



City Council Meeting
January 20, 2026, 7:00 pm
City Hall Council Chambers
201 NW Douglas Blvd.
541.679.6739 info.

Agenda

- I. Call to Order**—*Christie Knutson, Mayor*
 - A. Pledge of Allegiance
 - B. Roll Call
 - C. Adjustments to the Agenda
- II. Comments from the Audience**—*anyone wishing to discuss items not covered on this agenda is welcome to address the City Council as a whole. Please state your name and address for the record. Each speaker will be given a maximum of 3 minutes. Speakers may not defame, intimidate, or use profanity or personal affronts. The Council reserves the right to delay action until they have full information on the issue.*
- III. Reports: Boards, Commissions, Committees and Schools**
 - A. Park Board for January 13, 2026—*Dori White, Liaison*
 - B. Economic Development for January 14, 2026—*Dave Cunningham, Liaison*
- IV. Department Reports**
 - A. Wastewater Plant—*Chris Sherlock, Superintendent*
 - B. Public Works—*Andy Howell, Superintendent*
 - C. Administration—*Thomas McIntosh, City Manager*
- V. Old Business**
- VI. New Business**
 - A. Set Council Workshop – February 9th – Budget Analysis
 - B. Resolution No. 26-1213 Douglas County IGA Leachate 6th Extension
 1. Read by Title Only—*Cindy Sarti, City Recorder*
 2. Staff Report—*Chris Sherlock*
 3. Comments from the Audience (3 minutes each speaker)
 4. Council Action
 - C. Resolution No. 26-1214 Highway 42 Sewer Project Grant Agreement
 5. Read by Title Only—*Cindy Sarti, City Recorder*
 6. Staff Report—*Thomas McIntosh*
 7. Comments from the Audience (3 minutes each speaker)
 8. Council Action
- VII. Non-Agenda Items from Council**
- VIII. Good of the Order**
 - A. Check Copies
 - B. Claims in Excess of \$500

IX. Announcements

- City Council Meeting, Feb. 2nd 7pm; City Hall
- Coffee with Christie, Feb. 7th 10am-12pm; City Hall
- City Council Workshop, Feb. 9th *Tentative*; City Hall
- Park Board Meeting, Feb. 10th 4pm; City Hall
- Economic Development Meeting, Feb. 11th Noon; City Hall
- Chamber of Commerce, Feb. 12th 6pm; City Hall
- City Council Meeting, Feb. 16th 7pm; City Hall
- Planning Commission Meeting, Feb. 18th 5:30pm; City Hall

X. Executive Session—Pursuant to ORS 192.660 (2)

XI. Adjournment

AMERICANS WITH DISABILITIES NOTICE

As part of public policy, the City of Winston will attempt to provide public accessibility to services, programs, and activities. If accommodation is needed to participate in this meeting, please contact Winston City Hall at 541-679-6739, at least 48 hours prior to the scheduled meeting time.



Park Board 2026

Park Board Meeting Minutes
January 13, 2026 4:00 pm
Winston City Hall

1. Call to Order:

The meeting was called to order at 4:04 pm.

Roll Call

Jack Holland, President Onikka Driscoll
Raeann Rutledge, Secretary Ernest Bramucci
Deb DeMasters, Public Works

2. Minutes

The minutes have been read by all present. Onikka made a motion to approve the minutes. Ernest 2nd the motion. All in favor. Motion passed.

3. Guests

Levi Zundel-541-680-1641

addressed the board and presented his concept for a nonprofit music festival at Riverbend Park titled Southern Oregon Can Jam. Entry would be two cans of food or a \$25 donation.

The proposed timeframe is 12:00 PM to 10:00 PM. with approximately five to seven bands, geared toward a younger audience. A tentative date of May 2 was discussed, with consideration of other May dates due to weather concerns.

There will be no alcohol and no vendors, besides possible food trucks. The skate park would be incorporated. Levi previously hosted a similar event in Medford with approximately 200 attendees, raising \$1,000 for food donation.

Levi will return to the next Park Board meeting with a confirmed date and a request for reduced park and stage rental fees.

4. Old Business

A. Create binder for Bench Standards. Jack is personally working on this and will bring binder to next Park Board meeting.

5. New Business

A. Rental Time slots are beginning to fill up for baseball practice on the fields at Riverbend Park for the 2026 season. As a reminder, last year we were able to accommodate 9 teams and brought in \$1000 as opposed to a couple hundred a year, in the few years prior.

