attorney

**KLAMATH FALLS CITY COUNCIL
AGENDA REPORT**



Agenda Item No. 7

Date: May 16, 2016

Department: Finance
Staff Presenter: Sue Kirby
City Manager Review: _____

Contact/Title: Sue Kirby, Support Services Director
Telephone No.: 541-883-5326
Email: SGKirby@klamathfalls.city

TITLE: A Resolution Approving a Transfer of Appropriations for Fiscal Year 2015/2016 within the 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 on April 18, 2016 City Council adopted a Transfer of Appropriations in the General Fund. The following items have occurred that require a change in appropriations:

Other General Fund Programs – A transfer of appropriations of \$10,000 from Capital Outlay to Debt Service is needed to cover the increase in principal payment on the Full Faith and Credit Bond. A transfer of appropriations of \$10,300 from Capital Outlay to Materials & Services for the General Fund's portion of the DA Davidson Fees. The excess in Capital Outlay is from the canceled demolition of the old police building.

Transfers of appropriations are authorized under the State of Oregon Local Budget Laws, ORS 294.463.

FINANCIAL IMPACT:

There is no financial impact

DOCUMENTS ATTACHED:

- Resolution

REQUESTED MOTION/ACTION:

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

NOTICE SENT TO:

Budget Committee

RESOLUTION NO. 16 - _____

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

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

WHEREAS, the City of Klamath Falls adopted a Transfer of Appropriations for the Fiscal Year 2015-2016 on April 18, 2016 for the General Fund; and

WHEREAS, it is necessary to transfer \$10,000 from the Other General Fund Programs Capital Outlay to Debt Service for the increase in principal payment on the Full Faith & Credit Bonds and transfer \$10,300 from Capital Outlay to Materials and Services for the General Fund's allocation of the DA Davidson Fees; 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</u> <u>Fiscal Year 15/16</u>	<u>Proposed</u> <u>Change</u>	<u>Revised Budget</u> <u>Fiscal Year 15/16</u>
General Fund			
<u>Non-Departmental:</u>			
Materials & Services	\$ 117,550	\$ 10,300	\$ 127,850
Capital Outlay	215,000	(20,300)	\$ 194,700
Debt Service	285,900	10,000	295,900
Total Fund Appropriations	<u>17,668,250</u>	<u>-</u>	<u>17,668,250</u>

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Section 3

This Resolution shall become effective immediately upon enactment.

Passed by the Council of the City of Klamath Falls, Oregon on the 16th day of May 2016.

Presented to the Mayor, approved and signed this 17th day of May, 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 16th day of May, 2016, and thereafter approved and signed by the Mayor and attested by the City Recorder.

City Recorder

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ORDINANCE NO. 16-_____

ORDINANCE AMENDING SECTION 6.645 RELATING TO PARKING ENFORCEMENT ON PARKING LOTS OPERATED BY THE CITY

WHEREAS, Klamath County wishes the City to enforce the public parking on its parking lots; and

WHEREAS, the City's current Code allows only for enforcement for parking lots owned or leased by the City and the City desires to amend the Code to allow for enforcement on lots operated by the City; and **NOW THEREFORE**;

THE CITY OF KLAMATH FALLS HEREBY ORDAINS AS FOLLOWS:

Section 1

Section 6.645 of the City Code is amended as follows:

6.645 PARKING ON CITY-OWNED PARKING LOT

- (1) No person shall move onto or leave standing a vehicle on any parking lot owned or operated by the City, which is provided for public parking in excess of the time limit posted upon the sign at the entrance of such parking lot.
- (2) No person shall move onto or leave standing a vehicle on any parking lot owned or operated by the City, which is provided for public parking, unless such vehicle is parked at the angle of and between painted strips or other markings upon the pavement and in such a way as not to impede other vehicles in the lot.
- (3) No person or motor vehicle shall go in or upon or be found within or upon the City-owned parking lot at City Hall between the hours of 3:00 a.m. and 6:30 a.m. of the same day throughout the year. City employees whose duties require them to be upon such premises and motor vehicles used to carry out these duties shall not be deemed in violation of this Subsection.
- (4) The City Manager shall establish, upon official motion of the Council, opening and closing hours for all City-owned or operated parking lots not covered by Subsection (3).

Section 2

This Ordinance shall become effective 30 days after passage.

Passed by the Council of the City of Klamath Falls this ____ day of May, 2016.

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Presented to the Mayor, approved and signed this ____ day of May, 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 May, 2016 and therefore approved and signed by the Mayor and attested by the City Recorder.

City Recorder

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