

**REGIONAL RURAL REVITALIZATION
Board Meeting
Monday, June 26, 2023**

**City of Burns Council Chambers
242 S Broadway Burns, Oregon 97720**

6:00 P.M.

**THE PUBLIC IS WELCOME AND ENCOURAGED TO JOIN THE MEETING
VIRTUALLY VIA ZOOM**

Members of the public and media wishing to address the board of directors during any public comment period will be able to join the webinar as an “attendee.” Attendees will be able to view the webinar on a desktop, laptop or mobile device such as a smartphone or iPad by using the following link:

<https://us02web.zoom.us/j/9020143459> Meeting ID: 902 014 3459

- 1. OPEN AND ROLL CALL**
- 2. APPEARANCE OF INTERESTED CITIZENS**

Members of the public desiring to address the board shall first be recognized by the presiding officer and then state their name and address for the record. Unless otherwise designated by the presiding officer, each person shall have up to three (3) minutes to present their comments. The board of directors and staff normally will not directly respond to a public comment during the public comment period. Board and staff member comments will be held until the Board comment period.

- 3. CONSENT AGENDA**

Information concerning matters listed in the Consent Agenda has been distributed to each board member for reading and study, is routine, or will be enacted or approved by one motion of the council without separate discussion. If separate discussion is desired concerning a particular matter listed in the Consent Agenda, that matter may be removed from the Consent Agenda and placed on the regular agenda by request of any board member.

Attachments:

- Legal Services Engagement Letter from Beery, Elsner & Hammond, LLP (BEH) to serve as general legal counsel to R3 Strategies Consortium
- Approve meeting minutes from May 25, 2023
- Approve invoices from Catalyst and Cloudflare

NEW BUSINESS

- 4. FUNDING STATUS UPDATE & ADMINISTRATIVE APPOINTMENTS**

Attachments:

- R3 Consortium Revised IGA

5. MANAGING DIRECTOR RECRUITMENT

Attachments:

- IGA Schedule 4.2.2

6. GENERAL ACCOUNTING SERVICES REQUEST FOR PROPOSALS

Attachments:

- RFP 2023-01 (Draft)

7. AUDITOR SERVICES REQUEST FOR PROPOSALS

Attachments:

- RFP 2023-02 (Draft)

PRIOR BUSINESS // CONTINUED MATTERS

8. BIENNIAL REQUEST FOR QUALIFICATIONS

Attachments:

- RFQ 2023-01

9. ANTICIPATED PROJECTS

Attachments:

- Schedule 5.9 – Initial Projects

10. PUBLIC CONTRACTING RULES

Attachments:

- None

GENERAL DISCUSSION AND UPCOMING MEETINGS // TOPICS

11. BOARD COMMENTS AND UPCOMING MEETINGS

Attachments:

- None

SUBJECT: AGENDA ITEM NO. 3 – CONSENT AGENDA

Attachment(s)

- Legal Services Engagement Letter from Beery, Elsner & Hammond, LLP (BEH) to serve as general legal counsel to R3 Strategies Consortium

BACKGROUND

The board requested BEH submit an engagement letter to serve as legal counsel for R3. Their letter is attached and was submitted to the board via email on June 3, 2023.

RECOMMENDED MOTION

Approve the consent agenda as submitted.

Consent Agenda Item A: BEH Engagement letter.

Recommendation: Do pass.

SUBJECT: AGENDA ITEM NO. 4 –FUNDING STATUS UPDATE & ADMINISTRATIVE APPOINTMENTS

Attachment(s)

- R3 Consortium Revised IGA

BACKGROUND

The R3 funding is at \$10 million in General Fund. It has moved to House Bill 3410 and passed the House last week and the Senate this week. It is ready for the Governor’s signature. You can track the bill at this link: <https://olis.oregonlegislature.gov/liz/2023R1/Measures/Overview/HB3410>

The board must discuss the roles and responsibilities it wishes to undertake with these funds. The board also needs to formally appoint a chairperson and co-chair per the terms of the first amended and restated intergovernmental agreement (enclosed).

Based on discussions with Baker City’s city manager, they do not expect to adopt the ordinance and make an appointment to R3 until their first meeting in July and would not be able to join R3 until later next month.

Given the timing of their adoption and the funding, the board should consider moving forward with some administrative appointments, as described herein.

ROLES & RESPONSIBILITIES / ADMINISTRATIVE APPOINTMENTS

Board chair and co-chair appointments. Section 3.1 of the IGA states, “Each fiscal year the Board will elect a chairperson and vice-chairperson from its membership, each of whom will serve a one-year term; provided, however, no Board member will serve more than one year as chairperson in any four-year period. The chairperson will preside over all Board meetings and perform such other duties prescribed by the Board from time to time.”

Recommendation: Appoint a chair and co-chair to facilitate actions like the Consortium’s website and coordinate meeting agendas and minutes.

Housing and Land Development, Policy, and Finance. Each city has proposed housing or land development projects within the revised IGA. These projects are in various stages of development. All require some assistance with contracts, joint development agreements, easements, rights-of-way, proforma development, grants, and loans.

Recommendation: The board should discuss how they plan to coordinate with housing and land developers, integrate these within the policy framework set forth by the state and local jurisdictions, and provide financing instruments (i.e., grant and loan agreements, joint development agreements, etc.) for the projects identified by each community and any regional projects for other entities statewide who may participate in the future.

Urban Renewal Administration. Three of the four cities in the Consortium have similar urban renewal agencies, either adopted or in development. Only Lakeview currently has a permanent, full-time city manager. This can result in risk to the operations of the URAs and their ability to plan and work with housing developers. URA’s are separate legal entities (considered a blended component unit for accounting purposes). They require their own budgets and annual financial audits, separate from the founding cities, as well as annual reporting requirements that are unique to URAs.

Recommendation: The board should discuss whether they would like to offer URA administration as a service to the cities, and if so, whether and how to propose this. This could be included in the roles and responsibilities of the managing director or contracted separately.

Planning Services. Three of the four cities in the Consortium have no full-time, trained, or professional planning staff and must contract for these services. The fourth, Baker, uses a combined planning department shared with Baker County. Planning is an essential component of housing development and, like the URA, can require complex applications to be prepared per local codes and state and federal requirements.

Recommendation: The board should discuss whether they would like to offer planning services to the cities, and if so, whether and how to propose this. This could be included in the roles and responsibilities of the managing director or contracted separately.

Regional Economic & Community Development. The Consortium can provide regional economic development assistance, either directly or through third parties like Oregon RAIN, the Ford Family Foundation's Growing Rural Oregon (GRO) program, or nonprofit entities like Wallowa Resources. These projects are managed at the municipal level for some cities or regionally through regional economic development agencies like the Greater Eastern Oregon Development Corporation (GEODC) or South Central Oregon Economic Development District (SCOEDD). Given the vast geographical area of these entities, R3 could facilitate more direct engagement in community-led projects like broadband infrastructure planning, grant coordination, and community development in partnership with these agencies.

Recommendation: The board should discuss whether they would like to offer regional economic development services to the cities, and if so, whether and how to propose this. This could be included in the roles and responsibilities of the managing director or contracted separately.

SUMMARY

During the last board meeting, the board discussed letting the mission of R3 as an agency and letting the mission drive the recruiting and selection of the managing director and support staff. These core functions, if approved by the board, would need to be reflected in those future recruitments.

SUBJECT: AGENDA ITEM NO. 5 – MANAGING DIRECTOR RECRUITMENT
Attachment(s)
• IGA Schedule 4.2.2

BACKGROUND

The IGA establishes roles and responsibilities for the Consortium’s Managing Director in Schedule 4.2.2 (enclosed).

This item discusses options for the board to discuss for the managing director’s recruitment.

DISCUSSION

The board has several options for recruiting the managing director. Option 1 relates to government employment. Options 2-3 are for contract appointments.

- 1) **Hiring a Government Employee.** The board can publish a solicitation for a new government position, similar to the recruitment process for a city manager. This would require selecting a recruiting firm, developing a job description and position profile, recruiting candidates, interviewing candidates, making a hiring selection decision, and negotiating an employment agreement. This approach will take approximately 120-180 days to complete.

As the local contract review board for R3, the board of directors can designate certain service contracts or classes of service contracts as personal services contracts by ordinance, resolution, administrative rule or other regulation.

"Personal Service(s)" is defined to include those services that require specialized technical, creative, professional, or communication skills or talents, unique and specialized knowledge, or the exercise of discretionary judgment, and for which the quality of the service depends on attributes that are unique to the service provider. Such services include, without limitation, the following: attorneys, accountants, auditors, and other licensed professionals; computer programmers; artists; graphic designers; performers; and consultants.

Except as provided in ORS 279A.140 (State procurement of goods and services), a contracting agency may enter into personal services contracts through any of the methods below.

- 2) **Direct Appointment/Informal Selection.** A managing director contract can be directly appointed, or awarded from proposals that are solicited informally, either orally or in writing.
- 3) **Written RFP/Competitive Solicitation.** The board can publish an RFP and state the specific selection criteria and qualifications for the proposers to be evaluated against. Selection may be based on criteria, including, without limitation, each proposer's: (a) particular capability to perform the services required; (b) experienced staff available to perform the services required, including each proposer's recent, current, and projected workloads; (c) performance history; (d) approach and philosophy used in providing services; (e) fees or costs; and (f) ability to provide timely performance in the area where the services are to be performed. Price may be considered, but need not be the determining factor.

Option 1 should be coordinated with legal counsel and a recruiting firm. Either option 2 or 3 should be conducted in close coordination with the board’s legal counsel.

NEXT STEPS

Determine the method of recruitment and begin the recruitment process.

AGENDA ITEM NO. 6 – GENERAL ACCOUNTING SERVICES REQUEST FOR PROPOSALS

Attachment(s)

- RFP-2023-01 (Draft)

BACKGROUND

RFP-2023-01 requests proposals from certified accounting firms to assist with R3's financial management and grant reporting.

DISCUSSION

The scope of work for these services is enclosed in the RFP and should be reviewed by the board of directors.

RECOMMENDED MOTION

Approve publication of RFP-2023-01, subject to final legal review.

AGENDA ITEM NO. 7– AUDITOR SERVICES REQUEST FOR PROPOSALS

Attachment(s)

- RFP-2023-02 (Draft)

BACKGROUND

RFP-2023-02 requests proposals from certified accounting firms to assist with R3’s annual financial statements, annual audit, and single scope federal audit.

DISCUSSION

The scope of work for these services is enclosed in the RFP and should be reviewed by the board of directors.

RECOMMENDED MOTION

Approve publication of RFP-2023-02, subject to final legal review.

AGENDA ITEM NO. 8 – BIENNIAL REQUEST FOR QUALIFICATIONS

Attachment(s)

- RFQ-2023-01

BACKGROUND

The board directed staff to prepare the biennial RFQ for publication at its last meeting.

NEXT STEPS

Draft publication is attached for board review and approval. Proposals are due August 15, 2023 by 4:00 p.m.

RECOMMENDED MOTION

Approve publication of RFQ-2023-01, subject to final legal review.

SUBJECT: AGENDA ITEM NO. 9 – ANTICIPATED PROJECTS
Attachment(s)

- Schedule 5.9 – Initial Projects (from Revised IGA)

BACKGROUND

The first amended and restated IGA includes anticipated projects from each founding party. This has been updated to reflect projects for John Day and Baker (enclosed).

The Board will need to determine a standard method for evaluating its investments in these and other projects funded through the DAS grant under House Bill 3410.

The Consortium has also been asked to oversee a congressionally directed spending request for the City of Mitchell, discussed below.

DISCUSSION

Burns Projects. Listed in the attached.

Lakeview Projects. Listed in the attached.

John Day Projects. Listed in the attached.

Baker Projects. Listed in the attached.

Mitchell Project. Mitchell requested assistance for a land exchange with the federal government to provide them with approximately 600 acres of land adjacent to their city limits. This land would be restricted for use in promoting their recreation economy. The project was submitted to the Senate as an FY24 Congressionally Directed Spending Request and would be funded by that source if awarded.

Regional Projects. HB funding is available to communities under 50,000 residents. Board should discuss method for approaching these potential projects.

SUBJECT: AGENDA ITEM NO. 10 – PUBLIC CONTRACTING RULES

Attachment(s)

- None

BACKGROUND

Per IGA Section 4.1, the Consortium’s managing director may enter into contracts subject to and in accordance with the IGA, Laws (defined in the IGA) and all Board policies (including, without limitation, all applicable public contracting rules and procedures).

R3 anticipates receiving funds from state and federal sources, including funding to be provided by the Department of Administrative Services (DAS) through HB3138. The Board should adopt a public contracting rules and procedures that include compliance with the DAS personal services requirements.

These public contracting rules will guide the expenditures of R3’s funding and will act as a reference guide for the board to follow when procuring goods and services by establishing the methods for procurement, dollar thresholds for various selection procedures, and procurement authorities delegated to staff versus those reserved for the board of directors.

DISCUSSION

A contracting agency may adopt its own rules of procedure per ORS 279A.065(6) by prescribing the rules of procedure the agency will use. Alternatively, the agency will be subject to the model rules adopted by the Attorney General, as defined in ORS 279A.070.

A local contract review board by ordinance, resolution, administrative rule or other regulation may also designate certain service contracts or classes of service contracts as personal services per ORS 279A.055.

NEXT STEPS

The board should move to coordinate with legal counsel to develop public contracting rules in accordance with the above referenced statutes.

