

FUND TRANSFER AGREEMENT

This Fund Transfer Agreement (this "Agreement") is entered into and made effective on November ____, 2021 (the "Effective Date") between City of John Day ("City"), whose address is 450 East Main Street, John Day, Oregon 97845, and Grant County ("County"), whose address is 201 South Humbolt Street, Canyon City Oregon 97820.

RECITALS:

A. On or about October 31, 2021, City suspended operations of the John Day Police Department (the "Department") because City had inadequate funding and insufficient personnel making continued Department operations unsustainable.

B. Due to the Department's suspension, City has \$300,000 in general funds available per year over the next three years for use on public safety services within City (the "Public Safety Funds"). County is the recipient of certain Secure Rural Schools funds ("SRS Funds") that may be used to construct certain street networks within City.

C. Subject to the terms and conditions contained in this Agreement, (a) City will transfer, on an annual basis, \$300,000 in Public Safety Funds to County for County's provision of certain public safety services, and (b) County will transfer, on an annual basis, \$300,000.00 of SRS Funds for City's construction of certain streets, roads, and related improvements.

AGREEMENT:

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Public Safety Funds Transfer. Subject to the terms and conditions contained in this Agreement, commencing on December 1, 2021, and continuing on or before the same day thereafter until December 1, 2023, City will transfer \$300,000.00 of its Public Safety Funds to County (for a total transfer amount of \$900,000.00). City will transfer the Public Safety Funds to County to supplement County's provision of public safety services within City. For purposes of this Agreement, the term "public safety services" means County's provision of certain law enforcement services within City's incorporated limits, including, without limitation, the following: (a) responding to reports of incidents; (b) responding to reports of criminal activity; (c) arresting and taking into custody persons suspected of committing crimes; (d) responding to requests for police assistance; (e) responding to emergencies, including, without limitation, motor vehicle accidents and reports of serious bodily injury; (f) responding to reports of destruction of real or personal property; (g) patrolling within City's incorporated limits to enforce criminal and traffic laws; and (h) all other law enforcement services normally provided by a municipal police department within the department's incorporated limits.

2. Secure Rural Schools Funds Transfer. Subject to the terms and conditions contained in this Agreement, commencing on December 1, 2021, and continuing on or before the same day thereafter until December 1, 2023, County will transfer \$300,000.00 of its SRS Funds to City. County will transfer the SRS Funds to City for City's construction of certain streets, roads, and related improvements, which improvements will be intended to promote housing development opportunities within City. Notwithstanding anything contained in this Agreement to the contrary, County's transfer of the SRS Funds under this Agreement are in addition to, and not in lieu of, the regular SRS Funds that County transfers to City, namely _____.

3. Miscellaneous. The unenforceability of any one provision will in no way impair the enforceability of any other provision contained herein. No waiver of either party at any time of the breach of, or the lack of

compliance with, any conditions or provisions of this Agreement will be deemed a waiver of other provisions or conditions hereof. This Agreement contains the entire agreement and understanding between the parties with respect to the subject matter of this Agreement and contains all the terms and conditions of the parties' agreement and supersedes any other oral or written negotiations, discussions, representations, and/or agreements. This Agreement will be governed by and construed in accordance with the laws of the State of Oregon, and venue for any action concerning this Agreement will lie in Grant County, Oregon. Neither party may assign this Agreement to any person without the prior written consent of the other party. If litigation or arbitration is instituted to enforce or determine the parties' rights or duties arising out of the terms of this Agreement, the prevailing party will recover from the losing party reasonable attorney fees and costs incurred in such proceeding to the extent permitted by the judge or arbitrator, in arbitration, at trial, on appeal, or in any bankruptcy proceedings. This Agreement may be signed in counterparts. All notices or other communications required or permitted by this Agreement (a) must be in writing, (b) must be delivered to the parties at the addresses set forth above, or any other address that a party may designate by notice to the other party, and (c) are considered delivered (i) upon actual receipt if delivered personally, by fax or email transmission (with electronic confirmation of delivery), or by a nationally recognized overnight delivery service, or (ii) at the end of the third business day after the date of deposit, if deposited in the United States mail, postage pre-paid, certified, return receipt requested.

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed and effective for all purposes as of the Effective Date.

City:
City of John Day,
an Oregon municipal corporation

County:
Grant County,
a political subdivision of the State of Oregon

By: _____
Its: _____

By: _____
Its: _____