



CITY OF
JOHN DAY

CITY COUNCIL MEETING AGENDA
Tuesday March 26, 2024, 6:30 pm
John Day Fire Station
316 S Canyon Blvd, John Day, OR 97845
(541)575-0028 www.cityofjohnday.com

This meeting is open to the public. This agenda includes a list of the principal subjects anticipated to be considered at the meeting. However, the agenda does not limit the ability of the Council to consider additional subjects. Meetings may be canceled without notice. Zoom Meeting participants should use the "raise your hand" feature during these times to alert the moderator that they would like to speak.

Join Zoom Meeting

City of John Day is inviting you to a scheduled Zoom meeting.

<https://zoom.us/j/95867942253?pwd=dHE5c3djSEx4OFBuZndPQU5HMGN3QT09>

Meeting ID: 958 6794 2253

Passcode: 776959

Executive Session: 5:00 pm.

ORS 192.660(2)(d): To conduct deliberations with persons you have designated to carry on labor negotiations. (NOTE: News organizations and media will be excluded from this executive session)

Executive Session: 5:45 pm.

ORS 192.660(2)(f) To consider information or records that are exempt by law from public inspection.

Call to Order: Regular Meeting 6:30 pm.

1. Call John Day City Council Meeting to Order
2. Pledge of Allegiance
3. Roll Call
4. Amend or Accept Regular Agenda

5. Public Comments (*Please Limit to 3 Minutes*)

Public Comments are an opportunity to present information or speak on an issue that is not on the agenda. Comments are limited to 3 minutes for each person. Visitors may state their comments and should not expect the council to engage in back and forth dialogue regarding the comment, council may either choose to add it to a follow up meeting or direct City Manager to follow up with the speaker.

6. Consent Agenda

All matters listed within the Consent Agenda have been distributed to every member of the City Council for reading and study, are considered routine, and will be enacted by one motion of the Council. If separate discussion is desired, that item may be removed from the Consent Agenda and placed on the Regular Agenda by request.

- a. Accounts Payable through March 19, 2024
 - b. Minutes of February 13 and 27, 2024
 - c. Reappointment of Neale Ledgerwood to the Planning Commission term to expire January 2028.
7. Approval of draft RFP for Engineering of Final Design and Construction for Wastewater System Improvements- City Attorney Jeremy Green
8. Approval of lease for a portion of city owned building at 300 Barnes Ave in Seneca with Grant County Cybermill.
Discussion items:
 - a. Lease amount?
 - b. Should lease be retroactive?
9. Approval of Invoice for High Desert Aggregate & Paving, Inc. for East 7th Street project \$414,449.00.
10. City of John Day financial update; Rob Gaslin
11. City Manager Comments
12. Mayor and Council Comments
13. Adjournment: Next Meeting April 9, 2024

City of John Day
Check/Voucher Register - CHECK REGISTER
From 3/12/2024 Through 3/19/2024

<u>Effective Date</u>	<u>Document Number</u>	<u>Vendor Name</u>	<u>Check Amount</u>
	74403		0.00
	74431		0.00
3/12/2024	74403	ED STAUB & SONS PROPANE	1,845.91
3/12/2024	74404	GRANT ESD	258.89
3/12/2024	74405	JOHN DAY AUTO PARTS	157.54
3/12/2024	74406	JOHN DAY FIREFIGHTERS A...	680.00
3/12/2024	74407	KJDY	349.00
3/12/2024	74408	TRIANGLE OIL	781.08
3/12/2024	74410	BRYANT, LOVLIEN, & JARVI...	11,661.95
3/12/2024	74413	OREGON TRAIL ELECTRIC C...	8,335.14
3/12/2024	74414	A+ STRIPING	480.00
3/12/2024	74415	TMG SERVICES, INC.	6,956.08
3/12/2024	74416	WELLS FARGO FINANCIAL L...	200.13
3/12/2024	74417	BLUE MOUNTAIN HOSPITAL	350.00
3/12/2024	74418	CLARK'S DISPOSAL	145.13
3/12/2024	74419	NYDAM'S ACE HARDWARE	13.77
3/12/2024	74420	CONSOLIDATED SUPPLY CO...	483.56
3/12/2024	74421	DAVID CALKINS FIELD REP...	442.75
3/12/2024	74422	CHARLES CAUGHLIN	135.00
3/12/2024	74423	DUCOTE CONSULTING, LLC	16,350.00
3/12/2024	74424	GASLIN ACCOUNTING CPAS...	7,500.00
3/12/2024	74425	JOHN DAY HARDWARE, LLC	233.07
3/12/2024	74426	MILLS BUILDING SUPPLY	6.00
3/12/2024	74427	PECK RUBANOFF & HATFIEL...	3,528.00
3/12/2024	74428	CITY OF SENECA	141.43
3/12/2024	74429	VISA	2,678.93
3/12/2024	74430	OREGON TRAIL ELECTRIC C...	56.40
3/19/2024	74431	ED STAUB & SONS PROPANE	462.56
3/19/2024	74432	GIBCO	78.00
3/19/2024	74433	KJDY	50.00
3/19/2024	74434	TEC COPIER SYSTEMS LLC	82.93
3/19/2024	74435	VERIZON	213.62
3/19/2024	74436	AMAZON CAPITAL SERVICE...	316.13
3/19/2024	74437	CENTRAL SQUARE	3,182.00
3/19/2024	74438	CITYCOUNTY INSURANCE S...	612.50
3/19/2024	74439	CwM-H2O, LLC	2,216.25
3/19/2024	74440	HECO ENGINEERS	3,375.00
Report Total			74,358.75

CITY OF JOHN DAY
CITY COUNCIL MINUTES FEBRUARY 13, 2024

COUCILORS PRESENT:

David Holland, Councilor
Chris Labhart, Councilor
Eric Bush, Councilor
Edwin Newby, Councilor
Ron Phillips, Councilor
Sherrie Rininger, Council President

COUNCILORS ABSENT:

STAFF PRESENT:

Melissa Bethel, City Manager
Casey Myers, Public Works Director
Don Gabbard, Fire Chief
Joe Hitz – Contract Engineer
Rob Gaslin – Contract Finance
Nick Ducote- Contract grant writer and administrator

Agenda Item No. 1—Call Meeting to Order

Called the meeting to order at 7:00 pm.

Agenda Item No. 2—Pledge of Allegiance

The City Council stood for the Pledge of Allegiance.

Agenda Item No. 3—Roll Call and Attendance

Councilor Rininger noted that all councilors were present.

Agenda Item No. 4—Amend or Accept Regular Agenda

Councilor Bush moved and Councilor Newby second to approve agenda as presented. Motion passes unanimously.

Agenda Item No. 5—Public Comments

Terry Davison: Mr. Davison would like to thank our former Mayor, Heather Rookstool for her service.

Beth Spell: Mrs. Spell has expressed her concerns about many unanswered questions the public has brought to City Council. Spell asked when and where will Council provide a format so the public can ask questions about the running of the City and receive answers.

Shannon Adair: Ms. Adair has concerns about the community not being able or allowed to be involved at all. Adair said it feels like decisions are being made outside of Council and not by the entire Council. Adair would like to see this Council form a community advisory committee, so the community can have input.

Agenda Item No. 6—Consent Agenda

Items on the consent agenda for approval:

- a) Accounts Payable through February 8th, 2024.
- b) City Council minutes of January 9, 2024

On the February 8th minutes, under Agenda Item No. 7 it states Councilor Labhart abstained two times because he was cut off from the meeting, he would like that to be changed to him voting no.

Councilor Labhart moved and Councilor Bush second to approve the consent agenda as amended. Motion passes unanimously.

Agenda Item No. 7—Grant County Fair recap; Fair sponsorship & City booth discussion

Mindy Winegar: Ms. Winegar gave an update on the work that has been going on at the Fair Grounds. The outdoor pavilion has been finished. There will be a supporter dinner on June 7th. They are in the works of getting 25 more RV spaces at the 3rd street extension. She stated the ICA Rodeo is August 2nd and 3rd, the Junior Rodeo is August 4th and the Fair is August 7th-10th. She gave Council sponsor packets and would love for the City to be apart of the Fair and Rodeo.

Councilor Bush moved and Councilor Newby second to approve the purchase of a fair booth for the City not to exceed \$300.00. Motion passes unanimously.

Agenda Item No. 8—Wastewater Plant update

Ducote and Pex gave an update on the Wastewater Treatment Plant. Some of their top priorities are the environmental compliance, completing the funding application(s) and the Purple Pipe. The biological opinion from NOAA-NMFS has been received. The final design scope of work will be ready at the end of this month. Final changes are being made and discussed regarding the design. The Purple Pipe final design work is 100% complete and was submitted to DEQ. Tetra Tech is working on the solar feasibility study. Flagline scope of work is being drafted internally by the engineering team for the WWTF final design. A rate study will be conducted when the costing information is updated.

Councilor Bush moved and Councilor Labhart second to accept the recommendations on Ducote's report under Council Discussion regarding the suggested changes. Councilor Bush declared this motion an expedited requirement. Motion passes unanimously.

Council agreed to build a new lagoon by the new Treatment Plant for the untreated emergency overflow to save on fencing cost.

Agenda Item No. 9—Grant County Digital dissolution and BTAP grant update

Councilor Bush gave an update on Grant County Digital dissolution.

Agenda Item No. 10—Approve and Authorize the City Manager to sign a lease for the Patterson Bridge Property with Oregon Underground Utilities LLC

Councilor Bush moved and Councilor Newby second to approve the commercial lease with Oregon Underground Utilities LLC subject to final legal revisions. Motion passes unanimously.

Agenda Item No. 11—Approve IGA with Lane Council of Government (LCOG) for Planning services

Councilor Bush moved and Councilor Holland second to approve the IGA for planning services with Lane Council of Government. Motion passes unanimously.

Agenda Item No. 12—Authorize a Request for Proposal (RFP) for Auditing Services

Councilor Labhart moved and Councilor Bush second to request for proposals for qualified municipal auditors for the City of John Day, beginning June 30th, 2023. Motion passes unanimously.

Agenda Item No. 13—Discussion regarding ballot measure to update the City Charter

Councilor Labhart elaborated on why the City Charter needs to be updated. Councilor Bush would like to bring this back up once the budget is adopted. He believes there is too much going on at the moment.

Agenda Item No. 14—Discussion regarding appointment of Mayor position

Council discussed the options the City Attorney presented to them regarding the appointment of the vacant Mayor position.

Council agreed to possibly put a advisory vote on the general election and then possibly appointing.

Agenda Item No. 15—Discussion regarding change of time for Council meetings

Councilor Labhart moved and Councilor Bush second that the City of John Day change the council meeting time to 6:30 pm. Motion passes unanimously.

Agenda Item No. 16—City Manager Comments

Bethel went over some of her tasks that she's been working on since the last Council meeting.

Agenda Item No. 17—Council Comments

The next regular scheduled meeting is February 27th, 2024.

Adjourn:

Next regular meeting March 26, 2024 6:30 p.m.

Melissa Bethel, CM

CITY OF JOHN DAY
CITY COUNCIL MINUTES FEBRUARY 27, 2024

COUCILORS PRESENT:

David Holland, Councilor
Chris Labhart, Councilor
Eric Bush, Councilor
Edwin Newby, Councilor
Ron Phillips, Councilor
Sherrie Rininger, Council President

COUNCILORS ABSENT

STAFF PRESENT:

Melissa Bethel, City Manager
Rob Gaslin – Contract Finance
Nick Ducote- Contract grant writer and
administrator

Agenda Item No. 1—Call Meeting to Order

The City Council meeting was called to order at 6:30 pm.

Agenda Item No. 2—Pledge of Allegiance

The City Council stood for the Pledge of Allegiance.

Agenda Item No. 3—Roll Call and Attendance

All councilors were present including the City Manager.

Agenda Item No. 4—Amend or Accept Regular Agenda

Councilor Bush made a motion to accept the agenda as presented. The motion was seconded by Councilor Newby and passed unanimously.

Agenda Item No. 5—Public Comments

Steve Schuette: Mr. Schuette is a member of citizens for a thriving grant county, they have filed a formal grievance regarding the wastewater plant project with the City of John Day, which the City has not responded.

Jim Bay: Mr. Bay believe John Day needs to be a single team working together from one administration to the next. He stated questions are only questions and they can open doors.

Shannon Adair: Ms. Adair spoke about some comments that were made at the last meeting and expressed her concerns with the cost of the Treatment Plant.

Linda Gingrich: Ms. Gingrich asked if any of the councilors have talked to people at the Golf Course or Malheur Lumber regarding the Treatment Plant. She reminded council that the citizens are the people who pay the bills.

Jim Spell: At previous council meeting the zoom system has not worked, Spell encourages council to find a way for everyone in the room and people who are sitting at home watching the meeting have an opportunity to know what is happening at the council meeting.

Nick Green: Mr. Green would like the council to clarify what their procurement strategy actually is for engineering services. He asked council when did they award a 4.2 million dollar contract to an engineering firm to do design of the Waste Water Treatment Plant. There are requirements under the funding agreements one of those being providing notice to Business Oregon 10 days before requesting proposals from engineering services. He believes the public is completely in the dark of what Council is doing.

Leslie Stillwater: Ms. Stillwater thought with her experience she would be able to understand the WWTP project but finds herself lost in council meetings and isn't able to follow along. She believes it is because there not enough communication from the council to the public. Citizens for Thriving Grant County would like recognition of the formal grievance they submitted. They would also like a formation of a Citizen Advisory Committee.

Jim Bay: Mr. Bay asked what the status of Canyon City's payments in the intergovernmental agreement. He stated the citizens of Canyon City are paying their water bill to Canyon City and they are not forwarding those funds to John Day. He also asked why the City of John Day has not produced audited financial statements since June of 2022.

Agenda Item No. 6—Consent Agenda

Items on the consent agenda for approval:

- a) Accounts Payable through February 21, 2024

Councilor Phillips moved and Councilor Bush second to approve the consent agenda. Motion passes unanimously.

Agenda Item No. 7—Presentation by Clarks Disposal regarding new automation

Clarks Disposal announced they are making the transition to automatic garbage pickup. The rates will not change, the can size they will provide will be based on what residents currently have.

Agenda Item No. 8—Approval of Contract with Rueben Law Enforcement Consulting for full audit and inventory of the City of John Day's former police department evidence room

The City received a \$5,000 grant from CIS to perform an independent audit of the evidence room.

Councilor Bush moved and Councilor Newby second to approve the contract with Rueben Law Enforcement Consulting for the audit and inventory in the City of John Day's former police department evidence room. Motion passes unanimously.

Agenda Item No. 9—WWTP grant funding update

Ducote spoke about the congressional request the City submitted. He has discussed the procurement strategy with USDA and Business Oregon. The City Attorney is going through everything regarding the final design engineering. As far as the funding strategy for the project it isn't significantly different from what it was before. Ducote has recommended abandoning the previous administration procurement strategy because it would deny the City the ability to get a Clean Water State Revolving Loan, which opened the City up to a possible 2 million dollars of grant and loan at a better rate than USDA had. There are a lot of tasks that are being paid for by grant funds that are open.

Mr. Green asked a member of the Council to explain procurement strategy.

Councilor Holland stated that aspect has never really been the Council's role. With there being no City Manager during that time, council hasn't been in the loop.

Stillwater believes this is too large of a project to fall completely on the City Manager. She believes citizens should have the opportunity to be involved and help.

Councilor Labhart said that Grant County Conservatives would like to know what is going on with the Purple Pipe. Bethel and Ducote elaborated on this topic.

Councilor Holland believes it would be beneficial to have a Citizen Advisory Committee as it has been beneficial in the past.

Mrs. Schuette would like council to look back on the early vision of the Treatment Plant, look at what the plan was and why it was formulated.

