MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF JOHN DAY RUSS YOUNG REGARDING 2020 U.S. DEPARTMENT OF TRANSPORTATION BUILD GRANT

THIS MEMORANDUM OF UNDERSTANDING ("MOU") is entered into on May 14, 2020 ("Effective Date") by and between the City of John Day ("City"), an incorporated city in Grant County, Oregon and Russ Young ("Young"), whose address is 433 Patterson Bridge Road, John Day, Oregon 97845.

WHEREAS, City is applying for the U.S. Department of Transportation's 2020 Build Grant to improve access to reliable transportation and promote regional connectivity and economic growth in the John Day area; and

WHEREAS, City owns approximately 90-acres of buildable land around the John Day River and U.S. Highway 26 (the "Area") that is currently disconnected from city streets and state highways; and

WHEREAS, City has developed a master plan for the Area that includes creating new residential, commercial and industrial opportunities as well as public recreation and open space (the "Project"); and

WHEREAS, City has created a team of public and private agencies to improve the Area's infrastructure, including but not limited to water, wastewater, reclaimed water, electric and broadband services; and

WHEREAS, Young owns approximately 30-acres of property zoned Residential General adjacent to the Area, identified as Ironwood Estates Phase 2 and Ironwood Estates Phase 3, as shown in Exhibit A; and

WHEREAS, Young, through its company I.T. Logging, has entered into a purchase and sale agreement with City to sell 14-acres of property zoned General Industrial to City to create a new industrial park, as shown in Exhibit B; and

WHEREAS, City intends through these property acquisitions and a future Development Agreement to complete the local street network and utilities to service the industrial park and Ironwood Estates; and

WHEREAS, Iron Triangle, Young's company, is an experienced and reputable land development and construction firm that successfully completed the Phase 1 Ironwood Estates single-family residences as well as several multi-family housing projects in John Day; and

WHEREAS, the City and Young wish to work together to promote their mutual interests in extending and improving the Project infrastructure to promote new industrial development and residential housing opportunities in the city;

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the City and Young agree as follows:

1. 2020 Build Grant Application: City will apply for the 2020 Build Grant to assist in funding the Project and in extending infrastructure in the Area, including but not limited to preliminary and final engineering, site design and utility services.

2. Public Right-of-Way. Young will make available to City adequate right-of-way within the Property to accomplish the Project scope of work that affects the Property, as shown in Exhibit B, which includes:

    a. Extension of and improvements to a new Government Entry Road to connect Patterson Bridge Road to Valley View Drive.
    b. The proposed cul-de-sacs extending from Valley View Drive and Government Entry Road to service the new residential housing developments in Ironwood Estates Phase 2 and Phase 3.

3. Residential and Industrial Development. City and Young will coordinate planning and development of new residential improvements for the Project, to be formalized in subsequent agreements. The scope for these agreements shall include, but is not limited to, the following:

    a. Young will contribute the 20-percent matching funds requirement for the Ironwood Estates Phase 2 and Phase 3 residential development, based on the City Engineer's project cost estimate enclosed in Exhibit C.
    b. City and Young will enter into a Development Agreement upon approval by the U.S. DOT to jointly develop the street and utility infrastructure for the Ironwood Estates Phase 2 and Phase 3 residential development.

4. Term. Unless terminated prior to the expiration date in accordance with the terms and conditions of this MOU, the term of this MOU shall be for a period of twelve (12) months from the Effective Date. The parties may decide to extend the term of this MOU at any time by mutual agreement in writing.

5. Proprietary Information.

    a. The term "proprietary information" used in this MOU means confidential

information and/or data exchanged between the parties in oral, visual, written, printed, or electronic form during the course of their communications. The parties agree to protect each other's proprietary information. Proprietary information must be clearly marked as such in writing by the disclosing party within ten (10) days of such disclosure. The parties agree that any proprietary information will be used solely for the purposes outlined in this MOU and neither party will divulge such proprietary information to any person or other parties without prior written consent of the disclosing party. The standard of care for protecting such information, imposed on the party receiving proprietary information, will be that degree of care the receiving party uses to prevent disclosure, publication or dissemination of its own proprietary information.

b. Proprietary information does not include information which: (1) is in the public domain at the time of disclosure or thereafter enters the public domain other than through a breach of this MOU; (2) is lawfully obtained from a third party under circumstances permitting the receiving party to use or disclose the information without restriction; (3) is independently developed by the receiving party; or (4) is required to be disclosed as a result of the Oregon Public Records Law, ORS 192.410 *et seq.*, or by governmental or judicial action.

c. Upon termination or expiration of this MOU, unless prior to the termination or expiration the parties mutually sign and execute one or more definitive agreements regarding the transactions contemplated by this MOU, the receiving party shall return or destroy the other party's proprietary information.