B. Terms. Onikka, Jason and Clay need to fill out new Public Volunteer Forms which Deb provided.

6. Public Works None.

7. Other None.

Next Meeting: February 10, 2026, 4:00pm. **Location:** Winston City Hall

Meeting Adjourned 4:37pm

Raeann Rutledge, Secretary

**CITY OF WINSTON
ECONOMIC DEVELOPMENT**

January 14, 2026 12PM
Winston City Hall
541.679.6739

Minutes

I. CALL TO ORDER By Valynn Currie, Chairman .

Board members present were, Steve Johnson, Kem Todd, Dave Carlton and Valynn Currie. Steve moved to approved the minutes for November and December, Kem seconded. Passed. Guests: David Cunningham, Landon Stevens, Teri Fink, Don Cook, and Lucy Tripp.

II. Comments from the Audience

We have an approved new member, Michael Schneider.

III. Committee Reports

1. Community Development- Landon Stevens, city planner, reported that city approved the 20 lot development on Logan Street. Tokay project of 23 lots is approved. Sidewalks for Cary Street for Safe Schools grant is being proposed. Mike Kelly has made application for zone change on apartment complexes on Brockway early stage will take approximately 6 months for zone change..Goal setting will be set up for later in Spring. URA is getting a new attorney. URA has approximately 300k for grants for facades. There is a workshop on changing light poles to LED. There are 303 lights. Looking at grant from Energy Trust.

Chamber has new director Megan Larson. There will be a meeting Jan 15 at 6 pm in annex. No 1st Citizen banquet this year. Shannon will be communications liaison.

Newsletter needs articles by the 3rd Tuesday. The City and WACP will meet regarding the different committees; Festival, Food Bank, Library, Meals on wheels, VFW, Boy Scouts, and Seniors. .

IV. OLD BUSINESS- Lucy Tripp put in application for Economic Development Board.. David Herd is going to court regarding the cease and desist letter.

V. NEW BUSINESSES-B&S Auto has a new RV Supply Store..

VI. GOOD OF THE ORDER

Pitch nights are being set up with Partnership and SBDC. The colors on Antique mall were mentioned. The Partnership hired Brandi Maderos for operations. They are pivoting to be for resources..

VII. ADJOURNMENT

Kem moved to adjourn, Dave Seconded, passed. Next meeting will be February 11, 2026 at noon.

Winston- Green WWTF Monthly Numbers

December 2025

General

1.) Plant Flow (MG)	<u>2025</u>		<u>2024</u>	
<i>Winston</i>	27.75	48%	39.53	49%
<i>Green</i>	29.83	52%	40.32	51%
<i>Rainfall</i>	6.16		9.14	

2.) Leachate

WWTF:	115,500	2,095,500
Ingram:	973,500	
Total:	1,089,000	2,095,500

3.) Storing Bio-Solids

Monthly Notes

- Gravity Belt Flow Meter fixed with Ebay parts
- New Water meter installed for facility
 - Thank you GAWSA
 - This will allow the facilities fire hydrant to work properly if needed
- Worked on deragger systems for pumps 1 & 3
- Both stormwater samples taken
- Backwash pumps 1 & 2 taken in and rebuilt at HPS
 - They are back and installed
- Removed and cleaned sump pumps in dry well
- Due to the dry year we just now ,12-18-25, put flow to both primary and secondary clarifiers
- Process change to Aeration basin to accommodate winter flows
- Call Out
 - Influent pump 3 VFD failure
 - This failure was caused by the a fault inside the VFD. It thinks the pump is running high amps and therefore shutting itself off. The New VFD's have been ordered