Agenda Item No. 10—City of John Day financial update

Gaslin addressed questions regarding the financials. He stated the City is only 2 months late on our audit as of right now. There will be an audit once the City has an auditor signed on. Gaslin presented a budget to actual report which is the first one that's been presented in a long time.

Agenda Item No. 11—Discussion regarding cancellation of March 12th, 2024 Council Meeting

Council came to a consensus to cancel the March 12th, 2024 Council Meeting.

Agenda Item No. 12—City Manager Comments

Bethel gave an update on work that staff has been doing internally.

She reminded the citizens to be aware of their surroundings when parking for the meetings and to make sure not to block adjoining residents' driveways.

Agenda Item No. 13—Mayor and Council comments

The next regular scheduled meeting is March 26th, 2024.

Councilor Labhart asked for an update on the rest area sign, Bethel stated it is on the list of things to do.

Adjourn:

There being no further business before council the meeting was adjourned.

Melissa Bethel, CM

City of John Day
(Wastewater System Improvements – Final Design & Construction Engineering)

REQUEST FOR PROPOSALS

PROPOSALS DUE:

Monday, April 29, 2024

4:00 p.m.

at

John Day City Hall

450 E. Main Street, John Day, Oregon 97845

or

bethelm@grantcounty-or.gov

Work under this project is funded in part with federal grant funds from the Oregon Community Development Block Grant program.

CITY OF JOHN DAY
Proposal Advertisement
Request for Proposals
Wastewater System Improvement Engineering Services

NOTICE IS HEREBY GIVEN that City of John Day (“City”) is requesting sealed proposals from qualified firms or individuals to provide engineering services for design and construction management concerning City’s wastewater system expansion and improvements. City’s wastewater system improvements are described in *Addendum 1 to the 2019 Preliminary Engineering Report* and include construction of a new mechanical wastewater treatment plant. City is seeking qualified firms or individuals to provide professional engineering services, including, without limitation: **(a) preliminary and design engineering, including plans and specifications, for certain wastewater system improvements, (b) Package Treatment Plant solicitation management, and (c) construction management services for the project.**

Interested parties may obtain a copy of the Request for Proposals (the “RFP”) (and related documents) by downloading a copy from City’s website at <http://www.cityofjohnday.com/rfps>. Interested parties may receive a hardcopy of the RFP (and related documents) at John Day City Hall, 450 East Main Street, John Day, Oregon 97845.

All proposals must be sealed in an opaque envelope or package and must be submitted to City Manager Melissa Bethal by mail or hand delivery at **450 East Main Street, John Day, Oregon 97845 by 4:00 p.m., Monday, April 29, 2024.** Sealed proposals will be publicly opened at 12:00 p.m. on **Tuesday, April 30, 2024.** City will not consider any proposal received after the stated date and time, that is incomplete, and/or that is not submitted in the proper manner and format. Proposals must be clearly marked “City of John Day Request for Proposal –Wastewater System Owner’s Rep Engineering Services.”

Date: March 29, 2024

CITY OF JOHN DAY
Request for Proposals
Wastewater System Improvement Engineering Services

OVERVIEW

City of John Day (“City”) is a historic timber community located in the mountains of eastern Oregon. Construction of the City’s original wastewater collection system began in 1949. Major additions were completed in 1970 and 1978. Since 1978, the collection system has been expanded several times to support the City's growth. The existing Wastewater Treatment Facility (WWTF) is located on the northwestern end of the City at the end of 7th Street. City’s existing mechanical WWTF provides secondary treatment of the City's domestic wastewater. Based upon a process evaluation completed in 2010 and updated in 2018, City's WWTF is in need of major improvements, regardless of whether any growth occurs in the John Day and Canyon City service areas.

The guiding, and most recent, engineering feasibility document for this project is Addendum 1 to the *2019 Preliminary Engineering Report* (the “PER”) developed by Flagline Engineering and Kennedy Jenks. The City of John Day (City) contracted Flagline Engineering and Kennedy/Jenks Consultants, Inc. (KJ) to assist with the analysis and selection of the new pipeline alignment and treatment technology for their new wastewater treatment facility. Flagline and KJ produced the Addendum 1 with three revisions per USDA’s comments. The purpose of the document was to provide additional alternatives analysis for both the treatment facility and the collection system. This addendum provides a more robust and comprehensive analysis of available treatment technologies and intends to address US Department of Agriculture (USDA) review comments associated with the PER.

The purpose of this Request for Proposals (“RFP”) is to select a consultant to provide engineering services for City concerning these wastewater system improvements. The selected firm or consultant will report directly to the city manager and/or his or her designee(s).

GENERAL BACKGROUND INFORMATION

1. Project

City is planning to build a new wastewater treatment facility to replace City’s mechanical treatment plant originally built in 1949. The mechanical treatment plant consists of an influent lift station, a headworks structure, primary clarifiers, trickling filters, secondary clarifiers, gas chlorination, chlorine contact basin, four percolation ponds, and an area to dispose of the solids. City is still using components and concrete from when it was originally constructed; most of the concrete is cracking or distressed and many of the components are failing. There was an upgrade in 1978, which was over 40 years ago. Modifications have been done over time to address collection, inflow and infiltration into the collection system. As a result of these challenges, and a 15+ year process to update the City’s WPCF permit, a new plant is needed.

John Day City Council has reviewed options for a new plant many times since 2018 with the latest revisions to the project occurring during the January 2024 City Council meeting. The Flagline/Kennedy-Jenks Addendum 1 to the 2019 Preliminary Engineering Report discusses the alternatives for the treatment plant, distribution system improvements, and all other improvements to make a “compete” treatment plant project. At the January 2024 meeting, the City Council decided to postpone the treatment plant demolition until a later phase, to consolidate the treatment plant facility into as few

buildings as possible, return the effluent storage tank to the WWTP project (instead of Purple Pipe), and build a new overflow rather than reusing the City's existing lagoons.

2. Estimated Project Cost: The Final Design + Construction Project is estimated to cost over \$20,000,000.
3. Estimated Time Period: Work on the Final Design portion of the project is estimated to begin in the summer of 2024. The timing and schedule for construction will largely be dictated by the chosen package plant vendor and their timing of delivery on the package plant.

RFP ATTACHMENTS AND EXHIBITS

- Attachment A: Draft Engineering Scope of Work
- Attachment B: CDBG Contract Clauses
- Attachment C: Certificate of Non-Discrimination
- Attachment D: Sample Agreement – EJCDC

- Exhibit 1: Attached by reference, 2019 Preliminary Engineering Report, Revision 3 (URL:)

FUNDING SOURCES

Funding sources for the Project include, without limitation, the following: Oregon Business Development Department – Infrastructure Finance Authority Community Development Block Grant Program (“CDBG Program”); Business Oregon Water/Wastewater Financing Program; and Department of Environmental Quality’s Clean Water State Revolving Loan Funding program (DEQ-CWSRF). USDA Rural Development Water and Environmental Program (WEP) Funds will be used to construct the facility and acquire the package treatment plant. Contracting with the selected firm must follow standards of all funding agencies. Such portion of the Services will be performed subject to and in accordance with all applicable requirements including, without limitation, those contract clauses attached hereto as Exhibit B.

SCOPE OF SERVICES

The scope of services to be performed by the consultant pursuant to this RFP include, without limitation, the following engineering services concerning the Project (collectively, the “Services”):

- TASK 1 PROJECT MANAGEMENT
- TASK 2 ENGINEERING SERVICES
- TASK 3 ENGINEERING ADDITIONAL SERVICES
- TASK 4 ENGINEERING – PRE-DEVELOPMENT
- TASK 5 ENGINEERING SERVICES DURING CONSTRUCTION

A comprehensive Scope of Work draft is included as Attachment A of this Request for Proposal document. The City is open to negotiation and discussion on the specific tasks of the Scope of Work. Ultimately, the City wants to construct a functional Wastewater Treatment Plant and expects its chosen engineer to properly scope the project to accomplish that goal.

Other Items. It is anticipated that other Project-related tasks could arise during the preliminary engineering and/or design engineering phases. These tasks may include, without limitation, geotechnical explorations, conditional use permits, site specific reports, and other evaluations. The City’s Project

Managers will work closely with the consultant team and answer questions, make decisions, provide guidance, and assist in coordination as needed. All available information City has will be available to the consultant team selected to perform the Services. Information may include, without limitation, tax maps, aerial photos, and as-built drawings.

FUNDING SOURCES

Funding sources for the Project may include, without limitation, the following: Oregon Business Development Department – Infrastructure Finance Authority Community Development Block Grant Program (“IFA CDBG Program”); USDA Rural Development Water and Environmental Program (WEP) Funds; Oregon Clean Water State Revolving Loan Funds (CWSRF); and City funding. If awarded to City, Community Development Block Grant (“CDBG”) funds will be used for the preliminary engineering and design services concerning the Wastewater System Improvements and for final engineering and construction management. Such portion of the Services will be performed subject to and in accordance with all applicable requirements including, without limitation, those contract clauses attached hereto as Exhibit B and Exhibit D.

EVALUATION CRITERIA

The qualification-based selection process will be administered in accordance with the authority and procedures in ORS 279C.100 – ORS 279C.125 and OAR Chapter 137, Division 48. Proposals submitted before the deadline will first be evaluated for compliance with the minimum required qualifications identified below. Proposals meeting these requirements will be forwarded to an evaluation committee that will independently score each proposal according to the scored criteria listed below.

- A. Minimum Required Qualifications: Failure to comply with one or more of the following criteria will result in rejection of the proposal:
1. At least one (1) copy of the submittal proposal must bear an original signature on the introductory letter. A duly authorized representative empowered to bind the consultant must sign the proposal.
 2. The proposal must not include any cost sheets or fee-related information.
 3. The proposal must demonstrate that the proposer (a) has all valid applicable Oregon licenses, including, without limitation, all applicable licenses to practice engineering in the State of Oregon and City, and (b) is in good standing with the Oregon State Bar of Examiners for Engineering and Land Surveying.
 4. The proposal must demonstrate the proposer’s compliance with the insurance required in this RFP.
 5. Each proposal must include a certificate of non-discrimination pursuant to ORS 279A.110, substantially in the form attached hereto as Exhibit C.
- B. Scored Criteria. All proposals from qualified firms or consultants that meet the minimum required qualifications will be evaluated on the following criteria (a total of 100 points is available for the scored criteria):
1. Professional Qualifications of Project Team (20 points). Provide a firm overview and qualifications for providing the Services. List key team members who will be assigned to this project, their roles and responsibilities, and their qualifications and experience.
 2. Experience (20 points). Provide at least three (3) examples of services rendered on projects completed in the last five (5) years that best characterizes and demonstrates the firm’s experience providing services similar to the Services. Also demonstrate experience within the

framework and requirements of grant funded projects, particularly CDBG.

3. Method of Approach (20 points). Demonstrate a clear approach to completing the Services and proposed benchmarks for Project and Services completion.
 4. Availability; Familiarity with City's Systems (15 points). Demonstrate ability to provide responsive services to assist City during the Project, based on the amount and type of staff resources available in the Project vicinity to perform the Services. Also include your team's past performance history with City.
 5. Understanding of Requested Services (15 points). Demonstrate a clear and concise understanding of the Services.
 6. References (10 points). Provide references and recommendations from at least five current or former clients. References should establish the firm's or consultant's demonstrated ability to successfully and reliably complete similar projects.
- C. The outcome of the independent evaluation may, at City's sole discretion, result in (a) notice to a proposer(s) of selection for tentative negotiation and possible award, or (b) further steps to gather more information for evaluation, which may include, without limitation, a notice of placement on an interview list with time and date of the interview.

PROPOSAL SUBMISSION REQUIREMENTS

- A. **No Pre-Proposal Meeting.** City will not hold a pre-proposal meeting.
- B. **Submission.** Five (5) copies of the proposal must be received by **4:00 p.m.**, Pacific Time on **Monday, April 29, 2024**. Sealed proposals will be publicly opened at 12:00 p.m. on Tuesday, April 30 2024. At least one copy of the proposal must bear an original signature from a duly authorized representative empowered to bind the proposer must sign the proposal. All proposals must be sealed in an opaque envelope or package and must be delivered to City Manager Melissa Bethal by mail or hand delivery at 450 East Main Street, John Day, Oregon 97845 by **4:00 p.m.**, Pacific Time on **Monday, April 29, 2024**. Mis-deliveries, late, and/or faxed submittals will be considered nonresponsive.
- C. **Format for Proposals.** Please submit written proposals in compliance with the following page limitations (one page is considered to measure 8-1/2 x 11, with 11-point font size minimum):

<u>Contents</u>	<u>Maximum Number of Pages</u>
Introductory Letter	2
Professional Qualifications of Project Team	3
Experience	3
Method of Approach	3
Availability; Familiarity with City's Systems	3
Understanding of Requested Services	3
References	2
Total	19

The proposal should not exceed nineteen (19) pages, excluding the cover sheet, certificate of nondiscrimination, resumes, and any tabs or indexes.

- D. **Introductory Letter.** The letter will name the person(s) authorized to represent the consultant in any negotiations and name of the person(s) authorized to sign any contract which may result. The letter will indicate insurance coverage carried by the consultant. The letter will be signed by an

authorized representative of the consultant. The consultant must carry the following types and minimum coverages of insurance: (a) general liability insurance for all losses or claims arising out of or related to the selected consultant's performance of its obligations under the Agreement (defined below) (including, without limitation, damages as a result of death or injury to any person or destruction or damage to any property) with limits of not less than \$1,000,000 per occurrence, \$2,000,000 in the aggregate; (b) comprehensive automobile liability insurance for all owned, non-owned, and hired vehicles that are or may be used by the selected consultant in connection with the consultant's performance of the Services with limits of not less than \$1,000,000 per occurrence, \$2,000,000 in the aggregate; (c) errors and omissions insurance with limits of not less than \$1,000,000 per occurrence, \$2,000,000 in the aggregate; (d) employer liability insurance with limits of not less than \$500,000 per occurrence and in the aggregate; and (e) workers' compensation insurance in form and amount sufficient to satisfy the requirements of applicable Oregon law. Consultants who do not carry the required insurance may not be considered.

SELECTION PROCESS

- A. Proposals that do not meet the minimum required qualifications will be rejected. Proposals meeting the minimum required qualifications will be evaluated by an evaluation committee based upon the criteria and points assigned in this RFP.
- B. City will appoint an evaluation committee of no fewer than three individuals to review, score, and rank each proposal. The evaluation committee may contact references provided in each proposal.
- C. The evaluation committee may request interviews. Interviews will be scored on the same criteria and points as the initial submission of proposal. Upon completion of the interviews, if any, the evaluation committee will provide City the results of the scoring and ranking of each proposal. If City does not cancel the RFP after it receives the results of the scoring and ranking of each proposal, City will issue a notice of intent to award and after any protest period, begin negotiating a contract with the highest-ranked proposer.
- D. Contract negotiations with the highest ranked proposer will be directed toward obtaining written agreement on (a) the consultant's performance obligations and a performance schedule, and (b) the payment methodology and a maximum, not-to-exceed contract price that is fair and reasonable to City, as determined by City, taking into account the estimated value, scope, complexity and nature of the Services. City reserves the right to negotiate a final contract that is in the best interest of City.
- E. If negotiations with the highest-ranked proposer fail to result in a contract, City reserves the right, pursuant to OAR 137-048-0220(4)(e), to formally terminate negotiations and enter into negotiations with the second-ranked proposer and, if necessary, the third-ranked proposer and so on, until the negotiations result in a contract. If the subsequent rounds of negotiations fail to result in a contract within a reasonable amount of time, as determined by City, the RFP may be formally terminated.
- F. Any contract entered into by City and the selected consultant will contain terms and conditions required under applicable law, including, without limitation, certain state and federal requirements applicable to funding sources, as applicable, and will otherwise be in form and content satisfactory to City. Without otherwise limiting the generality of the immediately preceding sentence, the contract will include terms and conditions concerning, among other things, acceptable standards of performance, compensation, minimum insurance requirements, compliance with laws, federal and

state contract clauses, indemnification, and representations and warranties, and will be substantially in the form attached hereto as Exhibit D (the “Agreement”).