SUBJECT: AGENDA ITEM NO. 11 – BOARD COMMENTS & UPCOMING MEETINGS
Attachment(s)
• None

BACKGROUND

Board members may discuss topics of their choosing or suggest future agenda items.

UPCOMING MEETINGS

The Board should discuss when to hold their next meeting.

TBD July – Board Meeting

TBD August – Board Meeting

**REGIONAL RURAL REVITALIZATION (R3)
BOARD MEETING
May 25, 2023**

The Regional Rural Revitalization (R3) Board members met on, May 25, 2023, at 6:00 p.m. for a Board Meeting. Members present were as follows:

Judy Erwin -- Burns R3 Representative	Chad Jacobs – R3 Attorney
Michelle Perry -- Lakeview City Manager – Via Zoom	Tiffany Leffler – Secretary/Admin
Jay Farnen -- Lakeview R3 Representative-Via Zoom	Nick Green – R3 Consultant
Rick Allen -- John Day Interim City Manager – Via Zoom	Nancy Gardner – Burns City Manager
Heather Rookstool -- John Day Mayor – R3 Representative – Via Zoom	

APPEARANCE OF INTERESTED CITIZENS

There were none.

CONSENT AGENDA

There was no consent agenda.

NEW BUSINESS

IGA AMENDMENT REQUEST & BYLAWS - Nick Green notified the representatives that Jeremy Green sent over a memorandum with a board decision matrix. He wanted to make sure each board member had a chance to review it. He informed Chad Jacobs that he felt that as he reviewed it, he felt it faithfully captured their discussions and recommendations to the board. He said if the board members had a chance to review it, he believed the next step was to discuss it and make a motion to have this decision matrix incorporated into the Intergovernmental Agreement and sent to the respective councils for ratification.

Everyone agreed they had all read it.

Representative Jay Farnen made a motion to adopt R3 board decision matrix and send it off to city councils. Representative Heather Rookstool seconded. All ayes.

Nick Green just wanted to clarify the next steps would be for Lakeview Co-Council and Burns City Council to place the amended Intergovernmental Agreement on their agendas and have them approve the amended agreement with the addition of John Day and the decision matrix and have them make a motion to approve that as well. That will finalize their admission. The other component to that agenda topic was Burns City Council unanimously requested to join and be amended in as a 4th member. That will not require bending the IGA other than submitting Baker City as a standing member when the revisions about John Day and the decision matrix are incorporated. The board has not made a motion or discussed that formally. This might be a good time to do that as well.

Representative Heather Rookstool said that Jeremy had told her that would be the last city and then they would have the one at large. She asked Jeremy to clarify.

Nick Green said that when they discussed it, they felt like four standing members and one at large appointee would be a great way to launch the agency and then see how it works.

Representative Heather Rookstool made a motion to amend the agreement to add Baker City to the R3 board for the 4th and final seat. Jay Farnen Seconded. All ayes

AGENCY ORGANIZING DOCUMENTS & FINANCES – Nick Green informed the board that they did have an EIN (Federal Employee ID Number) and the Secretary of State Certification Number was included in the agenda. With

these documents they can now apply for a bank account. Nick recommended they do this and find a financial Institute that has branches in each of the communities.

There was discussion had on which bank would work for all communities.

The board decided to go with Bank of Eastern Oregon.

Nick Green said he would recommend doing a two-signature requirement for checks and to have all officers listed as signatories.

Representative Judy Erwin made a motion to authorize Heather Rookstool to open a checking and savings account with Bank of Eastern Oregon. Heather Rookstool seconded. All ayes.

Representative Jay Farmen asked if they would have a base amount that stays in the account that they do not touch, so they always have something in there.

Nick green recommended the board create a budget. It's not required to adopt a budget in the first year of operation, but he thinks it would be a worthwhile exercise for the board to go through. It's a worthwhile way to prioritize their projects as well.

Representative Jay Farmen mentioned that he thinks we need an Executive Director.

Representative Erwin agreed that we do need to do that but believed we needed to put it out for bid.

Chad Jacobs suggested they wait until the next meeting. They have two new members coming on board and the IGA was just amended to require a fourth-place majority for appointing an Executive Director. Wait until Baker City has their representative here and make sure everyone is on the same page. The board makes the decision at how they go about looking for the Executive Director for R3.

Representative Judy Erwin asked how they go about finding the at large member.

Chad Jacobs said that was also a board decision. The board appoints the at large member.

Representative Heather Rookstool asked if there were certain criteria they were looking for in their at large member.

Nick Green suggested that the board they think about the attributes of the at large member. They can brainstorm qualifications and put them out to those groups and see who percolates to the top.

No further discussion was had.

Representative Heather Rookstool made a motion to adjourn the meeting at 6:19 p.m. Representative Judy Erwin seconded. All ayes.

**REGIONAL RURAL REVITALIZATION (R3)
WORK SESSION
May 25, 2023**

The Regional Rural Revitalization (R3) Board members met on, May 25, 2023, at 6:20 p.m. for a work session. Members present were as follows:

Judy Erwin – Burns R3 Representative	Tiffany Leffler – Secretary/Admin
Michelle Perry – Lakeview City Manager – Via Zoom	Nick Green – R3 Consultant
Jay Farnen – Lakeview R3 Representative-Via Zoom	Nancy Gardner – Burns City Manager
Rick Allen – John Day Interim City Manager – Via Zoom	
Heather Rookstool – John Day Mayor – R3 Representative – Via Zoom	

CONSENT AGENDA

There was no consent agenda.

WORK SESSION TOPICS

PUBLIC CONTRACTING RULES - Nick Green reminded the board it was assigned by the board to Jeremy. The Public Contracting Rules and the Solicitation for Professional Services are carried over from our last meeting. He said if the board would like he will follow up on a status for those.

RECORDS RETENTION – Nick Green informed the board he had sent out a draft Public Records Request Policy. It basically mirrors what Bryan, Lovlien & Jarvis have done for all our cities. It just changes it to a consortium and identifies the office of the custodian as the Burns City Office or Burns City Hall. They should review and discuss it, otherwise this could be a resolution that goes before the board at the next meeting for adoption.

The board agreed they would bring that forth at the next meeting when they have a full board.

Representative Heather Rookstool wanted to know if Jeremy Green and Chad Jacobs were going to continue to be co-representation, would each city have their own representation, or would R3 have representation of its own?

Representative Judy Erwin explained that Chad represents Burns and Lakeview.

The board agreed it would be good for R3 to have its own legal representation to protect R3 and each city.

Nick Green stated that under State Statue you can use direct employment for personal services and an attorney is an example of personal services. Those do not have to be competed. An accountant is another example. At some point R3 will need bookkeeping and that could be done by one of the cities. He recommends R3 have an accountant, CPA, or someone that can do bookkeeping as well. He believes that Chad and Jeremy work well together and have for years. They have a positive working relationship that he believes is critical. They want to stay out of negative law and having people who know how to work together and solve differences is good. If Chad's firm is willing to take it on, he thinks they would be a great choice to represent R3 as an agency. That keeps the cities attorneys independent and able to kick ideas around without creating conflict of interest by representing two parties in the same matter.

Representative Judy Erwin wondered if they could appoint Chad Jacobs for the R3 legal representation.

Nick Green told the board if they have decided by then, they could appoint Chad Jacobs to be the R3 legal representation at their next meeting.

The board decide they would discuss the attorney and accountant at the next meeting.

Nick Green said if the board likes or has decided they are ready to choose legal representation, he could have Chad bring an engagement letter to the next meeting.

The board agreed they would like Nick to have Chad bring an engagement letter to the next meeting.

ADMINISTRATIVE STAFF – Nick Green suggested that more than whether they hire a government employee of R3 or a contracted employee, they probably need to start discussing the type of skill sets R3 needs to engage and have access to. What is R3's need for the staff? Do they need someone with experience in overseeing home building and that knows that language? Does R3 need a person who has planning expertise? These are the things the board needs to start talking about.

The board discussed the idea of going with a contract laborer rather than a regular employee. It would be better to look outside of who each city is currently using as to not over work them or cause a conflict of interest.

Nick Green informed the board that maybe what R3 should do is, whatever person they hire for this will become the In-house Regional Planner. They would understand the code and language for each of the member communities and could work with the applicant. Often the planner must maintain objectivity, and while they are facilitating the application, their real role is to represent the city and ensure their code is met and any conditions of approval are satisfied. R3's planner could be more of an advocate with the developers and help structure these joint development agreements. That may include incentives from R3 at each step of the home building process.

Jay Farnen let the board know he knew someone from Baker City that may be able to give some assistance in finding someone like that.

Nick green said he thought that would be a good idea. He almost wondered if they should do some scenario-based planning around what they think R3 is going to do. If you know where you are going it will be a lot easier to know what employees and staff to hire.

Representative Judy Erwin said that she agreed and thought it was a good idea. They can go over it more when Baker City is on board and the board can vote on things.

Nick Green said as part of the future work sessions the board can throw some of those scenarios around and start looking at what they think they can offer, how they will lever up the funding that they are going to get from the state with other state housing incentives, and especially in these opportunity zones, really consider how to maximize their dollars. One of the risks for speculative housing, is that it doesn't sell and as a business you end up holding assets longer than your pro-forma anticipated. He is not saying they should, but they could theoretically offer a purchase guarantee. R3 could say that they are confident in these markets that they are going to lease or sell within 90 to 120 days of receiving a Certificate of Occupancy, that if they don't R3 would buy and hold those assets and have the patient capital and they will wait for the market to respond. Then you are giving your developer an exit strategy and they know they can get out clean and they wont leery of building in our cities again.

Representative Jay Farnen asked if they knew when Baker City was going to come on board?

Nick Green says he expects they will pass the appropriate resolution or motion to join at their next council meeting. He believes it's the second Tuesday or Wednesday in June.

Representative Jay Farnen informed the board he thought Michelle and him would try to drive to Burns when that happens and be physically present to have a work session.

The board decided they would have their next meeting on June 26, 2023, at 5:30 p.m.

Representative Jay Farnen asked if they were moving on to the FY23-24 operating a budget.

Nick Green said he recommended they tackle that as they discussed. As they proceed with project financing, look at where the dollars will land in terms of communities and projects and start building a budget that can be used as a working budget until they must formally adopt one this time next year.

Representative Heather Rookstool said John Day would be presenting the updated paperwork to their council at the next meeting which would be on June 13th, 2023.

Representative Judy Erwin said the City of Burns would do the same at their next meeting on June 14 ,2023.

Lakeview City Manager Michelle Perry said lake view would be having theirs on June 13, 2023, as well.

There was no further discussion.

The next meeting will be June 26, 2023, at 5:30 p.m.

ADJOURN

Representative Heather Rookstool made a motion to adjourn at 6:47 p.m. Representative Jay Farmen seconded. All ayes.



205 Valley View Drive
 John Day Oregon 97845
 (541) 620-2809

Invoice

INV-000069

Balance Due
\$10,702.50

Bill To
Regional Rural Revitalization (R3) Strategies Consortium
 242 S Broadway
 Burns, Oregon 97720

Invoice Date : 31 May 2023
 Terms : Net 30
 Due Date : 30 Jun 2023

Subject :
 Professional consulting services from April 1, 2023 through May 31, 2023.

Task & Description	Unit	Rate	Amount
23010-001 R3 Strategies Consortium Preparation and filing of organizing documents	5.00	225.00	1,125.00
23010-001 R3 Strategies Consortium Finance coordination	10.50	225.00	2,362.50
23010-001 R3 Strategies Consortium Preparing for (agendas and supporting documents) and participation in 2 board meetings	31.00	225.00	6,975.00

Project & Description of Services	Qty	Rate	Amount
Consultant Expense Cloudflare domain server (.gov)	1.00	240.00	240.00

Sub Total 10,702.50

Total \$10,702.50

Balance Due \$10,702.50

Notes

Thanks for your business.

INVOICE# CFUSA7041653

Invoice Date: 05/27/2023



Invoice From
Cloudflare, Inc.
101 Townsend St.
San Francisco, CA 94107 USA

Invoice To
Nicholas Green
Regional Rural Revitalization (R3) Strategies
Consortium
205 Valley View Dr
John Day, OR 97845-1188 USA

Summary of Current Charges

Zone Subscriptions

r3.gov

Table with 5 columns: Description, Billing Period, Quantity, Tax (USD), Subtotal (USD). Row 1: Cloudflare Pro Plan, 05/26/2023 - 05/26/2024, 1, \$0.00, \$240.00. Summary row: r3.gov Subtotal: \$240.00

Summary table with 2 columns: Description, Amount. Rows: Total Charges (USD) \$240.00, Subtotal (USD) \$240.00, Sales Tax \$0.00, Total \$240.00, Available Balance as of 05/27/2023 (\$240.00)

*Your payment for Amount due will be reflected on the activity statement of your next invoice.

Your payment ensures uninterrupted service by Cloudflare, the simplest way to make your website faster, safer, and smarter. Your payment is non-refundable. For more information on renewal terms and cancellations, go to www.cloudflare.com/terms.

Activity Summary

Summary of your billing activity since your last invoice

Total Payments	<u>(\$240.00)</u>
Starting balance as of 05/27/2023	(\$240.00)

Activity Details

Detailed overview of your billing activity since your last invoice

Payments

Date	Description	Amount
05/26/2023	Card ending with 5867 (VISA)	\$240.00

Schedule 5.9
Initial Projects

Initial projects identified by the Parties for their respective jurisdictions are identified in Table 5.9.1. Project improvements may include, but are not limited to: land acquisition of developable lands; construction of horizontal improvements in the form of water, sewer, stormwater, reclaimed water, power, broadband, and other utilities; streets, sidewalks, and multimodal paths within, and adjacent to, and connecting to each development, and; construction of vertical improvements in the form of single-family or multifamily residential dwellings or mixed-use developments.