SYSTEM CLASSIFICATION: IV PERMIT # 100554
 COUNTY: DOUGLAS

FILE # 98400

D	POPULATION: 10000										TYPE: RBC / ACTIVATED SLUDGE				BIOSOLIDS					
	TOTAL FLOW MGD	INF PH	INF BOD mg/l	INF SS mg/l	NH3 N EFF	EFF PH	EFF TEMP MAX	EFF BOD mg/l	% REM BOD	LBS BOD DIS	LBS DIS SS	EFF SS mg/l	% REM SS	CL2 RES mg/l	CL2 USED GAL.	CL2 USED LBS	ECOLI COL	LAND gallons	DRYING BEDS gallons	RAIN FALL inches
1	1.023	7.5	357	423	28.60	7.9	18.0	6.8	98%	58	6.4	98%	55	0.04	266	17.7	2.0			
2	1.024	7.6				7.9	18.1							0.05	266	17.7				
3	1.062	7.2				7.7	17.8							0.06	268	17.9				
4	1.018	7.4				7.7	17.9							0.03	266	17.7				
5	1.083	7.5	295	315	23.37	7.8	18.0	11.4	96%	103	6.4	98%	58	0.08	269	17.9				0.23
6	1.084	7.4				7.7	17.9							0.06	270	18.0				0.01
7	1.168	7.3				7.7	18.0							0.06	277	18.5	<1			0.01
8	1.132	7.6	331	386	24.50	7.8	18.2	8.1	98%	76	7.8	98%	74	0.06	274	18.3	7.4			
9	1.020	7.4				7.9	18.1							0.03	266	17.7				
10	1.021	7.3	304	316		7.7	18.0	21.4	93%	182	7.2	98%	61	0.03	266	17.7				
11	0.980	7.3				7.6	18.2							0.02	263	17.5				
12	1.045	7.4	363	508	30.00	7.7	17.7	8.2	98%	71	6.0	99%	52	0.08	268	17.9				0.02
13	1.037	7.4				7.8	17.4							0.05	266	17.7				0.01
14	1.087	7.4				7.6	17.5							0.03	271	18.1	1.0			
15	1.094	7.6	345	409	26.20	7.8	17.9	9.4	97%	86	6.8	98%	62	0.02	271	18.1	20.9			0.25
16	1.104	7.5				7.8	17.9							0.02	272	18.1				0.34
17	1.766	7.7	345	433	26.30	7.7	17.4	21.8	94%	321	8.8	98%	130	0.03	321	21.4				0.36
18	1.612	7.5				7.6	16.9							0.03	310	20.7				0.99
19	3.935	7.3	269	332		7.2	16.0	8.1	97%	266	5.0	98%	164	0.02	402	26.8				0.79
20	2.289	7.4				7.4	16.2							0.02	360	24.0				0.05
21	3.268	7.3				7.4	16.2							0.03	381	25.4				0.82
22	2.717	7.4	145	190	8.00	7.5	15.9	15.8	89%	358	14.8	92%	335	0.04	578	38.6	50.5			0.02
23	2.144	7.5	158	183	15.10	7.5	15.9	6.4	96%	114	10.6	94%	190	0.09	624	41.6	35.4			0.12
24	4.094	7.3				7.4	15.2							0.09	760	50.7				1.05
25	2.943	7.4				7.5	15.4							0.08	714	47.6				0.16
26	3.851	7.4				7.6	15.3							0.07	748	49.9				0.88
27	3.402	7.2				7.3	14.9							0.09	763	50.9				0.04
28	2.596	7.2				7.4	15.2							0.09	675	45.0	3.1			
29	2.211	7.3	155	180	9.44	7.5	15.3	10.1	93%	186	13.8	92%	254	0.06	632	42.2	<1			
30	1.946	7.4				7.7	15.2							0.06	602	40.2				
31	1.806	7.5	213	253	14.20	7.7	15.3	10.2	95%	154	6.8	97%	102	0.05	587	39.2				0.01
TOT	57.562									1,976			1,537		12,756	851.07				6.16
MAX	4.094	7.7	363	508	30.00	7.9	18.2	21.8	98%	358	14.8	99%	335	0.09	763	50.91	50.5			1.05
MIN	0.980	7.2	145	180	8.00	7.2	14.9	6.4	89%	58	5.0	92%	52	0.02	263	17.55	<1			0.01
AVG	1.857	7.4	273	327	20.57	7.6	16.9	11.5	95%	165	8.4	97%	128	0.05	411	27.45	5			0.32

I certify that I am familiar with the information contained in this report and that to the best of my knowledge such information is true, complete and accurate.

Christopher W. Sherlock
 SUPERINTENDENT T IV

PERMIT LIMITS: 2.35MGD, pH 6.0 to 9.0, BOD TSS Conc: 30 monthly/45 weekly, Mass BOD TSS 1200 daily/880 weekly/590 monthly, EC/126 monthly



RESOLUTION NO. 26-1213

A RESOLUTION OF THE CITY OF WINSTON OREGON CITY COUNCIL, AUTHORIZING THE CITY MANAGER TO ENTER INTO THE SIXTH EXTENSION OF THE DOUGLAS COUNTY LEACHATE AGREEMENT #30000175.