ANTICIPATED SCHEDULE

RFP Issued	March 27, 2024
Requests/RFP Questions Deadline	April 15, 2024
Proposal Due Date	April 29, 2024
Opening	April 30, 2024
Review and Scoring	May 1-7, 2024
Evaluation Interviews (if Needed)	May 4-6, 2024
Notice of Intent to Award (“NOI”) (apprx.)	May 14, 2024
Award Protest Deadline (apprx.)	May 21, 2024
Negotiations	May 14 - 22, 2024
Notice of Award (apprx.)	May 23, 2024

ADDITIONAL INFORMATION

- A. No cost or fee schedules will be submitted as a part of a proposal. Pursuant to Oregon public contracting law, cost and fee information will be presented during contract negotiations after the selection of the most qualified consultant with which to negotiate. It is understood that all submittals will become part of the public file on this matter, without obligation to City.

- B. Notwithstanding anything contained in this RFP to the contrary, if in City’s best interest, City reserves the right to amend and/or revise this RFP in whole or in part, cancel this RFP, extend the submittal deadline for responses to this RFP, and/or reject any or all proposals for any reason and/or without indicating reasons for rejection. Further, City reserves the right to (a) seek clarification(s) from each proposer and/or require supplemental statement or information for any proposer, (b) waive and/or correct any irregularities in proposals after prior notice to the proposer, and/or (c) negotiate with alternate proposers, if initial contract negotiations are unsuccessful.

- C. Proposers may submit to City questions and/or requests for additional information, including, without limitation, inquiries related to substantive portions of the RFP, questions regarding the intent of the work, and/or questions concerning technical aspects of the work. All questions and/or requests must be submitted in writing either by mail or email to:
 - City of John Day
 - Attn: Melissa Bethal
 - 450 East Main Street,
 - John Day, Oregon 97845
 - bethelm@grantcounty-or.gov

All requests for additional information must clearly reference, “City of John Day Request for Proposal –Wastewater System Improvement Engineering Services.” All questions and/or requests to change any provision, specification, or contract term must be received not later than seven (7)

calendar days prior the deadline to submit proposals. Substantive questions and all responses will be made available at city's at <http://www.cityofjohnday.com/rfps>. When appropriate, revisions, substitutions, and/or clarifications will be issued as official addenda to this RFP.

- D. The selected consultant will be required to obtain a City business license and maintain active business license status while conducting work within the City. The consultant and any subconsultant and/or subcontractor will need to be registered in SAM.gov.
- E. The State of Oregon through the Oregon Business Development Department Block Grant program encourages grant recipients to take affirmative steps to use small firms, minority-owned firms and women-owned firms, and emerging small businesses in grant-funded projects.
- F. City has or will adopt a policy to require its contractors to make good faith effort to provide equal employment opportunity to all employees and applicants for employment without regard to race, color, religion, sex, national origin, disability, veteran's or marital status, or economic status and to take affirmative action to ensure that both job applicants and existing employees are given fair and equal treatment. Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C 1701u) ("Section 3") requires City to ensure that employment and other economic and business opportunities generated by the Department of Housing and Urban Development ("HUD") financial assistance, to the greatest extent feasible, are directed to public housing residents and other low-income persons, particularly recipients of government housing assistance, and business concerns that provide economic opportunities to low- and very-low income persons. Eligible Section 3 residents are encouraged to respond to this RFP and complete the certificate attached as **Exhibit E**.
- G. Notwithstanding anything contained in this RFP to the contrary, City will issue the NOI and make a decision to award the contract for the Services only after the IFA CDBG Program award announcement. This RFP does not obligate City to award a contract and/or to procure the Services described herein. Without otherwise limiting the generality of the immediately preceding sentence, City reserves the right to not award a contract (and/or procure the Services) if City is not awarded grant funding through the IFA CDBG Program. Consultants responding to this RFP do so at their own expense and City is not responsible for any costs and/or expenses associated with the preparation and/or submission of any proposal.
- H. Prospective proposers may obtain a copy of this RFP, Addendum 1 to the PER, as well as City's wastewater facilities plan (including Alternative B in City's 2018 Wastewater Facilities Plan Update) on City's website at <http://www.cityofjohnday.com/rfps> and/or at John Day City Hall at 450 East Main Street, John Day, Oregon 97845.

Confidential Information.

- A. Any proposal submitted may be subject to public information requests as permitted by Oregon Public Records Law. City 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 Proposer 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. City will take reasonable measures to hold in confidence all such labeled information, but in no event will City 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 City may (a) reveal any trade secret and/or other confidential materials contained in the proposal to City staff and to any City consultant, and (b) post the proposal on City'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 City each City 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 Proposer that designates its entire proposal as a trade secret may be disqualified.

PROTEST PROCEDURES

Proposers may submit to the city manager a written protest of the RFP, contractual terms or specifications, or award of protest. To be considered, a protest must (a) identify the proposer's name and reference to this RFP, (b) contain evidence that supports the grounds on which the protest is based and specify the relief sought, including, without limitation, a statement of the proposed changes to the process or RFP provisions, requirements or terms, and/or conditions that the proposers believes will remedy the conditions upon which the protest is based, (c) be signed by the proposer's authorized representative, and (d) be submitted, in writing, to the city manager at the address(es) set forth in this RFP. Any protest of this RFP or any consultant selection must be submitted in accordance with OAR 137-048-0240. A timely submitted protest will be resolved within a reasonable time following City's receipt of the protest.

Attachment A:
Scope of Work
(attached)

Attachment B:
CDBG Contract Clauses
(attached)

Exhibit C
Certificate of Non-Discrimination

Pursuant to ORS 279A.110, discrimination in subcontracting is prohibited. Any contractor who contracts with a public contracting agency shall not discriminate against minority, women or emerging small business enterprises or a business enterprise that is owned or controlled by or that employs a disabled veteran in the awarding of contracts.

By signature of the authorized representative of the proposer, the proposer hereby certifies to City of John Day that this proposer has not discriminated against minority, women, or emerging small business enterprises will not discriminate against minority, women or against a business enterprise that is owned or controlled by or that employs a disabled veteran in obtaining any subcontracts; and, further, that if awarded the contract for which this bid or proposal is submitted, will not so discriminate.

Date: _____

Signature: _____

Printed or Typed Name: _____

Name of Firm: _____

Exhibit D
Sample Agreement - EJCDC

(attached

Attachment A: Proposed Scope of Work for the John Day WWTP, Final Design and Construction Engineering

Contents

BACKGROUND.....	2
TASK 1 PROJECT MANAGEMENT	2
TASKS 1.1 PROJECT COORDINATION AND MANAGEMENT, QA/QC, SCHEDULE MANAGEMENT AND MEETINGS 2	
TASKS 1.2 PROJECT KICK-OFF MEETING	3
TASKS 1.3 MONTHLY REPORTING AND INVOICES	3
TASKS 1.4 TEAM AND SUBCONTRANTOR COORDINATION	3
TASK 2 ENGINEERING SERVICES	3
TASK 2.1 ENGINEERING - DESIGN (WWTP).....	3
TASK 2.1.1 DATA DEVELOPMENT AND REVIEW	3
TASK 2.1.2 GEOTECHNICAL REPORT INPUT.....	4
TASK 2.1.3 TOPOGRAPHIC AND UTILITY SURVEY INPUT	4
TASK 2.2 DRAFT FINAL BASIS OF DESIGN REPORT	4
TASKS 2.2.1 ALTERNATIVES EVALUATIONS FOR BODR	Error! Bookmark not defined.
TASKS 2.2.2 BODR DRAWINGS	7
TASKS 2.2.3 SITE BUILDINGS AND GREENHOUSE PROGRAMMING	8
TASK 2.3 30% DESIGN (DESIGN DEVELOPMENT).....	8
TASKS 2.3.2 30% DESIGN OPINION OF PROBABLE CONSTRUCTION COST	9
TASKS 2.3.2 30% DESIGN REVIEW WORKSHOP	9
TASKS 2.3.4 EQUIPMENT PRE-PURCHASE – PACKAGE TREATMENT PLANT	9
TASK 2.4 60% DESIGN	9
TASK 2.4.1 60% DESIGN.....	9
TASK 2.4.2 60% DESIGN REVIEW WORKSHOP	10
TASK 2.5 90% DESIGN	10
TASK 2.5.1 90% DESIGN.....	10
TASK 2.5.2 90% DESIGN REVIEW WORKSHOP	10
TASK 2.6 PREPARE FINAL DESIGN SUBMITTAL	11
TASK 2.7 DEQ PERMITTING	11

TASK 2.8	GOTECHNICAL ENGINEERING	11
TASK 2.9	TELEMETRY AND SCADA CONTROLS ACS.....	12
TASK 2.10	SUBCONTRACTORS (SURVEY)	13
TASK 2.11	(OPTIONAL) ENGINEERING - DESIGN (SITE, ROADWAY AND UTILITIES).....	13
TASK 3	ENGINEERING ADDITIONAL SERVICES	14
TASK 3.1	1200-C PERMITTING	14
TASK 4	ENGINEERING – PRE-DEVELOPMENT	14
TASK 4.1	SERVICES DURING BID (SDB).....	14
TASK 4.2	PRE-BID CONFERENCE.....	15
TASK 4.3	BID EVALUATION.....	15
TASK 4.4	CONFORMED DOCUMENTS	15
TASK 5	ENGINEERING SERVICES DURING CONSTRUCTION	15
TASK 5.1	CONSTRUCTION ADMINISTRATION (CA)	15
TASK 5.2	ENGINEERING - INSPECTIONS	16
TASK 5.3	INITIAL OPERATIONS AND MANAGEMENT (START-UP)	16
TASK 5.4	CONTINGENCIES (ADDITIONAL MEETINGS OR EFFORT WITH DEQ)	17

BACKGROUND

The general scope of the project is to provide engineering design and construction services for the new Wastewater Treatment Plant for the City of John Day. These improvements entail all necessary access roads, new utilities connecting the plant, and the associated buildings necessary for daily use, as described in Addendum 1 (version 3) to the *2019 Preliminary Engineering Report*. The City Council also voted on several project scope revisions in early-2024, which are changes from the Flagline/Kennedy Jenks PER Addendum. At the January 2024 meeting, the City Council decided to postpone the treatment plant demolition until a later phase, to consolidate the treatment plant facility into as few buildings as possible, return the effluent storage tank to the WWTP project (instead of Purple Pipe), and build a new overflow rather than reusing the City’s existing lagoons. The Preliminary Engineering Report currently on file with USDA will need to be updated to reflect these changes, in addition to a cost estimate update.

One funding limitation that will impact the Final Design progress is USDA funding. The City cannot solicit for the package treatment plan until USDA has committed and executed funding to the City.

TASK 1 PROJECT MANAGEMENT

TASKS 1.1 PROJECT COORDINATION AND MANAGEMENT, QA/QC, SCHEDULE MANAGEMENT AND MEETINGS

Objective: Management of the contract for services that include but are not limited to monthly billings, phone and email correspondence. Management staff will provide an independent review of the plans

and specifications prior to release of the information being presented to the City. This review helps limit exposure of liability for our clients and provides verification that the plans and specifications are consistent with City's current engineering standards.

TASKS 1.2 PROJECT KICK-OFF MEETING

Objective: Kickoff meeting (within 14 days from the NTP from the City of John Day). Meeting will be virtual (online) and simply go over the plan of action from that day forward, verify contact information for PM's and discuss any outstanding concerns. Meeting will discuss internal team roles and responsibilities along with schedule and critical deadlines for the project.

Deliverables:

- Kick-Off meeting agenda and minutes

Assumptions:

- Meeting will be held via online (zoom or google meets); in person, if requested by the City.

TASKS 1.3 MONTHLY REPORTING AND INVOICES

Objective: Project reporting and monthly invoices.

Deliverables:

- Monthly invoices and project updates

Assumptions:

- Project duration 24 months

TASKS 1.4 TEAM AND SUBCONTRANTOR COORDINATION

Objective: The Project Manager will coordinate with internal design team and required sub-consultants for fieldwork, billing, and overall project needs for the duration of the project.

Deliverables: Engineer shall provide the following deliverables as part of this task:

- Monthly billings
- QA/QC review of project deliverables

TASK 2 ENGINEERING SERVICES

The following subtasks will be completed in performance of this task:

TASK 2.1 ENGINEERING - DESIGN (WWTP)

Objective: To provide a full operational WWTP at the site selected by the City of John Day while utilizing a package plant system provider and general contractor for construction purposes.

TASK 2.1.1 DATA DEVELOPMENT AND REVIEW

Objective: Engineer will review existing information and drawings, provided by Owner, and will identify on existing utility maps the location of utilities in the alignment between the treatment plant and the effluent disposal site that require physical locating. Utility locating, horizontal and vertical mapping, and integration into the design basemap will be provided by Others. Utility location and depth information

will be provided to Engineer as part of the updated site survey files for use in the site and effluent piping designs.

Deliverables:

- Monthly invoices and project updates

Assumptions:

- Marked up utility background maps for Others to complete utility potholing.
- Potholing utilities will be the responsibility of the Owner.

TASK 2.1.2 GEOTECHNICAL REPORT INPUT

Objective: Engineer will be allowed to comment on the draft and final geotechnical report.

TASK 2.1.3 TOPOGRAPHIC AND UTILITY SURVEY INPUT

Objective: Engineer will be allowed to comment on the draft and final work products. Engineer scope of work for this task includes coordination of survey needs, and coordination of shared basemap files.

Assumptions:

- Topographic map provided by a licensed surveyor (by Others)

TASK 2.2 DRAFT FINAL BASIS OF DESIGN REPORT

Objective: Engineer shall prepare a draft Basis of Design Report (BDR) primarily following the outline shown in Task 3.4. The BDR will further refine the design so that final detailed design can proceed efficiently. Following review of the Draft BDR by the Owner, responses to comments shall be developed and incorporated into a Final BDR.

The Report is anticipated to contain the following information (suggested deviations will be reviewed by the City):

- Code review
- Sampling plan and summary of influent wastewater characteristics
- Process design loadings for each process area;
- Identify critical water quality criteria;
- Preliminary facility sizing and a site layout;
- Preliminary hydraulic profile
- Preliminary P&IDs
- Confirm process size and quantity of tanks;
- Detention times;
- Process equipment size and quantity;
- Alternative analysis for effluent piping alignment
- Alternative analysis for sludge dewatering
- Chemical dosage requirements;
- Pipeline sizes and review building sizes;
- General site plan requirements;
- Ingress and egress; and
- General electrical load information.