6. Indemnification. The City, including its elected and appointed officials, and Young, agree to mutually indemnify and hold each other harmless from and against any and all claims, damages, losses, liabilities, and expenses (including reasonable attorneys' fees, incurred in connection with investigating or defending against any such claims, damages, losses or liabilities), related to or arising out of their activities hereunder. Notwithstanding the foregoing, neither party shall be liable for indemnification with respect to any loss, claim, damage, liability, or expense if, by a final judgment, such loss, claim, damage, liability, or expense primarily resulted from the other party's willful misconduct or gross negligence in performing its obligations hereunder.

7. Dispute Resolution**.** The City and Young shall attempt in good faith to resolve any controversy, claim, or dispute between them arising out of or relating to this MOU and the transactions contemplated hereby, by prompt negotiation between representatives who have authority to settle the dispute. If any dispute is not resolved by mutual agreement, the parties may, by mutual written consent, submit the dispute to non-binding mediation, in a forum and according to the procedures jointly agreed to by the parties. If non-binding mediation does not result in a resolution of the dispute,

then the parties shall submit the dispute to binding arbitration in accordance with the rules and processes of the American Arbitration Association.

8. Assignment. Neither the City nor Young may assign this MOU or any part thereof or interest therein without the prior express written consent of the other party.

9. Governing Law. The interpretation and enforcement of this MOU shall be governed by the laws and regulations of the State of Oregon applicable to agreements made to be performed entirely within that state.

10. Change in Law: In the event there is a change in a federal or state statute or regulation applicable to this MOU, either party may notify the other party in writing of its desire to amend this MOU in order to comply with the change in statute or regulation. The City and Young may by written request amend this MOU to comply with such change in statute or regulation provided that such amendment is approved by both parties.

11. Amendment: This MOU may be amended only by a written amendment that is signed by the authorized representatives of both parties.

12. Severability: Should any provision or sections of this MOU be determined to be void, invalid, or otherwise unenforceable by any court of competent jurisdiction, that determination shall not affect the remaining provisions or sections of this MOU, which shall remain in full force and effect.

IN WITNESS WHEREOF, This MOU shall inure to the benefit of and be binding upon the parties and their respective successors and assigns.

RUSS & TARA YOUNG

Name: Russ Young

Sign.:

Date: 5-15-20

Name: TARA Young

Sign.:

Date: 5-15-20

CITY OF JOHN DAY

Name: Nicholas Green

Title: City Manager

Date: 5-15-20

Sign.:

Exhibit A.

Young Property in Project Area

[Enclosed]

Young Property

Yellow (Property) with Streets (Red)
Map Number 13S31E22A
Tax Lot 300 (Ironwood Phase 2)
Tax Lot 400 (Ironwood Phase 3)