Table 5.9.1. Initial Projects identified for inclusion in R3

Party	Project Name	Project Description	Land Area (Acres)	New Housing Units
Burns	Miller Springs	Master Planned Development	1272	675
Burns	Telos Development	New mixed-income subdivision	TBD	190
Burns	Downtown Revitalization (Multiple Properties)	Mixed-use Redevelopment	TBD	TBD
Lakeview	Lakeview Lumber Redevelopment	Master Planned Development	TBD	TBD
Lakeview	South Lakeview Annexation & Multifamily Redevelopment	Mixed-use Redevelopment	TBD	TBD
John Day	The Ridge	Master Planned Development	80	20+
John Day	Ironwood Estates - Phase 2/3	Master Planned Development	30	76
John Day	Holmstrom Heights - Phase 2	New mixed-income subdivision	30	20
John Day	Iron Ridge Subdivision	New mixed-income subdivision	24	11
John Day	Magden Development	Master Planned Development	40	20
John Day	Weaver Building	Mixed-Use downtown tenant improvements	0.15	8
John Day	CyberMill Building	Mixed-Use downtown tenant improvements	0.15	3
John Day	Blue Mountain Hospital Workforce Housing	Downtown tenant improvements	0.2	12
Baker	Baker School District Teacher Housing	New workforce housing	TBD	TBD
Baker	Pine-Eagle School District Teacher Housing	New workforce housing	TBD	TBD
Baker	New Directions NW Supportive Housing (Memory Lane Homes)	New transitional housing	0.75	12
Baker	Downtown Revitalization (Multiple Properties)	Mixed-use redevelopment	TBD	TBD

June _____, 2023

To: Prospective Consultants

Re: Regional Rural Revitalization (R3) Strategies Consortium - Qualified Consultant List

The Regional Rural Revitalization (R3) Strategies Consortium (“Consortium”) is updating its list of prospective consultants interested in providing architectural, engineering, photogrammetric mapping, transportation planning, and/or land surveying services (and related services) to the Consortium.

Per OAR 137-048-0120, consultants who are engaged in the lawful practice of their profession and interested in providing the services mentioned above to the Consortium are encouraged to submit a statement describing their qualifications and related performance information to the Consortium.

The Consortium will use the requested information to update its list of prospective consultants. The Consortium intends to use the list to solicit services for future projects for which the direct appointment procedure or informal selection procedure is an authorized selection procedure. The Consortium may also appoint one or more engineers of record from this list. The Consortium updates its prospective consultant list every two years, and those consultants who have not submitted their qualifications in the past two years will be purged from the list.

If your firm is interested in being on the Consortium’s list of qualified consultants, please submit a statement describing your qualifications (including a detailed description of the type(s) of services you provide) and related performance information to:

R3 Strategies Consortium
Attn: Managing Director
242 S Broadway
Burns, Oregon 97720

Responses may also be submitted via email to: _____ with the subject line: FY24 & FY25 SOQ Response.

Statements of qualifications are due on or before 4:00 p.m. on Tuesday, August 15, 2023

Regional Rural Revitalization (R3) Strategies Consortium
Request for Proposals – Audit Services
June 26, 2023

The Regional Rural Revitalization (R3) Strategies Consortium (“Consortium”) is soliciting proposals from qualified, independent, Oregon licensed municipal auditors (“Auditor(s)”) having sufficient governmental and auditing experience to provide certain audit services for and on behalf of Consortium.

BACKGROUND

Consortium is an intergovernmental agreement organized under Oregon Revised Statutes 190.010 entered into between Town of Lakeview (“Lakeview”), an Oregon municipal corporation, whose address is 525 North 1st Street, Lakeview, Oregon 97630, City of Burns (“Burns”), an Oregon municipal corporation, whose address is 242 South Broadway Burns, Oregon 97720, City of John Day (“John Day”), an Oregon municipal corporation whose address is 450 East Main Street, John Day, Oregon 97845, and Baker City (“Baker”), an Oregon municipal corporation, whose address is 1655 First Street, Baker City, Oregon 97814, collectively the “Parties.” Consortium was established to provide resources necessary to assist with the execution of the Parties’ housing and community improvement projects. This assistance includes, without limitation, evaluating and providing logistical assistance concerning housing and community development projects (e.g., determining the feasibility and requirements of proposed projects, sources of project funding, and assisting and managing project completion).

Consortium operates under a five-member board of directors with four members appointed by the Parties and one at-large member appointed by the board. Consortium appoints a managing director responsible for Consortium functions. Consortium currently employs no full-time employees. Using resources appropriated by the Consortium board, the Consortium manager ensures Consortium board policies are implemented to achieve desired service results for the Parties. Consortium’s anticipated budget for all Consortium operations for Fiscal Year 2023/2024 is estimated to be \$10-12 million. Fiscal Year 2023/2024 is Consortium’s first year of operations. Consortium receives funding through state and federal grant programs.

SCOPE OF SERVICES

The purpose of this Request for Proposals – Auditor Services (this “RFP”) is to select an Auditor to provide the following audit services for and on behalf of Consortium (collectively, the “Services”):

1. Conduct the financial and compliance audit of Consortium’s operations, including, without limitation, planning and preparing the audit and Consortium’s financial statements. Prepare and present the draft and final audit report (including approximately eight bound hard copies and an electronic copy). Plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether caused by error or fraud, and conformity with GAAP.
2. Perform tests of documentary evidence supporting the transactions recorded in the accounts, which may include tests of the physical existence of inventories and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, creditors, and financial institutions.
3. Perform tests of Consortium’s compliance with applicable laws and regulations and provisions of contracts and agreements. Review the internal accounting controls of Consortium to the extent necessary to evaluate the system as required by applicable standards.
4. Prepare a report on compliance with specific requirements applicable to major federal financial assistance programs, if required.

5. Issue a “management report” making recommendations for improvement.
6. Make an immediate written report to the Consortium manager of all irregularities and illegal acts or indications of illegal acts of which the Auditor becomes aware.
7. Inform the Consortium managing director of any matters involving internal control and its operation the Auditor considers being reportable conditions under standards established by the American Institute of Certified Public Accountants.
8. Provide Consortium with adjusting entries and a final trial balance upon completion of the field work.
9. Attend meetings and prepare progress reports, including, without limitation, the following tasks:
 - (a) Pre-audit conferences(s) with Consortium management and accounting staff (and/or consultant(s)) to discuss audit schedules, working paper requirements, and report deadlines, as well as the audit program.
 - (b) Progress report meetings will be held with key audit firm personnel and Consortium financial management staff at regular intervals.
 - (c) Post-audit conference(s) with Consortium management and key audit firm personnel will be held. The Auditor will present the audit to the Consortium council.
 - (d) The audit will be a single document which will contain financial statements, notes, and supplementary data, the combined and individual fund and account group statements, financial statements and schedules. Audit reports will be provided within the periods required by the State of Oregon to meet any reporting requirements.
10. General financial technical assistance to Consortium throughout the fiscal year, including, without limitation, answers to accounting, reporting, and/or internal control questions.
11. Assist with any other financial and/or audit projects requested by Consortium’s managing director from time to time.

The selected Auditor will apply industry standards for auditing, and the audit(s) performed will be made in accordance with all applicable federal, state, and local laws, rules, regulations, standards, and ordinances, including, without limitation, the following: (a) generally accepted governmental procedures as prescribed in the American Institute of CPAs (AICPA) Industry Audit Guide – Audits of State and Local Government Units and in Governmental Accounting, Auditing, and Financial Reporting (GAAFR); (b) generally accepted government auditing standards (GAGAS), government auditing standards, and Oregon minimum standards; (c) the Single Audit Act of 1984 and the Single Audit Act Amendments of 1996; and (d) OMB A-133: Audits of State, Local Governments, and Non-Profit Organizations. Consortium’s Annual Financial Report will conform to reporting standards for government entities as determined by the Governmental Accounting Standards Board (GASB) and/or the Financial Accounting Standards Board (FASB), as appropriate. The Auditor’s opinion will be directed toward the fairness of presentation of the financial statements in accordance with GAAP. The Auditor will also provide compliance reports as required under federal and state law, if applicable.

The selected Auditor will meet with the Consortium manager prior to the commencement of Services to discuss the planned approach to the Services. The Auditor will work with, and report directly to, the Consortium manager and board of directors.

MINIMUM QUALIFICATIONS

The Auditor must meet the following minimum requirements: (a) the Auditor must be registered to do business in the State of Oregon; (b) the principal auditor must be a Certified Public Accountant qualified to perform municipal audits in the State of Oregon; and (c) the Auditor must have experience in performing municipal audits in accordance with auditing standards generally accepted in the United States of America, preparing financial statements compliant with GASB 34, GASB 45, GASB 54, other applicable GASB requirements and Oregon Budget Law.

PROPOSAL FORMAT

An Auditor interested in performing the Services must submit a signed and dated written proposal to Consortium containing the following information:

1. Cover Letter; Contact Information. A cover letter for the proposal stating the Auditor's name, address, and contact information and the name of the primary contact in reference to the proposal. Also, please provide the Auditor's authorization or licensing by the State Board of Accountants to conduct audits. The cover letter must demonstrate the Auditor's compliance with the minimum requirements identified above.
2. Firm Information; Availability. Brief information concerning the Auditor (e.g., background, size, types of services provided, experience, and types of similar governmental and accounting engagements). Please also identify availability to perform the Services.
3. Experience; References. A list of the current and prior municipal government audit clients indicating the type(s) of services performed and the number of years for each engagement. Please also identify and include contact information for at least three municipal audit clients.
4. Key Staff. Identification of the person(s) who will be assigned and responsible to perform the Services, including any partners, managers, and other key staff members. Identify each individual's experience in auditing governmental jurisdictions. Describe the experience and knowledge that your firm and supervising staff have in performing examinations in accordance with the provisions of the Single Audit Act and component units.
5. Quality Control Review. A copy of the Auditor's most recent quality control review report or peer review.
6. Disclosures. Please (a) disclose all judgments, pending or expected litigation, or other real or potential financial reversals that might materially affect the viability and/or stability of the proposing organization, or (b) warrant that no such condition is known to exist.
7. Subcontractors. Include a statement indicating whether subcontractors will be used and, if so, provide the information contained in this section (i.e., "Proposal Format") for each subcontractor.
8. Rates. Identification of the fees the Auditor desires to receive for the performance of the Services. In addition, please identify the maximum fee associated with performing the Services and include a maximum annual percentage increase that can be expected for the next three fiscal years. Please describe how the fee is allocated to each of the following: (a) the audit the Consortium; (b) the Single Audit Report required under OMB Circular A-133 (should the Consortium be subject to it); and (c) report writing.

9. Audit Approach. A description of the Auditor's audit approach and customer service philosophy. To this end, please describe the Auditor's values that ensure quality controls are in place throughout an audit.

PROPOSAL SUBMISSION

1. Submission. To be considered, please submit your proposal to _____ Consortium Managing Director, via email at _____, or by mail or hand delivery to R3 Strategies Consortium, 242 S Broadway Burns, Oregon 97720. Please clearly label the outside of the envelope (or fill in the email subject line with) "R3 Strategies Consortium Audit Services Proposal." Proposals must be received by Consortium on or before **Tuesday, August 15 at 4:00 p.m., Pacific Time**. Proposals received after the deadline date/time will not be considered. Proposals must address all the items listed in this RFP; incomplete proposals may not be considered. Notwithstanding anything contained in this RFP to the contrary, if in Consortium's best interest, Consortium reserves the right to (a) amend and/or revise this RFP in whole or in part, (b) cancel this RFP, (c) extend the submittal deadline for responses to this RFP, (d) waive minor informalities and errors in such proposals, (e) reject all proposals for any reason and/or without indicating reasons for rejection, and/or (f) hold the proposal(s) for sixty (60) days before rendering a decision. Further, Consortium reserves the right to seek clarification(s) from any consultant and/or require supplemental information from any consultant. This RFP does not obligate Consortium to award a contract and/or to procure the Services described herein.

2. Confidential Information.

(a) Any proposal submitted may be subject to public information requests as permitted by Oregon Public Records Law. Consortium will attempt to maintain the confidentiality of materials marked "Confidential" to the extent required under Oregon Public Records Law. If it is necessary to submit trade secrets and/or other confidential information in order to comply with the terms and conditions of this RFP, each Auditor must label any information that it desires to protect from disclosure to third parties as a trade secret under ORS 192.345(2) and/or confidential under ORS 192.355(4) with the following: "This material constitutes a trade secret under ORS 192.345(2) [and/or confidential information under ORS 192.355(4)] and is not to be disclosed except as required by law." Each page containing the trade secret and/or other confidential information must be so marked.

(b) Consortium will take reasonable measures to hold in confidence all such labeled information, but in no event will Consortium be liable for release of any information when required by law or court order to do so, whether pursuant to the Oregon Public Records Law or otherwise, and will also be immune from liability for disclosure or release of information as provided under ORS 646.473(3).