The Report will be organized into chapters based on the proposed Table of Contents, as follows (suggested deviations will be reviewed by the City):

1.0 Introduction

- 1.1 Executive Summary
- 1.2 Purpose of the Basis of Design Report
- 1.3 Background
- 1.4 Related Technical Memoranda

2.0 General Design Criteria

- 2.1 Code Review
- 2.2 Civil/Site Development
 - 2.2.1 Survey Datum
 - 2.2.2 Grading
 - 2.2.3 Demolition
 - 2.2.4 Access and Egress
- 2.3 Site Utilities
 - 2.3.1 Water
 - 2.3.2 Firefighting Water
 - 2.3.3 Sewer
 - 2.3.3.1 Storm Drains
 - 2.3.3.2 Plant Drains
 - 2.3.4 Natural Gas
 - 2.3.5 Compressed Air Systems
 - 2.3.6 Electrical
 - 2.3.7 Communications
- 2.4 Piping
 - 2.4.1 Pipe Types
 - 2.4.2 Fitting and Valves
 - 2.4.3 Cathodic Protection (if required)
- 2.5 Site Plan
- 2.6 Process Flow Diagram
- 2.7 Hydraulic Profile
- 2.8 Preliminary P&ID

3.0 Treatment Processes

- 3.1 Headworks
 - 3.1.1 Influent PS
 - 3.1.2 Screening
 - 3.1.3 Grit Removal
- 3.2 Sequencing Batch Reactor
 - 3.2.1 SBR Cells (w/WAS pumps)
 - 3.2.2 Aerobic Digestion Cells
 - 3.2.3 Sludge Holding Cells (w/Dewatering feed pumps)

- 3.2.4. Post-SBR Equalization Cells (w/equalization pumps)
- 3.3 Blower Building
- 3.4 Tertiary Filters and Backwash Pumps
- 3.5 UV and Effluent pumps
- 3.6 Dewatering Buildings
 - 3.6.1 Dewatering Equipment Alternatives Evaluation

4.0 Operations Building

- 4.1 Wet Chemistry Laboratory
- 4.2 Control Room
- 4.3 Supervisors Office
- 4.4 Locker Room, Shower, Restroom
- 4.5 Exterior Elevation
- 4.6 Floorplan

5.0 Effluent Pipeline

- 5.1 Materials
- 5.2 Alignment
- 5.3 Utility investigation

6.0 Electrical

- 6.1 Plant Power Distribution Overview (Preliminary Single Line Diagram)
- 6.2 Codes, Standards and Regulations
- 6.3 Electrical Area Classification (NFPA 820)
- 6.4 Wires, Cable and Duct Bank
- 6.5 Equipment
 - 6.5.1 Substations
 - 6.5.2 Motor Control Centers
 - 6.5.3 Panel Boards
 - 6.5.4 Distribution Transformers
 - 6.5.5 Raceways
 - 6.5.6 Grounding
 - 6.5.7 Lighting

7.0 Controls

- 7.1 Controls and Communications Overview
- 7.2 Codes, Standards and Regulations
- 7.3 Control System Strategy

8.0 Buildings (Dewatering, Headworks, Operations, Electrical)

- 8.1 Code Criteria
- 8.2 Occupancy and Use
- 8.3 Building Type and Construction

9.0 Preliminary Opinion of Probable Cost

10.0 Preliminary Construction Schedule

- A Draft Report shall be developed, documenting the work of this task. Following review of the Draft Basis of Design Report by the Owner, responses to comments shall be developed and incorporated into a Final Basis of Design Report.

Deliverables:

- Draft Basis of Design Report (Electronic, Adobe Acrobat format).
- Responses to Draft Basis of Design Report review (Electronic, Adobe pdf format).
- Final Basis of Design Report (Electronic, Adobe Acrobat format).

Assumptions:

- The City has information on its property and a hazardous waste assessment is not required.
- Influent sampling will be completed by plant staff. Sample testing and analysis is by Others.
- Code review for this project consists of the following:
 - Building Occupancy Classification
 - Construction Classification(s)
 - Hazardous Materials Storage and Use including Contaminated Soils
 - Americans With Disabilities Act (ADA) Requirements
 - Energy Code Compliance
 - Fire Code Compliance (NFPA 820)
 - Building Code
 - Electrical Code
 - Stormwater requirements
 - Planning department requirements (e.g. setbacks, appearance, other per local requirements, available at <https://johnday.municipalcodeonline.com/#>).

TASKS 2.2.2 BODR DRAWINGS

Objective: Engineer will update the preliminary list of construction drawings to reflect the current status of the project. Drawings that will be provided (some of which may be bound into the Basis of Design Report text) consist of:

- General Sheets
 - The cover sheet and list for drawings, abbreviation and symbol sheets. A flow schematic and hydraulic profile as part of the general sheets will be developed.
 - Flow Diagrams and Preliminary Process and Instrumentation Diagrams (P&IDs)
 - Develop a narrative description of the process and control strategy, including control and monitoring schemes, alarm conditions, and process interfacing.
 - Develop the flow and the P&IDs depicting the narrative graphically. Drawings will focus on the “bottom” section of the P&IDs (e.g. equipment, piping).
- Building/Structure Plans, Elevations, and Sections

- Depict major process equipment, doorways and egress paths, required clearances, structural features (e.g. columns.), and key dimensions.
- Provide cross-sections or elevations for more complicated structures or where elevations may be important to the overall concept.
- Develop building elevations and key sections to depict the planned appearance of the facilities exterior and important interior features.
- Preliminary Site Plan
 - Prepare the site plan, locating new structures and features in relation to existing facilities, property lines, and access roads.

TASKS 2.2.3 SITE BUILDINGS

Objective: Engineer will conduct a programming workshop to gain City input on functionality, sizing, and aesthetics of the proposed buildings onsite.

TASK 2.3 30% DESIGN (DESIGN DEVELOPMENT)

Objective: The purpose of this task is to translate the Basis of Design Report into a preliminary design expressed in the form of 30% Drawings, as well as a more developed specification Table of Contents, an opinion of probably construction cost (OPCC). The 30% Design will serve as the design team’s basis for detail design.

Drawings will show the arrangement of the new equipment systems including the location of major features, limits of construction and interface with existing pipelines, power and instrumentation. Drawing backgrounds will be developed based on the topographic survey conducted as part of the project. When available, existing utilities will be shown on the drawing backgrounds based on the results of the subsurface utility investigation. Specifications will consist of draft technical specifications for major components of work.

Drawings will be prepared in electronic format and are organized as follows:

- **General** – Cover title sheet, location map, vicinity map, drawing index, general notes, symbols and abbreviations, design criteria, process flow diagrams, hydraulic profile.
- **Civil** – Engineer to provide site plan, survey data, site grading and paving plans, storm drainage plans, yard piping plans, and profiles.
- **Structural** – Structural design standards, general notes, plans and sections for treatment plant structures, buildings, and details.
- **Architectural** – Architectural design standards, general notes, plans and elevations for treatment plant structures, buildings, and details.
- **Instrumentation and Control** – Include instrumentation symbols and abbreviations, P&ID schematics, SCADA details, , schematics, and details.
- **Mechanical** – General mechanical symbols, abbreviations and general notes, piping and equipment schedules, plans and sections for mechanical systems, and details.
- **HVAC, Building Plumbing, Fire Protection** – General symbols and abbreviations, general notes, plans and sections for HVAC, building plumbing, plan sheets for typical fire protection limited layouts, and details.

- **Electrical** – Symbols, abbreviations and general notes, electrical site plan, single line diagram, service load calculation table, panel schedules, power and lighting plans, schematics, and equipment details.

Engineer shall furnish a preliminary list of drawings in response to this RFP. The documents prepared will be submitted to the Owner for review.

Deliverables:

- 30% Design Drawings (Electronic, Adobe Acrobat format)
- 30% Design Technical Specifications Table of Contents (Electronic, Adobe Acrobat format)
- Class 4 OPCC (Electronic, Adobe Acrobat format)

Assumptions:

- Design Drawings will be produced in AutoCAD 2021, Revit 2021, and set up in an ANSI D (22" x 34") format for full-size drawings and an ANSI B (11" x 17") format for half-size drawings.
- BIM Level of Development (LOD) 300 will be used for Revit sheets. Electrical conduits smaller than 2" will not be modeled.
- 30% Design Technical Specifications will be based on 1995 CSI Format (16 Division)
- Engineer will develop responses to comments received from the Owner’s review of the 30% design with digital responses to review comments (Electronic, Adobe pdf format).

TASKS 2.3.2 30% DESIGN OPINION OF PROBABLE CONSTRUCTION COST

Objective: Engineer shall update the previous Opinion of Probable Construction Cost (OPCC) and prepare a 30% Design OPCC for the Project. Engineer shall follow the principles and guidelines of the Association for the Advancement of Cost Engineering (AACE) and standard Engineer cost estimating procedures. The OPCC shall meet the requirements of an AACE Class 3 estimate. The OPCC will be projected to the midpoint of the construction period and will be organized by facility.

Deliverables:

- 30% OPCC (Electronic, adobe pdf format)

TASKS 2.3.2 30% DESIGN REVIEW WORKSHOP

Objective: Engineer will meet with City staff to review the 30% Design submittal. The meeting will use an online meeting platform such as Microsoft Teams or Webex and will include review of the discipline drawings, equipment list, OPCC, and schedule. City review comments will be tracked and collated within a shared BlueBeam studio session or other online co-working platform.

TASKS 2.3.4 EQUIPMENT PRE-PURCHASE – PACKAGE TREATMENT PLANT

Objective: The purpose of this task is to develop a request for proposal for pre-purchase of the SBR system. This RFP will include drawings and specifications that can be competitively bid by equipment manufacturers. The selected equipment package will become the basis of the design.

TASK 2.4 60% DESIGN

TASK 2.4.1 60% DESIGN

Objective: Advance design to 60% completion to show all areas of work on the Project identified in the attached Sheet List. The engineering disciplines designs will be 2D drawings, produced from AutoCAD.

The 60% design submittal will include 60% construction drawings and specifications, P&IDs, and control descriptions, 60% Engineer's Opinion of Probable Construction Cost (Engineer's Estimate) AACE Level 2 and updated Project Schedule.

Deliverables:

- 60% Design Submittal (size and format per General Assumptions)

Assumptions:

- The primary purpose of the schedule will be to determine an allowable duration of construction.

TASK 2.4.2 60% DESIGN REVIEW WORKSHOP

Objective: Conduct a workshop with City staff to review the 60% Design Drawings, Engineers Estimate, Schedule and Construction Sequencing Plan. The meeting will use an online meeting platform such as Microsoft Teams or Webex and will include review of the discipline drawings, equipment list, OPCC, and schedule. City review comments will be tracked and collated within a shared BlueBeam studio session.

Deliverables:

- Review Workshop meeting agenda (final, electronic.pdf) and meeting minutes (draft and final, electronic.pdf)

TASK 2.5 90% DESIGN

TASK 2.5.1 90% DESIGN

Objective: Advance design to 90% completion to show all areas of work on the Project identified in the attached Sheet List. The 90% design submittal will include 90% construction drawings and specifications, P&IDs, and control descriptions, 90% Engineer's Opinion of Probable Construction Cost (Engineer's Estimate) AACE Level 1, and updated Project Schedule.

Deliverables:

- 90% Design Submittal (size and format per General Assumptions). The 90% Design Submittal will be stamped and used as the Permit submittal.
- Engineer's Opinion of Probable Construction Cost AACE Class 1 (electronic.pdf)

TASK 2.5.2 90% DESIGN REVIEW WORKSHOP

Objective: Conduct a workshop with City staff to review the 90% Design Drawings, Engineers Estimate, Schedule and Construction Sequencing Plan. The meeting will use an online meeting platform such as Microsoft Teams or Webex and will include review of the discipline drawings, equipment list, OPCC, and schedule. City review comments will be tracked and collated within a shared BlueBeam studio session or other shared co-working space.

Deliverables:

- Review Workshop meeting agenda (final, electronic.pdf) and meeting minutes (draft and final, electronic.pdf)

TASK 2.6 PREPARE FINAL DESIGN SUBMITTAL

Objective: Incorporate City comments from the 90% design workshops and prepare final stamped Contract Documents for construction.

Deliverables:

- Final Design Submittal (size and format per General Assumptions). The Final Design Submittal will be electronically stamped.
- Engineer's Opinion of Probable Construction Cost AACE Class 5 (electronic.pdf)

TASK 2.7 DEQ PERMITTING AND COORDINATION

Objective: Support effluent permitting discussions and findings with the City, hydrogeologist, Engineer and DEQ. Two virtual (online) meetings with DEQ. Two virtual (online) meetings with the hydrogeologic sub and Engineer.

Deliverables:

- WPCF Permit follow-up and coordination
- Recycled Water Use Plan follow-up and coordination (draft submitted in 2023)
- Two virtual (online) meetings with DEQ
- Written comments on the draft Hydrogeological report
- Draft comments on the DEQ's applicant review permit

Assumptions:

- City submits any permitting applications and fees to DEQ.
- Engineer is not responsible for DEQ review schedule of draft permits.
- City is responsible for all water quality and influent/effluent sampling needed.
- Coordination and contracting with recycled water end users will be conducted by Others.

TASK 2.8 GOTECHNICAL ENGINEERING

Objective (Geotechnical): Complete field explorations and laboratory testing to characterize the subsurface conditions and provide recommendations to support design and construction of the new WWTP.

Deliverables:

- Complete a geotechnical investigation including three (3) borings up to about 60 ft at the water treatment plant, two (2) to three (3) borings up to about 15 ft completed in the proposed parking lot with infiltration testing, two (2) borings completed within the proposed new 1,500 ft roadway/sanitary sewer pipeline alignment to a maximum depth of approximately 45 ft, and complete approximately 10 Kessler DCP's for pavement design along the new 1,500 ft alignment.
- Complete index laboratory testing including moisture contents, Atterberg limits, and grain size analysis. More advanced testing such as consolidation, unconfined compression, etc will be considered as appropriate.
- Complete a site-specific seismic hazard assessment in accordance with guidelines outlined in the 2019 OSSC.

- Complete geotechnical design/evaluation to provide recommendations for up to three (3) conceptual level foundation types and design recommendations for a single selected foundation (foundation bearing resistance/strata, foundation sliding resistance, etc), slab support, permanent wall lateral earth pressures, passive pressure resistance, seismic site class, seismic response spectra, liquefaction potential, infiltration rates, temporary shoring lateral earth pressures, and pavement design (up to two sections).
- Provide guidance/recommendations regarding construction including excavation, structural fill, utility trench backfill, dewatering, subgrade preparation, construction staging, and
- Results of our analysis and geotechnical recommendations will be summarized in a geotechnical report. We anticipate submitting a draft geotechnical report with a single round of edits to develop the final stamped geotechnical report.

Assumptions:

- Estimated traffic for the new pavements will be provided including annual number and vehicle class. This information is available in the John Day Transportation Study (May 2021).
- Project includes the new WWTP and utilities/roadway between Station 18+00 of the southern pipeline alignment to approximately Station 01+00 of the northern pipeline alignment. Remaining portions of the pipeline and the two bores are out of scope.
- Access to the project property will be coordinated by others and will not require permits.
- Contaminated soils will not be encountered within the site explorations. If contaminated soils are encountered, Engineer will place the drilling crew on standby and contact the project manager for further direction. All costs associated with standby or disposal of contaminated soil are not included in the scope.
- All design will be in accordance with the 2019 OSSC and that seismic performance/resiliency in excess of what is outlined in the code will not be required for this project.

TASK 2.9 TELEMETRY AND SCADA CONTROLS ACS

Objective (Telemetry): Provide for design of a Master PLC system for messaging between individual OEM Skids, acquisition of peripheral non-skid components I/O, and plant SCADA within the scope of the WWTP system.

Deliverables:

- Design a Master PLC Panel, with complete shop drawings at an “Issued for Panel Construction” stage. This panel is expected to handle “handshake” communications/messaging between individual OEM Skids as well as providing those Skids with I/O from other stand-alone instrumentation within the plant. Drawings will be complete and ready for the awarded contractor to source components from the BOM and build.
- Provide the I/O portion of P&ID drawings as it pertains to the Control Scheme and SCADA System. Engineer or Engineer’s sub-contract will augment the Engineer’s drawings to add the necessary I/O and provide for integration considerations with CarefreeSCADA.
- Specify components to keep uniformity throughout Owner’s control systems, and for ease of integration with CarefreeSCADA.
- Design the infrastructure for the CarefreeSCADA system, including a “Local Failover” system to ensure continued data acquisition in the event of a comms loss to the plant and operational

awareness from a local perspective. CarefreeSCADA is a SAAS Product exclusive to Advanced Control Systems, LLC and will be implemented as part of the execution of the WWTP project.

TASK 2.10 SUBCONTRACTORS (SURVEY)

Objective (Survey): Provide horizontal and vertical survey support throughout the life of the contract. The primary goal for field survey is to provide detailed boundary and topographic survey for the regions within the project area.