WHEREAS the city of Winston and the Green Area Water and Sanitary Authority co-own a wastewater treatment plant; and,

WHEREAS the City of Winston, and the Green Area Water and Sanitary Authority along with Douglas County have been under agreement to treat Douglas County's leachate for several years and entered into a new and updated leachate agreement on or around January 6, 2020; and,

WHEREAS like the old agreement, the new agreement is on an annual basis, and it is time to enter into the sixth extension; and,

WHEREAS all parties wish to enter into the sixth extension of the agreement.

NOW, THEREFORE, BE IT RESOLVED THAT, THE CITY OF WINSTON OREGON CITY COUNCIL:

SECTION 1. The city manager is hereby authorized to enter into the sixth extension of Douglas County Leachate agreement #30000175. The new term is extended to January 13, 2026. The agreement is attached hereto and incorporated by reference.

SECTION 2. This resolution shall be in effect upon the date of its adoption.

ADOPTED BY THE CITY OF WINSTON OREGON, CITY COUNCIL ON THIS 20TH DAY OF JANUARY 2026.

APPROVED BY THE MAYOR ON THIS 20TH DAY OF JANUARY 2026.

Christie Knutson, Mayor

Attest:

Cindy M. Sarti, City Recorder



Staff Report

WWTF 26-01

- Date:** January 13, 2026
- Prepared by:** Christopher Sherlock
- Title:** **LEACHATE TREATMENT AGREEMENT 30000175 EXTENSION 6**
- Background:** Currently approximately 81% of the leachate Winston-Green receives has already been treated by an on-site system at the landfill and then is trucked to a dump station on Ingram Road. The remaining 19% of the leachate that Winston-Green receives is Untreated and is brought directly to the facility and discharged into storage tanks where wastewater staff then meters it through our facility for treatment. This untreated leachate that we receive is usually during large rain events for only a few months out of the year. It is expected that in the upcoming year that the amount of untreated leachate we receive will decrease due to refinements being made at the Leachate Treatment facility. Since Douglas Counties leachate treatment facility came online staffs' involvement in the treatment of leachate has drastically decreased along with a significant decrease in the treatment load that is put on Winston-Green. This extension is through December 31st 2026.
- Recommendation:** Staff recommends City Council approve the Leachate Extension Number 6.
- Financial Impact:** The current rate charged is \$0.02 per gallon for both treated and untreated leachate. In addition, there is a fee of \$850 per month for laboratory costs associated with testing ammonia. This amount is split between The City of Winton and Green Area Water and Sanitary Authority.

Winston-Green Wastewater Treatment Facility Treatment Cost

Fiscal Year	Annual Operating		Annual Debt Service	Cost/Gallon		Leachate Flow (Gallons)	% Flow	Leachate Revenue	Lowered Running Cost by %	Treated gal cost covered by leachate revenue	
	Budget	Actual Cost		(Budget)	(Actual)					Verified	Verified
2019-2020	533,365,000	\$1,231,576	\$842,498	\$268,876	\$0.00281	\$0.00208	4,885,500	0.00916	\$107,910	12.8%	
2020-2021	546,512,000	\$1,286,412	\$1,045,935	\$268,876	\$0.00285	\$0.00241	4,900,500	0.008967	\$108,210	10.3%	44,978,376
2021-2022	594,389,000	\$1,333,502	\$1,073,115	\$268,876	\$0.00270	\$0.00226	5,714,500	0.009614	\$124,450	11.6%	55,138,586
2022-2023	634,153,000	\$1,328,080	\$964,036	\$268,876	\$0.00252	\$0.00194	10,242,250	0.016151	\$215,045	22.3%	110,609,218
2023-2024	700,422,000	\$1,897,521	\$1,173,158	\$268,876	\$0.00309	\$0.00206	10,460,800	0.014935	\$219,416	18.7%	106,574,320
2024-2025	700,062,000	\$1,912,021	\$268,876	\$268,876	\$0.00312	\$0.00038	11,264,000	0.016090	\$235,480	#DIV/0!	

The 2 cells highlighted in yellow are missing data. 2019-2020 I do not have an accurate Personnel cost so I calculated it from the year prior. And I am missing the final costs from the 2024-2025 year.