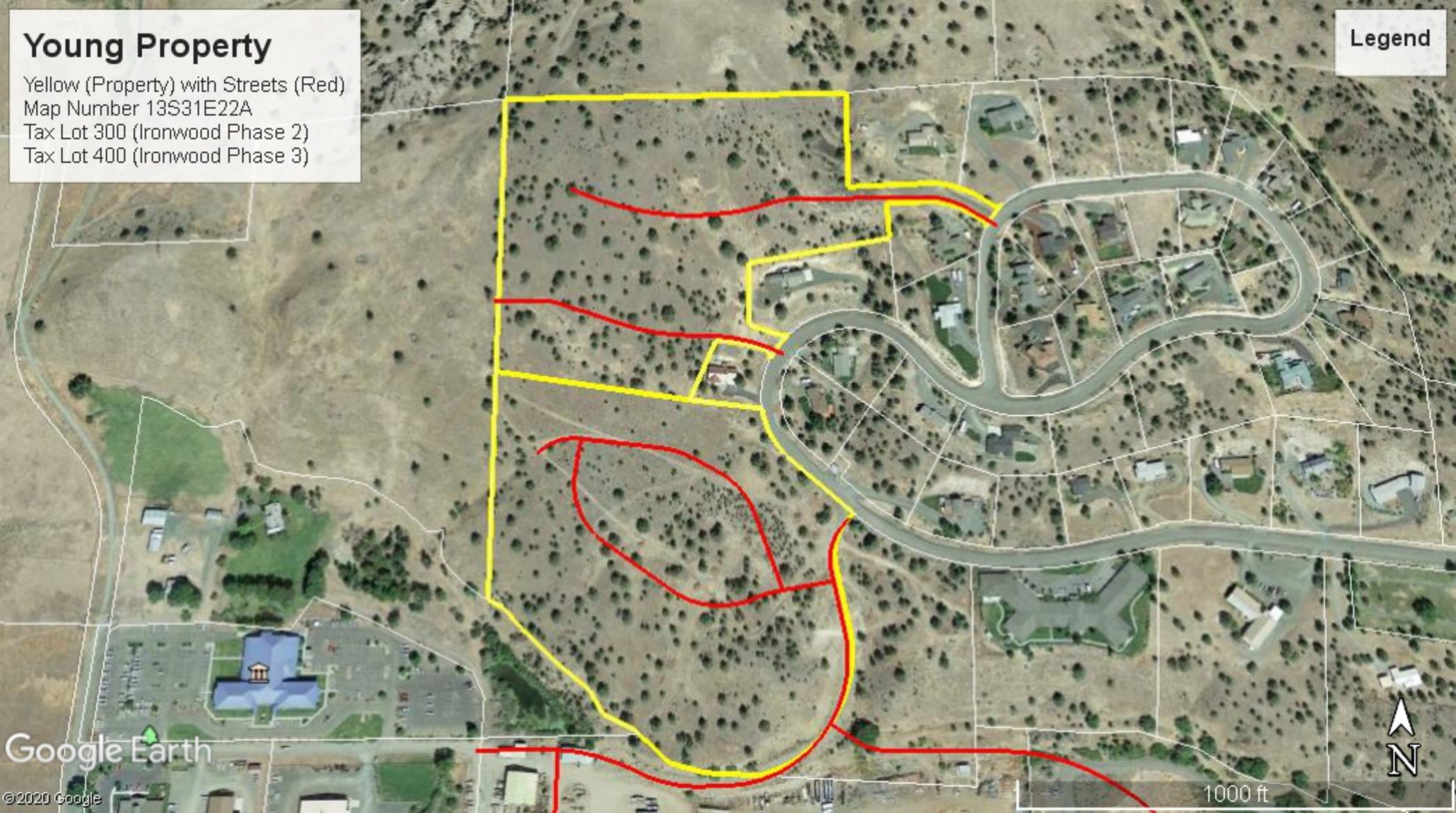


Exhibit B.