(c) In submitting a proposal, each proposer agrees that Consortium may (a) reveal any trade secret and/or other confidential materials contained in the proposal to Consortium staff and to any Consortium consultant, and (b) post the proposal on Consortium's intranet or internal network for purposes related to its evaluation and ranking. By responding to this RFP, each proposer agrees to defend, indemnify, and hold harmless Consortium each Consortium officer, employee, representative, and agent from all costs, damages, and expenses incurred in connection with refusing to disclose any material that the proposer has designated as a trade secret and/or as confidential information. Any Auditor that designates its entire proposal as a trade secret may be disqualified.

AWARD OF CONTRACT

If a contract is awarded, Consortium will award the contract to the Auditor whose proposal will serve Consortium's best interests, taking into account price and various other considerations, including, without limitation, the following: (a) service and availability; (b) financial expertise and experience; (c) particular capability to perform the Services; (d) experienced staff available to perform the Services; (e) performance history; (f) approach and philosophy used in provided the Services; and/or (g) ability to provide timely performance in the area where the Services are to be performed. Auditors responding to this RFP do so at their own expense; Consortium is not

responsible for any costs and/or expenses associated with the preparation and/or submission of any proposal. Consortium reserves the right to enter into one or more contracts concerning the Services.

If a contract is awarded, Consortium and the selected Auditor will enter into Consortium's form professional services agreement substantially in the form attached hereto as Exhibit A. The agreement will contain terms and conditions required under applicable law and will otherwise be in form and content satisfactory to Consortium. Without otherwise limiting the generality of the immediately preceding sentence, the agreement will include terms and conditions concerning, among other things, acceptable standards of performance, compensation, minimum insurance requirements, compliance with laws, indemnification, representations and warranties, and Consortium's right to terminate the agreement. The Auditor awarded the contract will be required to obtain a Consortium business license and maintain active business license status while conducting work within Consortium.

If you have any questions regarding this RFP, please contact _____ via email (provided above) or telephone (541-XXX-XXXX).

Exhibit A
Professional Services Agreement

[attached]

Regional Rural Revitalization (R3) Strategies Consortium
Request for Proposals – General Accounting Services
June 26, 2023

The Regional Rural Revitalization (R3) Strategies Consortium (“Consortium”) is soliciting proposals from qualified, independent, Oregon licensed municipal accountants (“Accountant(s)”) having sufficient governmental accounting and auditing experience to provide certain accounting services for and on behalf of Consortium. Accountant(s) will provide all general accounting services needed by Consortium, except for the annual audits and Federal Single Audits required by State and Federal laws and regulations.

BACKGROUND

Consortium is an intergovernmental agreement organized under Oregon Revised Statutes 190.010 entered into between Town of Lakeview (“Lakeview”), an Oregon municipal corporation, whose address is 525 North 1st Street, Lakeview, Oregon 97630, City of Burns (“Burns”), an Oregon municipal corporation, whose address is 242 South Broadway Burns, Oregon 97720, City of John Day (“John Day”), an Oregon municipal corporation whose address is 450 East Main Street, John Day, Oregon 97845, and Baker City (“Baker”), an Oregon municipal corporation, whose address is 1655 First Street, Baker City, Oregon 97814, collectively the “Parties.” Consortium was established to provide resources necessary to assist with the execution of the Parties’ housing and community improvement projects. This assistance includes, without limitation, evaluating and providing logistical assistance concerning housing and community development projects (e.g., determining the feasibility and requirements of proposed projects, sources of project funding, and assisting and managing project completion).

Consortium operates under a five-member board of directors with four members appointed by the Parties and one at-large member appointed by the board. Consortium appoints a managing director responsible for Consortium functions. Consortium currently employs no full-time employees. Using resources appropriated by the Consortium board, the Consortium manager ensures Consortium board policies are implemented to achieve desired service results for the Parties. Consortium’s anticipated budget for all Consortium operations for Fiscal Year 2023/2024 is estimated to be \$10-12 million. Fiscal Year 2023/2024 is Consortium’s first year of operations. Consortium receives funding through state and federal grant programs.

SCOPE OF SERVICES

The purpose of this Request for Proposals – General Accounting Services (this “RFP”) is to select Accountant(s) to provide the following audit services for and on behalf of Consortium (collectively, the “Services”):

1. Operate and maintain a financial management system which shall: separately identify each State and Federal award; allow for accurate and complete reporting; contains supporting documentation for expenditures; accounts for funds, property, and assets; tracks State and Federal award budgets; and has written procedures for payments and determining allowability of expenditures. Separately, the system shall provide similar tracking and documentation of non-Federal funds held by Consortium, in conformity with GAAP.
2. Maintain the check register and other accounting records for Consortium.
3. Reconcile the monthly bank statements.
4. Generate all disbursement checks as directed by Consortium’s managing director after approval of Consortium’s board of directors and provides them to managing director to be reviewed and signed by members of the board of directors.
5. Generate and mail IRS Form 1099’s to payment recipients.

6. Provide monthly financial statements to Consortium's board of directors.
7. Provide information to, and coordinate with the independent certified public accounting firm retained by Consortium for the preparation of the annual audits and Federal Single Audits.
8. Provide monthly statements to Consortium describing in detail the accounting work performed by the Accountant during the prior month which includes the name of the person(s) who performed each function, the date the work was performed, the time required to perform the function, the hourly or other contracted rate for performance of the function, the charge for such function, all reimbursable expense incurred by the Accountant during the time period attaching proof of such expenses, the total amount payable to the Accountant, and the total amount of charges and expenses charged to Consortium during the fiscal year;
9. Attend meetings from time-to-time, including, without limitation, the following tasks:
 - (a) Pre-audit conferences(s) with Consortium management and auditing staff (and/or consultant(s)) to discuss audit schedules, working paper requirements, and report deadlines, as well as the audit program.
 - (b) Progress report meetings will be held with key audit firm personnel and Consortium financial management staff at regular intervals.
 - (c) Post-audit conference(s) with Consortium management and key audit firm personnel will be held.
 - (d) Participation in Consortium board meetings, as requested.
10. General financial technical assistance to Consortium throughout the fiscal year, including, without limitation, answers to accounting, reporting, and/or internal control questions.
11. Assist with any other financial projects or tasks requested by Consortium's managing director from time to time.

The selected Accountant will apply industry standards for accounting in accordance with all applicable federal, state, and local laws, rules, regulations, standards, and ordinances, including, without limitation, the following: (a) generally accepted governmental procedures as prescribed in the American Institute of CPAs (AICPA) Industry Audit Guide – Audits of State and Local Government Units and in Governmental Accounting, Auditing, and Financial Reporting (GAAFR); (b) generally accepted government auditing standards (GAGAS), government auditing standards, and Oregon minimum standards; (c) the Single Audit Act of 1984 and the Single Audit Act Amendments of 1996; and (d) OMB A-133: Audits of State, Local Governments, and Non-Profit Organizations. Consortium's Annual Financial Report will conform to reporting standards for government entities as determined by the Governmental Accounting Standards Board (GASB) and/or the Financial Accounting Standards Board (FASB), as appropriate.

The selected Accountant(s) will meet with the Consortium manager prior to the commencement of Services to discuss the planned approach to the Services. The Accountant(s) will work with, and report directly to, the Consortium manager and board of directors.

MINIMUM QUALIFICATIONS

The Accountant(s) must meet the following minimum requirements: (a) the Accountant(s) must be registered to do business in the State of Oregon; (b) the principal accountant must be licensed by the State Board of Accountants and qualified to perform municipal audits in the State of Oregon; and (c) the Accountant must have experience in performing municipal audits in accordance with auditing standards generally accepted in the United States of America, preparing financial statements compliant with GASB 34, GASB 45, GASB 54, other applicable GASB requirements and Oregon Budget Law.

PROPOSAL FORMAT

An Accountant interested in performing the Services must submit a signed and dated written proposal to Consortium containing the following information:

1. Cover Letter; Contact Information. A cover letter for the proposal stating the Accountant's name, address, and contact information and the name of the primary contact in reference to the proposal. Also, please provide the Accountant's authorization or licensing by the State Board of Accountants. The cover letter must demonstrate the Accountant's compliance with the minimum requirements identified above.
2. Firm Information; Availability. Brief information concerning the Accountant (e.g., background, size, types of services provided, experience, and types of similar governmental and accounting engagements). Please also identify availability to perform the Services.
3. Experience; References. A list of the current and prior municipal government clients indicating the type(s) of services performed and the number of years for each engagement. Please also identify and include contact information for at least three municipal government clients.
4. Key Staff. Identification of the person(s) who will be assigned and responsible to perform the Services, including any partners, managers, and other key staff members. Identify each individual's experience in auditing governmental jurisdictions. Describe the experience and knowledge that your firm and supervising staff have in performing examinations in accordance with the provisions of the Single Audit Act and component units.
5. Quality Control Review. A copy of the Accountant's most recent quality control review report or peer review.
6. Disclosures. Please (a) disclose all judgments, pending or expected litigation, or other real or potential financial reversals that might materially affect the viability and/or stability of the proposing organization, or (b) warrant that no such condition is known to exist.
7. Subcontractors. Include a statement indicating whether subcontractors will be used and, if so, provide the information contained in this section (i.e., "Proposal Format") for each subcontractor.
8. Rates. Identification of the fees the Accountant desires to receive for the performance of the Services. In addition, please identify the maximum fee associated with performing the Services and include a maximum annual percentage increase that can be expected for the next three fiscal years.
9. Accounting Approach. A description of the Accountant's approach and customer service philosophy. To this end, please describe the Accountant's values that ensure quality controls are in place throughout the general accounting services.

PROPOSAL SUBMISSION

1. Submission. To be considered, please submit your proposal to _____ Consortium

Managing Director, via email at _____, or by mail or hand delivery to R3 Strategies Consortium, 242 S Broadway Burns, Oregon 97720. Please clearly label the outside of the envelope (or fill in the email subject line with) "R3 Strategies Consortium Audit Services Proposal." Proposals must be received by Consortium on or before **Tuesday, August 15 at 4:00 p.m., Pacific Time.** Proposals received after the deadline date/time will not be considered. Proposals must address all the items listed in this RFP; incomplete proposals may not be considered. Notwithstanding anything contained in this RFP to the contrary, if in Consortium's best interest, Consortium reserves the right to (a) amend and/or revise this RFP in whole or in part, (b) cancel this RFP, (c) extend the submittal deadline for responses to this RFP, (d) waive minor informalities and errors in such proposals, (e) reject all proposals for any reason and/or without indicating reasons for rejection, and/or (f) hold the proposal(s) for sixty (60) days before rendering a decision. Further, Consortium reserves the right to seek clarification(s) from any consultant and/or require supplemental information from any consultant. This RFP does not obligate Consortium to award a contract and/or to procure the Services described herein.

2. Confidential Information.

(a) Any proposal submitted may be subject to public information requests as permitted by Oregon Public Records Law. Consortium will attempt to maintain the confidentiality of materials marked "Confidential" to the extent required under Oregon Public Records Law. If it is necessary to submit trade secrets and/or other confidential information in order to comply with the terms and conditions of this RFP, each Accountant must label any information that it desires to protect from disclosure to third parties as a trade secret under ORS 192.345(2) and/or confidential under ORS 192.355(4) with the following: "This material constitutes a trade secret under ORS 192.345(2) [and/or confidential information under ORS 192.355(4)] and is not to be disclosed except as required by law." Each page containing the trade secret and/or other confidential information must be so marked.

(b) Consortium will take reasonable measures to hold in confidence all such labeled information, but in no event will Consortium be liable for release of any information when required by law or court order to do so, whether pursuant to the Oregon Public Records Law or otherwise, and will also be immune from liability for disclosure or release of information as provided under ORS 646.473(3).

(c) In submitting a proposal, each proposer agrees that Consortium may (a) reveal any trade secret and/or other confidential materials contained in the proposal to Consortium staff and to any Consortium consultant, and (b) post the proposal on Consortium's intranet or internal network for purposes related to its evaluation and ranking. By responding to this RFP, each proposer agrees to defend, indemnify, and hold harmless Consortium each Consortium officer, employee, representative, and agent from all costs, damages, and expenses incurred in connection with refusing to disclose any material that the proposer has designated as a trade secret and/or as confidential information. Any Accountant that designates its entire proposal as a trade secret may be disqualified.

AWARD OF CONTRACT

If a contract is awarded, Consortium will award the contract to the Accountant whose proposal will serve Consortium's best interests, taking into account price and various other considerations, including, without limitation, the following: (a) service and availability; (b) financial expertise and experience; (c) particular capability to perform the Services; (d) experienced staff available to perform the Services; (e) performance history; (f) approach and philosophy used in provided the Services; and/or (g) ability to provide timely performance in the area where the Services are to be performed. Accountant(s) responding to this RFP do so at their own expense; Consortium is not responsible for any costs and/or expenses associated with the preparation and/or submission of any proposal. Consortium reserves the right to enter into one or more contracts concerning the Services.

If a contract is awarded, Consortium and the selected Accountant(s) will enter into Consortium's form professional

services agreement substantially in the form attached hereto as Exhibit A. The agreement will contain terms and conditions required under applicable law and will otherwise be in form and content satisfactory to Consortium. Without otherwise limiting the generality of the immediately preceding sentence, the agreement will include terms and conditions concerning, among other things, acceptable standards of performance, compensation, minimum insurance requirements, compliance with laws, indemnification, representations and warranties, and Consortium's right to terminate the agreement. The Accountant(s) awarded the contract will be required to obtain a Consortium business license and maintain active business license status while conducting work within Consortium.

If you have any questions regarding this RFP, please contact _____ via email (provided above) or telephone (541-XXX-XXXX).