RESOLUTION NO. 26-1214

A RESOLUTION OF THE CITY OF WINSTON OREGON CITY COUNCIL AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH THE STATE OF OREGON THROUGH THE OREGON BUSINESS DEVELOPMENT DEPARTMENT TO EXPEND GRANT AWARD FUNDING IN THE AMOUNT OF \$946,700 FOR THE HIGHWAY 42 SEWER PROJECT.

WHEREAS The City of Winston applied and gained approval of grant funding; and,
WHEREAS the Oregon State Capital Funding grant program offers financial assistance to cities with infrastructure deficiencies; and,
WHEREAS the city applied for funding that would assist in extending the Highway 42 sewer line to open new development potential; and,
WHEREAS the state awarded the City of Winston with \$946,700 executed by Oregon House Bill 5006.

NOW, THEREFORE BE IT RESOLVED THAT THE CITY OF WINSTON OREGON CITY COUNCIL:

SECTION 1. The City Manager is hereby authorized to enter into an agreement with the State of Oregon through Business Oregon to expend grant award funding in the amount of \$946,700, as outlined in Staff Report No. 26-01, attached hereto, and incorporated by reference.

SECTION 2. This resolution shall be in effect upon the date of its adoption.

ADOPTED BY THE CITY OF WINSTON OREGON CITY COUNCIL ON THIS 20TH DAY OF JANUARY 2026.

APPROVED BY THE MAYOR ON THIS 20TH DAY OF JANUARY 2026.

Christie Knutson, Mayor

Attest:

Cindy M. Sarti, City Recorder

GRANT AGREEMENT

Project Name: Abraham & Highway 42 Sewer Improvements

Project Number: C2025633

This grant agreement (“Contract”), dated as of the date the Contract is fully executed, is made by the State of Oregon, acting by and through its Oregon Business Development Department (“OBDD”), and City of Winston (“Recipient”) for financing of the project referred to above and described in Exhibit B (“Project”). This Contract becomes effective only when fully signed and approved as required by applicable law. Capitalized terms not defined in Section 1 and elsewhere in the body of the Contract have the meanings assigned to them by Exhibit A.

This Contract includes the following, listed in descending order of precedence for purposes of resolving any conflict between two or more of the parts:

This Contract less any exhibits	
Exhibit A	General Definitions
Exhibit B	Project Description
Exhibit C	Project Budget

Pursuant to Oregon Laws 2025, Chapter 628, Section 159(5) (the “Act”), OBDD is authorized to make an award from the General Fund (“Fund”) to assist in financing the costs of completing the Project.

SECTION 1 - KEY TERMS

The following capitalized terms have the meanings assigned below.

Estimated Project Cost: \$3,096,162.

Grant Amount: \$946,700.

Project Close-Out Deadline: 90 days after the earlier of the Project Completion Date or the Project Completion Deadline.

Project Completion Deadline: 36 months after the date of this Contract.

SECTION 2 - FINANCIAL ASSISTANCE

OBDD shall provide Recipient, and Recipient shall accept from OBDD, a grant (the “Grant”) in an aggregate amount not to exceed the Grant Amount.

A. Conditions Precedent. OBDD’s obligations are subject to the receipt of the following items, in form and substance satisfactory to OBDD and its Counsel:

- (1) This Contract duly signed by an authorized officer of Recipient; and
- (2) Such other certificates, documents, opinions and information as OBDD may reasonably require.

B. Notwithstanding the above, the aggregate total of Financing Proceeds disbursed under this Contract cannot exceed the Costs of the Project.

SECTION 3 - DISBURSEMENTS

A. Reimbursement Basis. The Financing Proceeds will be disbursed to Recipient on an expense reimbursement or costs-incurred basis. Recipient must submit each disbursement request for the

Financing Proceeds on an OBDD-provided or OBDD-approved disbursement request form (“Disbursement Request”). No funds shall be disbursed for construction activity until Recipient demonstrates to OBDD that final design is complete and regulatory approvals have been secured.

- B. Financing Availability. OBDD’s obligation to make, and Recipient’s right to request, disbursements under this Contract terminate on the Project Close-out Deadline.
- C. Conditions to Disbursements. As to any disbursement, OBDD has no obligation to disburse funds unless all following conditions are met:
 - (1) There is no Default or Event of Default.
 - (2) The representations and warranties made in this Contract are true and correct on the date of disbursement as if made on such date.
 - (3) OBDD, in the reasonable exercise of its administrative discretion, and has sufficient funding, appropriations, limitations, allotments and other expenditure authority to make the disbursement.
 - (4) OBDD (a) has received a completed Disbursement Request, (b) has received any written evidence of materials and labor furnished to or work performed upon the Project, itemized receipts or invoices for payment, and releases, satisfactions or other signed statements or forms as OBDD may require, (c) is satisfied that all items listed in the Disbursement Request are reasonable and that the costs for labor and materials were incurred and are properly included in the Costs of the Project, and (d) has determined that the disbursement is only for costs defined as eligible costs under the Act and any implementing administrative rules and policies.
 - (5) Any conditions to disbursement elsewhere in this Contract are met.