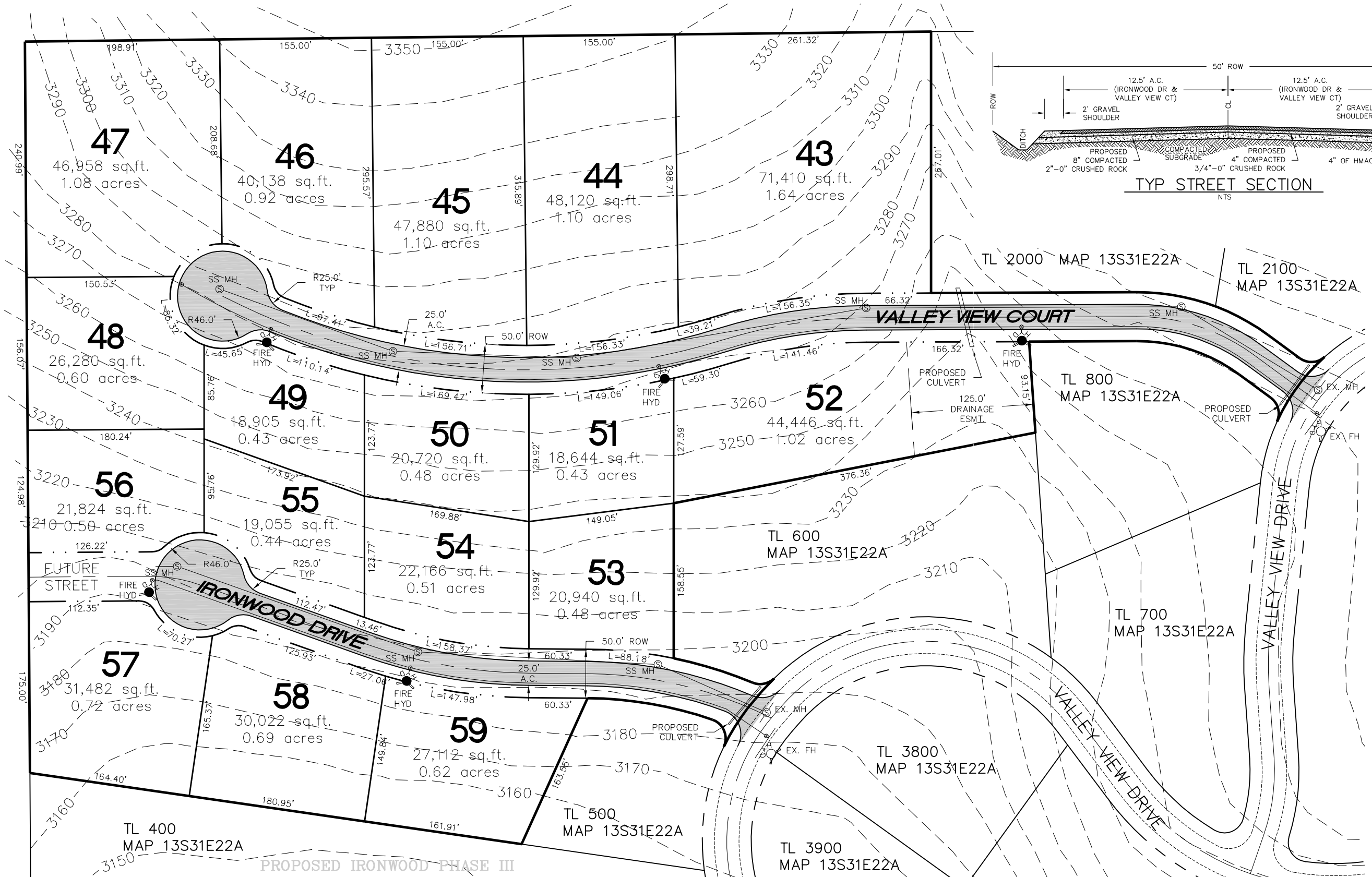
Project Area Maps

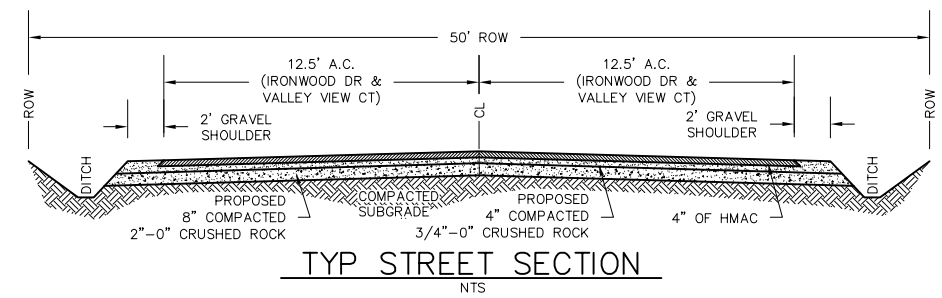
[enclosed]

GRAPHIC SCALE

100 0 50 100 200 400

(IN FEET)
1 inch = 100 ft.