Exhibit A
Professional Services Agreement

[attached]

Schedule 4.2.2
Managing Director Services

Subject to the terms and conditions contained in this Agreement, the Managing Director will provide the following project services:

I. General.

1. Annual Budget. Prepare and present Consortium's annual budget to the Board.
2. Personnel. If additional Consortium employees and/or contractors are approved by the Board, recruitment and hiring of additional employees and/or contractors.

II. Housing Development.

1. Concept Development. Assist private applicants and the Parties with housing concepts for proposed master planned communities, neighborhoods, individual home site and infill development for missed use residential/commercial and/or industrial areas.
2. Pre-development Coordination. Facilitate initial planning/scoping meetings by pre-screening Housing Development Projects to determine the types of permits, financing, and other necessary resources.
3. Land Use and Development Planning. Assist private developers and individual applicants through the development process. Duties include, but are not limited to assisting with the following:
 - a. Land use and site design reviews;
 - b. Master planned development applications;
 - c. Floodplain, geo-hazard, and other environmental permitting;
 - d. Urban renewal applications;
 - e. Zoning and annexation;
 - f. Transportation system plan updates;
 - g. Utility overlays (water, sewer, storm water, reclaimed water, power, broadband);
 - h. Community development overlays (recreation, tourism, and public benefit amenities);
 - i. Housing Development Project management (milestone planning, synchronizing public and private developments); and
 - j. Financing strategies (capital finance, economic modeling, grant and loan administration, and other advisory services)
4. Development Oversight and Risk Mitigation. Assist Parties with independent verification and validation that housing developments meet the terms of their land use agreements to ensure developments are implemented effectively and in compliance with approved plans.
5. Community Engagement. Execute housing project strategic messaging and public information through project websites, social media, public meetings/stakeholder engagement, written materials and radio broadcasts.
6. Staff Assistance. Leverage the unique skillsets and staff capabilities of each Party to provide services to the three Parties' communities.
7. Professional Service Agreements. Issue bi-annual requests for qualifications for professional services firms and leverage existing contracts of each Party on behalf of all Parties to select the optimal firm for a project.

III. Community Development.

1. Capital Improvement Project Assistance. Assemble capital improvement projects groups by identifying the appropriate mix of public staff and professional consultants to assist each Party with strategic planning, capital improvement project management, capital finance, auditing, and regulatory compliance.

**FIRST AMENDED AND RESTATED INTERGOVERNMENTAL AGREEMENT TO
ESTABLISH REGIONAL RURAL REVITALIZATION (R3) STRATEGIES CONSORTIUM**

This First Amended and Restated Intergovernmental Agreement to Establish Regional Rural Revitalization (R3) Strategies (this "Agreement") is dated June ____, 2023, but made effective for all purposes as of July 1, 2023 (the "Effective Date"), and is entered into between Town of Lakeview ("Lakeview"), an Oregon municipal corporation, whose address is 525 North 1st Street, Lakeview, Oregon 97630, City of Burns ("Burns"), an Oregon municipal corporation, whose address is 242 South Broadway Burns, Oregon 97720, City of John Day ("John Day"), whose address is 450 East Main Street, John Day, Oregon 97845, and Baker City ("Baker"), an Oregon municipal corporation, whose address is 1655 First Street, Baker City, Oregon 97814.

RECITALS:

A. Burns and Lakeview are parties to a certain Intergovernmental Agreement to Establish Regional Rural Revitalization (R3) Strategies Consortium dated effective May 1, 2023 (the "Original Agreement"). Burns and Lakeview entered into the Original Agreement to form and organize Regional Rural Revitalization (R3) Strategies Consortium ("Consortium"), an intergovernmental entity organized under ORS chapter 190.

B. Consortium was established to provide resources necessary to assist with the execution of the parties' housing and community improvement projects. This assistance includes, without limitation, evaluating and providing logistical assistance concerning housing and community development projects (e.g., determining the feasibility and requirements of proposed projects, sources of project funding, and assisting and managing project completion).

C. John Day and Baker desire to become part of Consortium as of the Effective Date. To facilitate John Day and Baker's admission to Consortium, the Parties desire to amend and restate the Original Agreement in its entirety by their execution of this Agreement.

D. This Agreement is made pursuant to ORS 190.010, which statute provides that units of local government may enter into agreements for the performance of any functions and activities that any party to the agreement, or its officers or agents, has the authority to perform.

AGREEMENT:

NOW, THEREFORE, in consideration of the Parties' respective obligations under this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Definitions; Amendment and Restatement. Unless defined elsewhere in this Agreement, capitalized terms contained in this Agreement have the meanings assigned to them in the attached Appendix A. This Agreement amends, restates, and supersedes the Original Agreement in its entirety. The Original Agreement will be of no further force and effect as of the Effective Date.

2. Housing and Public Development Consortium.

2.1 Formation; Responsibility. The Parties have created the Regional Rural Revitalization (R3) Strategies Consortium ("Consortium"), an intergovernmental entity created pursuant to ORS chapter 190. Consortium's members are the Parties. Consortium will have responsibility and authority to (a) approve and evaluate proposed Projects, (b) assist and coordinate necessary logistics to complete approved Projects (including functions related thereto), and (c) subject to the terms of this Agreement and/or ORS chapter 190, perform such other duties and responsibilities assigned by the Parties from time to time. Without otherwise limiting the

generality of the immediately preceding sentence, and subject to the Laws, Consortium will have the following general powers: (y) adopt, through action of the Board, such bylaws, rules, regulations, standards, and/or policies necessary or appropriate to carry out Consortium's purposes and/or this Agreement; and (z) perform and exercise all powers pursuant to the Laws, including, without limitation, the Oregon constitution, the principal acts of the Parties, and ORS chapter 190, which are necessary and/or appropriate to perform (or cause to be performed) the Services.

2.2 Purpose. Consortium's purposes include, without limitation, the following: (a) stimulating economic recovery and revitalization for each Party by pooling resources and enabling increased efficiency for each Party to complete the Projects; (b) plan for the most effective and efficient use of combined resources to complete the Projects; (c) recruit, select, and employ (or contract with) the Managing Director; (d) provide a forum for communication and consultation among the Parties; (e) provide an opportunity for a cooperative and equitable sharing of expenses, resources, data, expertise, and experience among the Parties; and (f) carry out such other necessary and/or appropriate responsibilities and functions identified by the Parties from time to time.

2.3 General Authority. Except as otherwise provided in this Agreement and/or ORS chapter 190, Consortium will have the authority to act in the interests of the Parties to oversee and direct operation and completion of the Projects (and such other duties and responsibilities assigned by the Parties from time to time). Without otherwise limiting the generality of the immediately preceding sentence, and subject to the Laws, Consortium will have the following general powers: (a) purchase, own, hold, appropriate, and/or condemn land, property, facilities, and/or right-of-way either in Consortium's name or in the name of individual Party(ies) in furtherance of the construction, ownership, operation, and/or maintenance of the Projects; (b) enter into agreements with other public and/or private entities for the purpose of design, construction, ownership, operation, and/or maintenance of the Projects; (c) issue, sell, and/or otherwise dispose of bonds, securities, and/or other forms of indebtedness, including, without limitation, the power to raise revenue bonds under ORS chapter 287A; and (d) exercise all powers pursuant to the Laws, including, without limitation, the principal acts of the Parties and ORS chapter 190, which are necessary and/or appropriate to carry out the purposes of Consortium and/or this Agreement.

2.4 Party Responsibilities. In addition to all other Party responsibilities contained in this Agreement, including, without limitation, the cost-sharing obligations described in Section 5, each Party will (a) require that the Party's Standing Member provide the Party's governing body with regular updates concerning Consortium activities and the Services, and (b) host required Board and/or community meetings from time to time.

2.5 Office Space. Consortium's initial office space(s), equipment, and furnishings will be located at 242 S Broadway Burns, Oregon 97720. The Board may, consistent with the terms of this Agreement, change the location of its offices as needed to serve Consortium's interests and the Parties.

2.6 Eligible Entity Admission. Subject to the Laws, including, without limitation, ORS chapter 190, one or more Eligible Entities may become a party to this Agreement and Consortium if first approved by the unanimous consent of the Standing Members. Notwithstanding the immediately preceding sentence, an Eligible Entity will not become a party to this Agreement and Consortium unless and until the Eligible Entity signs a counterpart signature page to this Agreement and executes such other documents and instruments as the Standing Members determine necessary or appropriate.

3. Board of Directors.

3.1 Membership. Consortium will be governed by a board of directors consisting of the following persons (the "Board"): (a) the governing body of each Party will appoint one of its elected officials to serve on the Board (each a "Standing Member"); and (b) the then-appointed Standing Members will appoint one

person to serve on the Board (the "At-Large Position"). Each Standing Member will serve at the pleasure of his or her appointing Party and may be removed and replaced by the governing body of the appointing Party. If a Standing Member vacates his or her position, the governing body of the Party that appointed the departed Standing Member will fill the vacancy. The At-large Member will be appointed, and may be removed and replaced, by the unanimous consent of the Standing Members. The At-large Member may not be an elected official, officer, and/or employee of any Party. If an At-Large Member vacates his or her position, the Standing Members will fill the vacancy. Each fiscal year the Board will elect a chairperson and vice-chairperson from its membership, each of whom will serve a one-year term; provided, however, no Board member will serve more than one year as chairperson in any four-year period. The chairperson will preside over all Board meetings and perform such other duties prescribed by the Board from time to time.

3.2 Meetings; Decision Matrix.

3.2.1 Subject to the terms and conditions contained in this Agreement, a majority of the then-appointed Board members will constitute a quorum for the purpose of conducting its business, exercising its powers, and for all other purposes. Each Board member will be entitled to vote on all Board decisions, subject to applicable Laws. Regular meetings of the Board will be held no less than twice per fiscal year on such day(s), time(s), and place(s) determined by the Board. Subject to applicable Law, special meetings (with at least five days' prior written notice) and emergency meetings may be called by the chairperson or two or more Board members. All Board meetings are subject to Oregon's Public Meetings Law, ORS 192.610 – ORS 192.690, as amended. Unless otherwise provided, Robert's Revised Rules of Order will govern all procedural matters.

3.2.2 Except as this Agreement and/or applicable Law requires otherwise, the consent (approval) of a "majority" of the Standing Members is necessary to decide any question and/or take any action before the Board. For purposes of this Agreement, the term "majority" means the consent (approval) of no less than 51% of the Standing Members.

3.2.3 Except as this Agreement and/or applicable Law requires otherwise, the consent (approval) of a "supermajority" of the Standing Members is necessary to decide the following questions and/or actions taken before the Board: (a) hiring and/or contracting with the Managing Director; (b) discipline of the Managing Director; (c) termination of the Managing Director; (d) approval of Consortium's annual budget; (e) incurring Consortium indebtedness and/or obligations that exceed \$25,000.00 (individually or collectively); (f) capital expenditure(s) (or series of related capital expenditures) that exceeds \$25,000.00 (individually and/or collectively); (g) sale, lease, exchange, mortgage, assignment, pledge, encumbrance, disposition, grant of security interest, and/or other transfer of consortium assets; and/or (h) refinance, increase, consolidation, modification, and/or extension of any note, mortgage, and/or other security interest affecting consortium's assets. For purposes of this Agreement, the term "supermajority" means the consent (approval) of no less than 75% of the Standing Members.

3.2.4 Except as this Agreement and/or applicable Law requires otherwise, the consent (approval) of all Standing Members (i.e., unanimous consent) is necessary to decide the following questions and/or actions taken before the Board: (a) admitting new or substitute Consortium members; (b) merging Consortium with any other entity; and/or (c) amendments or restatements of this Agreement and/or the Bylaws. Notwithstanding the supermajority and/or unanimous approval requirements required under Section 3.2.3 and 3.2.4, the Managing Director may pursue and negotiate the terms of any matter identified under Section 3.2.3(e)-(h) and Section 3.2.4(a)-(b) prior to submitting the applicable matter to a vote of the Board.

3.3 Authority. Subject to any limitations set forth in this Agreement and/or ORS chapter 190, the Board will have the authority and responsibilities set forth in this Agreement, including, without limitation, the following:

3.3.1 The Board will have authority to perform the following: (a) oversee and have full responsibility for all matters pertaining to Consortium's operations; (b) review and approve Consortium's budget pursuant to applicable Law, including, without limitation, ORS 294.900 – ORS 294.930 (if and to the extent applicable); (c) approve capital purchase requests if not previously approved in the Budget; (d) review performance concerning implementation of Consortium's policies and the Budget; and/or (e) carry out such other activities as are necessary, required, and/or implied to accomplish Consortium's purposes, this Agreement, and/or as provided under ORS chapter 190.

3.3.2 Without otherwise limiting the generality of Section 3.3.1, the Board has the authority to perform the following: (a) recruit, select, employ, or contract with a Managing Director; (b) establish a job description, salary, and budget for the Managing Director; (c) receive and review reports from the Managing Director concerning Consortium's Projects and ancillary operations and duties; (d) approve expenditures of Consortium's assets; and (e) prepare and provide each Party with a monthly financial report consisting of an accounting of Consortium funds. Notwithstanding anything contained in this Agreement to the contrary, the Board will not have the authority to perform the following: (x) commit the taxing authority or general funds of any Party; (y) impose ad valorem property taxes or issue general obligation bonds; and/or (z) expend (or cause the expenditure of) funds exceeding (or inconsistent with) the Budget.

3.3.3 Within ninety (90) days after the Effective Date, the Parties will adopt the Bylaws of Regional Rural Revitalization (R3) Strategies Consortium substantially in the form attached as Exhibit A (the "Bylaws").