SECTION 4 - USE OF FINANCIAL ASSISTANCE

- A. Use of Proceeds. Recipient shall use the Financing Proceeds only for the activities described in Exhibit B and according to the budget in Exhibit C. Recipient may not transfer Financing Proceeds among line items in the budget without the prior written consent of OBDD.
- B. Costs of the Project. Recipient shall apply the Financing Proceeds to the Costs of the Project in accordance with the Act and Oregon law, as applicable. Financing Proceeds cannot be used for costs in excess of one hundred percent (100%) of the total Costs of the Project.
- C. Costs Paid for by Others. Recipient may not use any of the Financing Proceeds to cover costs to be paid for by other financing for the Project from another State of Oregon agency or any third party.
- D. Misexpended or Unexpended Grant Moneys. Any Grant funds disbursed to Recipient, and any interest earned by Recipient on the Grant funds, that are not used according to this Contract, or that remain unexpended after the Project Completion Deadline, the date the Project is completed, or the date that this Contract is terminated shall be immediately returned to OBDD.

SECTION 5 - REPRESENTATIONS AND WARRANTIES OF RECIPIENT

Recipient represents and warrants to OBDD:

- A. Estimated Project Cost, Funds for Repayment. A reasonable estimate of the Costs of the Project is shown in Section 1.

B. Organization and Authority.

- (1) Recipient is a Municipality, and validly organized and existing under the laws of the State of Oregon.
- (2) Recipient has all necessary right, power and authority under its organizational documents and under Oregon law to (a) execute and deliver this Contract, (b) incur and perform its obligations under this Contract, and (c) receive financing for the Project.
- (3) This Contract has been authorized by an ordinance, order or resolution of Recipient's governing body that was adopted in accordance with applicable law.
- (4) This Contract has been duly executed by Recipient, and when executed by OBDD, is legal, valid and binding, and enforceable in accordance with their terms.

C. Full Disclosure. Recipient has disclosed in writing to OBDD all facts that materially adversely affect the Project, or the ability of Recipient to perform all obligations required by this Contract. Recipient has made no false statements of fact, nor has it omitted information necessary to prevent any statements from being misleading. The information contained in this Contract, including Exhibit B and Exhibit C, is true and accurate in all respects.

D. Pending Litigation. Recipient has disclosed in writing to OBDD all proceedings pending (or to the knowledge of Recipient, threatened) against or affecting Recipient, in any court or before any governmental authority or arbitration board or tribunal, that, if adversely determined, would materially adversely affect the Project or the ability of Recipient to perform all obligations required by this Contract.

E. No Defaults.

- (1) No Defaults or Events of Default exist or occur upon authorization, execution or delivery of this Contract.
- (2) Recipient has not violated, and has not received notice of any claimed violation of, any agreement or instrument to which it is a party or by which the Project or its property may be bound, that would materially adversely affect the Project or the ability of Recipient to perform all obligations required by this Contract.

F. Compliance with Existing Agreements and Applicable Law. The authorization and execution of, and the performance of all obligations required by, this Contract will not: (i) cause a breach of any agreement or instrument to which Recipient is a party or by which the Project or any of its property or assets may be bound; (ii) violate any provision of the charter or other document pursuant to which Recipient was organized or established; or (iii) violate any laws, regulations, ordinances, resolutions, or court orders related to Recipient, the Project or its properties or operations.

G. Compliance with Tax Laws. Recipient certifies that to the best of its knowledge it is not in violation of any state taxes administered by the Department of Revenue under the tax laws of this state and local taxes administered by the Department of Revenue under ORS 305.620. For purposes of this Contract, Oregon tax laws do not include ad valorem property taxes collected by counties.

H. Governmental Consent. Recipient has obtained or will obtain all permits and approvals, and has made or will make all notifications, declarations, filings or registrations, required for the making and performance of its obligations under this Contract and the undertaking and completion of the Project.