Deliverables:

- CAD drawings that include survey data points, existing utilities and all necessary property boundaries to be used by the design team.

TASK 2.11 (OPTIONAL) ENGINEERING - DESIGN (SITE, ROADWAY AND UTILITIES)

Objective: To provide design services for all elements surrounding the new WWTP from site development to access and utilities. Task 2.11 is an option task. City may choose to contract with City's Engineer of Record to perform this work.

Deliverables:

- Design for this portion of the work will entail all access roads, utilities and requirements for the new WWTP up to the building footprint. It is anticipated that a new road extension will take place from the north end of Patterson Bridge and extending to the new WWTP approximately 1,500-feet in length that follow City street standards. A new waterline and extensions for phone/cable/power will also be installed during this time along with a new sewerline. The sewerline under this road section will be installed for the future connection to the WWTP as well.
- Site design will entail grading, paving, ADA crossing and parking where required by law. Stormwater will be designed to handle a 50-year event with all necessary connections and holding facilities as required by State of Oregon and City of John Day Development Codes.
- Consultant shall provide stamped drawings and specifications in PDF format to be used for bidding and construction services.

Assumptions:

- The design will only reflect work within the public ROW limits. Connections to private parcels will only entail new points of access and provide curb cuts and minor grading to re-connect the existing access point. Utilities will be re-connected to existing services as required within the project region.
- Design team is assuming water pressure is sufficient for the new facility. No studies are included within this scope of work.
- This task will require a 60% and 90% review by the City of John Day and regulatory agencies as necessary.
- Hard copy PDF's for plans and specifications.

TASK 3 ENGINEERING ADDITIONAL SERVICES

TASK 3.1 1200-C PERMITTING

Objective: Consultant shall provide support for DEQ permitting requirements and documentation prior to and during construction.

Deliverables:

- Data required for permit application forms as it relates to the design.
- Total Disturbed area for 1200-c
- Compliance requirements for effluent discharge permits.

Assumptions:

- Owner will be responsible for fees associated with all permits required for the project.

TASK 4 ENGINEERING – PRE-DEVELOPMENT

TASK 4.1 SERVICES DURING BID (SDB)

Objective: To provide support to the City of John Day for purposes of public procurement for construction of the project. The bidding process will entail two phases. Phase 1 will include procurement of the plant manufacturer. Phase 2 includes the procurement of a general contractor to construct the complete project, including installation of the package plant system procured in Phase 1.

Deliverables:

- Phase 1 services include bidding processes in order to select the proper plant manufacturer for the project. Consultant team will help evaluate potential bids for irregularities or assumptions made by the submitting manufacturer and present those findings to the City for review.
- Log of bid questions (electronic, excel and PDF).
- Two (2) addendums (electronic, pdf)

- Phase 2 services include bidding processes in order to select a general contractor to perform all construction services for the project. Consultant team will help evaluate potential bids for irregularities or assumptions made by the submitting contractors and present those findings to the City for review.
- Log of bid questions (electronic, excel and PDF).
- Two addendums (electronic, pdf)

Assumptions:

- The City of John Day will be the primary contact for bidding purposes and the Engineer will support the City as-needed throughout the process. It is assumed that one (1) on site pre-bid meeting will be held as part of this task on both Phase 1 and 2.
- Scoring Evaluation Based on Price.
- Evaluation of Bids for irregularities or mistakes.
- Technical Memo providing a summarized review for Phase 1 and 2 bids.

TASK 4.2 PRE-BID CONFERENCE

Objective: Design team will assist the City in arranging and conducting one pre-bid conference. In consultation with City, Engineer will provide assistance with development of the draft content for the pre-bid conference.

Deliverables:

- Pre-Bid Agenda (Electronic, pdf)
- Power Point slides for pre-bid conference (electronic, ppt)

Assumptions:

- Attendance on site for all consultant(s) with qualified staff to answer technical questions from the contractors.

TASK 4.3 BID EVALUATION

Objective: This task is an allowance to support City evaluation of bids. This includes developing a summary of bid items submitted including verifying completeness of submitted Bid Forms, reviewing bid amounts, contacting the Construction Contractors Board to review the apparent low bidders construction record, and contact the apparent low bidder's surety to verify bonding capacity of the apparent low bidder.

Deliverables:

- Summary of Bid Tabulations, (electronic excel and pdf)
- Recommendation of Award (electronic word and pdf)

Assumptions:

- Due diligence investigation is assumed to be for the apparent low bidder and second low bidder.

TASK 4.4 CONFORMED DOCUMENTS

Objective: Consultant team will incorporate addenda during bidding phase into the contract documents.

Deliverables:

- Two (2) full-size sets and five (5) half-size sets of conformed drawings; five sets of specifications.
- Two (2) USB flash drives with electronic files (PDF format).

TASK 5 ENGINEERING SERVICES DURING CONSTRUCTION

TASK 5.1 CONSTRUCTION ADMINISTRATION (CA)

Objective: Consultant team shall provide Construction Administration (CA) duties throughout the life of construction to support the City of John Day.

Deliverables:

- Review construction material submittals for approval, denial or resubmittal as necessary.
- Review monthly pay applications.

- Provide support for construction activities to the Contractor and City of John Day for Value Engineering.
- Support the City of John Day for any contractor submittals for Change Orders, Force Account or other contractual support throughout the construction timeline.
- As-built drawings at the conclusion of the project via pdf on a digital storage device and hard copy of plans.

Assumptions:

- Consultant team will provide formal documentation for any activity throughout construction with official notifications to the Contractor and City of John Day.

TASK 5.2 ENGINEERING - INSPECTIONS

Objective: Engineer shall provide inspection services for the life of the contract. The resident inspector shall provide detailed notes for daily observation, photographs and copies for all tests completed on site. Resident inspector will also coordinate with the Engineer for any questions that arise during construction in order to validate all quality control aspects. Because USDA will require daily inspections, the City would prefer to find someone local to inspect the project.

Deliverables:

- Daily Inspection Logs
- Material Review for Quality Assurance
- Quantity tracking for onsite and installed products
- Review of Monthly invoicing from the Contractor

Assumptions:

- Inspection Logs will be stored on Engineer’s Dropbox account and viewable at any time by City personnel.
- Inspection Logs will be uploaded at the end of each week to the Dropbox or co-working space account.
- Resident inspector is on site to document construction and will not provide specific direction to the contractor.

TASK 5.3 INITIAL OPERATIONS AND MANAGEMENT (START-UP)

Objective: Engineer shall arrange a date at the conclusion of construction for a final punchlist walk-thru and start-up of the facility. An Operations and Maintenance Manual binder for the facility will be provided to the owner at the conclusion of this task.

Deliverables:

- Written report noting any deficiencies and remaining items to be corrected prior to project close-out.
- O&M Manual

Assumptions:

- The anticipated start-up is anticipated to be two (2) days on site and a total of one month overall to finalize punchlist items.

TASK 5.4 CONTINGENCIES (ADDITIONAL MEETINGS OR EFFORT WITH DEQ)

Objective: This task is a placeholder for work provided as-needed for DEQ compliance not already covered in the scope of work. Items such as meetings with Hydrogeologists or coordination efforts with USDA or other funding agencies will be included here.

Deliverables:

- Attendance at meetings and written correspondence for any decisions that affect the scope of work for the project.

Assumptions:

- Work under this task is only completed as directed by the Owner

CITY OF JOHN DAY – COMMERCIAL LEASE

This City of John Day – Commercial Lease (this “Lease”) is dated [REDACTED], 2024, but made effective for all purposes as of [REDACTED] (the “Effective Date”), and is entered into between City of John Day (“Landlord”), an Oregon municipal corporation, whose address is 450 East Main Street, John Day, Oregon 97845, and Grant County Cybermill (“Tenant”), an Oregon nonprofit corporation, whose address is PO Box 174, John Day, Oregon 97845.

RECITAL:

Landlord is the owner of a certain commercial building consisting of approximately 1,050 square feet commonly known as 300 Barnes Avenue, Seneca, Oregon 97873 (the “Building”). The Building is constructed on certain Landlord-owned real property consisting of approximately [REDACTED] square feet more particularly described and/or depicted on the attached Exhibit A (the “Property”). Subject to the terms and conditions contained in this Lease, Landlord leases to Tenant and Tenant leases from Landlord, for purposes of operating the Business (as defined below), approximately 963 square feet of space located within the Building (the “Premises”), which space includes the entire Building less a portion of the information technology server room used by Landlord and Rally Networks,¹ Landlord’s other tenant, for telecommunications infrastructure, as depicted on the attached Exhibit B.

AGREEMENT:

NOW, THEREFORE, in consideration of the parties’ mutual obligations contained in this Lease, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties do hereby agree as follows:

1. OCCUPANCY.

1.1 Lease Term. The term of this Lease and Tenant’s obligation to pay Rent (as defined below) commenced on the Effective Date and will continue, subject to the terms and conditions provided in this Lease, until [REDACTED], 2025 (the “Initial Term”), unless sooner terminated or extended as provided in this Lease. For purposes of this Lease, the term “Lease Term” means the Initial Term and any extensions or renewals thereof.

1.2 **Due Diligence; Building Condition AS-IS. Tenant inspected the Premises before the Effective Date. Tenant represents and warrants that Tenant has entered into this Lease on the basis of its own examination and personal knowledge of the Building (including, without limitation, the physical condition of the Premises). Tenant has had the opportunity to ask questions and receive answers concerning the Premises and this Lease. Tenant has obtained all the information Tenant desires in connection with the Premises and this Lease. Tenant knowingly and unconditionally accepts the Premises in its AS IS, WITH ALL FAULTS condition as of the Effective Date. Landlord has made no promise or agreement to repair, alter, construct, and/or improve the Building, or any part thereof. Landlord makes no representations or warranties, whether express or implied, including, without limitation, warranties of habitability, merchantability, and/or fitness for a particular purpose, or any warranties regarding consumer products as defined in the Magnusson-Moss Warranty Act or the Uniform Commercial Code, with respect to the Building.**

Tenant’s Initials: _____

1.3 Tenant’s Financial Capability; Authority. Tenant represents and warrants to Landlord that Tenant has sufficient assets and net worth to ensure Tenant’s performance of this Lease and the payment of its obligations under this Lease as and when they become due. Tenant will permit Landlord and Landlord’s Agents (as defined below) to inspect and copy any of Tenant’s books, accounts, records, and financial statements that Landlord may request upon the occurrence of any Event of Default. Tenant represents and warrants that Tenant’s books, accounts, records, and financial statements will (a) fairly present the financial condition of Tenant as of the dates and periods specified, (b) be prepared in accordance with sound accounting practices (e.g., generally accepted accounting practices), (c) reflect the consistent application of sound accounting practices throughout the periods involved, (d) represent actual, bona fide transactions, and (e) be maintained in accordance with sound business practices, including, without limitation, the maintenance of an adequate system of internal accounting control.

¹ Rally Networks is an assumed business name of, collectively, North-State Telephone Co, an Oregon corporation, Oregon Telephone Corporation, an Oregon corporation, Pine Telephone System, Inc., an Oregon corporation, Helix Telephone Co., an Oregon corporation, and Home Telephone Company, an Oregon corporation.

1.5 Parking. Except as otherwise restricted or limited by Landlord from time to time, Tenant has a nonexclusive license during the Lease Term to use the Building's parking area (the "Parking Area") for the benefit of Tenant and Tenant's Agents (as defined below) in accordance with the terms and conditions of this Lease. Landlord will not be liable for any damage or destruction of any nature to, or any theft of, vehicles, or contents therein, in or about the Parking Area. Overnight parking in the Parking Area is prohibited and any vehicle violating this restriction is subject to removal at the owner's expense. Notwithstanding anything contained in this Lease to the contrary, Landlord will have the right to implement any reasonable parking restrictions (including, without limitation, assigning parking spaces to tenants and/or restricting parking in close proximity to the Building either for customer-only parking or for limited-duration parking) at any time upon thirty (30) days' prior written notice to Tenant, which parking restrictions will be binding on Tenant and Tenant's Agents.

2. RENT.

2.1 Base Rent; Additional Rent. During the Lease Term, Tenant will pay Landlord guaranteed monthly rent, without offset, in the amount of \$ ____ ("Base Rent"). All taxes, insurance costs, utility charges (e.g., electricity, gas, telephone, etc.), and all other sums Tenant is required to pay Landlord or any third-party will be deemed "Additional Rent." For purposes of this Lease, "Rent" means both Base Rent and Additional Rent.

2.2 Payment. Tenant's first payment of Rent is due and payable to Landlord upon execution of this Lease and such Rent will include any Rent accrued since the Effective Date. All other payments of Rent will be due and payable in advance on or before the first day of each subsequent month. Rent for any period that is for less than one full month will be prorated on a per diem basis. Payments will be made to Landlord, in U.S. dollars, at the address first provided above, or such place as Landlord may from time to time designate in writing. Tenant has the option to prepay Base Rent.

2.3 Late Fees; Other Charges. If Rent (or other payment due from Tenant) is not received by Landlord within ten (10) days after it is due, Tenant will pay a late fee equal to five percent (5%) of the payment or \$100.00, whichever is greater (a "Late Fee"). In addition, a charge of one percent (1.0%) per month on the amount past due (a "Late Charge") will be charged beginning ten (10) days after the due date for such payment until the past due amount is paid in full. Landlord may levy and collect a Late Fee and/or a Late Charge in addition to all other remedies available for Tenant's failure to pay Rent (or other payment due from Tenant).

2.4 Security Deposit; Late Fees; Charges. Upon execution of this Lease, Tenant will deposit with Landlord the sum of \$120.00 as security for Tenant's timely payment of Rent and full and faithful performance of each Tenant obligation under this Lease (the "Security Deposit"), plus first month's rent of _____. Landlord will have the right to offset against the Security Deposit any sums owing from Tenant to Landlord not paid when due, any damages caused by Tenant's default, the cost of curing any default by Tenant should Landlord elect to do so, and/or the cost of performing any repair and/or maintenance that is Tenant's obligation under this Lease. Offset against the Security Deposit will not be Landlord's exclusive remedy but may be invoked by Landlord, at Landlord's option, in addition to any other remedy provided by law or this Lease for Tenant's breach or nonperformance of any term or condition contained in this Lease. Landlord will give written notice to Tenant each time an offset is claimed against the Security Deposit and, unless this Lease is terminated, Tenant will, within ten (10) days following Tenant's receipt of such notice, deposit with Landlord a sum equal to the amount of the offset so that the balance of the Security Deposit, net of offset, will remain constant throughout the term of this Lease.

3. USE OF PREMISES

3.1 Permitted Use. Tenant will use the Premises for the purpose of operating a coworking space and providing internet access to customers utilizing the coworking space (the "Business") and for no other purpose without Landlord's prior written consent. Landlord and Landlord's Agents have not made any representations and/or warranties, whether expressed or implied, concerning the permitted use that may be made of the Premises under any Laws (as defined below), including, without limitation, the present general plan of the city or county in which the Building is located, zoning ordinances, and any other existing or future restrictions that pertain to the Building. Tenant will pay any and all system development charges that may result from Tenant's use and/or occupancy of the Premises. Tenant's agreement to use the Premises only for the operation of the Business is a material inducement for Landlord's execution of this Lease.

3.2 Restrictions on Use. In connection with Tenant's use of the Premises, Tenant will:

(a) Conform and comply with any and all Laws. Tenant will correct, at Tenant's own expense, any failure of compliance created through Tenant's fault or by reason of Tenant's use of the Premises. Tenant has had an opportunity to review and has reviewed all Laws directly or indirectly pertaining to or concerning Tenant's operation of the Business and/or the condition, use, and occupancy of the Premises. For purposes of this Lease, the term "Law(s)" means all

leases, covenants, conditions, restrictions, easements, declarations, laws, statutes, restrictions, liens, ordinances, orders, codes, rules, and regulations directly or indirectly affecting the Building, Premises, Tenant, and/or the Business, including, without limitation, the Americans with Disabilities Act of 1990 (and the rules and regulations promulgated thereunder), and the Environmental Laws (as defined below), all as now in force and/or which may hereafter be amended, modified, enacted, and/or promulgated.