TYP STREET SECTION
NTS

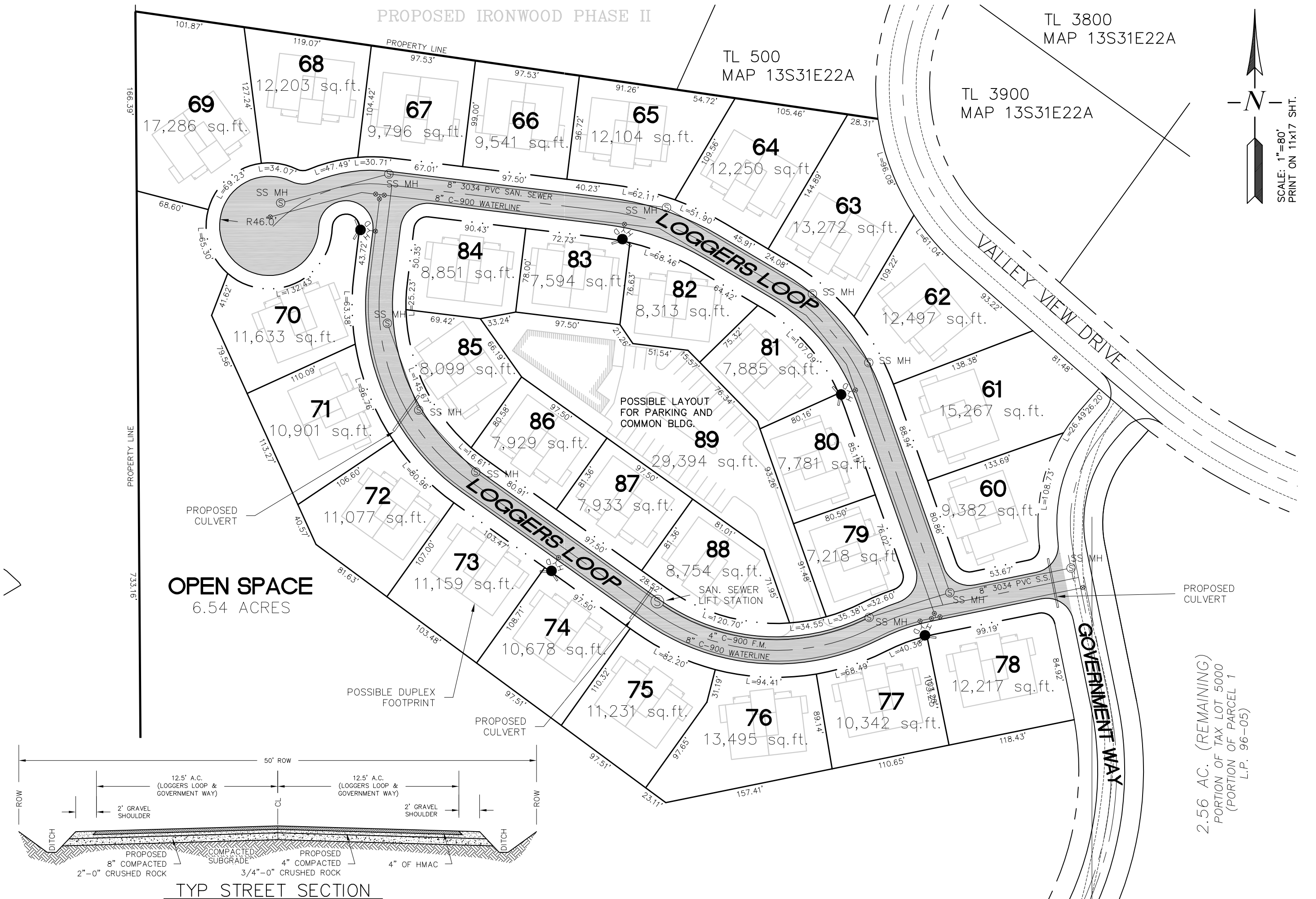
REVISIONS	BY
..	..

PRELIMINARY PLAT
IRONWOOD PHASE 2
...

PHASE 2
LAYOUT

SISUL ENGINEERING
158 E. MAIN ST.
JOHN DAY, OREGON 97845
(541) 575-3777
DRAWING: IRONWOOD PH2.dwg

DATE	APRIL 2020
SCALE	1"=100'
DRAWN	JH
JOB	19–
FIGURE	3.2a



REVISIONS	BY
..	..

MULTI FAMILY HOUSING (DUPLEX) LAYOUT

IRONWOOD PHASE 3

...

ISUL ENGINEERING
158 E. MAIN ST.
JOHN DAY, OREGON 97845
(541) 575-3777
DRAWING: XX.dwg

DATE	APRIL 2020
SCALE	1"=80'
DRAWN	JH
JOB	20-
FIGURE	3.2b

Exhibit C.

Engineers Project Cost Estimate – Ironwood Estates Phase 2 / Phase 3

[enclosed]