4. Consortium; Managing Director.

4.1 Responsibilities; Costs. Subject to the terms and conditions contained in this Agreement, Consortium will be responsible for, and is hereby empowered to take, all actions necessary and/or appropriate to support Consortium's operations and affairs in accordance with this Agreement and all Board policies. Without otherwise limiting the generality of the immediately preceding sentence, Consortium will provide and/or perform the following: (a) contract with or employ and terminate the Managing Director subject to and in accordance with Consortium's policies and procedures; (b) enter into contracts subject to and in accordance with this Agreement, the Laws, and all Board policies (including, without limitation, all applicable public contracting rules and procedures); and (c) carry out such other necessary and/or appropriate responsibilities and functions that the Board may impose from time to time.

4.2 Managing Director.

4.2.1 Consortium will employ (or contract with) a person to serve as the Managing Director. Consortium will pay all compensation, benefits, taxes, costs, and expenses arising out of or resulting from Consortium's employment of, or contracting with, the Managing Director, including, without limitation, vacation, sick leave, holidays, social security, unemployment benefits, contributions to any applicable employee retirement programs, workers' compensation insurance, medical insurance, dental insurance, and life and disability insurance (all if and to the extent applicable).

4.2.2 The Managing Director will report to the Board and be subject to the general direction and control of the Board. Subject to the terms and conditions contained in this Agreement, the Managing Director will perform those Managing Director job duties and responsibilities identified in the attached Schedule 4.2.2 (the "Services"). The Managing Director will (a) consult with and advise the Board on all matters concerning the Services reasonably requested by the Board, (b) communicate all matters and information concerning the Services to the Board and perform the Services under the general direction of the Board, (c) devote such time and attention to performance of the Services as is necessary or appropriate, and (d) perform the Services to the best of the Managing Director's ability in accordance with this Agreement and the Managing

Director's letter of employment or contract with Consortium.

4.2.3 Subject to the terms and conditions contained in this Agreement, Consortium is responsible for all personnel or contract matters concerning the Managing Director, including, without limitation, compensation, benefits, standards of service, discipline, performance of duties, working hours, and termination. The Managing Director will not be entitled to any wages and/or benefits which accrue to employees of any Party, including, without limitation, unemployment benefits, contributions to the Public Employees Retirement System, workers' compensation insurance, medical insurance, dental insurance, and life and disability insurance. Consortium employees (including, without limitation, the Managing Director) are not employees of the Parties.

5. Budget; State Grant; Contributions; Ownership; Accounting.

5.1 Operating Budget. In accordance with and subject to the Laws, including, without limitation, applicable Oregon Local Budget Law provisions, Consortium may make expenditures for the acquisition, purchase, and/or lease of materials, services, supplies, facilities, personnel, real and/or personal property, and/or equipment as necessary or appropriate to carry out Consortium's purposes and/or this Agreement. Expenditures will not exceed funds appropriated for the specific purposes and will be made in accordance with applicable Law. The Managing Director will prepare, develop, and recommend Consortium's annual operating budget (the "Budget") for the Board's review and approval. Consortium will adhere to the fiscal year budget preparation cycle and will endeavor to adopt its annual budget in May or June each year. The budget period will be on a fiscal year basis beginning on July 1 each year and ending on the immediately following June 30.

5.2 State Grant. Parties anticipate that Consortium will be initially funded through grant appropriation of \$250,000.00 from the State of Oregon (the "Grant"). If the Grant is received, the Parties anticipate applying the Grant toward Consortium's administrative, planning, and organization costs and expenses, Capital Equipment, and/or one or more Projects.

5.3 Contributions. Subject to the terms and conditions contained in this Agreement, Consortium's activities, including, without limitation, employment of or contracting with the Managing Director, will be paid by the Parties in accordance with the cost sharing percentages identified in Schedule 5.3 (the "Contribution Percentages"). The Contribution Percentages will be reviewed by the Board no less than annually. The Parties may amend or modify the Contribution Percentages from time to time if and when the Board determines necessary or appropriate.

5.4 Payment; Consortium Funds. Each Party will timely pay its Contribution amount based on the then-applicable Contribution Percentages. In September each year, Consortium will invoice each Party for the Party's Contribution amount. Each Party will pay the amount due under each invoice within thirty (30) days after the Party's receipt of the invoice. Consortium will maintain one or more bank accounts dedicated to the purpose of recording financial transactions specific to Consortium activities. All funds received by the Consortium, including, without limitation, funds contributed in accordance with this Section 5.4, will be maintained in Consortium accounts. Consortium funds will not be commingled with any Party funds.

5.5 Borrowed Employees. If a Party employee performs any services for or on behalf of Consortium (the "Borrowed Employee"), the Party employing the Borrowed Employee (the "Borrowed Employer") will charge (invoice) Consortium the Borrowed Employee's charge out rate (and all other expenses incurred by the Party) in accordance with the applicable Task Order. Consortium will pay the amount invoiced no later than thirty (30) days after invoice from the Borrowed Employer. The Project Sponsor will reimburse Consortium for all costs and expenses incurred for the Borrowed Employee within thirty (30) days after invoice from Consortium.

5.6 Consortium Consultants. If a Consortium consultant performs any services for or on behalf of a Project Sponsor (the "Consortium Consultant"), Consortium will charge (invoice) the Project Sponsor for

the Consortium Consultant's costs and expenses incurred to assist the Project Sponsor in accordance with the applicable Task Order. The Project Sponsor will pay the amount invoiced no later than thirty (30) days after invoice from Consortium.

5.7 Project Ownership. Any tangible asset created through a Community Development Project will be owned and operated by the Project Sponsor.

5.8 Accounting. In September each year, Consortium will complete an accounting of Consortium expenditures during the immediately preceding fiscal year. If Consortium's accounting determines that the Contributions identified in Contribution Schedule were insufficient to cover Consortium's expenditures during the immediately preceding fiscal year, each Party will pay the unpaid balance (on a proportionate basis consistent with the Party's percentage identified in the Contribution Schedule) within thirty (30) days after the Party's receipt of notice from Consortium. Subject to the Laws and this Agreement, contributions received exceeding budgeted operational costs may be (a) returned to the Parties when such action is made part of Consortium's adopted budget, (b) expended for other Consortium activities, and/or (c) held in a reserve account for Consortium's future needs.

5.9 Initial Projects. Consortium's initial Projects are identified in the attached Schedule 5.9.

6. Insurance; Indemnification; Relationship.

6.1 Consortium Insurance. Consortium will obtain and maintain adequate insurance to cover Consortium's operations. Without otherwise limiting the generality of the immediately preceding sentence, Consortium will obtain and maintain, in addition to all other insurance required under this Agreement, the following minimum levels of insurance: (a) general liability insurance for all losses or claims arising out of or related to Consortium's operations (including, without limitation, damages as a result of death or injury to any person or destruction or damage to any property) with limits of no less than \$1,000,000.00 per occurrence, \$2,000,000.00 in the aggregate; (b) if applicable, employer liability insurance with limits of no less than \$500,000.00 per occurrence and in the aggregate; and (c) workers' compensation insurance in form and amount sufficient to satisfy the requirements of applicable Oregon law (the workers' compensation insurance policy will contain a waiver of subrogation in favor of each Party). Each liability insurance policy required under this Agreement will be in form and content satisfactory to the Board, will list each Party (and each Party's Representatives) as additional insured(s), and will contain a severability of interest clause. Notwithstanding anything in this Agreement to the contrary, the Board may increase the minimum levels of insurance (or types of insurance) Consortium is required to carry under this Agreement so that Consortium's insurance at least equals the applicable limits of liability identified under the Oregon Tort Claims Act (ORS 30.260 – ORS 30.300).

6.2 Consortium Indemnification. To the fullest extent permitted under applicable Law, Consortium will defend, indemnify, and hold the Parties and their respective Representatives harmless for, from, and against all claims, actions, proceedings, damages, liabilities, injuries, losses, and expenses of every kind, whether known or unknown, including, without limitation, attorney fees and costs, resulting from or arising out of Consortium's operations.

6.3 Party Indemnification. To the fullest extent permitted under applicable Law, each Party will defend, indemnify, and hold Consortium and the other Parties (and their respective Representatives) harmless for, from, and against all claims, actions, proceedings, damages, liabilities, injuries, losses, and expenses of every kind, whether known or unknown, including, without limitation, attorney fees and costs, resulting from or arising out of the Party's breach and/or failure to perform the Party's obligations contained in this Agreement. Each Party will retain all immunities and privileges granted under the Oregon Tort Claims Act (ORS 30.260 – ORS 30.300) and all other statutory rights granted due to the Party's status as a public body or agency.

6.4 Relationship. Each Party is an independent contractor of the other Parties. This Agreement does not create a joint venture and/or agency relationship between the Parties. No Party has the authority to bind the other Parties and/or represent to any person that a Party is an agent of the other Parties. No Party will provide any benefits to any other Party; each Party will be solely responsible for obtaining the Party's own benefits, including, without limitation, insurance, medical reimbursement, and retirement plans. Notwithstanding anything contained in this Agreement to the contrary, Consortium (or the Board) will not have the authority to bind and/or encumber a Party in any manner except as the Party agrees through both the policy and administrative authority granted to the Party's then-appointed Standing Member.

7. Term; Termination.

7.1 Term. Subject to the terms and conditions contained in this Agreement, the term of this Agreement commenced on the Effective Date and will remain in full force and effect until June 30, 2028 (the "Initial Term"), unless sooner terminated as provided in this Agreement. Upon expiration of the Initial Term, this Agreement will automatically renew for one or more term(s) of one year each, unless sooner terminated in accordance with this Agreement. Commencing on or about July 1, 2024 and continuing on or about the same day each year thereafter during the term of this Agreement, the Parties will review this Agreement to determine whether any changes and/or modifications to this Agreement are necessary or appropriate. Any changes and/or modifications to this Agreement require the Parties' written agreement. Notwithstanding anything contained in this Agreement to the contrary, the Parties may terminate this Agreement by the Parties' written agreement.

7.2 Voluntary Withdrawal by a Party. Any Party may terminate its participation in the Consortium (and its obligations under this Agreement) by providing no less than thirty (30) days' prior written notice to the chairperson and all other Parties. The withdrawing Party will (a) continue to pay its share of, and/or be responsible for, its Contribution amounts through and until the effective date of the Party's withdrawal, and (b) defend, indemnify, and hold Consortium and the remaining Parties harmless for, from, and against those financial responsibilities and obligations attributable to the withdrawing Party and/or accruing prior to the effective date of the withdrawing Party's withdrawal. A Party's withdrawal will not relieve the withdrawing Party from any liabilities and/or obligations incurred prior to the effective date of the withdrawal.

7.3 For Cause Termination.

7.3.1 Either Party may terminate the Party's participation in Consortium immediately upon notice to the chairperson and all other Parties upon occurrence of any of the following "for cause" events: (a) continuous and repeated problems occur in connection with Consortium's performance of its obligations under this Agreement; and/or (b) Consortium and/or another Party breaches and/or otherwise fails to perform any of Consortium's and/or the other Party's representations, warranties, covenants, and/or obligations contained in this Agreement.

7.3.2 Prior to any Party's termination of this Agreement for cause under Section 7.3.1, the non-defaulting Party will provide Consortium and all other Parties prior written notice of the alleged default (the "Default Notice"), which Default Notice will specify with reasonable particularity the default the non-defaulting party believes exists. Commencing on Consortium's and the alleged defaulting Party's receipt of the Default Notice, Consortium and the alleged defaulting Party (as applicable) will have ten (10) days within which to cure or remedy the alleged default(s) (the "Cure Period"). If Consortium and/or the alleged defaulting Party (as applicable) do not cure the alleged default within the Cure Period, the non-defaulting Party may terminate this Agreement for the purpose(s) identified in the Default Notice. Notwithstanding anything contained in this Agreement to the contrary, a non-defaulting Party is not required to provide, and Consortium and/or the alleged defaulting Party is not entitled to receive, a Default Notice upon Consortium's and/or the alleged defaulting party's (as applicable) commitment of a default under this Agreement for which Consortium previously received a Default Notice within the immediately preceding twelve (12) months (commencing from the date of the previous default).

7.4 Dissolution.

7.4.1 The Parties may terminate this Agreement and dissolve Consortium at any time by the Parties' unanimous written consent. If all then-Parties to this Agreement agree to terminate this Agreement and dissolve Consortium, the dissolution motion will provide an estimated timeline for the dissolution and will name three Standing Members (the "Dissolution Manager(s)") responsible for overseeing the dissolution process. The Dissolution Managers may retain professional assistance as needed and will take immediate steps to permanently terminate and dissolve Consortium. These dissolution steps may include, without limitation, the following:

7.4.1.1 Providing written notice of Consortium's dissolution to the elected officials of each Party. This notice will include the proposed timeline for the dissolution and such other information the Dissolution Managers determined necessary or appropriate.

7.4.1.2 Notification of Consortium's dissolution to all neighboring agencies, all necessary state and federal agencies, and all partners.

7.4.1.3 Preparation of a budget document accounting for all Consortium funds, revenues, assets, and liabilities.

7.4.1.4 Payment of all Consortium debts and other financial responsibilities, including a final accounting of all debts and resources.