(b) Refrain from any activity which would make it impossible to insure the Building against casualty, would increase the insurance rate, or would prevent Landlord from taking advantage of any ruling of the Oregon Insurance Rating Bureau (or its successor) allowing Landlord to obtain reduced premium rates for long-term fire insurance policies, unless Tenant pays the additional costs of the insurance. Refrain from any use and/or activity which would be reasonably offensive to Landlord, other tenants of the Building, and/or neighboring property, or which would tend to create a nuisance or damage the reputation of the Building and/or Landlord.

(c) Refrain from making any marks on or attaching any sign, insignia, antenna, aerial, or other device to the exterior or interior walls, windows, or roof of the Building without the prior written consent of Landlord. Refrain from causing or permitting any Hazardous Substances (as defined below) to be spilled, leaked, disposed of, or otherwise released on or under the Building. For purposes of this Lease, the term "Environmental Law(s)" means any federal, state, or local statute, regulation, or ordinance, or any judicial or other governmental order pertaining to the protection of health, safety, or the environment; the term "Hazardous Substance(s)" means any hazardous, toxic, infectious, or radioactive substance, waste, or material as defined or listed by any Environmental Law, and will include petroleum oil and its fractions.

(d) Tenant will comply with all Building rules and regulations (the "Rules and Regulations") Landlord may adopt from time to time and will not perform any act or carry on any practice prohibited by the Rules and Regulations. Tenant acknowledges and agrees that Landlord is permitted to adopt new rules and regulations or amend the Rules and Regulations from time to time as Landlord determines necessary or appropriate.

4. REPAIRS; MAINTENANCE

4.1 Landlord and Tenant Repairs and Maintenance.

4.1.1 Subject to the terms and conditions contained in this Lease, Landlord will perform, at Landlord's cost and expense, the following Premises repairs and maintenance: (a) repair and maintenance of the roof and gutters, exterior walls (including painting), bearing walls, structural members, floor slabs, elevators, and foundation; (b) repair and maintenance of the water, sewage, gas, and electrical services; (c) repair and maintenance of the plumbing system, electrical system, and HVAC system (other than ordinary maintenance); (d) repair and maintenance of the boilers, lighting facilities, fired or unfired pressure vessels, fire hose connections, fire sprinkler and/or stand pipe and hose, or other automatic fire extinguishing system, including fire alarm and/or smoke detection systems and equipment; and (e) snow and ice removal, solid waste service, and landscaping. Except as otherwise expressly provided under this Section 4.1.1, Landlord has no obligation to make or perform any repairs, maintenance, replacements, alterations, and/or improvements concerning or related to the Premises and/or the Building.

4.1.2 Tenant will repair and maintain, at Tenant's cost and expense, the Premises (including all interior and exterior glass) in good order and repair, broom clean condition, and will preserve the Premises, normal wear and tear excepted, and will not commit nor permit waste. To this end, Tenant will have the following non-exclusive repair and maintenance obligations, which Tenant will complete at Tenant's sole cost and expense: (a) repair and maintain all interior walls, ceilings, doors, windows, and related hardware, light fixtures, and switches from the point of entry to the Premises; (b) any repairs or maintenance necessitated by the negligence of Tenant and/or Tenant's Agents; (c) any repairs or alterations required under Tenant's obligation to comply with the Laws; and (d) all other repairs, alterations, or maintenance obligations to the Premises which Landlord is not expressly required to make under this Lease.

4.2 Reimbursement. If Tenant fails or refuses to complete any repair or perform any maintenance that is required under this Lease, Landlord may make the repair or perform the maintenance and charge the actual costs of repair or maintenance to Tenant. Tenant will reimburse Landlord's expenditures on demand, together with interest at the rate of twelve percent (12%) per annum from the date of expenditure. Except in an emergency creating an immediate risk of personal injury or property damage, Landlord will not perform any repairs or maintenance which are the obligation of Tenant (and charge the Tenant for the resulting expense) unless, at least ten (10) days before work is commenced, Landlord provides Tenant written notice outlining with reasonable particularity the repair or maintenance required and Tenant fails within that time to satisfactorily complete such repair or maintenance.

4.3 Inspection. Except in the case of an emergency, upon twenty-four (24) hours' prior notice to Tenant, Landlord will have the right to enter and inspect the Building to determine the necessity of repair and/or the condition of the Building. Whether or not such inspection is made, the duty of Landlord to make repairs will not mature until a reasonable time after Landlord has received from Tenant written notice of the required repairs.

5. ALTERATIONS; SIGNAGE

5.1 Alterations Prohibited. Tenant will make no additions, improvements, modifications, and/or alterations in or to the Premises of any kind or nature whatsoever, including, without limitation, the installation of any improvements, fixtures, and/or other devices on the walls, ceiling, or floor of the Premises and/or the installation of computer and telecommunications wiring, cables, and conduit (collectively, "Alterations"), without first obtaining Landlord's written consent. Alterations approved by Landlord will be made in a good and workmanlike manner, in compliance with applicable Laws, and at Tenant's cost and expense.

5.2 Signage. Tenant will not be permitted to erect or maintain any signage on or at the Building unless first obtaining Landlord's consent (and such signage will be at Tenant's cost and expense). Signage installed by Tenant will be removed by Tenant, at Tenant's cost and expense, upon the termination of this Lease and the sign location restored to its former state unless Landlord elects to retain all or any portion of the signage. Landlord reserves the right to adopt and/or amend signage criteria for the Building from time to time, and Tenant agrees to be bound by such signage criteria.

6. INSURANCE

6.1 Insurance Required. Landlord will keep the Building insured against fire and other risks covered under a standard fire insurance policy with an endorsement for extended coverage. Tenant will maintain, at Tenant's cost and expense, a policy of fire, extended coverage, vandalism, and malicious mischief insurance insuring the personal property, furniture, furnishings, and fixtures belonging to Tenant located in or on the Building.

6.2 Liability Insurance. Tenant will procure, and thereafter will continue to carry, comprehensive general liability insurance (occurrence version) with a responsible company against personal injury claims arising directly or indirectly out of Tenant's activities on, or any condition of, the Premises, whether or not related to an occurrence caused, or contributed to, by Landlord's negligence, and will insure the performance by Tenant of Tenant's indemnification obligations under this Lease. Landlord (and its officials, officers, and employees) will be named as an additional insured on Tenant's liability insurance policy. Tenant's liability insurance will provide that it is primary insurance and that insurance, if any, maintained by Landlord is excess and noncontributing. Tenant's liability insurance required to be carried pursuant to this Section 6.2 will have a general aggregate limit of not less than \$2,000,000.00 and a per occurrence limit of not less than \$1,000,000.00. The insurance Tenant is required to carry pursuant to this Section 6.2 may not be modified or cancelled without first providing Landlord thirty (30) days' prior written notice of such change or cancellation.

6.3 Waiver of Subrogation. Notwithstanding anything contained in this Lease to the contrary, Landlord and Tenant release each other from any claims and demands of whatever nature for damage, loss, or injury to the Building (including, without limitation, the Premises), or to the other's property in, on, or about the Building or the Building that are caused by or result from risks or perils insured against under any property insurance policies required by this Lease to be carried by Landlord and/or Tenant, and in force at the time of any such damage, loss, or injury. Tenant and Landlord covenant that, to the fullest extent permitted by law and by their respective insurers, no insurer will hold any right of subrogation against the other. Tenant will advise its insurers of the foregoing and request such waiver be permitted under any property insurance policy maintained by Tenant pursuant to Section 6.1, above.

6.4 Tenant's Indemnification. Tenant will defend, indemnify, and hold Landlord and Landlord's officers, employees, agents, contractors, representatives, affiliates, subsidiaries, and sureties (collectively, "Landlord's Agents") harmless for, from, and against all claims, damages, costs, expenses, fines, losses, and/or liabilities of any kind, including, without limitation, attorney fees and costs, arising out of or related to, whether directly or indirectly, the following: (a) Tenant's and/or Tenant's directors, officers, employees, affiliates, subsidiaries, sureties, agents, contractors, volunteers, materialmen, invitees, and representatives (collectively, "Tenant's Agents") construction of any Alterations, including, without limitation, any damage to the Building and/or any injury, death, and/or damage occurring in conjunction with Tenant's and/or Tenant's Agents construction of the Alterations; (b) the use, storage, treatment, transportation, presence, release, and/or disposal of any Hazardous Substances in, on, under, and/or about the Building; (c) any activity of Tenant and/or Tenant's Agents on or at the Building; (d) any condition of the Building in the possession and/or under the control of Tenant and/or Tenant's Agents; and/or (e) Tenant's breach and/or failure to perform any Tenant obligation, covenant, representation, and/or warranty under this

Lease. Landlord will have no liability to Tenant for any loss or damage caused by any third-party or by any condition of the Building.

7. TAXES; UTILITIES.

Tenant will pay before delinquency all taxes upon Tenant's personal property located on and/or in the Premises. Tenant will pay all real property taxes and special assessments levied against the Building allocatable to the Premises, if any. Tenant will pay when due all charges, costs, and expenses concerning Tenant's use, occupancy, operation, and/or maintenance of the Premises, including, without limitation, telephone, internet, and all other utilities and services concerning the Premises.

8. LIENS; QUIET ENJOYMENT; ASSIGNMENT

8.1 Liens. Except with respect to activities for which Landlord is responsible, Tenant will pay as and when due all claims for work done on and for services rendered or material furnished to the Building and will keep the Building free from any and all liens. If Tenant fails to pay any such claims or to discharge any lien, Landlord may do so and collect the costs as Rent. Any amount so added will bear interest at the rate of twelve percent (12%) per annum from the date expended by Landlord and will be payable on demand. Landlord's payment of Tenant's claims or discharge of any Tenant lien will not constitute a waiver of any other right or remedy which Landlord may have on account of Tenant's default. If a lien is filed as a result of nonpayment, Tenant will, within ten (10) days after knowledge of the filing, secure the discharge of the lien or deposit with Landlord cash or sufficient corporate surety bond or other surety satisfactory to Landlord in an amount sufficient to discharge the lien plus any costs, attorney fees, and other charges that could accrue as a result of a foreclosure or sale under the lien.

8.2 Estoppel Certificate; Assignment. Tenant will, within twenty (20) days after notice from Landlord, execute and deliver to Landlord a certificate stating whether or not this Lease has been modified and is in full force and effect, and specifying any modifications or alleged breaches by Landlord. The certificate will state the amount of Rent, the dates to which Rent has been paid in advance, and the amount of any prepaid Rent. Failure to deliver the certificate within the specified time will be conclusive upon Tenant that the Lease is in full force and effect and has not been modified except as represented in the notice requesting the certificate. Tenant will not sell, assign, mortgage, sublet, lien, convey, encumber, and/or otherwise transfer (whether directly, indirectly, voluntarily, involuntarily, or by operation of law) all or any part of Tenant's interest in this Lease and/or in the Premises without Landlord's prior written consent.

9. DEFAULT; REMEDIES

9.1 Default. The occurrence of any of the following events constitutes a default by Tenant under this Lease (each an "Event of Default"): (a) Tenant's failure to pay Rent or any other charge, cost, and/or expense by the applicable due date; (b) Tenant's breach and/or failure to perform any Tenant obligation under this Lease (other than the payment of Rent or other charge, cost, or expense under Section 9.1(a)) within ten (10) days after written notice by Landlord specifying the nature of the default; (c) Tenant becomes insolvent within the meaning of the United States Bankruptcy Code, as amended from time to time; and/or (d) Tenant's failure for ten (10) days or more to occupy the Premises for the purpose permitted under this Lease.

9.2 Termination. Upon the happening of an Event of Default, this Lease may be terminated at the option of Landlord by notice to Tenant. If this Lease is not terminated by Landlord, Landlord will be entitled to recover damages from Tenant for the default. If this Lease is terminated by Landlord, Tenant's liability to Landlord for damages will survive such termination, and Landlord may reenter, take possession of the Premises, and remove any persons or property by legal action or by self-help with the use of reasonable force and without liability for damages.

9.3 Reletting. Following reentry or abandonment, Landlord may relet the Premises, and in that connection may make any suitable alterations or refurbish the Premises (or both), or change the character or use of the Premises, but Landlord will not be required to relet the Premises for any use or purpose which Landlord may reasonably consider injurious to the Building, or to any tenant which Landlord may reasonably consider objectionable. Landlord may relet all or part of the Premises, alone or in conjunction with other portions of the Building and/or other properties, for a term longer or shorter than the term of this Lease, upon any reasonable terms and conditions, including the granting of some rent-free occupancy or other rent concession.

9.4 Damages. Upon an Event of Default, Landlord will be entitled to recover immediately, without waiting until the due date of any future Rent or until the date fixed for expiration of this Lease, and in addition to any other damages recoverable by Landlord, the following amounts as damages: (a) the loss of reasonable rental value from the date of default

until a new tenant has been, or with the exercise of reasonable efforts could have been, secured; (b) reasonable costs of reentry and reletting including, without limitation, the cost of any clean-up, refurbishing, removal of Tenant's property and fixtures, or any other expense occasioned by Tenant's failure to quit the Premises upon termination and to leave the Premises in the required condition, including, without limitation, any remodeling costs, attorney fees, court costs, broker commissions, and advertising costs; and (c) the fair market rental rate for the Premises, and all of Tenant's other obligations under this Lease, over the reasonable expected return from the Premises for the period commencing on the earlier of the date of trial or the date the Premises is relet and continuing through the end of the Lease Term. The present value of future amounts will be computed using a discount rate equal to the prime loan rate of major Oregon banks in effect on the date of trial.

9.5 Right to Sue More Than Once. Landlord may sue periodically to recover damages during the period corresponding to the remainder of the Lease Term, and no action for damages will bar a later action for damages subsequently accruing. The foregoing remedies will be in addition to and will not exclude any other remedy available to Landlord under applicable law. If Tenant fails to perform any obligation under this Lease, Landlord will have the option to do so after ten (10) days' written notice to Tenant specifying the nature of the default. Landlord's performance of any Tenant obligation under this Lease will not waive any other remedy available to Landlord. All of Landlord's expenditures to correct the default will be reimbursed by Tenant on demand with interest at the rate of twelve percent (12%) per annum from the date of expenditure by Landlord.

10. SURRENDER AT EXPIRATION

10.1 Condition of Premises. Upon the termination of this Lease, Tenant will deliver all keys to Landlord and will surrender to Landlord the Premises in good, broom-clean condition, reasonable wear and tear excepted, and in the Premises' condition as of the Effective Date. Alterations will, at Landlord's option, be removed by Tenant, at Tenant's cost and expense, and the Premises restored to its original condition as of the Effective Date unless Landlord specifically directs otherwise. All fixtures placed upon the Premises during this Lease, other than Tenant's trade fixtures will, at Landlord's option, become the property of Landlord. If Landlord so elects, and unless the terms of permission for the alteration provide otherwise, Tenant will remove any or all fixtures which would otherwise remain the property of Landlord, and will repair any physical damage resulting from the removal. If Tenant fails to remove such fixtures, Landlord may do so and charge the cost to Tenant with interest at the rate of twelve percent (12%) per annum from the date of expenditure. Prior to the termination of this Lease, Tenant will remove all furnishings, furniture, equipment, and trade fixtures which remain its property. If Tenant fails to do so, this will constitute an abandonment of the property, and Landlord may retain the property and all rights of Tenant with respect to it will cease or, by notice in writing given to Tenant within ten (10) days after removal was required, Landlord may elect to hold Tenant to its obligation of removal. If Landlord elects to require Tenant to remove, Landlord may effect a removal and place the property in public storage for Tenant's account. Tenant will be liable to Landlord for the cost of removal, transportation to storage, and storage with interest at twelve percent (12%) per annum on all such expenses from the date of expenditure by Landlord.