Engineer's Cost Estimate

Innovation Gateway Project - Ironwood Phase II

4/15/2020

DESCRIPTION	QUAN.	UNIT	UNIT PRICE	TOTAL PRICE
General				
Mobilization (7.5% Project Cost)	1	LS	$ 53,946.56	$53,947
Erosion/Pollution Control (2.5% Project Cost)	1	LS	$ 17,982.19	$17,982
Streets and Site Grading				
Sawcut A.C.	70	LF	$ 3.00	$210
Clearing/Striping/Removal of Organics	1	LS	$ 12,000.00	$12,000
Grading Cut/Fill	10000	CY	$ 15.00	$150,000
Prep, Water & Compact Sub-Grade	7036	SY	$ 3.30	$23,217
2"-0" Base Rock in place	1173	CY	$ 32.00	$37,523
3/4"-0" Base Rock in place	586	CY	$ 37.00	$21,693
Hot Mix Asphalt Conc.	1054	ton	$ 135.00	$142,269
Signage	40	SF	$ 55.00	$2,200
Waterline - Domestic Use				
8" C-900 PVC	1390	LF	$ 55.00	$76,450
6" C-900 PVC	50	LF	$ 50.00	$2,500
1" Water Service & Meter	17	EA	$ 1,200.00	$20,400
Fire Hydrant	5	EA	$ 4,250.00	$21,250
8"x6" Tee	5	EA	$ 550.00	$2,750
8" Bend	10	EA	$ 500.00	$5,000
8" Gate Valve	2	EA	$ 1,100.00	$2,200
6" Gate Valve	5	EA	$ 900.00	$4,500
Connect to Existing Waterline Tee	2	EA	$ 1,500.00	$3,000
Sanitary Sewer				
8" 3034 PVC	1730	LF	$ 65.00	$112,450
4" 3034 PVC	425	LF	$ 45.00	$19,125
48" Manhole	8	EA	$ 4,500.00	$36,000
Storm Drainage				
36" HDPE Culvert	75	LF	$ 110.00	$8,250
12" HDPE Culvert	140	LF	$ 45.00	$6,300
Roadside Ditch	4000	LF	$ 2.50	$10,000
			Sub Total	***$791,216***

Construction Contingency (10%)	$79,122
Engineering, Bid Assistance, & Construction Oversite	$40,000
Topography Survey, ROW Survey, Construction Staking	$25,000
Legal, Permits & Administration	$15,000
Project Estimate Total	**$950,338**

Engineer's Cost Estimate

Innovation Gateway Project - Ironwood Phase III

4/15/2020

DESCRIPTION	QUAN.	UNIT	UNIT PRICE	TOTAL PRICE
General				
Mobilization (7.5% Project Cost)	1	LS	$ 80,888.76	$80,889
Erosion/Pollution Control (2.5% Project Cost)	1	LS	$ 26,962.92	$26,963
Streets and Site Grading				
Sawcut A.C.	70	LF	$ 3.00	$210
Clearing/Striping/Removal of Organics	1	LS	$ 20,000.00	$20,000
Grading Cut/Fill	22000	CY	$ 15.00	$330,000
Prep, Water & Compact Sub-Grade	6412	SY	$ 3.30	$21,159
2"-0" Base Rock in place	1069	CY	$ 32.00	$34,196
3/4"-0" Base Rock in place	534	CY	$ 37.00	$19,769
Hot Mix Asphalt Conc.	945	ton	$ 135.00	$127,633
Signage	40	SF	$ 55.00	$2,200
Waterline - Domestic Use				
8" C-900 PVC	1766	LF	$ 55.00	$97,130
6" C-900 PVC	50	LF	$ 50.00	$2,500
1" Water Service & Meter	57	EA	$ 1,200.00	$68,400
Fire Hydrant	5	EA	$ 4,250.00	$21,250
8"x6" Tee	5	EA	$ 550.00	$2,750
8" Bend	12	EA	$ 500.00	$6,000
8" Gate Valve	7	EA	$ 1,100.00	$7,700
6" Gate Valve	5	EA	$ 900.00	$4,500
Hot Tap Existing Waterline Connection	1	EA	$ 4,000.00	$4,000
Sanitary Sewer				
8" 3034 PVC	1400	LF	$ 65.00	$91,000
4" 3034 PVC	1425	LF	$ 45.00	$64,125
48" Manhole	11	EA	$ 4,500.00	$49,500
San. Sewer Lift station	1	LS	$ 80,000.00	$80,000
4" C-900 Forcemain	200	LF	$ 45.00	$9,000
Storm Drainage				
12" HDPE Culvert	120	LF	$ 45.00	$5,400
Roadside Ditch	4038	LF	$ 2.50	$10,095
			Sub Total	***$1,186,368***

Construction Contingency (10%)	$118,637
Civil Engineering- Preliminary, Design & Construction Oversite	$80,000
Topography Survey, ROW Survey, Construction Staking	$42,000
Legal, Permits & Administration	$15,000
Project Estimate Total	**$1,442,005**