SECTION 6 - COVENANTS OF RECIPIENT

Recipient covenants as follows:

- A. Notice of Adverse Change. Recipient shall promptly notify OBDD of any adverse change in the activities, prospects or condition (financial or otherwise) of Recipient or the Project related to the ability of Recipient to perform all obligations required by this Contract.
- B. Compliance with Laws. Recipient shall comply with all applicable laws, rules, regulations and orders of any court or governmental authority that relate to this Contract, the Project and the operation of the road, water, and waste water systems of which the Project is a component. In particular, but without limitation, Recipient shall comply with the following, as applicable:
- (1) Oregon Tax Laws, (as defined in Section 5G.).
 - (2) State procurement regulations found in the Oregon Public Contracting Code, ORS Chapters 279A, 279B and 279C.
 - (3) Prevailing Wage Requirements.
 - (a) Recipient shall comply with state prevailing wage law as set forth in ORS 279C.800 through 279C.870, and the administrative rules promulgated thereunder (OAR Chapter 839, Division 25) (collectively, state "PWR"). This includes but is not limited to imposing an obligation that when PWR applies to the Project, contractors and subcontractors on the Project must pay the prevailing rate of wage for workers in each trade or occupation in each locality as determined by the Commissioner of the Bureau of Labor and Industries ("BOLI") under ORS 279C.815.
 - (b) When the federal Davis-Bacon Act applies to the Project, contractors and subcontractors on the Project must pay the prevailing rate of wage as determined by the United States Secretary of Labor under the Davis-Bacon Act (40 USC 3141 *et seq.*).
 - (c) Notwithstanding (3)(a) and (3)(b) above, when both PWR and the federal Davis-Bacon Act apply to the Project, contractors and subcontractors on the Project must pay a rate of wage that meets or exceeds the greater of the rate provided in (3)(a) or (3)(b) above.
 - (d) When PWR applies, Recipient and its contractors and subcontractors shall not contract with any contractor on BOLI's current List of Contractors Ineligible to Receive Public Works Contracts.
 - (e) When PWR applies, Recipient shall be responsible for both providing the notice to the BOLI Commissioner required by ORS 279C.835 and the payment of any prevailing wage fee(s) required under ORS 279C.825 and BOLI's rules, including OAR 839-025-0200 to OAR 839-025-0230. For avoidance of any doubt, Recipient contractually agrees to pay applicable prevailing wage fees for the Project rather than OBDD, the public agency providing Financing Proceeds under this Contract.
 - (f) Pursuant to ORS 279C.817, Recipient and any contractors or subcontractors may request that the BOLI Commissioner make a determination about whether the Project is a public works on which payment of the prevailing rate of wage is required under ORS 279C.840 (i.e. whether PWR applies).

These laws, rules, regulations and orders are incorporated by reference in this Contract to the extent required by law.

- C. Project Completion Obligations. Recipient shall:

- (1) When procuring professional consulting services, provide OBDD with copies of all solicitations at least 10 days before advertising, and all contracts at least 10 days before signing.
 - (2) Provide a copy of the bid tabulation and notice of award to OBDD within ten (10) days after selecting a construction contractor.
 - (3) Permit OBDD to conduct inspection of the Project at any time.
 - (4) Complete the Project using its own fiscal resources or money from other sources to pay for any Costs of the Project in excess of the total amount of financial assistance provided pursuant to this Contract.
 - (5) Complete the Project no later than the Project Completion Deadline, unless otherwise permitted by OBDD in writing.
 - (6) No later than the Project Closeout Deadline, provide OBDD with a final project completion report on a form provided by OBDD, including Recipient's certification that the Project is complete, all payments are made, and no further disbursements are needed; provided however, for the purposes of this Contract, OBDD will be the final judge of the Project's completion.
 - (7) Obtain and maintain as-built drawings for all facilities constructed as part of the Project.
- D. Ownership of Project. The Project will be owned by Recipient for not less than ten years following the Project Close-Out Deadline.
- E. Operation and Maintenance of the Project. Recipient shall operate and maintain the Project in good repair and operating condition so as to preserve the long term public benefits of the Project, including making all necessary and proper repairs, replacements, additions, and improvements for not less than ten years following the Project Close-Out Deadline. On or before the Project Closeout Deadline, Recipient shall adopt a plan acceptable to OBDD for the on-going operation and maintenance of the Project without reliance on OBDD financing and furnish OBDD, at its request, with evidence of such adoption. The plan must include measures for generating revenues sufficient to assure the operation and maintenance of the Project during the usable life of the Project.
- F. Insurance, Damage. For a period of not less than ten years following the Project Close-Out Deadline, Recipient shall maintain, or cause to be maintained, insurance policies with responsible insurers or self-insurance programs, insuring against liability and risk of direct physical loss, damage or destruction of the Project, at least to the extent that similar insurance is customarily carried by governmental units constructing, operating and maintaining similar facilities. Nothing in this provision precludes Recipient from exerting a defense against any party other than OBDD, including a defense of immunity.
- G. Sales, Leases and Encumbrances. During the Project and for a period of not less than ten years following Project Close-Out Deadline, except as specifically described in Exhibit B (Project Description), Recipient shall not sell, lease, exchange, abandon, transfer or otherwise dispose of any substantial portion of or interest in the Project, unless worn out, obsolete, or, in the reasonable business judgment of Recipient, no longer useful in the operation of the Project. Nevertheless, OBDD may consent to such disposition if it has received 90 days' prior written notice from Recipient.
- H. Books and Records. Recipient shall keep accurate books and records and maintain them according to generally accepted accounting principles established by the Government Accounting Standards Board in effect at the time. Recipient shall have these records audited annually by an independent certified public accountant, which may be part of the annual audit of all records of Recipient.