10.2 Holdover. If Tenant does not vacate the Premises at the time required, Landlord will have the option to treat Tenant as a tenant from month-to-month, subject to all of the provisions of this Lease (except the provisions for term and renewal), except that Tenant's Base Rent will be equal to one hundred fifty percent (150%) of the Premises' then applicable fair market rental rate. Failure of Tenant to remove Alterations, fixtures, furniture, furnishings, and/or trade fixtures which Tenant is required to remove under this Lease will constitute a failure to vacate to which this Section 10.2 will apply if the property not removed interferes with the occupancy of the Premises by another tenant or with the occupancy by Landlord for any purpose, including preparation for a new tenant. If a month-to-month tenancy results from a holdover by Tenant under this Section 10.2, the tenancy will be terminable at the end of any monthly rental period on written notice from Landlord given not less than ten (10) days prior to the termination date which will be specified in the notice. Tenant waives any notice which would otherwise be provided by law with respect to a month-to-month tenancy.

11. MISCELLANEOUS.

11.1 Waiver; Succession. Waiver by either party of strict performance of any provision of this Lease will not be a waiver of or prejudice the party's right to require strict performance of the same provision in the future or of any other provision. Subject to the above-stated limitations concerning the transfer and assignment of this Lease under Section 8.2, this Lease will be binding upon and inure to the benefit of the parties, their respective successors and assigns. The termination of this Lease, regardless of how it occurs, will not relieve a party of any obligations that have accrued before the termination, including, without limitation, Tenant's indemnification obligations under Section 6.4.

11.2 Attorney Fees. If an Event of Default under this Lease occurs, Tenant will pay to Landlord, within ten (10) days after Landlord's demand, any and all attorney fees and costs incurred by Landlord in attempting to enforce the terms of

this Lease. If any arbitration or litigation is instituted to interpret, enforce, or rescind this Lease, including, without limitation, any proceeding brought under the United States Bankruptcy Code, the prevailing party on a claim will be entitled to recover with respect to the claim, in addition to any other relief awarded, the prevailing party's reasonable attorney's fees and other fees, costs, and expenses of every kind, including, without limitation, the costs and disbursements specified in ORCP 68 A(2), incurred in connection with the arbitration, the litigation, any appeal or petition for review, the collection of any award, or the enforcement of any order, as determined by the arbitrator or court. All notices or other communications required or permitted by this Lease must be in writing, must be delivered to the parties at the addresses set forth above, or at any other address that a party may designate by notice to the other parties, and will be considered delivered upon actual receipt if delivered personally or by fax or an overnight delivery service, or at the end of the third (3rd) business day after the date deposited in the United States mail, postage pre-paid, certified, return receipt requested. This Lease (or any memorandum of this Lease) will not be recorded.

11.3 Entry for Inspection; Interest. Except in the case of an emergency, upon twenty-four (24) hours' prior written notice, Landlord will have the right to enter upon the Building to determine Tenant's compliance with this Lease, to make necessary repairs to the Building, or to show the Building to any prospective tenant or purchaser. In addition, Landlord will have the right, at any time during the last six months of the term of this Lease, to place and maintain upon the Building notices for leasing or selling of the Building or any portion thereof. Except as otherwise provided in this Lease, any Rent or other payment required to be paid by Tenant under this Lease will, if not paid within ten (10) days after it is due, bear interest at the rate of twelve percent (12%) per annum from the due date until paid.

11.4 Severability; Further Assurances; Governing Law. If a provision of this Lease is determined to be unenforceable in any respect, the enforceability of the provision in any other respect, and of the remaining provisions of this Lease, will not be impaired. The parties will sign such other documents and take such other actions as are reasonably necessary to further effect and evidence this Lease. This Lease is governed by the laws of the State of Oregon, without giving effect to any conflict-of-law principle that would result in the laws of any other jurisdiction governing the Lease. If any dispute arises regarding this Lease, the parties agree that the sole and exclusive venue for resolution of such dispute will be in Grant County, Oregon. All parties submit to the jurisdiction of courts located in Grant County, Oregon for any such disputes.

11.5 Discretion; Entire Agreement; Signatures. When a party is exercising any consent, approval, determination, or similar discretionary action under this Lease, the standard will be the party's commercially reasonable discretion and such discretion will not be unreasonably withheld, conditioned, or delayed. This Lease contains the entire understanding of the parties regarding the subject matter of this Lease and supersedes all prior and contemporaneous negotiations and agreements, whether written or oral, between the parties with respect to the subject matter of this Lease. This Lease may be signed in counterparts. A fax transmission of a signature page will be considered an original signature page. At the request of a party, a party will confirm a fax-transmitted signature page by delivering an original signature page to the requesting party.

11.6 Attorneys; Time. The parties agree and acknowledge that the law firm of Bryant, Lovlien & Jarvis, P.C. has served as legal counsel to Landlord in the preparation of this Lease, and does not represent any other party in connection with this Lease. Tenant agrees and acknowledges that Tenant has consulted with Tenant's own legal counsel or has knowingly waived Tenant's 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 Lease. If the date for performance of an obligation or delivery of any notice hereunder falls on a day other than a business day, the date for such performance or delivery of such notice will be postponed until the next ensuing business day. For purposes of this Lease, a "business day" will mean a normal working day (i.e., Monday through Friday of each calendar week, exclusive of federal and state holidays and one day following each of Thanksgiving, Christmas, and New Year's).

11.7 Landlord Default. No act or omission of Landlord will be considered a default under this Lease until Landlord has received thirty (30) days' prior written notice from Tenant specifying the nature of the default with reasonable particularity. Commencing from Landlord's receipt of such default notice, Landlord will have thirty (30) days to cure or remedy the default before Landlord will be deemed in default of this Lease; provided, however, that if the default is of such a nature that it cannot be completely remedied or cured within the thirty-day cure period, there will not be a default by Landlord under this Lease if Landlord begins correction of the default within the thirty-day cure period and thereafter proceeds with reasonable diligence to effect the remedy as soon as practical.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned have caused this Lease to be executed on the date first written above but made effective for all purposes as of the Effective Date.

LANDLORD:
City of John Day,
an Oregon municipal corporation

TENANT:
Grant County Cybermill,
an Oregon nonprofit corporation

By: Melissa Bethel, City Manager

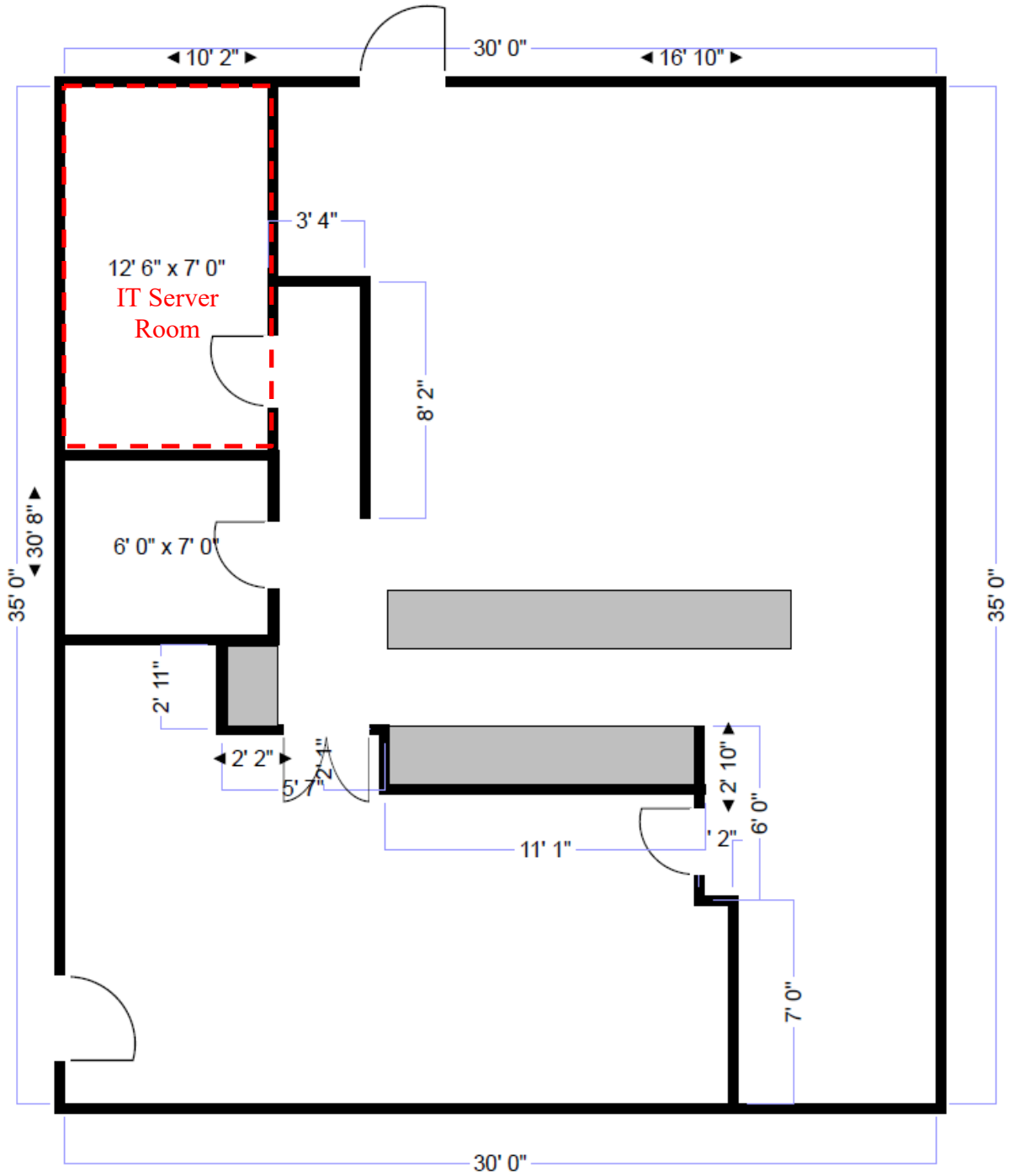
By: Didgette McCracken, President

DRAFT

Exhibit A
Legal Description/Building

(attached)

Exhibit B
Depiction of the Premises



Progress Estimate - Lump Sum Work

Contractor's Application

For (Contract)		East 7th Street Project		Application Number: Final		Application Date: 11/22/2022	
Application Period		Start to End		Work Completed		Materials Presently Stored (not in C or D)	
Bid Item No.	Description	Scheduled Value (\$)	From Previous Application (C+D)	This Period	Total Completed and Stored to Date (C + D + E)	% (F/B)	Balance to Finish (B - F)
East 7th Street							
1	Mobilization	\$80,000.00		\$81,600.00	\$81,600.00	52.0%	(\$11,600.00)
2	Temporary Traffic Control (East 7th Street)	\$1,500.00		\$1,500.00	\$1,500.00	100.0%	(\$1,500.00)
3	Temporary Signage (East 7th Street)	\$2,500.00		\$2,500.00	\$2,500.00	100.0%	(\$2,500.00)
4	Erosion, Sediment & Pollution Control	\$2,500.00		\$1,300.00	\$1,300.00	52.0%	(\$1,300.00)
5	Clearing and Grubbing	\$4,000.00		\$2,000.00	\$2,000.00	50.0%	(\$2,000.00)
				\$48,900.00	\$48,900.00		
City Utilities							
1	Mobilization (City Utilities Portion) 14%			\$11,200.00	\$11,200.00	14.0%	(\$11,200.00)
4	EC & PC (City Utilities Portion) 14%			\$350.00	\$350.00	14.0%	(\$350.00)
				\$11,550.00	\$11,550.00		
Parking Lot Improvements							
1	Mobilization (Parking Lot) 34%			\$27,200.00	\$27,200.00	34.0%	(\$27,200.00)
4	EC & PC (Parking Lot) 34%			\$850.00	\$850.00	34.0%	(\$850.00)
5	Clearing and Grubbing (Parking Lot) 50%			\$2,000.00	\$2,000.00	50.0%	(\$2,000.00)
				\$30,050.00	\$30,050.00		
Totals		\$90,500.00		\$90,500.00	\$90,500.00		

Progress Estimate - Unit Price Work

Contractor's Application

For (Contract):		East 7th Street Project		Application Number:		Final							
Application Period:		Start to End		Application Date:		11/22/2022							
A				B		C		D		E		F	
Bid Item No	Item Description	Item Quantity	Contract Information		Estimated Quantity Installed	Value of Work Installed to Date	Materials Presently Stored (not in C)	Total Completed and Stored to Date (D + E)	% (F / B)	Balance to Finish (B - F)			
			Units	Unit Price							Total Value of Item (\$)		
Last 7th Street													
6	Saw-Cut AC	36	LF	\$31.00	\$1,068.00	36	\$108.00	\$108.00	100.0%				
7	AC Removal and Haul-off	808	SY	\$4.00	\$3,232.00	808	\$3,232.00	\$3,232.00	100.0%				
8	Excavation	267	CY	\$50.00	\$13,350.00	267	\$13,350.00	\$13,350.00	100.0%				
9	3/4"-6" Base Aggregate Crushed Rock	933	ton	\$75.00	\$69,975.00	933	\$69,975.00	\$69,975.00	100.0%				
10	Level 2, 1/2" Dense, JMAAC	326	ton	\$150.00	\$48,900.00	322	\$48,300.00	\$48,300.00	98.8%	\$600.00			
11	Standard Curb	971	LF	\$24.00	\$23,304.00	984	\$23,616.00	\$23,616.00	101.3%	-\$312.00			
12	Driveway Approach	370	SF	\$15.00	\$5,550.00	511	\$7,665.00	\$7,665.00	138.1%	-\$2,115.00			
13	12" Storm Drain Pipe	51	LF	\$40.00	\$2,040.00	47	\$1,880.00	\$1,880.00	92.2%	\$160.00			
22	Storm Catch Basin	2	EA	\$2,750.00	\$5,500.00	2	\$5,500.00	\$5,500.00	100.0%				
				East 7th Street Portion of Project Sub Total		\$173,626.00		\$173,626.00					
City Utilities													
14	10" Waterline	70	LF	\$75.00	\$5,250.00	68	\$5,100.00	\$5,100.00	97.1%	\$150.00			
15	8" Waterline	60	LF	\$80.00	\$4,800.00	57	\$4,560.00	\$4,560.00	95.0%	\$240.00			
16	10" Tee	1	Ton	\$2,000.00	\$2,000.00	1	\$2,000.00	\$2,000.00	100.0%				
17	10" Gate Valve	1	Ton	\$2,000.00	\$2,000.00	1	\$2,000.00	\$2,000.00	100.0%				
18	8" Gate Valve	1	Ton	\$2,000.00	\$2,000.00	1	\$2,000.00	\$2,000.00	100.0%				
19	8" Sanitary Sewer Line	364	EA	\$65.00	\$23,660.00	338	\$21,970.00	\$21,970.00	92.9%	\$1,690.00			
20	8" Sanitary Sewer Cleanout	1	EA	\$1,600.00	\$1,600.00	1	\$1,600.00	\$1,600.00	100.0%				
21	48" Sanitary Sewer Manhole	1	EA	\$4,500.00	\$4,500.00	1	\$4,500.00	\$4,500.00	100.0%				
				City Utilities Portion of Project Sub Total		\$43,730.00		\$43,730.00					
Parking Lot Improvements													
23	AC Removal and Haul-off	40	SY	\$12.00	\$480.00	40	\$480.00	\$480.00	100.0%				
24	Excavation	365	CY	\$50.00	\$18,250.00	365	\$18,250.00	\$18,250.00	100.0%				
25	3/4"-6" Base Aggregate Crushed Rock	402	ton	\$75.00	\$30,150.00	402	\$30,150.00	\$30,150.00	100.0%				
26	Level 2, 1/2" Dense, JMAAC	191	ton	\$150.00	\$28,650.00	126.16	\$18,924.00	\$18,924.00	66.1%	\$9,726.00			
27	ADA Storage	2	EA	\$350.00	\$700.00	2	\$700.00	\$700.00	100.0%				
28	ADA Ramp	1	EA	\$5,500.00	\$5,500.00	1	\$5,500.00	\$5,500.00	100.0%				
29	6" Concrete ADA Parking	660	SF	\$17.00	\$11,220.00	797	\$13,549.00	\$13,549.00	120.8%	-\$2,329.00			
30	4" Sidewalk	964	SF	\$12.00	\$11,568.00	970	\$11,640.00	\$11,640.00	100.6%	-\$72.00			
31	Standard Curb	276	LF	\$23.00	\$6,300.00	276	\$6,300.00	\$6,300.00	100.0%				
32	Parking Cub Stop	2	EA	\$250.00	\$500.00	2	\$500.00	\$500.00	100.0%				
				Parking Lot Portion of Project Sub Total		\$106,593.00		\$106,593.00					
Totals				\$331,687.00		\$323,949.00		\$323,949.00		97.7%		\$7,738.00	