7.4.1.5 Payment and/or performance of those dissolution related tasks or responsibilities identified under Section 7.5.

7.5 Liquidation. Upon Consortium's dissolution, each Party on the date of dissolution will be responsible for its Contribution amount through the date of dissolution. Upon dissolution and subject to applicable Law, (a) Consortium's cash, if any, will be distributed to each Party in proportion to each Party's Contribution percentage, (b) all remaining Consortium assets will be distributed in the manner agreed upon by the Parties, which may include, without limitation, the sale of Consortium's facilities and equipment, and (c) Consortium personnel and employees will be transferred or terminated subject to and in accordance with applicable Oregon law.

8. Miscellaneous.

8.1 Coordination; Assignment; Binding Effect. The Parties will maintain adequate levels of communication to ensure maximum cooperation and coordination between the Parties. No Party may assign any of the Party's rights and/or obligations under this Agreement to any person without the prior written consent of all other Parties. Subject to the immediately preceding sentence, this Agreement will be binding on the Parties and their respective administrators, successors, and permitted assigns and will inure to their benefit. The Parties will execute all documents or instruments and will perform all lawful acts necessary or appropriate to carry out the intent of this Agreement. All exhibits, schedules, instruments, and other documents referenced in this Agreement are part of this Agreement.

8.2 Notices; Severability; Remedies. Any notice will be deemed given when personally delivered or delivered by facsimile or email transmission (with electronic confirmation of delivery), or will be deemed given three days following delivery of the notice by U.S. mail, certified, return receipt requested, postage prepaid, by the applicable Party to the address shown in Appendix A (or any other address that a Party may designate by notice to the other Parties), unless that day is a Saturday, Sunday, or legal holiday, in which event it will be deemed delivered on the next following business day. Each provision contained in this Agreement will be

treated as a separate and independent provision. The unenforceability of any one provision will in no way impair the enforceability of any other provision contained herein. Any reading of a provision causing unenforceability will yield to a construction permitting enforcement to the maximum extent permitted by applicable law. Subject to the terms and conditions contained in this Agreement, each Party will pay all wages and benefits due the Party's personnel, including, without limitation, overtime, workers' compensation, and death benefits. If a Party breaches and/or otherwise fails to perform any of the Party's representations, warranties, covenants, and/or obligations under this Agreement, the non-defaulting Party(ies) may, in addition to any other remedy provided to the non-defaulting Party(ies) under this Agreement, pursue all rights and remedies available to the non-defaulting Party(ies) under this Agreement and/or at law or in equity. All available remedies are cumulative and may be exercised singularly or concurrently.

8.3 Waiver; Entire Agreement; Amendment; Counterparts. Notwithstanding anything contained in this Agreement to the contrary, no provision of this Agreement may be modified, waived, and/or discharged unless such waiver, modification, and/or discharge is agreed to in writing by the Parties. No waiver by a Party at any time of the breach of, or 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 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. No addition, modification, amendment, or alteration to this Agreement will be effective against the Parties unless specifically agreed upon in writing and signed by the Parties. The Parties may execute this Agreement by electronic means or deliver executed signature pages to this Agreement by electronic means to the other party, and the electronic signature and/or copy will be deemed to be effective as an original. This Agreement may be executed in any number of counterparts, each of which will be deemed an original and all of which together will constitute one agreement with the same effect as if the parties had signed the same signature page.

8.4 Applicable Law; Venue; Attorney Fees. This Agreement will be construed, applied, and enforced in accordance with the laws of the State of Oregon. Any action or proceeding arising out of this Agreement will be litigated in courts located in Crook County, Oregon. Each Party consents and submits to the jurisdiction of any local, state, or federal court located in Crook County, Oregon. With respect to any dispute relating to this Agreement, or if a suit, action, arbitration, or other proceeding of any nature whatsoever is instituted to interpret or enforce the provisions of this Agreement, including, without limitation, any proceeding under the U.S. Bankruptcy Code and involving issues peculiar to federal bankruptcy law or any action, suit, arbitration, or proceeding seeking a declaration of rights or rescission, the prevailing Party will be entitled to recover from the losing Party(ies) its reasonable attorney fees, paralegal fees, expert fees, and all other fees, costs, and expenses incurred in connection therewith, as determined by the judge or arbitrator at trial, arbitration, or other proceeding, or on any appeal or review, in addition to all other amounts provided by law.

8.5 Legal Representation. Bryant, Lovlien & Jarvis, P.C. ("Law Firm") has been employed by John Day to prepare and negotiate this Agreement on behalf of John Day. Law Firm only represents John Day in connection with this Agreement. The Parties have thoroughly reviewed this Agreement with their own legal counsel or have knowingly waived their right to do so. The rule of construction that a written instrument is construed against the party preparing or drafting such agreement will specifically not be applicable in the interpretation of this Agreement and any documents executed and delivered pursuant to, or in connection with, this Agreement.

8.6 Person; Interpretation; Signatures. For purposes of this Agreement, the term "person" means any natural person, corporation, limited liability company, partnership, joint venture, firm, association, trust, unincorporated organization, government or governmental agency or political subdivision, and/or any other entity. All pronouns contained herein and any variations thereof will be deemed to refer to the masculine, feminine, or neutral, singular or plural, as the identity of the Parties may require. The singular includes the plural

and the plural includes the singular. The word "or" is not exclusive. The words "include," "includes," and "including" are not limiting.

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

LAKEVIEW:
Town of Lakeview,
an Oregon municipal corporation

BURNS:
City of Burns,
an Oregon municipal corporation

By: _____
Its: _____

By: _____
Its: _____

Dated: _____

Dated: _____

JOHN DAY:
City of John Day,
an Oregon municipal corporation

BAKER:
Baker City,
an Oregon municipal corporation

By: _____
Its: _____

By: _____
Its: _____

Dated: _____

Dated: _____

Appendix A
Definitions

"Agreement" has the meaning assigned to such term in the preamble.

"At-Large Member" has the meaning assigned to such term in Section 3.1.

"Baker" has the meaning assigned to such term in the preamble.

"Board" has the meaning assigned to such term in Section 3.1.

"Borrowed Consultant" has the meaning assigned to such term in Section 5.6.

"Borrowed Employee" has the meaning assigned to such term in Section 5.5.

"Borrowed Employer" has the meaning assigned to such term in Section 5.5.

"Budget" has the meaning assigned to such term in Section 5.1.

"Burns" has the meaning assigned to such term in the preamble.

"Bylaws" has the meaning assigned to such term in Section 3.3.3.

"Capital Equipment" means an article of nonexpendable, tangible property with a useful life of more than one year, and an acquisition cost of \$5,000 or more per unit, needed by the Parties for Consortium Services.

"Consortium" has the meaning assigned to such term in Section 2.1.

"Consortium Consultant" has the meaning assigned to such term in Section 5.6.

"Community Development Project(s)" means an undertaking or activity of a Party to improve social, economic, physical, and environment well-being within the Party's incorporated limits, but does not include a Housing Development Project.

"Contribution" has the meaning assigned to such term in Section 5.2.

"Contribution Percentage(s)" has the meaning assigned to such term in Section 5.2.

"Cure Period" has the meaning assigned to such term in Section 7.3.2.

"Default Notice" has the meaning assigned to such term in Section 7.3.2.

"Dissolution Manager(s)" has the meaning assigned to such term in Section 7.4.1.

"Eligible Entity(ies)" means any Oregon county, city, port, school district, community college district, and all other public or quasi-public corporation (including an intergovernmental entity or council of governments) permitted to become a party to an intergovernmental agreement and ORS chapter 190 organization under applicable Oregon law.

"Effective Date" has the meaning assigned to such term in the preamble.

"Housing Development Project(s)" means an undertaking or activity that is primarily concerned with the construction of new housing and/or rehabilitation of existing housing within a Party's incorporated limits.

“Initial Term” has the meaning assigned to such term in Section 7.1.

“John Day” has the meaning assigned to such term in the preamble.

“Lakeview” has the meaning assigned such term in the preamble.

“Law(s)” mean all federal, state, and/or local laws, statutes, ordinances, and/or regulations directly or indirectly affecting and/or applicable to this Agreement, Consortium, and/or Consortium’s services and/or activities, including, without limitation, the Americans with Disabilities Act of 1990 (and the rules and regulations promulgated thereunder) and ORS chapter 190, all as now in force and/or which may hereafter be amended, modified, enacted, or promulgated.

“Law Firm” has the meaning assigned to such term in Section 8.5.

“Managing Director” means the employee or consultant responsible for Consortium’s operational management and administration and implementation of Consortium’s policies and directives established from time to time by the Board.

“Party(ies)” means Burns, Lakeview, Baker, and/or John Day, individually and collectively.

“Project(s)” means Community Development Projects and/or Housing Development Projects.

“Project Proposal” means a written request containing the specific scope and project background from a Party to generate a Statement of Work for a proposed Project.

“Project Sponsor” means a Party who submits a Project Proposal and executes a Task Order.

“Representative(s)” mean the officers, employees, volunteers, and authorized representatives of Consortium and/or a Party.

“Services” has the meaning assigned to such term in Section 4.2.2.

“Standing Member” has the meaning assigned to such term in Section 3.1.

“Statement of Work” means a document signed by the Party’s then-appointed city or town manager and the Managing Director, which explains requirements, objectives, desired outcomes, proposed staff mix and budget estimate for the proposed Project.

“Grant” has the meaning assigned to such term in Section 5.2, and includes the grant appropriated to the Oregon Department of Administration Services in House Bill 3138 for housing development.

“Task Order” means a contract between the Consortium and a Project Sponsor that provides the specific Project’s scope, cost, and schedule.

Schedule 4.2.2
Managing Director Services

Subject to the terms and conditions contained in this Agreement, the Managing Director will provide the following project services:

I. General.

1. Annual Budget. Prepare and present Consortium's annual budget to the Board.
2. Personnel. If additional Consortium employees and/or contractors are approved by the Board, recruitment and hiring of additional employees and/or contractors.

II. Housing Development.

1. Concept Development. Assist private applicants and the Parties with housing concepts for proposed master planned communities, neighborhoods, individual home site and infill development for missed use residential/commercial and/or industrial areas.
2. Pre-development Coordination. Facilitate initial planning/scoping meetings by pre-screening Housing Development Projects to determine the types of permits, financing, and other necessary resources.
3. Land Use and Development Planning. Assist private developers and individual applicants through the development process. Duties include, but are not limited to assisting with the following:
 - a. Land use and site design reviews;
 - b. Master planned development applications;
 - c. Floodplain, geo-hazard, and other environmental permitting;
 - d. Urban renewal applications;
 - e. Zoning and annexation;
 - f. Transportation system plan updates;
 - g. Utility overlays (water, sewer, storm water, reclaimed water, power, broadband);
 - h. Community development overlays (recreation, tourism, and public benefit amenities);
 - i. Housing Development Project management (milestone planning, synchronizing public and private developments); and
 - j. Financing strategies (capital finance, economic modeling, grant and loan administration, and other advisory services)
4. Development Oversight and Risk Mitigation. Assist Parties with independent verification and validation that housing developments meet the terms of their land use agreements to ensure developments are implemented effectively and in compliance with approved plans.
5. Community Engagement. Execute housing project strategic messaging and public information through project websites, social media, public meetings/stakeholder engagement, written materials and radio broadcasts.
6. Staff Assistance. Leverage the unique skillsets and staff capabilities of each Party to provide services to the three Parties' communities.
7. Professional Service Agreements. Issue bi-annual requests for qualifications for professional services firms and leverage existing contracts of each Party on behalf of all Parties to select the optimal firm for a project.

III. Community Development.

1. Capital Improvement Project Assistance. Assemble capital improvement projects groups by identifying the appropriate mix of public staff and professional consultants to assist each Party with strategic planning, capital improvement project management, capital finance, auditing, and regulatory compliance.

Schedule 5.2.2
Contribution Percentages

Unless and until modified in accordance with this Agreement, each Party will pay the Party's percentage of all Consortium costs and expenses identified in the approved Budget in accordance with the following:

<u>Party</u>	<u>Percentage of Operational Expenses</u>
Burns	1/4 or 25%
Lakeview	1/4 or 25%
Baker	1/4 or 25%
John Day	1/4 or 25%
Total Contribution	4/4 or 100%

Schedule 5.9
Initial Projects

Initial projects identified by the Parties for their respective jurisdictions are identified in Table 5.9.1. Project improvements may include, but are not limited to: land acquisition of developable lands; construction of horizontal improvements in the form of water, sewer, stormwater, reclaimed water, power, broadband, and other utilities; streets, sidewalks, and multimodal paths within, and adjacent to, and connecting to each development, and; construction of vertical improvements in the form of single-family or multifamily residential dwellings or mixed-use developments.