- I. Inspections; Information. Recipient shall permit OBDD and any party designated by OBDD: (i) to inspect, at any reasonable time, the property, if any, constituting the Project; and (ii) at any reasonable time, to inspect and make copies of any accounts, books and records, including, without limitation, its records regarding receipts, disbursements, contracts, investments and any other related matters. Recipient shall supply any related reports and information as OBDD may reasonably require.
- J. Records Maintenance. Recipient shall retain and keep accessible all books, documents, papers, and records that are directly related to this Contract, the Project or the Financing Proceeds for a minimum of ten years, or such longer period as may be required by other provisions of this Contract or applicable law, following the Project Closeout Deadline. If there are unresolved issues at the end of such period, Recipient shall retain the books, documents, papers and records until the issues are resolved.
- K. Economic Benefit Data. OBDD may require Recipient to submit specific data on the economic development benefits of the Project and other information to evaluate the success and economic impact of the Project, from the date of this Contract until six years after the Project Completion Date. Recipient shall, at its own expense, prepare and submit the data within the time specified by OBDD.
- L. Disadvantaged Business Enterprises. ORS 200.090 requires all public agencies to “aggressively pursue a policy of providing opportunities for disadvantaged business enterprises, minority-owned businesses, woman-owned businesses, veteran-owned businesses, and emerging small businesses...” OBDD encourages Recipient in any contracting activity to follow good faith efforts as described in ORS 200.045, available at https://www.oregonlegislature.gov/bills_laws/ors/ors200.html. Additional resources are provided by the Governor’s Policy Advisor for Economic and Business Equity. Also, the Certification Office for Business Inclusion and Diversity at the Oregon Business Development Department maintains a list of certified firms and can answer questions. Search for certified MWESB firms on the web at: <https://oregon4biz.diversitysoftware.com/FrontEnd/SearchCertifiedDirectory.asp?XID=2315&TN=oregon4biz>.
- M. Professional Responsibility. A professional engineer or architect, as applicable, registered and in good standing in Oregon, will be responsible for any construction design for the Project. All service providers retained for their professional expertise must be certified, licensed, or registered, as appropriate, in the State of Oregon for their specialty. Recipient shall follow standard construction practices, such as bonding requirements for construction contractors, requiring errors and omissions insurance, and performing testing and inspections during construction.
- N. Notice of Default. Recipient shall give OBDD prompt written notice of any Event of Default, or any circumstance that with notice or the lapse of time, or both, may become an Event of Default, as soon as Recipient becomes aware of its existence or reasonably believes an Event of Default is likely.
- O.
- (1) Contributory Liability and Contractor Indemnification—Tort Claims.
- (a) If any third party makes any claim or brings any action, suit or proceeding alleging a tort as now or hereafter defined in ORS 30.260 (“Third-Party Tort Claim”) against a party to this Contract (the “Notified Party”) with respect to which the other party may have liability, the Notified Party must promptly notify the other party in writing and deliver a copy of the claim, process, and all legal pleadings related to the Third-Party Tort Claim. Either party is entitled to participate in the defense of a Third-Party Tort Claim, and to defend a Third-Party