City of John Day
Statement of Expenditures - Unposted Transactions Included In Report
From 1/1/2024 Through 1/31/2024

01 - General

		Current Period			Total Budget	Percent Budget
		Actual	Current Year Actual	Total Budget	Variance	Remaining
EXPENSES						
PERSONNEL SERVICES						
Administration	010	4,394.86	39,439.32	94,808.00	55,368.68	58%
Fire	050	3,337.48	27,655.67	44,028.00	16,372.33	37%
Total PERSONNEL SERVICES		7,732.34	67,094.99	138,836.00	71,741.01	52%
MATERIALS & SERVICES						
Administration	010	21,991.48	218,923.34	157,518.00	(61,405.34)	-39%
Fire	050	1,563.16	35,773.47	98,305.00	62,531.53	64%
Total MATERIALS & SERVICES		23,554.64	254,696.81	255,823.00	1,126.19	0%
CAPITAL OUTLAY						
Administration	010	0.00	2,348.80	32,200.00	29,851.20	93%
Fire	050	0.00	0.00	13,500.00	13,500.00	100%
Total CAPITAL OUTLAY		0.00	2,348.80	45,700.00	43,351.20	95%
INTERFUND TRANSFERS						
Administration	010	0.00	0.00	407,012.00	407,012.00	100%
Fire	050	0.00	0.00	67,992.00	67,992.00	100%
Total INTERFUND TRANSFERS		0.00	0.00	475,004.00	475,004.00	100%
CONTINGENCY						
Administration	010	0.00	0.00	22,470.00	22,470.00	100%
Total CONTINGENCY		0.00	0.00	22,470.00	22,470.00	100%
Total EXPENSES		<u>31,286.98</u>	<u>324,140.60</u>	<u>937,833.00</u>	<u>613,692.40</u>	65%

City of John Day
Statement of Expenditures - Unposted Transactions Included In Report
From 1/1/2024 Through 1/31/2024

02 - Water

		Current Period			Total Budget	Percent Budget
		Actual	Current Year Actual	Total Budget	Variance	Remaining
EXPENSES						
PERSONNEL SERVICES						
Administration	010	6,086.25	37,151.54	117,615.00	80,463.46	68%
Water	060	17,798.18	138,927.20	140,353.00	1,425.80	1%
Total PERSONNEL SERVICES		23,884.43	176,078.74	257,968.00	81,889.26	32%
MATERIALS & SERVICES						
Administration	010	83.88	9,640.24	64,450.00	54,809.76	85%
Water	060	14,534.69	71,612.96	228,660.00	157,047.04	69%
Total MATERIALS & SERVICES		14,618.57	81,253.20	293,110.00	211,856.80	72%
CAPITAL OUTLAY						
Water	060	0.00	23,239.97	292,290.00	269,050.03	92%
Total CAPITAL OUTLAY		0.00	23,239.97	292,290.00	269,050.03	92%
INTERFUND TRANSFERS						
Water	060	0.00	0.00	62,000.00	62,000.00	100%
Total INTERFUND TRANSFERS		0.00	0.00	62,000.00	62,000.00	100%
DEBT SERVICE						
Water	060	0.00	185,028.29	237,750.00	52,721.71	22%
Total DEBT SERVICE		0.00	185,028.29	237,750.00	52,721.71	22%
CONTINGENCY						
Water	060	0.00	0.00	726,466.00	726,466.00	100%
Total CONTINGENCY		0.00	0.00	726,466.00	726,466.00	100%
Total EXPENSES		<u>38,503.00</u>	<u>465,600.20</u>	<u>1,869,584.00</u>	<u>1,403,983.80</u>	75%

City of John Day
Statement of Expenditures - Unposted Transactions Included In Report
From 1/1/2024 Through 1/31/2024

03 - Sewer

		Current Period			Total Budget	Percent Budget
		Actual	Current Year Actual	Total Budget	Variance	Remaining
EXPENSES						
PERSONNEL SERVICES						
Administration	010	6,086.17	37,150.56	116,590.00	79,439.44	68%
Sewer	070	7,856.56	67,239.82	174,071.00	106,831.18	61%
Total PERSONNEL SERVICES		13,942.73	104,390.38	290,661.00	186,270.62	64%
MATERIALS & SERVICES						
Administration	010	20.40	9,391.86	57,800.00	48,408.14	84%
Sewer	070	1,192.49	19,518.78	111,743.00	92,224.22	83%
Total MATERIALS & SERVICES		1,212.89	28,910.64	169,543.00	140,632.36	83%
CAPITAL OUTLAY						
Sewer	070	0.00	0.00	273,000.00	273,000.00	100%
Project Construction	075	47,482.70	1,028,289.64	16,230,000.00	15,201,710.36	94%
Total CAPITAL OUTLAY		47,482.70	1,028,289.64	16,503,000.00	15,474,710.36	94%
INTERFUND TRANSFERS						
Sewer	070	0.00	0.00	381,428.00	381,428.00	100%
Total INTERFUND TRANSFERS		0.00	0.00	381,428.00	381,428.00	100%
DEBT SERVICE						
Sewer	070	0.00	65,009.94	106,300.00	41,290.06	39%
Total DEBT SERVICE		0.00	65,009.94	106,300.00	41,290.06	39%
CONTINGENCY						
Sewer	070	0.00	0.00	193,748.00	193,748.00	100%
Total CONTINGENCY		0.00	0.00	193,748.00	193,748.00	100%
Total EXPENSES		<u>62,638.32</u>	<u>1,226,600.60</u>	<u>17,644,680.00</u>	<u>16,418,079.40</u>	93%

City of John Day
Statement of Expenditures - Unposted Transactions Included In Report
From 1/1/2024 Through 1/31/2024

04 - Joint Sewer

		Current Period			Total Budget	Percent Budget
		Actual	Current Year Actual	Total Budget	Variance	Remaining
EXPENSES						
PERSONNEL SERVICES						
Administration	010	2,985.83	15,900.83	69,943.00	54,042.17	77%
Sewer	070	14,704.56	125,665.95	200,186.00	74,520.05	37%
Total PERSONNEL SERVICES		17,690.39	141,566.78	270,129.00	128,562.22	48%
MATERIALS & SERVICES						
Administration	010	108.20	2,345.84	24,350.00	22,004.16	90%
Sewer	070	10,082.64	52,790.89	130,200.00	77,409.11	59%
Total MATERIALS & SERVICES		10,190.84	55,136.73	154,550.00	99,413.27	64%
INTERFUND TRANSFERS						
Sewer	070	0.00	0.00	30,000.00	30,000.00	100%
Total INTERFUND TRANSFERS		0.00	0.00	30,000.00	30,000.00	100%
Total EXPENSES		<u>27,881.23</u>	<u>196,703.51</u>	<u>454,679.00</u>	<u>257,975.49</u>	<u>57%</u>

City of John Day
Statement of Expenditures - Unposted Transactions Included In Report
From 1/1/2024 Through 1/31/2024

06 - Street Fund

		Current Period			Total Budget	Percent Budget
		Actual	Current Year Actual	Total Budget	Variance	Remaining
EXPENSES						
PERSONNEL SERVICES						
Administration	010	3,840.81	20,112.30	79,312.00	59,199.70	75%
Streets	080	6,349.09	62,317.72	183,699.00	121,381.28	66%
Total PERSONNEL SERVICES		10,189.90	82,430.02	263,011.00	180,580.98	69%
MATERIALS & SERVICES						
Administration	010	0.00	12,337.15	31,550.00	19,212.85	61%
Streets	080	2,817.48	118,078.92	94,340.00	(23,738.92)	-25%
Integrated Park Sys	085	0.00	25,589.06	282,000.00	256,410.94	91%
Total MATERIALS & SERVICES		2,817.48	156,005.13	407,890.00	251,884.87	62%
CAPITAL OUTLAY						
Streets	080	3,967.50	94,206.09	463,100.00	368,893.91	80%
Total CAPITAL OUTLAY		3,967.50	94,206.09	463,100.00	368,893.91	80%
INTERFUND TRANSFERS						
Streets	080	0.00	0.00	40,000.00	40,000.00	100%
Total INTERFUND TRANSFERS		0.00	0.00	40,000.00	40,000.00	100%
Total EXPENSES		<u>16,974.88</u>	<u>332,641.24</u>	<u>1,174,001.00</u>	<u>841,359.76</u>	72%

City of John Day
Statement of Expenditures - Unposted Transactions Included In Report
From 1/1/2024 Through 1/31/2024

07 - IT Fund

		Current Period			Total Budget	Percent Budget
		Actual	Current Year Actual	Total Budget	Variance	Remaining
EXPENSES						
PERSONNEL SERVICES						
IT	112	156.13	2,151.56	6,975.00	4,823.44	69%
Total PERSONNEL SERVICES		156.13	2,151.56	6,975.00	4,823.44	69%
MATERIALS & SERVICES						
IT	112	0.00	7,070.52	19,556.00	12,485.48	64%
Seneca Cyber Mill	116	75.76	1,424.46	6,000.00	4,575.54	76%
Total MATERIALS & SERVICES		75.76	8,494.98	25,556.00	17,061.02	67%
CAPITAL OUTLAY						
IT	112	2,857.50	26,600.00	1,624,475.00	1,597,875.00	98%
John Day Cyber Mill	115	0.00	14,347.50	490,000.00	475,652.50	97%
Total CAPITAL OUTLAY		2,857.50	40,947.50	2,114,475.00	2,073,527.50	98%
Total EXPENSES		<u>3,089.39</u>	<u>51,594.04</u>	<u>2,147,006.00</u>	<u>2,095,411.96</u>	<u>98%</u>

City of John Day
Statement of Expenditures - Unposted Transactions Included In Report
From 1/1/2024 Through 1/31/2024

09 - Debt Service

		Current Period			Total Budget	Percent Budget
		Actual	Current Year Actual	Total Budget	Variance	Remaining
EXPENSES						
DEBT SERVICE						
Administration	010	0.00	5,076.40	56,500.00	51,423.60	91%
Total DEBT SERVICE		0.00	5,076.40	56,500.00	51,423.60	91%
CONTINGENCY						
Administration	010	0.00	0.00	30,097.00	30,097.00	100%
Total CONTINGENCY		0.00	0.00	30,097.00	30,097.00	100%
Total EXPENSES		<u>0.00</u>	<u>5,076.40</u>	<u>86,597.00</u>	<u>81,520.60</u>	<u>94%</u>

City of John Day
Statement of Expenditures - Unposted Transactions Included In Report
From 1/1/2024 Through 1/31/2024

10 - Community Development

		Current Period			Total Budget	Percent Budget
		Actual	Current Year Actual	Total Budget	Variance	Remaining
EXPENSES						
PERSONNEL SERVICES						
	Administration	010	1,656.32	8,814.98	42,871.00	34,056.02 79%
	Total PERSONNEL SERVICES		1,656.32	8,814.98	42,871.00	34,056.02 79%
MATERIALS & SERVICES						
	Administration	010	280.00	11,617.34	31,850.00	20,232.66 64%
	Agri Business	111	248.67	3,792.67	5,920.00	2,127.33 36%
	Total MATERIALS & SERVICES		528.67	15,410.01	37,770.00	22,359.99 59%
DEBT SERVICE						
	Agri Business	111	0.00	21,075.00	21,300.00	225.00 1%
	Total DEBT SERVICE		0.00	21,075.00	21,300.00	225.00 1%
CONTINGENCY						
	Agri Business	111	0.00	0.00	22,000.00	22,000.00 100%
	Total CONTINGENCY		0.00	0.00	22,000.00	22,000.00 100%
	Total EXPENSES		<u>2,184.99</u>	<u>45,299.99</u>	<u>123,941.00</u>	<u>78,641.01 63%</u>

City of John Day
Statement of Expenditures - Unposted Transactions Included In Report
From 1/1/2024 Through 1/31/2024

26 - Motor Pool Fund

		Current Period			Total Budget	Percent Budget
		Actual	Current Year Actual	Total Budget	Variance	Remaining
EXPENSES						
PERSONNEL SERVICES						
Motor Pool	110	1,971.35	19,718.19	101,437.00	81,718.81	81%
Total PERSONNEL SERVICES		1,971.35	19,718.19	101,437.00	81,718.81	81%
MATERIALS & SERVICES						
Fire	050	153.73	24,416.67	39,460.00	15,043.33	38%
Motor Pool	110	1,489.68	35,970.82	104,610.00	68,639.18	66%
Total MATERIALS & SERVICES		1,643.41	60,387.49	144,070.00	83,682.51	58%
CAPITAL OUTLAY						
Fire	050	0.00	0.00	29,660.00	29,660.00	100%
Motor Pool	110	0.00	0.00	23,243.00	23,243.00	100%
Total CAPITAL OUTLAY		0.00	0.00	52,903.00	52,903.00	100%
Total EXPENSES		<u>3,614.76</u>	<u>80,105.68</u>	<u>298,410.00</u>	<u>218,304.32</u>	<u>73%</u>

City of John Day
Statement of Expenditures - Unposted Transactions Included In Report
From 1/1/2024 Through 1/31/2024

33 - Unpaid Comp Fund

		Current Period			Total Budget	Percent Budget
		Actual	Current Year Actual	Total Budget	Variance	Remaining
EXPENSES						
PERSONNEL SERVICES						
Administration	010	0.00	0.00	127,374.00	127,374.00	100.00%
Total PERSONNEL SERVICES		0.00	0.00	127,374.00	127,374.00	100.00%
Total EXPENSES		<u>0.00</u>	<u>0.00</u>	<u>127,374.00</u>	<u>127,374.00</u>	<u>100.00%</u>

City of John Day
Statement of Expenditures - Unposted Transactions Included In Report
From 1/1/2024 Through 1/31/2024

34 - Urban Renewal Agency

		Current Period		Total Budget	Total Budget	Percent Budget
		Actual	Current Year Actual	Total Budget	Variance	Remaining
EXPENSES						
MATERIALS & SERVICES						
Administration	010	20.00	265,415.76	1,464,902.00	1,199,486.24	81.88%
Total MATERIALS & SERVICES		20.00	265,415.76	1,464,902.00	1,199,486.24	81.88%
CONTINGENCY						
Administration	010	0.00	0.00	150,000.00	150,000.00	100.00%
Total CONTINGENCY		0.00	0.00	150,000.00	150,000.00	100.00%
Total EXPENSES		<u>20.00</u>	<u>265,415.76</u>	<u>1,614,902.00</u>	<u>1,349,486.24</u>	<u>83.56%</u>