Table 5.9.1. Initial Projects identified for inclusion in R3

Party	Project Name	Project Description	Land Area (Acres)	New Housing Units
Burns	Miller Springs	Master Planned Development	1272	675
Burns	Telos Development	New mixed-income subdivision	TBD	190
Burns	Downtown Revitalization (Multiple Properties)	Mixed-use Redevelopment	TBD	TBD
Lakeview	Lakeview Lumber Redevelopment	Master Planned Development	TBD	TBD
Lakeview	South Lakeview Annexation & Multifamily Redevelopment	Mixed-use Redevelopment	TBD	TBD
John Day	The Ridge	Master Planned Development	80	20+
John Day	Ironwood Estates - Phase 2/3	Master Planned Development	30	76
John Day	Holmstrom Heights - Phase 2	New mixed-income subdivision	30	20
John Day	Iron Ridge Subdivision	New mixed-income subdivision	24	11
John Day	Magden Development	Master Planned Development	40	20
John Day	Weaver Building	Mixed-Use downtown tenant improvements	0.15	8
John Day	CyberMill Building	Mixed-Use downtown tenant improvements	0.15	3
John Day	Blue Mountain Hospital Workforce Housing	Downtown tenant improvements	0.2	12
Baker	Baker School District Teacher Housing	New workforce housing	TBD	TBD
Baker	Pine-Eagle School District Teacher Housing	New workforce housing	TBD	TBD
Baker	New Directions NW Supportive Housing (Memory Lane Homes)	New transitional housing	0.75	12
Baker	Downtown Revitalization (Multiple Properties)	Mixed-use redevelopment	TBD	TBD

Exhibit A
Bylaws

These Bylaws of Regional Rural Revitalization (R3) Strategies Consortium dated effective July 1, 2023 (these "Bylaws") are authorized under Section 3.3.4 of the First Amended and Restated Intergovernmental Agreement for Regional Rural Revitalization (R3) Strategies Consortium dated effective July 1, 2023 (the "Agreement").

1. NAME; FORMATION; PURPOSE; OFFICE

1.1 Name. This organization will be referred to as Regional Rural Revitalization (R3) Strategies Consortium ("Consortium").

1.2 Formation. Consortium is comprised of an association of governmental entities, established by agreement of the participating entities under the authority of the State of Oregon's Intergovernmental Cooperation Statutes, ORS 190.003 to 190.110, and formalized by the Agreement between City of John Day, City of Burns, and Town of Lakeview (each a "party" and collectively the "parties").

1.3 Purpose; Authority. Consortium has been established and organized for the purposes set forth in the Agreement. Consortium's powers and duties will be as provided in the Agreement, ORS Chapter 190, and as authorized by the parties from time to time.

1.4 Office. Consortium's office will be located at Burns, Oregon, or such other location determined by the Board (as defined below).

2. BOARD OF DIRECTORS; OFFICERS; COMMITTEES; ADVISORY BOARD

2.1 General Powers. Consortium's powers will be exercised by and under the authority of, and the affairs of Consortium managed under the direction of, the Board subject to any limitations set forth in the Agreement, these Bylaws, and/or applicable Oregon law. Without otherwise limiting the immediately preceding sentence, the Board may establish, amend, and modify rules, regulations, requirements, standards, policies, and procedures from time to time concerning Consortium's operations.

2.2 Membership. The governing body of each Party will appoint one of its elected officials to serve on the Board (each a "Standing Member"). The then-appointed Standing Members will appoint one person to serve on the Board (the "At-Large Position").

2.3 Appointment. Each Standing Member will serve at the pleasure of his or her appointing Party and may be removed and replaced by the governing body of the appointing Party. If a Standing Member vacates his or her position, the governing body of the Party that appointed the departed Standing Member will fill the vacancy. The At-large Member will be appointed, and may be removed and replaced, by the unanimous consent of the Standing Members. The At-large Member may not be an elected official, officer, and/or employee of any Party. If an At-Large Member vacates his or her position, the Standing Members will fill the vacancy.

2.4 Qualifications. The Agreement and/or these Bylaws may prescribe additional qualifications for Board members.

2.5 Terms of Office. Each Board member will serve a term of two years. Members may be appointed to serve successive terms of two years (or until their successors are duly appointed). Successive terms may be served without restriction. A decrease in the number of members or term of office does not shorten an incumbent member's term. Despite the expiration of a member's term, the member continues to serve until the member's successor is appointed.

2.6 Officers.

2.6.1 The Board may elect a chairperson and such other officers it deems advisable from its membership. The chairperson will preside at all meetings of the Board and perform other duties prescribed by the Board from time to time. The chairperson will have a vote on all questions before the Board. The chairperson may be a co-signer on checks.

2.6.2 The Board may elect a vice-chairperson from its membership who will perform the duties of the chairperson in the absence of the chairperson. Whenever the chairperson is unable to perform the functions of the office, the vice-chairperson will act as chairperson. If both the chairperson and vice-chairperson are absent from an Consortium meeting, the members present will select one member to perform the chairperson's functions at the meeting. The vice-chairperson will have a vote on all questions before the Board.

2.6.3 The Board may elect a secretary from its membership who will keep the official records of Consortium, attest signatures of Consortium, certify copies of Consortium documents, and perform other record-keeping duties prescribed by the Board. The secretary will have a vote on all questions before the Board. The secretary may be a co-signer on checks.

2.6.4 In addition to all other duties or responsibilities assigned to the officers under the Agreement, these Bylaws, and/or membership action, each officer must regularly attend Board meetings and must notify the chair (or vice chair in case of the chair) when he or she is unable to attend an Board meeting. Should an officer's position become vacant, the membership will promptly elect a successor from its members for the unexpired term of such office. The membership may remove an officer at any time with or without cause.

2.7 Resignation. A member may resign at any time by delivering written notice to the Board, the chairperson, vice-chairperson, or secretary. A resignation is effective upon receipt of the written notice unless the notice specifies a later effective date. Once delivered, a notice of resignation is irrevocable unless revocation is permitted by the Board.

2.8 Removal. A member may be removed with or without cause, unless the Agreement or these Bylaws provides that members may be removed only for cause, by the unanimous consent of all other members then in office; provided, however, if at the beginning of a member's term on the Board, the Agreement or these Bylaws provide that the member may be removed for reasons set forth in the Agreement or these Bylaws, the Board may remove the member for such reasons.

2.9 Vacancies. Unless the Agreement or these Bylaws provide otherwise, if a vacancy occurs on the Board, whether in the event of death, resignation, removal, or otherwise, the governing body of the Party that appointed the departed member will appoint a successor to fill the unexpired term as soon as possible. A vacancy concerning an at-large member position will be filled by the unanimous vote of the party-appointed Board members

2.10 Compensation. Members will not receive any stated salaries or compensation for their services as members but may be reimbursed for reasonable expenses. Nothing herein will be construed to preclude any member from serving Consortium in any other capacity and receiving compensation therefore.

2.11 Committees; Advisory Board. Unless ORS chapter 190 or the Agreement provide otherwise, the Board may (a) create one or more committees of the Board which exercise the authority of the Board, (b) appoint members of the Board to serve on such committees, and (c) designate the method of selecting committee members. Each committee must consist of two or more Board members, who serve at the pleasure of the Board. Board members may also elect to form an advisory board made up of five independent members who are external advisors appointed for their knowledge and direct experience in the Consortium's mission. The advisory board members will provide non-binding strategic advice to the Board.

3. MEETINGS: ACTION OF THE BOARD

3.1 Regular Meetings. Subject to and in accordance with Oregon Public Meetings Law, the Board will hold a regular meeting at least once quarterly, at such time and at a place which it designates. A regular meeting may be continued, postponed, cancelled, or adjourned to a later date by a majority of Board members present and voting, and notice of such adjourned meeting will be given to all Consortium parties.

3.2 Special Meetings. The chairperson may, when the chairperson deems it expedient, or within seventy-two (72) hours after receiving a request from two or more members of the Board, call a special meeting of the Board to be held at the regular meeting place, unless otherwise specified in the call, for the purpose of transacting any business designated. Notice of the special meeting will be given to all Consortium parties at the time of the call and will be given to the public in accordance with Oregon's Public Meetings Law.

3.3 Open Meetings. All meetings, deliberations, and proceedings of Consortium will be public except as state law allows otherwise.

3.4 Quorum: Voting. A majority of the then-appointed Board members will constitute a quorum for the purpose of conducting its business, exercising its powers, and for all other purposes. Except as the Agreement and/or applicable Law requires otherwise, the unanimous consent (approval) of all Standing Members is necessary to decide any question and/or take any action before the Board. Each Board member will be entitled to vote on all Board decisions, subject to applicable Laws.

3.5 Manner of Voting. Voting will be by record vote. The ayes and nays will be entered into the minutes of such meeting. Board members present and not voting and Board members absent will be entered into the minutes of such meeting.

3.6 Order of Business. At the regular meetings of the Board, the following will be substantially the order of business: (a) call to order; (b) roll call; (c) consent agenda and approval of minutes of previous meeting; (d) Consortium business; and (e) adjourn.

3.7 Robert's Rules. Unless otherwise provided by applicable law or these Bylaws, all rules of order not herein provided for will be determined in accordance with *Robert's Rules of Order Newly Revised*.

3.8 Minutes; Resolutions. The secretary or the lead entity's designee will keep an accurate record of all Board proceedings, including written minutes or recordings of all meetings in accordance with applicable law. Board minutes are a public record available for public inspection subject to applicable law. All Board resolutions will be in writing.

4. STANDARDS OF CONDUCT

4.1 General Standards. Board members must discharge the member's duties (a) in good faith, (b) with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and (c) in a manner the member reasonably believes to be in the best interests of Consortium. In discharging the duties of a member, a member is entitled to rely on (x) information, opinions, reports, or statements (including financial statements and other financial data) prepared or presented by one or more officers or employees of Consortium (or lead entity) whom the member reasonably believes to be reliable and competent in the matters presented, or (y) legal counsel, public accountants, or other persons as to matters the member reasonably believes are within the person's professional or expert competence. A member is not acting in good faith if the member has knowledge concerning the matter in question that makes reliance otherwise permitted under this Section 4.1 unwarranted. A member is not liable to Consortium for any action taken or not taken as a member if the member acted in compliance with this Section 4.1. A member will not be deemed a trustee with respect to Consortium or with respect to any property held or administered by Consortium, including, without limitation, property that may be subject to restrictions imposed by the donor or transferor of such property.

4.2 Member Conflict of Interest. Notwithstanding anything contained in these Bylaws to the contrary, a member will not participate in any Consortium proceeding or action in which the member is presented with an actual conflict of interest as defined under ORS Chapter 244. A transaction in which a member has a conflict of interest may be approved by vote of the Board subject to and in accordance with applicable law, including, without limitation, ORS Chapter 244.

5. CONSORTIUM RECORDS; AMENDMENTS

5.1 Consortium Records. Consortium will keep as permanent records minutes of all meetings of the Board subject to and in accordance with applicable law, including, without limitation, Oregon's Public Records Law. Consortium must maintain appropriate accounting records. Consortium must maintain its records in written form or in another form capable of conversion into written form within a reasonable time. In addition to any other records required to be maintained under applicable law, and subject to and in accordance with applicable law, including, without limitation, Oregon's Public Records Law, Consortium must keep a copy of the following records: (a) the Agreement (and all amendments to it currently in effect); (b) bylaws or restated bylaws (and all amendments to them currently in effect); (c) a list of the names and party representation of current Board members and officers; (d) the last three annual financial statements, if any, which may be consolidated or combined statements of Consortium and one or more of its subsidiaries or affiliates, as appropriate, including a balance sheet and statement of operations, if any, for that year, which must be prepared in accordance with Oregon Local Budget Law; and (e) the last three accountant's reports if annual financial statements are reported upon by a public accountant. Notwithstanding anything contained in these Bylaws to the contrary, budget procedures will follow budget law of the State of Oregon for intergovernmental entities. An annual audit of the fund(s) of Consortium will be performed in accordance with applicable law.

5.2 Bylaw Amendments. The Board may, by resolution of the Board, adopt one or more amendments to these Bylaws by vote of a majority of the entire Board, provided that the proposed amendment(s) has been submitted in writing to all parties at least five days prior to the meeting where the amendment is to be considered and that Board members have been notified of the meeting and its purpose at least ten (10) days prior to the meeting. Consortium must provide notice of any meeting of the Board at which an amendment is to be approved in accordance with Oregon's Public Meetings Law. The notice must also state that the purpose or one of the purposes of the meeting is to consider a proposed amendment to these Bylaws and contain or be accompanied by a copy or summary of the amendment or state the general nature of the amendment.

June 6, 2023

SENT VIA EMAIL to: jerwin@cityofburnsor.gov

Judy Erwin
Board Chair
Regional Rural Revitalization Strategies (R3)

Re: Legal Services Engagement

Dear Ms. Erwin:

This letter confirms that Regional Rural Revitalization Strategies (R3) has engaged Beery, Elsner & Hammond, LLP (BEH) to serve as general legal counsel.

Any questions concerning this work should be directed to me. BEH will act at your direction in completing our work for R3. R3 will own and is entitled to possess all physical work product resulting from our work on its behalf, including any computations, plans, correspondence or pertinent data and information gathered by or computed by BEH during our engagement.

Our current hourly rates for this work are:

- \$285 per hour for partners and “of counsel”;
- \$275 per hour for senior associates;
- \$265 per hour for associates;
- \$175 per hour for paralegals; and
- \$150 per hour for our legal assistants.

These rates are effective through at least until June 30, 2024, and are billed in tenth-of-an-hour increments. We will provide you with written notice of any rate changes, which typically do not occur more often than once in any twelve-month period.

We submit statements each month showing all services performed, who performed them and what the cost of the services was. We bill for out-of-pocket costs without markup. Travel time is billed at our hourly rates.

Please review your bills upon receipt. If you do not object to a bill within 30 days, the bill is deemed final. Please do not hesitate to contact us if you have a concern about a fee or billing issue.

Judy Erwin
June 6, 2023
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Thank you for the opportunity to provide legal services to R3. If these terms are acceptable to you, please sign and return a copy of this letter for our files. We look forward to working with you.

Sincerely,



Chad A. Jacobs

CAJ/yh
c: Nick Green, via email

On behalf of Regional Rural Revitalization Strategies, I consent to the terms of the representation set forth above.

Judy Erwin, Board Chair

Date